

# Financial Report

REGULATED INFORMATION

## FIRST HALF YEAR RESULTS FINANCIAL YEAR 2010

Lier, Belgium – February 15, 2010 – 7:30 AM CET – Porthus<sup>1</sup> (Alternext: ALPTH), a leading OnDemand IT solutions provider today announced results for the first six months ended December 31, 2009.

During the first half year, Porthus achieved consolidated net revenues<sup>2</sup> of € 10,366K, compared to € 10,625K in the same period of the previous year<sup>3</sup>. Porthus's core Solutions activity amounted to € 6,862K, representing an increase of € 392K or 6.1% compared to financial year 2009. The gross profit margin increased from 42.2% to 47.7%, mainly driven by the higher Solutions revenues contribution.

Recurring EBITA<sup>4</sup> decreased by 8% to € 774K compared to € 840K in the same period of the previous year. Recurring EBITDA<sup>5</sup> amounted to € 1,393K or a margin of 13.4%, being 13.8% in the previous year. € 470K of internal development was capitalized during the half-year.

The net result was impacted by non-recurring costs of € 675K, related to restructuring and advisory, and a (non-cash) tax expense of € 160K. The net result amounted to € -236K, compared to € 405K in the same period of the previous year.

### First Half Year Highlights

Net revenue amounts to € 10,366K compared to € 10,625K in 1H09
Solutions activity increased by 6%
Gross profit margin improved from 42.2% to 47.7%
Recurring EBITA decreased by 8% to € 774K
Net result amounts to € -236K compared to € 405K in 1H09

### Results of Operations

During the first six months of financial year 2010, Porthus achieved total revenues of € 11,070K. Net revenues reached € 10,366K, or a decrease of 2% compared to last year.

Porthus maintained a growth of its core Solutions activity, consisting of Software and Managed Services. Compared to the financial year 2009, Solutions revenues increased from € 6,470K to € 6,862K.

Professional Services revenues reached € 3,467K in the first half year of financial year 2010 or a decrease of 15% compared to the previous year.

<sup>1</sup> Porthus is the tradename of the company Zemblaz NV

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

<sup>3</sup> All comparisons in this report are made relative to half year figures of Porthus's financial year that ended Dec. 31, 2008.

<sup>4</sup> Recurring EBITA: earnings before non-recurring costs, interest and taxes and amortization of the intangible asset constituted by the customer and product portfolios recognized as a result of business combinations.

<sup>5</sup> Recurring EBITDA: earnings before non-recurring costs, interest, taxes, depreciations, amortizations and amounts written off.

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Breakdown overview of revenue per service line:

€ '000	1H10 - IFRS ended 31/12/09	1H09 - IFRS ended 31/12/08	Variance
Revenue	11,070	11,053	0.2%
Net revenue	10,366	10,625	-2.4%
<b>Solutions Total</b>	<b>6,862</b>	<b>6,470</b>	<b>6.1%</b>
Managed Services	5,381	4,988	7.9%
Software	1,481	1,482	-0.1%
<b>Professional Services Total</b>	<b>3,467</b>	<b>4,067</b>	<b>-14.8%</b>
Reselling and other (net of cost)	37	88	
<b>Recurring Revenue<sup>6</sup></b>	<b>6,114</b>	<b>5,665</b>	<b>7.9%</b>

During the first six months of financial year 2010, the recurring revenues increased by 8%.

€ '000	1H10 - IFRS ended 31/12/09	1H09 - IFRS ended 31/12/08	Variance
Net revenue	10,366	10,625	-2.4%
Net cost of sales <sup>7</sup>	5,424	6,138	-11.6%
<b>Gross Profit</b>	<b>4,942</b>	<b>4,487</b>	<b>10.1%</b>
Gross Profit Margin	47.7%	42.2%	
General & Administrative <sup>8</sup>	1,724 16.6%	1,753 16.5%	-1.7%
Selling Costs	1,321 12.7%	1,004 9.4%	31.6%
Research & Development	1,123 10.8%	890 8.4%	26.2%
<b>Recurring EBITA</b>	<b>774</b>	<b>840</b>	<b>-7.9%</b>
Recurring EBITA Margin	7.5%	7.9%	
<b>Recurring EBITDA</b>	<b>1,393</b>	<b>1,463</b>	<b>-4.8%</b>
Recurring EBITDA Margin	13.4%	13.8%	
<b>EPS (non-diluted in €)</b>	<b>-0.10</b>	<b>0.17</b>	

Compared to the same period last year, gross profit increased by 10%, amounting to € 4,942. Mainly driven by the higher Solutions revenues contribution, gross profit margin further improved from 42.2% to 47.7%.

