

# Financial Report

## PORTHUS FINANCIAL YEAR RESULTS 2007 PORTHUS DELIVERS STRONG REVENUE AND NET RESULT

Lier, Belgium – September 17, 2007 – 7:00 AM CET – Porthus (Alternext: ALPTH), a leading OnDemand IT solutions provider today announced results for the financial year ending June 30, 2007.

In financial year 2007, Porthus achieved total consolidated revenues of € 19,504K, compared to € 15,918K in 2006<sup>1</sup>. Net revenues<sup>2</sup> amounted to € 15,899K, representing an increase of 48.5%. Gross profit increased by 45%, amounting to € 5,732K. EBITA<sup>3</sup> improved to € 858K compared to € 349K in the previous year. EBITDA for the full year amounted to € 1,913K, an increase of 103%, compared to financial year 2006 when EBITDA amounted to € 944K.

Porthus's net result for financial year 2007 amounted to € 838K compared to € 216K in 2006.

Financial Year 2007 Highlights:

- **48.5% organic growth of net revenue**
- **recurring revenues increased with 39.6%**
- **EBITA improved from € 349K to € 858K**
- **Net result increased from € 216K to € 838K**

### Results of Operations

Porthus continued to achieve solid growth in its core activities. The growth of Managed Services net revenue represented 39%. In addition to the continued growth of business that Porthus generates from existing customers, new business represented 50% of the growth in Managed Services in 2007.

Breakdown of revenue per service line:

€ '000	FY07 - IFRS ended 30/06/07	FY06 - IFRS ended 30/06/06	Variance
Revenue	19,504	15,918	22.5%
<b>Net revenue</b>	<b>15,899</b>	<b>10,707</b>	<b>48.5%</b>
Managed Services	6,624	4,764	39.0%
Professional Services	8,467	4,883	73.4%
Software	678	834	-18.7%
Reselling and other (net of cost)	130	226	-42.5%

Professional Services showed an increase of 73.4% and amounted to € 8,467K. 25% of the Professional Services revenues in 2007, however, represent the services delivered on the iNDi project. This growth percentage should therefore be considered as exceptional. Professional Services in all other activities was 20% higher compared to 2006, which can be considered a normal growth rate for the Professional Services business.

<sup>1</sup> All comparisons in this report are made relative to full year figures of Porthus's financial-year that ended June 30, 2006.

<sup>2</sup> Net Revenue includes the revenue realized on reselling, net of its cost of sales.

<sup>3</sup> EBITA: earnings before interest and taxes and amortization of the intangible asset constituted by the customer portfolio of affiliated companies.

## Financial Report

Software revenues were mainly impacted by a delay in the deployment of the EU Member States' eCustoms solutions. eCustoms project deployments are strongly dependent on the availability of the electronic customs systems of the local customs authorities. Porthus is well positioned to respond to the expected increasing demand and benefit from this market opportunity.

Recurring revenues, consisting of Managed Services and maintenance contribution of software licenses, provide the company a solid foundation and visibility on future revenues. With its Managed Services, Porthus is establishing a significant recurring revenue base. In financial year 2007, recurring revenues increased with 39.6%, from € 4,988K to € 6,962K in 2007.

€ '000	FY07 - IFRS ended 30/06/07	FY06 - IFRS ended 30/06/06	Variance
Net revenue	15,899	10,707	48.5%
Net cost of sales <sup>4</sup>	10,167	6,753	50.5%
<b>Gross Profit</b>	<b>5,732</b>	<b>3,954</b>	<b>44.9%</b>
General & Administrative <sup>5</sup>	2,326	1,986	17.1%
Selling Costs	1,647	1,289	27.7%
Research & Development	901	330	173.0%
<b>EBITA</b>	<b>858</b>	<b>349</b>	<b>145.8%</b>
<b>EBITDA</b>	<b>1,913</b>	<b>944</b>	<b>102.6%</b>

An increased contribution of Managed Services and scalability of the Porthus.net solution resulted in a strong improvement of gross profit, which increased by 45%. Gross profit margin has slightly decreased, from 36.9% to 36.1%, primarily due to the lower software revenues contribution.

