



Annual Press Release
BSB 2009

Louvain-la-Neuve, 18 March 2010, 6:00 pm – Regulated information

1. GROWTH AND INVESTMENTS

We ended 2009 with mixed feelings.

First of all, income increased by 12% in 2009. This increase is mainly due to our « software » related activities that grew by 24%. We consider this increase as quite satisfactory given the slack market.

Indeed, 80% of our customers are active in the financial industry which has been strongly affected by the current economic crisis. Our other customers are active in the « industry » sector, which has also suffered from the crisis, and in the public sector whose activities have remained relatively stable.

We also observe that our prospects are extending their average decision time, more in particular with regard to the acquisition of Soliam and Solife licences, what had a negative impact on the end of the year 2009.

Within this given economic context, we consider our income growth of 12% as a good achievement.

However, we have to report a small loss and a negative cash flow, what is not satisfactory.

This situation is explained by the fact that BSB, despite the crisis, decided to continue its international expansion strategy. The in-house organization has been restructured in order to be able to serve more clients, based on more industrial processes and high quality products and services. We have also set up a distribution network that covers the major part of the European and Mediterranean market.

These investments and expenses, incurred in times of crisis, impacted negatively the results of 2009. Moreover, the 2009 results could not benefit from these investments due to the extension of the decision time of our prospects.

However, we believe that these expenses and investments will allow us to come out of the crisis with a strengthened competitive position.

For the year 2010, we are confident that we will deliver higher revenues and get back to positive EBIT and cash flows.

2. KEY FIGURES¹

Consolidated data – In K EUR	12/2009	12/2008
Turnover	24,479	21,764
Cash flow from operations (EBITDA)	1,024	2,281
Operating result (EBIT)	-108	1,594
Consolidated profit before goodwill amortization and after taxes	-155	983
Investments and cash at bank and in hand	1,551	3,379
Financial debts (current and non-current)	917	341
Capital and reserves	11,343	11,872

¹ Figures have been established based on the Belgian accounting standards.

3. HIGHLIGHTS

INCOME GROWTH

- Income increased by 12% compared to 2008. The activities related to our software solutions Soliam and Solife (both licences and provided services) show a 24% increase, from 8.5 million EUR in 2008 to 10.5 million EUR in 2009. The activities related to our services are also 5% up compared to 2008 (from 13.3 million EUR in 2008 to 14.0 million EUR in 2009).

EBIT AND PROFIT DECREASE

- EBIT and profit dropped compared to 2008.
- Two main factors explain this decrease.
 - Despite the crisis, BSB has decided to continue to invest in its products and sales network. Our goal is to come out of the crisis with a strengthened competitive position.
 - Our prospects have extended their average decision time, mainly with regard to the acquisition of the licences of our software solutions Soliam et Solife. A number of licences that BSB expected to sell at the end of 2009 have only been sold at the beginning of 2010 and will therefore be recorded in the results of 2010.

DOMESTIC MARKETS (BELGIUM, FRANCE AND LUXEMBOURG) EVOLUTION

- The Belgian market generated 44% of the total income. The French and Luxembourg markets account for respectively 27% and 25%. The activities in France are developing rapidly with a strong growth of revenues compared to 2008 (from 4.2 million EUR to 6.6 million EUR). The French market accounts for 27% of the consolidated revenues of 2009, against 19% in 2008.

NEW MARKETS (« EMEA » - « EUROPE, MIDDLE EAST AND AFRICA ») EVOLUTION

- Despite the crisis, BSB maintained in 2009 its decision to set up an international sales force. This represents an investment of 900 K EUR entirely taken into account during 2009 financial year.
- This decision has allowed BSB to acquire in 2009 a first Solife reference outside Western Europe, more specifically in Russia, and to sign a “Letter of Intent” with a Swiss insurance company to be finalized in the course of 2010.
- Within the same context, BSB has opened an office in Dublin to develop its activities on the Irish market as well as at the Isle of Man.
- The « EMEA » entity accounts for the remaining 4% of the consolidated revenues of 2009.

