



Financial Half Year Report

June 30, 2009

1. HIGHLIGHTS 1ST HALF 2009

BUSINESS GROWING, OPERATING RESULTS STABLE

KEY FIGURES

Non Audited Figures - In K EUR	June 2009	June 2008	Var %
Turnover	11.768	10.470	12%
Cash flow from operations (EBITDA)	556	1.544	-64%
Operating result (EBIT)	32	1.249	-97%
Consolidated profit before goodwill amortization and after tax	-4	794	

Non Audited Figures - In K EUR	June 2009	Dec 2008	Var %
Cash and cash equivalents	1.889	3.379	-44%
Financial liabilities (current and non-current)	430	341	26%
Equity	11.680	11.872	-2%

TURNOVER GROWING AND OPERATING RESULTS STABLE IN H1 2009. POSITIVE OUTLOOK FOR H2 2009.

Despite the current economic climate, the first half of the year was stable, in line with management's estimates for this period. The growth in ordinary activities was offset by significant expenditures to develop international sales structures.

Our business is indeed growing with a turnover of EUR 11.8 million, up 12% over the first half of 2008. During H1 2009 we signed up six new clients for our software: five for Soliam and one for Solife, which is our first client in France for this product. Our Services activity also performed well. Particularly our services with respect to SAP software held up well thanks to our strong presence in the public sector.

The first half of 2009 was also marked by the establishment of a BSB software sales team outside our traditional domestic markets ("EMEA"), the creation of a pre-sales and marketing team ("Marketing & Product Strategy") and the opening of a branch in Dublin. These initiatives have impacted our costs during the period and should generate positive effects in late 2009 or early 2010.

Our workforce grew from 225 people at the end of 2008 to 240 people by mid 2009.

The results in the first half of 2009 were favorably impacted by a EUR 180,000 tax refund following the publication of the circular regarding the tax exemption scheme for intellectual property established by the Act of December 21, 2007 of the Grand Duchy of Luxembourg. Benefiting from this scheme is the income from certain Solife license sales.

Based on the current business outlook and the growth of the new international organization, BSB anticipates a positive second half of 2009. Management expects to achieve a turnover of EUR 24 to 28 million for the fiscal year 2009. Both EBIT and net income will depend heavily on the sale of Soliam and Solife software licenses.

2. MANAGEMENT STATEMENT

Jean Martin, CEO, and Miguel Danckers, CFO, hereby declare to the best of their knowledge, that the financial statements presented below, which have been prepared in accordance with Belgian GAAP, give a true and fair view of the assets, financial condition and results of BSB International and the companies included in the consolidation.

3. EXTERNAL AUDIT

The consolidated financial statements as presented below, have not been audited by the company's Statutory Auditor, the company DGST & Partners Reviseurs d'Entreprises

4. NOTES ON THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

PRELIMINARY NOTES

The scope of consolidation on June 30, 2009 was the same as on June 30, 2008.

The accounting method of some of the costs recorded under the item « Supplies and goods » has been changed. Indeed, the costs related to subcontracting and to costs recovered from customers, which were previously recorded under the item « Miscellaneous goods and Services » will be from now on recorded under the item « Supplies and goods ».

