HY 2012-2013 press release

(Results for the half year ended 30 September 2012)

- **Half year turnover decreases with 13% mainly as a consequence of lower product turnover compared to a strong volume last year**
- **Half year REBIT drops to minus €15m, as a consequence of a non-cash impairment on the goodwill of international subsidiaries, one time management restructuring costs and weaker operational performance**
- **Solid financial structure reflected by a positive net cash situation**
- **Back to normal for the second semester of the financial year.**

Marc De Keersmaecker, General Manager of RealDolmen, commented:
"This first semester of 2012 is a transition half in which several negative impacts have come together. Our Belgian Services continued to enjoy a healthy turnover growth but demonstrated a lower productivity. Our international operations suffered a slowdown in their Services activity impacting both turnover and margins. Products turnover was also lower than last year, especially in the light of an exceptional volume last year, which lead to a decline in profitability. Additionally we took several substantial onetime costs including leaving indemnities following a management restructuring and an impairment on the goodwill of our international subsidiaries.

For the second half of this year we expect turnover to be higher and margins to be close to, if not better than the same period last year even if we remain cautious in light of the versatile economic environment. Based on the current visibility, we see improving turnover and productivity both in our Belgian and international operations.

We stick to our single source strategy as our integrated offering is demonstrating success on the market. During this year we are taking measures to improve excellence in execution and efficiency. This includes a change of the organization of the company to bring it better in line with our single source offering. This impacts short term profit but should substantially improve the margins going forward. I am confident the company is on a right track for the medium and long term, even if the financial year's results will be under pressure as a consequence of this first semester."

Half year results September 2012 vs September 2011

in m€	IFRS 30/09/2012	IFRS 30/09/2011	% Variation
Turn over continued operations	112,3	129,1	-13%
Operating results before non-recurring and before impairment	-2,8	6,1	-145%
Margin	*-2,5%*	*4,7%*	
Impairment	12,3	0,0	
Operating results before non-recurring and after impairment (REBIT)	-15,0	6,1	-347%
Margin	*-13,4%*	*4,7%*	
Operating results continued operations (EBIT)	-15,0	6,1	-347%
Net profit (loss)	-16,6	3,1	-633%
EBITDA (1)	-1,3	7,9	-116%
EBITDA Margin	*-1,2%*	*6,1%*	

(1) EBITDA=EBIT increased with depreciations, amortizations and increase in provisions

Balance sheet September 2012 vs March 2012

	IFRS 30/09/2012	IFRS 31/03/2012	% Variation
Equity	126,3	143	-12%
Net Debt (2)	-1,8	-0,5	255%
Cash	18,5	51,6	-64%

(2) Net Debt= Financial debts and bank overdrafts minus cash

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Financial Review

Turnover

Total turnover decreased by 13% for the first half year. Year-over-year Services turnover decreased by 2,6%. The strong Services turnover growth in Belgium has been offset by a weaker activity in our international operations. Products turnover, which is more subject to timing, decreased by 33,2 %, following last year's strong first half.

Turn over per segment in m€	Q1 2012/13	Q2 2012/13	**HY 2012/13**	Q1 2011/12	Q2 2011/12	**HY 2011/12**	*Q2 %Var*	*HY %Va*
Infrastructure Products	13,2	16,2	**29,4**	25,5	18,4	**43,9**	*-12,0%*	*-33,2%*
Professional Services	33,4	30,6	**64,0**	34,1	32,6	**66,7**	*-6,2%*	*-4,0%*
Business Solutions	10,5	8,5	**18,9**	9,5	9,0	**18,4**	*-5,5%*	*2,6%*
Subtotal Services & Solutions	*43,9*	*39,1*	***82,9***	*43,5*	*41,6*	***85,1***	*-6,1%*	*-2,6%*
Total Group	57,0	55,3	**112,3**	69,1	60,0	**129,1**	*-7,9%*	*-13,0%*

