



Annual Press Release

BSB 2008

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1. GROWTH AND PROFITABILITY: BSB KEEPS ITS PROMISES!

The significant increase of the company's activities still continues and is reflected in both business units « software publishing » and « services ».

In 2008, BSB recorded revenues of EUR 21.8 million. Compared to 2007, this represents a 31% increase; this is also 12% higher than estimated at the moment of the IPO. The operating profit (EBIT) has more than doubled compared to 2007 (from EUR 1.6 million to EUR 0.7 million).

This significant increase of the activities comes with an important improvement of the profitability. BSB makes an after-tax¹ profit of EUR 1 million (EUR 0.3 million in 2007).

Moreover, BSB shows a very comfortable cash position. It also benefits from a credit line of EUR 2 million, that has not been used yet per 31 December 2008.

2. KEY FIGURES²

En '000 €- Non audited figures	12/2008	12/2007
Revenues	21.764	16.558
Operational cashflow (EBITDA)	2.281	1.232
Operational profit (EBIT)	1.594	723
Consolidated profit before goodwill amortization and after tax	983	345
Treasury investments & available assets	3.378	684
Financial liabilities (LT & ST)	341	102
Equity capital	11.871	7.399

¹ Goodwill amortization excluded

² Figures have been established based on the Belgian accounting standards.

3. RECENT EVENTS

IPO ON ALTERNEXT BRUSSELS

- Mid 2008, the IPO on Alternext Brussels has brought in EUR 4.46 million. The increase in capital that followed this operation strengthens the company's balance sheet structure and offers BSB additional financial means to consolidate its position on its historic markets and to support its expansion strategy in order to become the privileged IT-partner of insurance companies at European level ;

REVENUES GROWTH

- The revenues growth is mainly due to the activities related to « Solife » (licences and provided services ; from EUR 2 million in 2007 to EUR 3.6 million in 2008, an increase of 80%) and to the important growth of the services (from EUR 9.6 million in 2007 to EUR 13.3 million in 2008, an increase of 39%) ;

GROWTH OF THE FRENCH MARKET

- The Belgian and Luxembourgian markets generated 77% of the total revenues (93% in 2007). The activities in France are developing rapidly and revenues growth was strong compared to 2007 (from EUR 1.1 million to EUR 4.2 million). The activities in France account for 19% of the consolidated revenues 2008 (7% in 2007). The other 4% of the consolidated revenues of 2008 reflect the first openings on the markets outside Belgium, Luxembourg and France ;

SIGNING OF NEW CONTRACTS

- BSB has concluded a partnership with the Luxembourgian insurance company la Baloise in order to develop a tool for the management of « classic » life insurance products (branch 21) in Europe ;
- BSB has signed maintenance and service contracts with a certain number of new, major clients such as Zurich, Luxemburger Leben, the Ministry of the Brussels Capital Region and an important French insurance company ;

FOLLOWING-UP

- For the moment being, BSB is followed by the financial analysts of the Gartner Group and Celent.

4. OUTLOOK 2009

We have started 2009 with a global staff that has increased by 35% compared to the same period of last year. Our order book for the first half year justifies this additional capacity. Our prices can be maintained; some can even be increased slightly. Only the asset management activity, covered by Soliam, shows a slight but restricted dip.

However, we are fully aware of the fact that the IT sector is generally one of the last ones to suffer from economic crises. Therefore, we remain cautious with regard to the second half year.

At the end of 2008, we have started to expand our activities on an international level by setting up two new departments: « EMEA », responsible for the sales in Europe and « Market & Product Strategy » which supports the sales teams. The first indications are positive as the commercial activities show a strong growth in terms of number of businesses in progress as well as in terms of financial potential. However, sales cycles are reputed to be long and the first actual results are only expected for the summer of 2009.

The first goal of the IPO was to obtain additional financial means allowing us to grow by doing acquisitions in the geographical zones where we are not present yet. However, we decided to act carefully and to put off this type of transaction in order to see how the crisis will evolve in the coming period.

5. DIVIDENDS

The Board of Directors of BSB will submit to the Annual General Meeting of next 18 May the payment of a gross dividend of EUR 0.28 per share (EUR 597,509.36 for 2,133,962 of shares).

For the financial year 2007, the company has distributed a total dividend of EUR 200,326.00.

6. AUDIT

At the end of his audit assignment, the Statutory Auditor, DGST & Partners Reviseurs d'Entreprises, has confirmed that this audit has not revealed significant misstatements that should be adjusted within the context of the accounting information contained within this annual press release of BSB.