The increase of G&A expenses can mainly be attributed to costs related to Porthus's public listing and the organic growth of the company. Despite continued growth, Porthus was able to control corporate expenses; the combined cost of G&A and selling costs evolved from 30.6% of net revenue in 2006 to 25.0% in 2007.

Research & Development expenses significantly increased due to intensified efforts in the Porthus.net Customs solution and Porthus.net Trading Hub. In light of Porthus's strategy to continue to invest in innovative technologies and solutions, these investments will continue to evolve.

Porthus achieved EBITA of € 858K compared to € 349K in the previous financial year. EBITDA doubled from € 944K to € 1,913K.

### Cash Position

The total amount of cash available to Porthus totaled € 5,467K at June 30, 2007.

<sup>4</sup> The cost of sales as published in the financial statements reduced by the cost of sales of the reselling activities.

<sup>5</sup> Excluding the amortization of the intangible asset constituted by the customer portfolio of affiliated companies.

# Financial Report

## Human Resources

At June 30, 2007 Porthus employed 135 full-time equivalents (including temporary staff) versus 101 FTEs the previous year. This represents an increase in headcount of 34%.

Breakdown of headcount per group:

FTE	FY 2007	FY 2006
	ended 30/06/07	ended 30/06/06
Professional Services	72,4	46,5
Managed Services	42,9	38,9
Management	6,0	7,0
General & Administrative	9,0	5,0
Sales & Marketing	5,0	4,0
<b>TOTAL</b>	<b>135,3 *</b>	<b>101,4</b>

\* For 2007 the number of FTE includes an average amount of 13.2 FTE temporary staff. This external staffing is mainly used for short term (and temporary) additional capacity in Professional Services projects.

## Financial Year 2007 Highlights

- In October 2006, Porthus successfully completed its initial public offering, raising € 7.5 million. The transaction resulted in € 6.6 million extra cash to support Porthus's growth initiatives.
- Since September 2006 sales activities in The Netherlands have started. Porthus BV signed a reference contract with De Lage Landen (part of the Rabobank Group) to integrate their B2B IT environment with the back-office systems of 1200 customers in the Netherlands and at locations abroad, allowing DLL customers easy access and communication.
- The majority participation in Desk Solutions NV was reduced in February 2007, following the acquisition of the SME division of Dolmen Computer Applications NV in December 2006 and the subsequent capital increase. After the capital increase in Desk Solutions the participation of Porthus amounts to 44,4%.
- Porthus signed up several customers for the Porthus.net Customs solution for their clearance and customs management. These customers include Reynaers Aluminium (B), Puratos (B) and van den Anker (NL). Porthus.net Customs is considered a spearhead solution for Porthus's international roll-out and growth.
- Following a detailed feasibility study, Porthus deployed a large-scale project at Randstad Belgium. Porthus implemented a centralized Citrix solution that connects all Randstad offices in Belgium. The architecture is designed to serve up to 1300 users.
- The volume of transactions that are processed by the Porthus.net platform significantly increased during financial year 2007. Porthus.net currently manages an average of 2.4 million transactions per month, compared to 2 million transactions in October 2006.

## Financial Report

- Porthus initiated the set-up of an additional datacenter in Amsterdam (the Netherlands). This datacenter will be connected to Porthus's datacenters in Brussels and Namestovo (Slovakia). The additional datacenter will provide a higher service level in terms of business continuity. The new datacenter in the Netherlands is expected to be operational before the end of 2007.
- Porthus.net Integration Server Release v4.5 was released. The new release includes, among others, Graphical User Interface enhancements and digital signature features. Porthus.net Integration Server supports integration and optimization of global business processes.

### **Growth Strategy & Outlook**

The main strategic areas for further development of the company will be the supply chain integration solution Porthus.net Customs and B2B integration services in the Media/Communications area. Given the growing number of opportunities in logistics solutions as a result of European legislation, R&D investments as well as business growth initiatives in this area remain top priority. Porthus will continue the development of Porthus.net Customs solution, with an application covering multiple EU member states. The solution will provide the necessary flexibility for access to information and integration between production companies, logistics companies, other service providers and local and international customs authorities.