- **Infrastructure Products:** HY 2013 products turnover decreased by 33,2 %. Such weaker performance, even if accentuated by last year's strong first half, is the result of the difficult economic environment and timing. The decrease was visible in both Belgium and Luxemburg. Notwithstanding the temporarily weakening turnover in this first half year, we believe our product portfolio and related services is positioning us as leader around cloud, workplace and datacenter initiatives.
- **Professional Services:** Professional Services had a 4% turnover decrease. Our French services turnover slowed down due to temporary difficult market circumstances in the public business resulting in reduced productivity and lower headcount compared to last year. In Belgium, both our application services and our infrastructure services sales grew while supported by increased headcount. The breadth and the quality of our single source offering position us well on the Belgian market notwithstanding a more difficult economic environment..
- **Business Solutions:** Year-over-year Business Solutions turnover grew by 2,6%. This is the result of the strong performance of our Belgian Enterprise Solutions business and our MS Dynamics business. Our MS Dynamics business continues to demonstrate a positive evolution, notwithstanding roadmap investments that are only due to deliver their rewards as of next year. The positive impact of the Belgian business solutions activities is mitigated by a strong decrease of our Luxemburg application business in banking.

Operating result before non-recurring items and before impairment

Over this first semester, REBIT before impairment decreased in all segments to a negative €2,8m.The margins in this first half year were down compared to the same period last year mainly due to lower volume of our Products business, decreased productivity in Professional Services, higher production costs in Business Solutions and onetime expenses including management restructuring costs taken in Corporate.

Segment information before impairment in m€

	HY September 2012					**HY September 2011**				
	Infra Products	Professional Services	Business Solutions	Corporate	Group	Infra Products	Professional Services	Business Solutions	Corporate	Group
Turnover	29,4	64,0	18,9		112,3	43,9	66,7	18,4		129,1
Operating result	1,4	0,7	-2,0	-2,9	-2,8	2,9	4,7	0,1	-1,5	6,1
Rebit Margin in %	*4,7%*	*1,1%*	*-10,3%*		*-2,5%*	*6,5%*	*7,0%*	*0,4%*		*4,7%*

Full year REBIT Margins in the **Infrastructure Products** division decreased to 4,7% as the result of less volume to absorb fixed costs compensated by a higher margin product mix.

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Professional Services REBIT margins are at a low 1,1%. Such REBIT deterioration is a consequence of weak productivity in both Belgium and France in both our Application Services and our Infrastructure Services business. In Belgium productivity has been weak, due to the economic environment. The substantial hiring of young professionals in the second half of last fiscal year exacerbates this negative impact. The company is currently awarded larger projects confirming the breadth and the quality of our single source offering. In view of one of such projects, a provision for potential project overrun has been taken. In France the difficult economic environment and the impact of an election year has led to a record low in billability that has in the meanwhile started to recover.

The half year REBIT Margins in **Business Solutions** ended at -10,3%. This is the consequence, as planned, of the continued roadmap investments in the rewrite of applications for wholesale and enterprise asset management and the development of our hospital application based on MS Dynamics. In Luxemburg, our solutions business continues to be confronted with the difficult economic environment as a whole and the suffering banking business in particular. In our Enterprise Solutions business, increased turnover did not result in improved margins due to lower productivity.

Corporate Overhead increased to 2,6% of turnover as a consequence of the management restructuring that took place in September and an increase in provisions.

Operating result before non-recurring items and after impairment (REBIT)

In view of the difficulties faced by our International operations in the complex market conditions, both in France and Luxemburg, an impairment was taken on the goodwill of the two foreign subsidiaries.

Our Luxemburg business faces the continuous deterioration of the banking environment and the consolidation in the Luxemburg private banking sector combined with the switch from a pure software business model into a more services and solutions centric model. In France, the current economic crisis and the deteriorating public finances has speeded up the overall strategic evolutions of the IT services market. The projected cash flows of our Luxemburg and French operations do no longer justify the current level of goodwill and an impairment of respectively €5,1m and €7,2m was taken.

After impairment, the operating result before non-recurring items is as follows.

