



FY 2011 Trading Update

(Results for the year ended 31 March 2011)

- Profit of the year grows with €6,2m to €7,3m
- Full year REBIT grows by 16,9% to €12,4m
- €12m free cash generation results in €2,8m net cash position (i.e. no net debt)
- RealDolmen grows its H2 Services revenue by 7,6% versus last year

Bruno Segers, Chief Executive Officer of RealDolmen, commented:

“Our strong second half revenue confirms the growth trend initiated in the third quarter of this year. Our profitability continues to improve and we have a steady cash generation. These results demonstrate that RealDolmen is, as one of the better performing companies in the sector, back on a growth track with a financial structure stronger than ever. With a sound order book at hand our full focus is on hiring people under challenging job market conditions. “

In m€	IFRS FY 31/03/2011	IFRS H1 30/09/2010	IFRS H2 31/03/2011	IFRS FY 31/03/2010	% Variation H2 vs H1	% Variation FY vs FY
Turnover	244,2	112,8	131,4	237,4	16,5%	2,9%
Operating results before non recurring (REBIT)	12,4	3	9,4	10,6	213,4%	17,0%
Margin	5,1%	2,7%	7,2%	4,5%	4,5%	0,6%
Operating result(EBIT)	13,0	3,6	9,4	7,2	161,0%	80,5%
Profit (Loss) for the year	7,3	0,8	6,5	1,1	712,5%	563,6%
EBITDA (1)	17,2	5,8	11,4	12,1	96,5%	42,1%
Margin	7,0%	5,1%	8,7%	5,1%	3,5%	1,9%

(1) EBITDA = EBIT increased with depreciations and amortizations

	IFRS 31/03/2011	IFRS 31/03/2010	% Variation
Equity	139,1	131,8	5,5%
Net Debt (2)	-2,8	12,1	-123,1%
Cash	57,5	45,4	26,7%

(2) Net Debt = Financial debts and bank overdrafts minus cash & assets held for trading

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Business Review

During the period, the following contracts and customers were won, across a spread of sectors

RealDolmen has, under the RAPIDDEV frame agreement with the **Belgian Federal Public Service for Finances**, been assigned the first contract to execute a project for the “Consignatie- en Depositokas”. This project automates and simplifies part of the process and the data exchanges concerning the administrative resolution in the case of a business declared bankrupt.

At **Essers**, one of the leading logistic & distribution companies in Belgium, RealDolmen has won the contract to design the strategic plan around their infrastructure needs as well as to renew their full infrastructure, including servers, storage, networking and virtualization using Citrix software.

Picanol, a world leader in the manufacture and distribution of looms made the strategic choice to have RealDolmen redesign their entire datacenter as well as move that datacenter into the RealDolmen DataCenter environment. Since its inception in September, on average one client per week has migrated business to RealDolmen’s DataCenter.

Airial Conseil the French RealDolmen subsidiary, leveraging its skills in HR Management Systems in the Public Sector and its expertise in analysis and data migration, has launched ONP-Connexion. Thanks to this new offering, French Ministries that have to be compliant with the new HR Systems of French Public Administration, ONP (National Payroll Operator), can easily analyze their HR data and make them more reliable in the light of the integration into this new system. Airial Conseil has already won two contracts in this domain, with the **French Agriculture and Defense Departments**.

During the year, RealDolmen has received several awards as the reference ICT company

The past year RealDolmen has clearly affirmed its status as reference ICT company. Our broad expertise and technological know-how were acknowledged with several awards and prizes such as the ‘**Citrix Largest XenDesktop Deployment Belux**’ award at Citrix Synergy Berlin and the “Best Partner of the Year” award for the 4th time at the **Interact Reseller Awards**. Finally RealDolmen also won, for the second years in a row, the **System Integrator of the Year award** at the Data News Awards for Excellence.

In the yearly study “Service Provider Performance in the BeLux” by Equaterra RealDolmen scored 78% on general customer satisfaction, retained its number one position as **Best Supplier for Infrastructure Management** and scored highest in the category **Most Innovative Service Provider**.

RealDolmen is also one of the leading partners for many of the large technology companies. For instance, RealDolmen is the **sole HP Converged Infrastructure Partner in Belgium**. RealDolmen was also admitted into the prestigious **Microsoft Dynamics President’s Club**, a status only assigned to the top 5% of Microsoft Business Solutions partners worldwide because of their constant dedication to their customers and to offering solutions which solve unique business process challenges. RealDolmen also has achieved at this moment **11 silver and 9 gold competencies at Microsoft**, making us unique in Belgium.