CONSOLIDATED INCOME STATEMENTS

Non Audited Figures - In K EUR	June 2009	June 2008	Var %
SALES & SERVICES	13.022	11.083	17%
Turnover	11.768	10.470	12%
Capitalized production	823	405	103%
Other revenues	431	208	107%
COST OF SALES AND SERVICES (-)	-12.990	-9.834	32%
Supplies and goods	1.121	3	37.267%
Miscellaneous goods and services	3.368	2.996	12%
Remuneration, social security & pensions	7.962	6.510	22%
Depreciation and write-downs on fixed assets	524	295	78%
Write-down (increase +, decrease -)			
Provisions for risks and expenses (increase +, utilizations & decrease -)	-2	-25	-92%
Other operating expenses	17	55	-69%
OPERATING PROFIT (+) / LOSS (-)	32	1.249	-97%
FINANCIAL INCOME	18	11	64%
Income from financial assets			
Income from assets	15	7	114%
Other financial income	3	4	-25%
FINANCIAL EXPENSES (-)	-326	-248	31%
Debt charges	120	57	111%
Depreciation on positive consolidation differences	184	184	0%
Other financial charges	22	7	214%
CURRENT PROFIT (+) / LOSS BEFORE TAXES (-)	-276	1.012	-127%
EXTRAORDINARY INCOME			
EXTRAORDINARY EXPENSES			
PROFIT (+) / LOSS FOR THE YEAR BEFORE TAXES (-)	-276	1.012	-127%
Taxes and deferred tax (+)			
Taxes (-)	-122	-405	-70%
Tax adjustments and reversals of tax provisions	209	0	
Transfers and withdrawals from deferred tax	1	3	-50%
CONSOLIDATED PROFIT (+) / CONSOLIDATED LOSS (-)	-188	610	-131%
Minority interests	-1	1	-200%
Group share	-187	609	-131%
Net results in EUR per share before increase in capital (1)	-0,11	0,36	-131%
Net results in EUR per share after increase in capital (2)	-0,09	0,29	-131%

(1) At June 30, 2008, the capital was represented by 1.710.100 shares.

(2) Since July 17, 2008, the capital is represented by 2.133.962 shares following the IPO and the offer to the personnel.

Turnover and results

On June 30, 2009 the turnover amounted to EUR 11.8 million, up 12% compared to June 30, 2008. The increase was primarily due to service related activities. The software activities did not grow significantly despite the acquisition of new clients.

The turnover on the Belgian and Luxembourg markets remains important and represents about 75% of the total turnover. Business in France continues to develop, where turnover doubled compared to the first half of 2008, coming out to EUR 2.9 million on June 30, 2009, i.e. almost 25% of the total turnover.

The operating cash flow (EBITDA) decreased from EUR 1.554 million on June 30, 2008 to EUR 556,000 as a result of costs incurred in implementing the EMEA and Market & Product Strategy.

The operating result (EBIT) decreased from EUR 1.249 million on June 30, 2008 to EUR 32,000.

Capitalized production – research and development

During the first half of the year, BSB continued to invest in the development and continuous improvement of its software. These investments, which generate several million euros in revenues per year, strengthen the company's assets. In accordance with valuation rules, some of these development costs were capitalized on June 30, 2008 for an amount of EUR 813,000 over a total amount of EUR 823,000.

Other operating income

Other operating income consists primarily of costs recovered, covering benefits in kind related to the provision of company cars and the exemption from withholding tax for employees appointed to research and development. Accordingly, this income is essentially linked to the development of activities and the number of employees in particular. The growth is also partly explained by the increased exemption rate of withholding tax in Belgium.

Supplies and goods

This line item relates to sub-contractors and other costs which are recovered from customers. The considerable increase in this item is linked to the increased use of subcontractors and a change in accounting method. These costs were previously recorded under "Miscellaneous goods and services". The comparable line item in the first half of 2008 amounted to EUR 289,000.

Miscellaneous goods and services

The increase in charges for services and miscellaneous goods is mainly due to the increase in staff numbers. The largest increases were recorded in costs related to rolling stock and office leases in Luxembourg. Marketing related expenses and travel costs also went up significantly, in line with the implementation of BSB's strategy. The comparable line item in the first half of 2008 amounted to EUR 2.707,000.

Remuneration

The indexation of wages as a result of high inflation in 2008 and the increase in the number of employees forced up employee compensation costs by 22% compared to June 30, 2008 (240 people at the end of June 2009 against 196 people at the end of June 2008).

Depreciation (including goodwill amortization)

The increase in amortization expense compared to June 30, 2008 is mainly attributable to the increase in intangible assets and consisted primarily of expenses related to software development (see "Capitalized production" above), the capitalization of IPO related costs (July 2008) and the capitalization of costs related to the renewal of internal IT systems.

The depreciations are allocated as follows :

- Tangible assets : EUR 143,000.
- Intangible assets for software development : EUR 300,000
- IPO related costs: EUR 49,000
- Internal IT systems : EUR 32,000

Income tax

This is the tax provision on BSB Belgium's taxable income.