Segment information after impairment in m€

	HY September 2012					HY September 2011				
	Infra Products	Professional Services	Business Solutions	Corporate	Group	Infra Products	Professional Services	Business Solutions	Corporate	Group
Turnover	29,4	64,2	18,9		112,5	43,9	66,7	18,4		129,1
Operating result	-0,5	-6,5	-5,2	-2,9	-15,0	2,9	4,7	0,1	-1,5	6,1
Rebit Margin in %	*-1,8%*	*-10,1%*	*-27,3%*		*-13,4%*	*6,5%*	*7,0%*	*0,4%*		*4,7%*

The goodwill impairment of the Luxemburg entity impacts both the Product and the Business Solutions segment. The goodwill impairment of the French entity only affects the Professional Services segment.

Operating result (EBIT)

The half year EBIT is equal to the half year REBIT as no benefit or charges were taken into account as exceptional.

Total Group Net Profit

The Group reported a net loss of -€16,641m for the half year as the EBIT was impacted by lower financial results compared to last year.

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Financial income was €144K, this is €49K higher compared to last year following a better return on short term deposits offset by less cash investments as a consequence of the repayment of the convertible bond earlier this year.

Financial charges decreased with €1,370m as a consequence of the drastic reduction of debt following the reimbursement of the convertible bond during this first half

The impact of **income taxes** was limited to a positive €112K following a correction on our deferred tax asset.

Equity/Net Debt

Equity decreased to €126.329m.

The total debt position amounts to €16,708m. Cash balances are at €18,486m. This results in a negative Net Debt or excess cash position of €1,778m.

Prospects for FY 2012/2013

For the second half of the year, we expect Belgian service turnover to continue to perform stronger than the second half of last year and international services turnover to decrease to a lesser extent than in the first half. Overall service turnover for the second half should at least be equal to last year if not demonstrating growth. Products turnover for the second half should be stronger than last year's second semester. Based on the current information at hand, we expect REBIT margins of the second half also to be close to the second semester of last year notwithstanding additional expenses that might be taken for some cost optimizations.

We remain confident that our leading market position and the strength of our single source offering, the benefit of the strategic projects from which we should start to reap the benefits, the new organization and our financial stability, even more critical in turbulent times, positions us well for the coming years.

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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 over 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.

Condensed consolidated statement of comprehensive income for the period ended September 30, 2012

		30/09/2012	30/09/2011
		EUR '000	EUR '000
CONTINUING OPERATIONS			
Operating Revenue		**113.092**	**130.974**
Turnover	Note 2	**112.284**	**129.062**
Other operating income	Note 3	808	1.912
Operating Charges		**-128.127**	**-124.884**
Purchases of goods for resale, new materials and consumables		-26.840	-40.374
Services and other goods	Note 4	-27.900	-26.812
Employee benefits expense	Note 4	-58.264	-55.550
Depreciation and amortization expense	Note 4	-13.738	-1.760
Provisions and allowances	Note 4	-872	-90
Other operating expenses	Note 3	-513	-298
OPERATING RESULT BEFORE NON-RECURRING		**-15.035**	**6.090**
Non-recurring revenues		0	0
Other non-recurring charges		0	0
OPERATING RESULT (EBIT)		**-15.036**	**6.090**
Financial income	Note 6	144	95
Financial charges	Note 6	-1.861	-3.231
PROFIT (LOSS) BEFORE INCOME TAXES		**-16.753**	**2.954**
Income taxes		112	162
PROFT (LOSS) FOR THE YEAR		**-16.641**	**3.116**
Other comprehensive income		0	0
COMPREHENSIVE INCOME FOR THE PERIOD		**-16.641**	**3.116**
Attributable to:			
Equity holders of the parent		-16.641	3.116
Minority interest		0	0
EPS (in EURO)			
Basic earnings per share (EUR)		-3,195	0,582
Diluted earnings per share (EUR)		-3,195	0,582

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Condensed consolidated statement of financial position for the period ended September 30, 2012