Appendix – detailed profit and loss account³

In '000€ - Non audited figures	12/2008	12/2007	Var%
SALES AND SERVICE FEES	23.490	17.572	34%
Revenues	21.764	16.558	31%
Activated production	1.143	624	83%
Other operational income	583	390	49%
COST OF SALES AND SERVICES (-)	-21.896	-16.849	30%
Goods and supplies	141		
Services & miscellaneous goods	7.051	4.902	44%
Salaries, benefits and pensions	13.934	11.412	22%
Amortization and Depreciation of Fixed Assets	687	509	35%
Depreciation (provisions +, write-backs -)		-40	-100%
Provisions for risks and charges (provisions +, write-backs -)	-29	-196	-85%
Other costs of production	112	262	-57%
OPERATIONAL PROFIT (+) / LOSS (-)	1.594	723	120%
FINANCIAL INCOME	85	19	347%
Income from financial assets			
Income from current assets	74	6	1133%
Other financial income	11	13	-15%
FINANCIAL COSTS	-565	-372	52%
Cost of debts	183	85	115%
Amortization of positive consolidation gaps	368	276	33%
Other financial costs	14	11	27%
RECURRING PROFIT (+) / LOSS BEFORE TAX (-)	1.114	370	201%
EXCEPTIONAL INCOME			
EXCEPTIONAL COSTS	-23		
PROFIT (+) / LOSS OF THE ACCOUNTING PERIOD BEFORE TAX (-)	1.091	370	195%
Deduction on deferred taxes and fiscal latencies (+)	4	7	-43%
Taxes (-)	-494	-310	59%
Tax adjustments and tax provision write-backs	15	4	275%
Transfers and deduction on deferred taxes			
CONSOLIDATED PROFIT (+) / CONSOLIDATED LOSS (-)	616	71	768%
Third party portion	1	2	-50%
Group portion	615	69	791%

The consolidation perimeter per 31 December 2008 has not evolved compared to 2007.

³ Figures have been established based on the Belgian accounting standards.

REVENUES

BSB recorded revenues of EUR 21.8 million, which represents a 31% increase compared to 2007. The activity « software » generated about 39% of the revenues of 2008, while the activity « services » accounted for 61%.

The revenues growth is mainly due to the activities related to « Solife » (licences and provided services ; from EUR 2 million in 2007 to EUR 3.6 million in 2008, an increase of 80%) and to the important growth of the services (from EUR 9.6 million in 2007 to EUR 13.3 million in 2008, an increase of 39%).

The Belgian and Luxembourgian markets generated 77% of the total revenues (93% in 2007). The activities in France are developing rapidly and revenue growth was strong compared to 2007 (from EUR 1.1 million to EUR 4.2 million). The activities in France account for 19% of the consolidated revenues 2008 (7% in 2007). The other 4% of the consolidated revenues of 2008 reflect the first openings on the markets outside Belgium, Luxembourg and France.

ACTIVATED PRODUCTION

BSB continues to invest in the development and improvement of its software packages. This investment, generating several millions of euros of revenues every year, reinforces its technologic assets. In accordance with the evaluation rules, part of the development costs have been activated up to EUR 1 million at the end of 2008 (of which EUR 635 k for Solife), according to what has been foreseen at the time of the IPO. The rest of the activated production is related to the costs for an in-house IT project aiming the implementation of a management tool.

OTHER OPERATIONAL INCOME

They mainly consist in the recharging of costs of which the benefits in kind are related to the company cars for the staff. So these profits are essentially related to the evolution of the activities in general and to the number of staff members in particular.

SALARIES

The growth of the activities of BSB is reflected in a strong growth of the salaries (+22% compared to 2007), associated to an increase of the staff (from 175 people at the end of 2007 to 225 people at the end of 2008). BSB intends to continue the significant increase of its staff in the near future.

SERVICES AND MISCELLANEOUS GOODS

The costs for services and miscellaneous goods have increased due to the volume growth of the company's activities. The strongest increases are seen in the variable costs (mainly the fees for subcontractors in general) and in the costs linked to the rolling stock (as a result of the significant increase of the staff).

AMORTIZATIONS

The increase of the amortization costs is mainly due to the increase of the intangible assets, which are almost entirely made up of the costs relating to the development of the software packages (see above « activated production ») and of the establishment costs made within the context of the IPO.

AMORTIZATION OF THE CONSOLIDATION GAP

As a reminder, we indicate that the consolidated accounts 2007 of the consolidating entity, BSB International, only include 9 months of activity⁴, which explains the higher amortization costs in 2008 (12 months of activity) compared to those of 2007 (see also comments of the balance sheet on the origin of the consolidation gap).

TAXES

The impact of the regime of tax exemption in matters of intellectual property, modified by the law dated 21 December 2007 in the Grand Duchy of Luxembourg, has not been taken into account due to the belated publication of the application memos. However, the management of BSB trusts that the application of this law will have a positive impact on the results of 2009.

