Porthus NV

Belgium/Software & Computer Services

Analyser

ESN

Buy

Recommendation unchanged

Share price: EUR 9.89

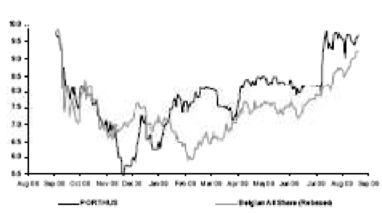
closing price as of 18/09/2009

Target price: 12.50

Target Price unchanged

Reuters/Bloomberg	ALPTH.BR/ALPTH BB
Market capitalisation (EURm)	23
Current N° of shares (m)	2
Free float	38%
Daily avg. no. trad. sh. 12 mth	1,864
Daily avg. trad. vol. 12 mth (m)	0
Price high 12 mth (EUR)	10.75
Price low 12 mth (EUR)	5.50
Abs. perf. 1 mth	4.19%
Abs. perf. 3 mth	17.29%
Abs. perf. 12 mth	-5.37%

Key financials (EUR)	06/08	06/09e	06/10e
Sales (m)	24	27	30
EBITDA (m)	3	3	5
EBITDA margin	*14.1%*	*13.1%*	*15.3%*
EBIT (m)	1	2	2
EBIT margin	*5.7%*	*6.1%*	*8.0%*
Net Profit (adj.)(m)	2	2	3
ROCE	15.8%	14.4%	29.0%
Net debt/(cash) (m)	(4)	(4)	(7)
Net Debt/Equity	*-0.3*	*-0.3*	*-0.5*
Debt/EBITDA	1.1	1.2	1.6
Int. cover(EBITDA/Fin. int)	(95.9)	(68.7)	(40.0)
EV/Sales	0.8	0.6	0.5
EV/EBITDA	5.8	4.3	3.3
EV/EBITDA (adj.)	5.8	4.3	3.3
EV/EBIT	14.3	9.2	6.3
P/E (adj.)	13.6	12.3	9.1
P/BV	2.0	1.5	1.5
OpFCF yield	*15.6%*	*9.8%*	*17.0%*
Dividend yield	*0.0%*	*0.0%*	*0.0%*
EPS (adj.)	0.73	0.68	1.07
BVPS	5.04	5.54	6.34
DPS	0.00	0.00	0.00



Analyst(s):
Siddy Jobe, Bank Degroof
siddy.jobe@degroof.be
+32 (0) 2 287 9279

Porthus reports very solid figures – Prudent guidance

The facts: This morning Porthus published FY08-09 results. The analyst conference call is scheduled at 11:00 am (CET).

Our analysis: Porthus FY08-09 results were slightly ahead of its own guidance. Net revenue stood at EUR 22.4m, an increase of 13%. The company indicated that its growth was primarily driven by its Solutions activity which increased by 20.1%, from EUR 11.6m last year. The solutions business is a mix of managed services and new software implementations. Managed services revenues remained stable. As a result of the difficult economic conditions, the number of transactions on the OnDemand platform significantly decreased, especially during the first quarter of 2009 when transactions dropped with 30%. New connections to the platform, however, compensated for the decreasing income from active customers. Global Trade Management represented 65% of net revenues.

The EBITA, guided for at EUR 2.0m, came out at EUR 2.2m. The company is managing a gradual increase of its margin. Last year the company reported an EBITA-margin of 9.2%, while this year the EBITA-margin came in at 9.7%. This despite the difficult economic climate. The net result, impacted by higher than expected tax charges, came out a bit below our forecast.

Porthus: key figures (EUR '000)	2H 07-08	FY 07-08	2H 08-09e	2H 08-09 Actual	% Change Y-o-Y	FY 08-09e	FY08-09 Actual	% Change Y-o-Y
Solutions Business	6,362	11,581	7,380	7,443	17.0%	13,850	13,913	20.1%
Managed Services	5,511	10,160	6,446	5,391	-2.2%	11,434	10,379	2.2%
Software	851	1,421	934	2,052	141.1%	2,416	3,534	148.7%
Professional Services	3,950	7,740	4,233	4,365	10.5%	8,300	8,432	8.9%
Reselling & Other	3,682	4,475	3,959	460	-87.5%	4,475	976	-78.2%
Revenue (1)	13,994	23,796	15,572	12,268	-12.3%	26,625	23,321	-2.0%
Rebilled Expenses	3,222	3,944	3,510	467	-85.5%	3,938	895	-77.3%
Net Revenue	10,772	19,852	12,062	11,801	9.6%	22,687	22,426	13.0%
Gross Profit (3) = (1) + (2)	4,673.0	8,083.0	5,268.4	5,060.0	8.3%	9,755.4	9,547.0	18.1%
Gross Profit Margin (Net Revenue)	43.4%	40.7%	43.7%	42.9%		43.0%	42.6%	
SG&A and R&D Expenses (4)	-3,858	-6,725	-4,270	-3,509	-9.0%	-8,125	-7,364	9.5%
EBITDA	1,906.0	3,355.0	2,014.7	1,949.0	2.3%	3,476.7	3,411.0	1.7%
EBITDA Margin (Net Revenue)	17.7%	16.9%	16.7%	16.5%		15.3%	15.2%	
EBITA	1,124.0	1,822.0	1,198.8	1,343.0	19.5%	2,038.3	2,183.0	19.8%
EBITA Margin (Net Revenue)	10.4%	9.2%	9.9%	11.4%		9.0%	9.7%	
EBIT	815.0	1,358.0	998.8	1,177.0	44.4%	1,630.3	1,809.0	33.2%
EBIT Margin (Net Revenue)	7.6%	6.8%	8.3%	10.0%		7.2%	8.1%	
Financial Result	6	35	35	17		53	35	0.0%
Profit / Loss before Tax	821	1,393	1,034	1,194	45.4%	1,684	1,844	32.4%
Tax Expenses	210	220	259	485	131.0%	496	722	228.2%
Associates	5	75	0	8		-3	0	
Net Profit	616.0	1,248.0	775.7	717.0	16.4%	1,180.7	1,122.0	-10.1%
EPS (EUR)	0.26	0.53	0.33	0.31	16.1%	0.51	0.48	-10.2%
EPS Diluted	0.26	0.54	0.33	0.31	16.0%	0.51	0.48	-10.3%

For financial year 2010, the company targets to achieve comparable results and profitability levels as in 2009. Whereas we expect 13.5% net revenue growth and 10.8% EBITA growth.

Conclusion & Action: *Porthus reported solid figures, despite a difficult economic climate. The steady implementation of new software implementations is a positive signal for future managed service growth. In addition we believe Porthus growth should be continues supported by EU legislation. We stick to our scenario and to our TP of EUR 12.5*