The reversal of the tax provision is mainly due to the scheme of tax exemption on certain license sales in 2008 in Luxembourg; BSB obtained confirmation that the Luxembourg exemption scheme was applicable for 2008 and subsequent years.

BALANCE SHEET ACCOUNTS

BSB has a strong balance sheet structure both in terms of solvency (global rate of financial autonomy = equity / total assets = 67% on June 30, 2009 against 64% on December 31, 2008) and liquidity ratio (liquidity in the broad sense of the word = current assets / liabilities due within one year = 1,7 on June 30, 2009, which is similar to the situation on December 31, 2008).

CONSOLIDATED ASSETS - Non Audited Figures - In K EUR	June 2009	Dec 2008	Var %
FIXED ASSETS	8.219	7.674	7%
Incorporation expenses	403	452	-11%
Intangible assets	2.533	1.858	36%
Consolidation gap	4.424	4.608	-4%
Tangible assets	823	722	14%
Financial assets	36	34	6%
CURRENT ASSETS	9.135	10.910	-16%
Receivables due within one year	6.779	7.311	-7%
Cash and cash equivalents	1.889	3.379	-44%
Accruals	467	220	112%
TOTAL ASSETS	17.354	18.584	-7%

Fixed assets

The increase of the fixed assets by EUR 545,000 compared to December 31, 2008 is mainly due to the following elements :

- Acquisitions of both tangible and intangible assets for an amount of EUR 430,000 (mainly IT equipment, a video conference system and the end of provided services within the context of an in house IT project)
- The capitalization of software development costs for an amount of EUR 823,000 (see 'capitalized production' above)
- Compensated by the depreciation charges (EUR 524,000) and goodwill amortization (EUR 184,000)

Receivables due within one year

Trade receivables constitute the largest part of the receivables due within one year (EUR 6,418,000).

This line item corresponds mainly to a receivable of EUR 340,000 from the VAT administration.

Cash and cash equivalents

BSB has enough cash to carry out its activities. It also has a credit line of 2 million EUR, which has not been used yet per June 30, 2009

CONSOLIDATED LIABILITIES - Non Audited Figures In K EUR	June 2009	Dec 2008	Var %
EQUITY	11.680	11.872	-2%
Capital	10.862	10.862	0%
Share premium	0	0	
Consolidated reserves	805	993	-19%
Investment grants	13	16	-13%
MINORITY INTERESTS	7	6	17%
PROVISIONS, DEFERRED TAX	45	31	45%
LIABILITIES	5.622	6.675	-16%
Liabilities due after one year	356	248	44%
Liabilities due within one year	4.462	5.628	-21%
<i>Liabilities due after one year maturing within one year</i>	<i>74</i>	<i>93</i>	<i>-20%</i>
<i>Financial debts</i>	<i>0</i>	<i>0</i>	
<i>Trade payables</i>	<i>2.489</i>	<i>1.924</i>	<i>29%</i>
<i>Tax, salary and social security liabilities</i>	<i>1.861</i>	<i>2.975</i>	<i>-37%</i>
<i>Other debts</i>	<i>38</i>	<i>636</i>	<i>-94%</i>
Accruals	804	799	1%
TOTAL LIABILITIES	17.354	18.584	-7%

Equity

The changes in consolidated shareholders' equity (EUR -192,000) compared to December 31, 2008 were mainly in line with the result on June 30, 2009 after goodwill amortization (EUR -188,000).

Liabilities due after one year

The difference compared to the previous year is mainly due to a lease entered into to finance videoconferencing equipment.

Liabilities due within one year

This item mainly consists of trade payables and tax, salary and social security liabilities. The significant balance of trade payables compared to December 31, 2008 resulted from the deferral of payment of withholding tax from March to June, to be paid to the social administration, in accordance with the exemption under article 412 CIR 92 granted by Belgian law (EUR 581,000). The decrease in tax, salary and social security liabilities resulted primarily from the payment of 2007 taxes in January 2009 and the reversal of a tax provision in Luxembourg.

Accruals

The accruals are primarily comprised of deferred revenue related to maintenance and projects.

EVENTS AFTER REPORTING DATE

There were no "after closing date" events.