To accelerate its growth strategy, Porthus acquired all Seagha activities with respect to electronic data transmission. Porthus expects the transaction to close by mid October 2007. The acquired Seagha activities will start to contribute to Porthus's 2008 financial results as of the closing date and will be financed through the available cash position of Porthus. The acquisition provides Porthus an immediate footprint in the market of electronic customs solutions, allowing the company to expand its customer references and focus on leveraging this competitive advantage on an international level.

For the financial year 2008, Porthus expects net revenues between € 19 million and € 21 million, compared to € 15,899K in 2007. The management targets a continued improvement of EBITDA result, which is expected to amount to approximately € 2,500K. The 8-month contribution of Seagha activities will positively contribute to Porthus's 2008 EBITDA.

Porthus will continue its focus on the scalability of its solutions and the recurring revenue which is expected to grow at a comparable rate as the previous year. As stated in our 2007 report, the growth percentage in Professional Services should be considered as exceptional. Porthus expects its Professional Services business in 2008 to grow by approximately 20%.

"We are pleased to report strong year-on-year revenue growth and an EBITDA result which was twice the level of Porthus's last financial year," said Luc Burgelman, Chief Executive Officer of Porthus. "Looking ahead, we will maintain our focus on improving our solutions and concentrate our international expansion on the Benelux, UK, FR and Germany; the most important markets for supply chain solutions in Europe."

IFRS consolidated financial statements and statutory annual report of Porthus NV will be available on the Investor Relations section at [www.porthus.com](http://www.porthus.com) on September 21<sup>st</sup> 2007

**Enclosed:**

Porthus Consolidated Financial Year 2007 Income Statement, Balance Sheet and Cash Flow Statement.

# Financial Report

## Statutory auditor's report

The Statutory auditor of Porthus NV, BDO Atrio Bedrijfsrevisoren Burg. Ven. CVBA, has substantially completed his audit procedures on the consolidated balance sheet and profit and loss statement as at June 30, 2007 which is included in the press release.

The Statutory auditor has confirmed that his audit procedures, have not revealed material adjustments, which would have to be made to the accounting information and management comments included in this press release with respect to the consolidated balance sheet and profit and loss statement as at June 30, 2007 of Porthus NV. The Statutory auditor is also of the opinion that with respect to the above consolidated balance sheet and profit and loss statement there is no material omission of information in the press release.

BDO Atrio Bedrijfsrevisoren Burg. Ven. CVBA (B023)  
Statutory auditor  
Represented by  
Koen De Brabander                      Lieven Van Brussel

## Disclaimer

This press release includes forward-looking statements that involve risk and uncertainty. Although the company believes its expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such projections will be fulfilled. Any such forward-looking statement must be considered along with knowledge that actual events or results may vary materially from such predictions due to, among other things, political, economic or legal changes in the markets in which Porthus does business, competitive developments or risks inherent in the company's business plan.

## About Porthus

Porthus ([Alternext](#): ALPTH) is a leading OnDemand IT solutions provider, enabling organizations to manage complex business processes across company boundaries. Porthus leverages innovative technologies and solutions to allow its customers to interact and conduct business with multiple business partners, in a reliable, cost-effective and secure way. Porthus develops, hosts and manages software applications on a central platform; Porthus.net. The use of these applications is offered to the customers 'OnDemand'; the customer has 24/7 access through the Internet and pays for the service on a per-transaction or per-user/month basis. Porthus offers Professional Services, Managed Services and Software solutions in targeted markets in which Porthus acquired considerable knowledge and experience. The company delivers its B2B OnDemand solutions to over 500 companies, covering customer locations throughout Europe and beyond. Additional information and recent news is available at [www.porthus.com](http://www.porthus.com).

## Contact information at Porthus

Ina Suffeleers

Corporate Communications &  
Investor Relations Manager

T: +32 (0)3 800 06 30

M: +32 (0)495 59 02 32

E-mail: [ina.suffeleers@porthus.com](mailto:ina.suffeleers@porthus.com)