Financial Review

Turnover

Turnover grows by 2,8% for the full year. The strong Services revenue growth initiated in Q3 is confirmed in Q4, leading to a robust 7,6% growth for H2. Year-over-year Services revenue grew by 3,1%. Products revenue grew by 2,2% for the full year after a 3,6% decrease in H2.

Turnover in K€	H2 2010/2011	H2 2009/2010	FY 2010/2011	FY 2009/2010	H2 Variance	FY Variance
Infrastructure Products	40.165	41.673	74.214	72.584	-3,6%	2,2%
Subtotal Services & Solutions	91.211	84.736	169.965	164.870	7,6%	3,1%
<i>Professional Services</i>	<i>71.711</i>	<i>66.991</i>	<i>133.539</i>	<i>128.110</i>	<i>7,0%</i>	<i>4,2%</i>
<i>Business Solutions</i>	<i>19.500</i>	<i>17.745</i>	<i>36.426</i>	<i>36.760</i>	<i>9,9%</i>	<i>-0,9%</i>
Total Group	131.376	126.409	244.179	237.454	3,9%	2,8%

- **Infrastructure Products:** H2 Products revenue was strong. The reduction expected in H2 (because of last year's exceptional H2 performance) has been avoided to a large extent (-3,6%). As a result full year Products revenue grew with 2,2%. This growth is the consequence of RealDolmen's strengthened leadership in single source virtualization and datacenter offerings in BeLux.
- **Professional Services:** Professional Services performed strongly in H2 with 7% year-over-year growth. This has been achieved notwithstanding a year-over-year average reduction in billable headcount in our Belgian operations as a consequence of the crisis last fiscal year. The revenue growth is among others due to the strong performance of our French business, improved rates in our Application Services business and improved billability in our Infrastructure Services business.
- **Business Solutions:** Business Solutions revenue recovered in H2 with 9,9% year-over-year growth. The decrease of the Luxemburg software activity has been more than made up by improved performance of enterprise resource planning (mainly Microsoft Dynamics) and enterprise solutions like for example CRM. Billability and day rates have also been improving. Following the stronger H2, year-over-year revenue evolution is close to break-even (-0,9%).

Operating result before non-recurring items (REBIT)

H2 REBIT margins increased to 7,1% leading to a sound 5,1% REBIT margin for the full year. H2 REBIT margins increased as a consequence of improved billability and day rates throughout the Professional Services business and a better performance of our Business Solutions business.

Segment Information	FY 2010/2011			H1 2010/2011			H2 2010/2011			FY 2009/2010			H1 2009/2010			H2 2009/2010		
	Rev.	Rebit	% margin															
Infra Products	74,2	4,2	5,6%	34,0	1,7	4,9%	40,2	2,5	6,3%	72,6	4,2	5,9%	30,9	0,7	2,3%	41,7	3,5	8,5%
Professional Services	133,5	10,0	7,5%	61,8	2,7	4,4%	71,7	7,3	10,1%	128,1	9,8	7,6%	61,1	3,9	6,3%	67,0	5,9	8,8%
Business Solutions	36,4	0,5	1,5%	16,9	-0,0	0,0%	19,5	0,5	2,7%	36,8	-0,0	0,0%	18,9	0,7	3,5%	17,8	-0,7	-3,8%
Corporate		-2,3	-1,0%		-1,4	-1,2%		-1,0	-0,7%		-3,4	-1,4%		-1,7	-1,5%		-1,7	-1,3%
Group	244,2	12,4	5,1%	112,8	3,0	2,7%	131,4	9,4	7,1%	237,5	10,6	4,5%	111,0	3,5	3,2%	126,5	7,1	5,6%

Full year REBIT Margins in the **Infrastructure Products** division decreased slightly to a 5,6% average due to the product mix in our Luxemburg entity .

Professional Services REBIT margins were close to last year's margin at 7,5% The decrease in REBIT following the lower revenue of the Belgian high margin Application Services (as a consequence of lower



headcount) has been compensated by strong Infrastructure Services margins and the overall positive impact of increased efficiency following last year's optimization program.

The improvement of H2 REBIT Margins in **Business Solutions** (3%) compared to H1 is the result of the improved billability and day rates of our Enterprise Solutions business and improved performance of our Business Applications business notwithstanding increased roadmap investments.