		30/09/2012	31/03/2012
		EUR '000	EUR '000
ASSETS			
Non-Current Assets		**121.250**	**134.015**
Goodwill	Note 9	85.444	97.714
Intangible assets		924	1.369
Property, plant and equipment		14.569	14.727
Deferred tax assets	Note 5	20.062	19.908
Finance lease receivables		251	297
Current Assets		**88.270**	**132.661**
Inventories		1.353	1.619
Trade and other receivables	Note 7	68.431	79.417
Other financial assets	Note 8	1.011	2.000
Cash and cash equivalents		17.475	49.625
TOTAL ASSETS		**209.520**	**266.676**
EQUITY AND LIABILITIES			
Shareholder's Equity		**126.329**	**142.970**
Share capital		32.193	32.193
Treasury shares (-)		-963	-977
Share premium		59.284	59.284
Retained earnings		35.815	52.470
Equity attributable to equity holders of the parent		**126.329**	**142.970**
Minority interest		0	0
TOTAL EQUITY		**126.329**	**142.970**
Non-Current Liabilities		**19.261**	**7.674**
Obligations under finance lease		1.500	1.695
Bank loans and Other Borrowings	Note 6	11.032	63
Retirement benefit obligations		4.233	3.818
Provisions	Note 10	2.110	1.677
Deferred tax liabilities		386	421
Current Liabilities		**63.930**	**116.032**
Convertible loan notes	Note 6	0	41.441
Obligations under finance lease		296	288
Bank overdrafts and loans	Note 6	3.880	7.566
Trade and other payables	Note 11	59.496	66.406
Current income tax liabilities		96	185
Provisions	Note 10	162	146
TOTAL LIABILITIES		**83.191**	**123.706**
TOTAL EQUITY and LIABILITIES		**209.520**	**266.676**

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Condensed consolidated statement of cash flows for the period ended September 30, 2012

	30/09/2012	30/09/2011
	EUR '000	EUR '000
EBIT	**-15.036**	**6.090**
Depreciation and amortization	1.468	1.760
Impairment goodwill	12.270	0
Provisions and allowances	1.288	305
(Gains) / Losses on disposals of assets	-184	-450
Other adjustments	-388	-218
Gross Operating Cash Flow	**-582**	**7.487**
Changes in working capital (*)	3.992	-7.101
Net Operating Cash Flow	**3.410**	**386**
Income taxes paid	-167	-469
Net Cash Flow from Operating Activities	**3.243**	**-83**
Interest received	149	54
Investments in property, plant and equipment	-708	-760
Disposals of intangible assets and property, plant and equipment	188	500
Investments in other financial assets	989	0
Investments classified as held for trading (SICAVS) cash inflow	0	5.336
Investments classified as held for trading (SICAVS) cash outflow	0	-3.542
Net Cash Flow from Investment Activities	**618**	**1.588**
Interest paid	-33	-593
Convertible bond cash outflow	-43.118	0
Dividend paid	-1	-1
Increase / Decrease financial liabilities cash inflow	7.314	2.505
Increase / Decrease financial liabilities cash outflow	-173	-665
Cash Flow from Financing Activities	**-36.011**	**1.246**
Effect of exchange rate changes	0,00	0,00
Effect of change in scope of consolidation	0,00	0,00
Changes in Cash and Cash Equivalents	**-32.150**	**2.751**
Net cash position opening balance	49.625	54.441
Net cash position closing balance	17.475	57.192
Total Cash movement	**-32.150**	**2.751**

(*) These are mainly the changes in balance of inventories, trade receivables and payables and advances received.

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Condensed consolidated statement of changes in equity for the period ended September 30, 2012

	Share Capital	Treasury shares	Share Premium	Convertible bond	Retained earnings	Total
Balance at April 1, 2011	**32.193**	**0**	**49.120**	**12.687**	**45.108**	**139.108**
Net profit/(loss)					3.116	**3.116**
Share based compensation						**0**
Balance at September 30, 2011	**32.193**	**0**	**49.120**	**12.687**	**48.224**	**142.224**
Balance at April 1, 2012	**32.193**	**-977**	**46.597**	**12.687**	**52.470**	**142.970**
Net profit/(loss)					-16.641	**-16.641**
Share based compensation						**0**
Depreciation treasury shares		14			-14	**0**
Balance at September 30, 2012	**32.193**	**-963**	**46.597**	**12.687**	**35.815**	**126.329**

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Auditor Statement

The Statutory auditor confirms that the limited review, which is finished in substance, did not reveal any significant adjustments to the consolidated half-year financial information included in the press release.

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