SIGNING OF NEW CONTRACTS

- In 2009, BSB has signed several contracts with new clients for its software solutions Soliam (7 new references) and Solife (1 new reference). Three “Letters of Intent” with regard to the sale of licences to new Soliam and Solife prospects have been signed in 2009 but will only be recorded in 2010 results.
- BSB has also signed contracts with new clients for its services related activities. Its SAP activity has done very well compared to its competitors thanks to the acquisition of new references in the Belgian public sector.

SUBSIDIES

- In 2009, BSB received subsidies and recoverable advances from the Walloon Region.
- The subsidies concern a research project of a total value of 2.7 million EUR, of which 1.6 million EUR has been subsidized. This research project consists of three major parts: updating of the technological platforms on which the BSB software solutions are built, research with regard to the optimization of the performances of our software solutions and different research topics allowing to make the functionalities of the BSB software solutions available within a « SaaS » (« Software as a Service ») model.
- The recoverable advances of 0.5 million EUR concern a development project of a total value of 1 million EUR. This project aims at the development of additional functionalities for Soliam within the context of the computerization of pension funds, as well as the development of a pension funds portal in « RIA » (« Rich Internet Application ») technology.
- The first payments of these subsidies have been received at the beginning of 2010.

4. OUTLOOK 2010

In 2009, we have made important investments related to our sales structures, both for domestic and international markets. We have observed that our software packages are very competitive all over Europe and we have also noticed an increase in the number of tenders introduced by our prospects. We are hence convinced to have a profitable return on our investments from 2010 onwards.

For the year 2010, we are confident that we will deliver higher revenues and get back to positive EBIT and cash flows.

We are also examining new acquisition projects although none is currently in the process of being finalized.

5. DIVIDEND

The Board of Directors of BSB will propose the Annual General Meeting of next 17 May to pay no dividend for the financial year 2009.

For the financial year 2008, the company has distributed a total dividend of 597,509.36 EUR (compared to 200,326.00 EUR in 2007).

6. AUDIT

At the end of his audit assignment, the Statutory Auditor, DGST & Partner, 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.

APPENDIX – CONSOLIDATED INCOME STATEMENT ²

CONSOLIDATED INCOME STATEMENT - In K EUR	12/2009	12/2008	Var %
OPERATING INCOME (+)	27,297	23,490	16%
Turnover	24,479	21,764	12%
Fixed assets produced	1,346	1,143	18%
Other operating income	1,472	583	152%
OPERATING CHARGES (-)	27,405	21,896	25%
Raw materials, consumables and goods for resale	2,401	141	1603%
Services and other goods	7,186	7,051	2%
Remuneration, social security costs and pensions	16,644	13,934	19%
Depreciation of and other amounts written off formation expenses and intangible fixed assets	1,132	687	65%
Amounts written-off (increase +, decrease -)	0	0	0%
Provisions for liabilities and charges (increase +, utilizations & decrease -)	-5	-29	-83%
Other operating charges	47	112	-58%
OPERATING PROFIT (+) / LOSS (-)	-108	1,594	-107%
FINANCIAL INCOME (+)	28	85	-67%
Income from financial fixed assets	0	0	0%
Income from current assets	21	74	-72%
Other financial income	7	11	-36%
FINANCIAL CHARGES (-)	665	565	18%
Interest and other debt charges	253	183	38%
Depreciation on positive consolidation differences	368	368	0%
Other financial charges	44	14	214%
PROFIT (+) / LOSS (-) ON ORDINARY ACTIVITIES BEFORE TAXES	-745	1,114	-167%
EXTRAORDINARY INCOME (+)	0	0	0%
EXTRAORDINARY CHARGES (-)	0	23	-100%
PROFIT (+) / LOSS (-) FOR THE YEAR BEFORE TAXES	-745	1,091	-168%
Deferred taxes (+)	3	4	-25%
Income taxes (-)	11	494	-98%
Adjustment of income taxes and write back of tax provisions (+)	229	15	1427%
Transfers and withdrawals from deferred taxes	0	0	0%
CONSOLIDATED PROFIT (+) / LOSS (-) FOR THE YEAR	-524	616	-185%
Attributable to minority interests	-1	1	-200%
Attributable to the owners of the company	-523	615	-185%
Net result per share (2.133.962 shares)	-0.25	0.29	-186%

The consolidation perimeter per 31 December 2009 has not evolved compared to 2008.