Corporate Overhead continues to improve mainly as a consequence of last year's optimization efforts and, to a lesser extent, the release of some litigation provisions.

Operating result (EBIT)

The full year EBIT is 5,3% of revenue. We saw EBIT increase by €5,8m compared to last year. This evolution is on the one hand due to the improved Revenue and REBIT margins generated this year. On the other hand, last year's EBIT was impacted by restructuring charges of €3,2m linked to the financial crisis that were qualified as non-recurring. This year, no restructuring charges are taken into account and, when redundancy charges have been incurred, such charges have been included in the REBIT of the relevant segments. Finally this year's EBIT is also positively impacted by the badwill of €0,8m of the Lille acquisition mitigated by related deal costs (€0,2m).

Total profit of the year for the group

The Group reported a profit of the year of €7,3m for the year compared to €1,1m last year. The increase of profit of the year with €6,2m is largely due to the increased EBIT level.

Financial income remained stable compared to last year as a consequence of lowered interest rates on a higher cash amount.

Financial charges also remained stable at €5,8m as a consequence of the slight increase of the yearly buildup of the debt portion of the convertible bond with €520K mitigated by €494K diverse financial cost reductions.

The profit of the year was also positively impacted by a reduction in **income taxes** by €367K as relatively more profit was generated in Belgium where taxes are booked against our deferred tax asset.

Cash flow

Total cash inflow amounted to €12,1m. €19,6m accounts for the net operating cash flow with cost of finance and tax payments amounting to €7,5m. The difference between the €12,1m of cash generated and the €16,8m variance in cash on the balance sheet, is the decrease of €4,7m in assets held for trading.

Equity/Net Debt

Equity increased with €7.3m to €139,1m. The total debt position amounts to €54,6m and consists mainly of a €44,9m convertible debt at favorable terms with maturity in July 2012. Cash balances remain strong at €57,5m, up €12.1m since March 2010. This brings the Net Debt of the company to a negative €2,8m.

Prospects for FY 2011/2012

We expect to continue the revenue growth initiated this fiscal year. FY 2011/2012 early products pipeline is good. Billability and day rates are growing steadily. Headcount remains the company's (and the sector's) main challenge while the order book is strengthening.

We remain confident that our strong market position, our good spread of customers across a number of sectors, our strengthened offering and the benefit of the strategic projects in which we have continued to invest, allow us to continue to gain market share.



For further information on this press release:

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For further information about RealDolmen, visit our website WWW.REALDOLMEN.COM

About REALDOLMEN (BRU:REA)

RealDolmen is an independent single source ICT solutions provider and knowledge company with almost 1,600 highly skilled IT professionals and more than 1,000 customers in the Benelux and France. The company offers innovative, effective and reliable ICT solutions and professional services designed to help its clients achieve their objectives by optimizing their business processes.





Consolidated statement of comprehensive income for the period ended March 31, 2011

	<u>31/03/2011</u>	<u>31/03/2010</u>
	EUR '000	EUR '000
CONTINUING OPERATIONS		
Operating Revenue	246.464	238.410
Turnover	244.179	237.454
Other operating income	2.285	956
Operating Charges	-234.063	-227.804
Purchases of goods for resale, new materials and consumables	-67.847	-64.678
Services and other goods	-52.984	-48.850 (1)
Employee benefits expense	-109.163	-108.977 (1)
Depreciation and amortization expense	-4.212	-4.929
Provisions and allowances	740	696
Other operating expenses	-597	-1.066
OPERATING RESULT before NON-RECURRING	12.401	10.606
Non-recurring revenues	800	0
Restructuring charges	0	-3.238
Other non-recurring charges	-204	-188
OPERATING RESULT (EBIT)	12.997	7.180
Financial income	496	455
Financial charges	-5.806	-5.780
Profit (Loss) before income taxes	7.687	1.855
Income taxes	-383	-750
Profit (Loss) for the year	7.304	1.105
Other comprehensive income	0	0
Total comprehensive income for the period	7.304	1.105
Attributable to:		
<i>Equity holders of the parent</i>	7.304	1.105
<i>Minority interest</i>	0	0
EPS (in EURO)		
Basic earnings per share (EUR)	1,364	0,206
Diluted earnings per share (EUR)	1,364	0,206

(1) comparative figures have been restated to classify Remunerations of Board of Directors as "Employee benefits expense" instead of "Services and other goods".