⁴ In December 2007, the consolidating entity, BSB International, has brought forward the closing date of its financial year by setting it on 31 December (previously 31 March). As the financial year 2007 of BSB International started on 1 April 2007, the financial statement per 31 December 2007 only includes 9 months of activity for BSB International and 12 months of activity for the other companies of the consolidation perimeter.

7. APPENDIX – DETAILED BALANCE SHEET⁵

In '000€ - Non audited figures	12/2008	12/2007	Var%
FIXED ASSETS	7.674	6.510	18%
Establishment costs	452	0	
Intangible assets	1.858	1.090	70%
Consolidation gap	4.608	4.976	-7%
Tangible assets	722	411	76%
Financial assets	34	33	3%
CURRENT ASSETS	10.909	5.807	88%
Debtors < 1 year	7.311	5.006	46%
Treasury investments & available assets	3.378	684	394%
Adjusting accounts	220	117	88%
TOTAL ASSETS	18.583	12.317	51%
EQUITY CAPITAL	11.871	7.399	60%
Capital	10.862	6.399	70%
Share premium	0	0	
Consolidated reserves	993	975	2%
Capital subsidies	16	25	-36%
THIRD PARTY INTERESTS	6	5	20%
PROVISIONS, TAX ADJUSTMENTS	31	59	-47%
Long-term liabilities	248	61	307%
Short-term liabilities	5.628	3.452	63%
Creditors > 1 year falling within the year	93	41	127%
Financial liabilities	0	0	
Trading liabilities	1.924	940	105%
Fiscal liabilities, salaries and benefits	2.975	2.246	32%
Other liabilities	636	225	183%
Adjusting accounts	799	1.341	-40%
TOTAL LIABILITIES	18.583	12.317	51%

⁵ Figures have been established based on the Belgian accounting standards.

ESTABLISHMENT COSTS

This item is made up of the costs related to the IPO, which have been activated and depreciated prorata temporis since 18 July 2008, according to the evaluation rules.

INTANGIBLE ASSETS

This item mainly consists of:

- Investments in research and development for the software packages Soliam and Solife ;
- Activations linked to an in-house IT project for the implementation of a management tool.

The increase of this item is a consequence of these investments.

CONSOLIDATION GAP

This is the positive difference between the acquisition value and the fraction corresponding to the equity capital of the subsidiaries at the moment they enter the consolidation perimeter. The amortizations are done according to the corresponding accounting standards and to the rules set by the Board of Directors, i.e. an amount of EUR 368 k per year.

TANGIBLE ASSETS

The increase of this item in comparison with 2007 is mainly due to the fitting out of the new offices in Luxembourg (EUR 280 k).

DEBTORS < 1 YEAR

This item has been strongly impacted by the increase of the revenues, more specifically by the increase of revenues of the French subsidiary. The balance per 31 December 2008 is mainly made up of:

- Outstanding client debts for an amount of EUR 3.8 million. This balance, which is higher than usual, is mainly explained by the late payment of EUR 1 million. The major part of this outstanding debt has been paid in the two first months of 2009 ;
- Invoices to be drawn up for services that have been provided during the month of December 2008, which have been invoiced during the month of January 2009 (EUR 2.9 million of which EUR 600 k for the selling of the Solife licences at the end of the year) ;
- Miscellaneous items for an amount of EUR 0.6 million.

TREASURY INVESTMENT AND AVAILABLE ASSETS

The IPO of June 2008 has allowed BSB to build up consistent funds (EUR 3,377 k at the end of 2008) which has been:

- Invested in a careful way (in demand bills and in products such as deposit accounts)
- Split over several banks ;

Moreover, BSB benefits from a credit line of EUR 2 million, which has not been used yet per 31 December 2008.

EQUITY CAPITAL

The equity capital has considerably increased in 2008. The global level of financial independence⁶ has passed from 60% to 64%. The net increase of EUR 4,472 million mainly consists of:

- The net result of the group's portion for the year 2008 (EUR 615 k) ;
- The increase of capital following the IPO of June 2008 (EUR 4.463 k) ;
- Compensated by the decision to distribute a dividend of EUR 598 k ;

CREDITORS > 1 YEAR OR FALLING WITHIN THE YEAR

The increase of both items is linked to a loan that has been contracted in order to finance the works in the Luxembourgian office (EUR 280 k).

TRADING LIABILITIES

The evolution of this item is mainly explained by the following elements:

- General increase of the activity;
- More specifically, increase of the subcontracting within the context of a project carried out at a major insurance company in France (EUR 500 k) ;

FISCAL LIABILITIES, SALARIES AND BENEFITS

The evolution of this item is linked to the evolution of the staff in 2008 (at the end of 2008, BSB employed 225 people, compared to 175 at the end of 2007).

ADJUSTING ACCOUNTS

This item is mainly made up of the deferred income related to the maintenance of the activities and projects.

⁶ Total equity capital / Total Balance sheet