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

TURNOVER

BSB recorded a turnover of 24.5 million EUR, which represents a 12% increase compared to 2008. The « software » activity proportion increased in 2009 compared to 2008, generating about 43% of 2009 turnover while the « services » activity accounted for 57%.

The income growth is mainly due to the activities related to « Solife », licences and provided services (from 3.6 million EUR in 2008 to 4.8 million EUR in 2009, an increase of 33%), and to the growth of the « services » activity (from 13.3 million EUR in 2008 to 14 million EUR in 2009, an increase of 5%).

The Belgian and Luxembourg market generated 69% of the total income (compared to 77% in 2008). The activities in France continue to expand with a strong income growth compared to 2008 (from 4.2 million EUR to 6,6 million EUR). The activities in France represent 27% of the consolidated income of 2009 (against 19% in 2008).

The remaining 4% of the consolidated income of 2009, which show an increase of 12% in absolute values, are generated on markets outside Belgium, France and Luxembourg.

FIXED ASSETS PRODUCED

BSB has kept on investing in the continuous development and improvement of its software solutions. This investment, generating several millions of euros of revenues every year, reinforces its technological assets. In accordance with the evaluation rules, part of the development costs have been activated up to 1.27 million EUR at the end of 2009 (of which 0.9 million EUR for Solife).

The rest of the fixed assets produced is related to the costs of an in-house IT project.

OTHER OPERATING INCOME

It mainly consists in the recharging of costs including the benefits in kind related to the company cars for the staff. This income is essentially related to the evolution of the activities and in particular to the number of staff members.

The variation between 2008 and 2009 can be explained by the increase of these recharging costs (100 K EUR), by a variation of the subsidies for an amount of 450 K EUR, by the exemption of the company withhold taxes for the staff assigned to the R&D department (variation of 215 K EUR), as well as a by a change of the Luxembourg social legislation compensating the employer in case of illness absence (100 K EUR).

RAW MATERIALS, CONSUMABLES AND GOODS FOR SALES

This item concerns the subcontractors and other costs that are recharged to clients. The increase of this item is due to the increased use of subcontractors and to a modification of the accounting methods. These costs were formerly recorded under the heading « Services and other goods ». In 2008, this item amounted to 1.2 million EUR.

SERVICES AND OTHER GOODS

The comment with regard to the item « Raw materials, consumables and goods for sales » is reflected in this item. Excluding the change of accounting methods, this item increased by 2%.

The increase of this item is partly explained by the growth of the company's activity. The strongest increases concern the costs related to rental charges, travel expenses, fuel and vehicles.

The rest of the difference is explained by the use of external consultants and business contributors.

REMUNERATION, SOCIAL SECURITY COSTS AND PENSIONS

The growth of the activities of BSB is reflected in a strong growth of the salaries (+19% compared to 2008), associated to an increase of the staff (from 220 people at the end of 2008 to 255 people at the end of 2009). BSB intends to continue the significant increase of its staff in the near future.

DEPRECIATIONS

The increase of depreciations' costs is mainly due to the increase of intangible assets, which are mainly composed of the costs related to the development of the software solutions (see above « fixed assets produced »). This increase is also due to depreciations, over 12 months in 2009 (in stead of over 6 months in 2008), of development costs of software solutions performed in the second part of 2008 as well as these costs as well as the fees related to the IPO (July 2008).

The depreciations related to the development of our software solutions amount to 638 K EUR while the depreciations related to the IPO amount to 100 K EUR.

INCOME TAXES

The recovery of the tax provision is mainly due to the application of the regime of tax exemption regarding the sale of software licences in Luxembourg during 2008. BSB has received confirmation that this regime of tax exemption applies to BSB for 2008 and all the following years.

7. APPENDIX – CONSOLIDATED BALANCE SHEET³

CONSOLIDATED ASSETS - In K EUR	12/2009	12/2008	Var %
FIXED ASSETS	8,098	7,674	6%
Formation expenses	352	452	-22%
Intangible assets	2,681	1,858	44%
Consolidation differences	4,240	4,608	-8%
Tangible assets	789	722	9%
Financial assets	36	34	6%
CURRENT ASSETS	10,735	10,910	-2%
Amounts receivable within one year	8,335	7,311	14%
Investments and Cash at bank and in hand	1,551	3,379	-54%
Deferred charges and accrued income	849	220	286%
TOTAL ASSETS	18,833	18,584	1%

FORMATION EXPENSES

This item is composed 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 solutions Soliam and Solife (acquisitions 2009: 1.345 million EUR);
- Activations linked to the revision of the in-house IT infrastructure (acquisitions 2009: 278 K EUR). The depreciations with regard to this item amount to 94 K EUR.