<sup>6</sup> Recurring Revenues consist of Managed Services and maintenance contribution of software licenses.

<sup>7</sup> The cost of sales as published in the financial statements reduced by the cost of sales of the reselling activities.

<sup>8</sup> Excluding the amortization of the intangible asset constituted by the customer and product portfolios recognized as a result of business combinations.

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General & Administrative expenses were comparable to last year, going from € 1,753K to € 1,724K. Additional investments in sales capacity and the reorganization of the account management impacted the selling costs which show an increase of 32%. Therefore, the combined cost of G&A and selling costs shows an increase from 25.9% of net revenue last year to 29.3% this year.

In view of Porthus's strategy to expand and improve its OnDemand product offering, the company further invested in Research & Development. R&D expenses increased from € 890K to € 1,123K. € 470K of internal development was capitalized during the half-year.

Recurring EBITA evolved from € 840K to € 774K, an 8% decrease compared to the same period of the previous year.

Restructuring costs consisting of indemnities for the termination of labor contracts in Belgium and the Netherlands (€ 559K) are considered as non-recurring costs (and presented separately to ensure a fair representation of the normal activities of the company), as they are not part of the normal on-going operations of the company. Other non-recurring costs relate to the litigation case referred to in note 13 of the financial statements, the subsequent change of the company name and advisory costs relating to the bid announced by DEXXcartes BVBA.

Due to the non-recurring costs the net result amounted to € -236K compared to € 405K in the previous year.

For 1H10 recurring EBITDA amounted to € 1,393K, compared to 1,463K for the same period in the previous year.

### Public Offer

On December 14th, 2009, The Descartes Systems Group Inc. (Nasdaq:DSGX) (TSX:DSG), a federated global logistics network, has, through its wholly-owned subsidiary DEXXcartes BVBA, a company incorporated under the laws of Belgium, filed with the CBFA (the Belgian banking and finance supervisory authority) its intention to launch a conditional voluntary cash tender offer to acquire all outstanding shares of Porthus at € 12,50 per share, as well as all outstanding warrants of Porthus. The consideration will be paid by Descartes from its available cash on-hand.

The Offer is conditional on Descartes acquiring 95% of Porthus' outstanding shares and there being no material adverse change to Porthus or its business prior to closing.

Porthus' Board of Directors and Executive Management have expressed their unanimous support for this offer, subject to the approval of the prospectus by the CBFA. Porthus' board will provide its formal response to the Offer in the memorandum in reply included in the prospectus.

Certain shareholders of Porthus, holding an aggregate of approximately 51,8% of the shares of Porthus, including the reference shareholder Saffelberg Investments and all Executive Management, have committed to support the Offer and tender their shares to Descartes in the Offer. These shareholders have also granted Descartes a call option to acquire their shares at €12,50 per share.

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IFRS interim financial statements are available on the Investor Relations section at  
[www.porthus.com/investors](http://www.porthus.com/investors)

Enclosed:

Porthus consolidated First Half Year 2010 Income Statement, Balance Sheet and Cash Flow Statement.

### **Statutory Auditor's Report**

The Statutory auditor of Zemblaz NV, BDO Atrio Bedrijfsrevisoren Burg. Ven. CVBA, has substantially completed its limited review procedures on the IFRS interim consolidated financial statements as at December 31, 2009 which is included in the press release.

The Statutory auditor has confirmed that his review 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 IFRS interim consolidated financial statements as at December 31, 2009 of Zemblaz NV. The Statutory auditor is also of the opinion that with respect to the above IFRS interim consolidated financial statements there is no material omission of information in the press release.

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

### **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 1000 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 00

E-mail: [investor.relations@porthus.com](mailto:investor.relations@porthus.com)