Consolidated statement of financial position for the period ended March 31, 2011

	<u>31/03/2011</u> EUR '000	<u>31/03/2010</u> EUR '000
ASSETS		
Non Current Assets	135.998	138.635
Goodwill	97.714	97.714
Intangible assets	2.366	3.264
Property, plant and equipment	15.479	16.888
Deferred tax assets	19.946	20.007 (1)
Finance lease receivables	493	762
Current Assets	153.012	125.447
Inventories	9.110	1.121
Trade and other receivables	86.439	78.964
Financial assets classified as held for trading	3.022	7.725
Cash and cash equivalents	54.441	37.637
Non Current Assets as held for sale	0	0
Total Current Assets	153.012	125.447
TOTAL ASSETS	289.010	264.082
EQUITY AND LIABILITIES		
Shareholder's Equity	139.108	131.804
Share capital	32.193	32.193
Share premium	61.807	61.807
Retained earnings	45.108	37.804
Equity attributable to equity holders of the parent	139.108	131.804
Minority interest	0	0
TOTAL EQUITY	139.108	131.804
Non-Current Liabilities	54.133	54.175
Convertible loan notes	44.884	40.431
Obligations under finance lease	2.179	2.720
Bank loans and Other Borrowings	127	3.941
Retirement benefit obligations	4.035	3.996
Provisions	2.417	2.527
Deferred tax liabilities	491	560 (1)
Current Liabilities	95.769	78.103
Obligations under finance lease	273	258
Bank overdrafts and loans	7.183	10.092
Trade and other payables	87.531	66.351
Current income tax liabilities	468	523
Provisions	314	879
Liabilities directly associated with non-current assets classified as held for sale	0	0
Total Current Liabilities	95.769	78.103
TOTAL LIABILITIES	149.902	132.278
TOTAL EQUITY and LIABILITIES	289.010	264.082

(1) Comparative figures have been restated to reflect netting of deferred tax assets and deferred tax liabilities per legal entity.



Consolidated statement of cash flows for the period ended March 31, 2011

	<u>31/03/2011</u>	<u>31/03/2010</u>
	EUR '000	EUR '000
EBIT	12.997	7.180
Depreciation and amortisation	4.212	4.929
Provisions and allowances	-1.040	-316
(Gains) / Losses on disposals of assets	-1.043	-164
Share-based compensation	0	240
Negative goodwill	-800	0
Other adjustments	-153	-162
Gross Operating Cash Flow	14.173	11.707
Changes in working capital	5.466	3.776
Net Operating Cash Flow	19.639	15.483
Income taxes paid	-321	-643
Net Cash Flow from Operating Activities	19.318	14.840
Interest received	188	43
Dividend received	0	183
Investments in intangible assets	-108	-53
Investments in property, plant and equipment	-1.515	-991
Acquisitions of financial assets	-7	0
Cash-in acquisition T-systems	1.352	0
Deferred payment on acquisition of Axias	-1.446	0
Disposals of intangible assets and property, plant and equipment	1.133	639
Investments classified as held for trading (SICAVS) cash inflow	9.687	5.709
Investments classified as held for trading (SICAVS) cash outflow	-4.979	-3.849
Net Cash Flow from Investment Activities	4.306	1.681
Interest paid	-1.219	-1.361
Dividend paid	-2	0
Increase / Decrease financial liabilities cash outflow	-5.600	-979
Cash Flow from Financing Activities	-6.820	-2.340
Changes in Cash and Cash Equivalents	16.804	14.181
Net cash position opening balance	37.637	23.456
Net cash position closing balance	54.441	37.637
Total Cash movement	16.804	14.181



Consolidated statement of changes in equity for the period ended March 31, 2011

	<u>Share Capital</u>	<u>Share Premium</u>	<u>Convertible bond</u>	<u>Retained earnings</u>	<u>Total</u>
Balance at April 1, 2009	32.193	50.006	12.687	35.575	130.461
Net profit/(loss)				1.105	1.105
Share based compensation		240			240
Transfer within equity		-1.126		1.126	0
Other				-2	-2
Balance at March 31, 2010	32.193	49.120	12.687	37.804	131.804
Balance at April 1, 2010	32.193	49.120	12.687	37.804	131.804
Net profit/(loss)				7.304	7.304
Share based compensation					0
Balance at March 31, 2011	32.193	49.120	12.687	45.108	139.108



To the Board of Directors

The statutory auditor confirms that the audit work, which is finished in substance, did not reveal any significant adjustments to the financial information included in the press release.

Diegem, 26 May 2011

The statutory auditor
DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Gert Vanhees