The increase of this item is related to the investments mentioned above.

CONSOLIDATION DIFFERENCES

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

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

TANGIBLE ASSETS

The increase of this item is mainly due to the investments that have been made with regard to the IT infrastructure and the videoconferencing tools.

The variation of the tangible assets, including transfers, amounts to 367 K EUR while the depreciations amount to 300 K EUR.

AMOUNTS RECEIVABLE WITHIN ONE YEAR

The increase of this item by almost 1 million EUR is mainly due to 3 elements: increase of amounts receivable from tax authorities (420 K EUR), increase of the item « invoices to be drawn up » related to the income increase (1 million EUR) and decrease of the outstanding amounts receivable from clients (300 K EUR).

The balance per 31 December 2009 is mainly composed of:

- Outstanding amounts receivable from clients of 3.5 million EUR ;
- Invoices to be drawn up for 3.97 million EUR, of which 2.37 million EUR related to services that have been provided during in December 2009 and have been invoiced in the course of January 2010 ;
- Amounts receivable from tax authorities of 0.73 million EUR.

INVESTMENT AND CASH AT BANK AND IN HAND

Our cash flow situation is impacted by the increase of amounts receivable as well as by the investments made.

Besides cash at bank and in hand, BSB benefits from a credit line of 2 millions EUR, which has not been used yet per 31 December 2009.

DEFERRED CHARGES AND ACCRUED INCOME

The variation of this item is mainly due to subsidized tasks that have already been performed and for which the payment of the subsidies is expected in 2010.

CONSOLIDATED LIABILITIES - In K EUR	12/2009	12/2008	Var %
CAPITAL AND RESERVES	11,343	11,872	-4%
Capital	10,862	10,862	0%
Share premium account	0	0	0%
Consolidated reserves	471	993	-53%
Investment grants	10	16	-38%
THIRD PART INTERESTS	6	6	0%
PROVISIONS FOR LIABILITIES AND DEFERRED CHARGES	49	31	58%
CREDITORS	7,435	6,675	11%
Amounts payable after one year	492	248	98%
Amounts payable within one year	5,438	5,628	-3%
<i>Current portion of amounts payable after one year</i>	<i>425</i>	<i>93</i>	<i>357%</i>
<i>Financial debts</i>	<i>0</i>	<i>0</i>	<i>0%</i>
<i>Trade debts</i>	<i>2,054</i>	<i>1,924</i>	<i>7%</i>
<i>Taxes, remuneration and social charges</i>	<i>2,927</i>	<i>2,975</i>	<i>-2%</i>
<i>Other debts</i>	<i>32</i>	<i>636</i>	<i>-95%</i>
Accrued charges and deferred income	1,505	799	88%
TOTAL LIABILITIES	18,833	18,584	1%

CAPITAL AND RESERVES

Capital and reserves have been mainly reduced by an amount equals to the consolidated loss for the year 2009.

AMOUNTS PAYABLE AFTER ONE YEAR AND CURRENT PORTION OF AMOUNTS PAYABLE AFTER ONE YEAR

The increase of these two items is mainly due to:

- The conclusion of subordinated financing in order to allow the financing of the Irish office (100 K EUR);
- The contracting of a loan and a financial leasing to finance tangible investments (406 K EUR);
- The contracting of a loan to finance advanced payments of corporation tax (220 K EUR).

TRADE DEBTS

The evolution of this item is mainly explained by the general increase of the company's activities.

TAXES, REMUNERATION AND SOCIAL CHARGES

The evolution of this item does not require specific comment.

ACCRUED CHARGES AND DEFERRED INCOME

This item is mainly composed of the deferred incomes related to the maintenance of the activities and projects. The variation is mainly explained by a higher amount of pre-invoicing within the context of different projects.