



## Excellent 2010 half-year results for DOCDATA N.V.

- Revenue growth of more than 30%
- Strong financial position is maintained
- Both lines of business successful and growing harder than the market

DOCDATA N.V. has made a flying start in the first half-year 2010. Both lines of business, technology company IAI industrial systems and e-commerce service company Docdata show excellent results.

Technology company IAI industrial systems was able to deliver all orders as planned in the first half 2010. In addition, the organisation has expanded and is prepared for further growth.

The revenue and number of processed transactions of the e-commerce service company Docdata increased substantially in the first half 2010. This is due to the success of our customers in the Netherlands and Germany and the acquisition of the business activities of the former Dohmen Solutions Group in Germany.

Michiel Alting von Geusau, CEO of DOCDATA N.V.: "Despite the current economic crisis we had to have all hands on deck in the first six month to realise the growth, resulting in the expansion of our work force with almost 300 employees to a large extent in Germany. This had an extreme impact on our organisation and resulted in additional costs. The priority however remains focused on a very high delivery performance for our customers."

	Half-year ended 30 June 2010	Half-year ended 30 June 2009	Growth
Revenue	€	€	%
<i>(in thousands, except percentage figures)</i>			
Technology company IAI industrial systems	10,323	4,187	+ 147%
E-commerce service company Docdata	26,362	22,082	+ 19%
(excluding Docdata media and former Dohmen Solutions)			
Docdata media	5,610	8,627	-/- 35%
Acquisition former Dohmen Solutions	3,694	-	-
<b>Total</b>	<b>45,989</b>	<b>34,896</b>	<b>+ 32%</b>

## Results and Financial position half-year 2009 (unaudited)

(in millions, except percentage figures and per share data)	Half-year ended at			
	30 June 2010		30 June 2009	
	€	%	€	%
<b>Revenue</b>				
E-commerce service company Docdata	35.7	77.6	30.7	88.0
Technology company IAI industrial systems	10.3	22.4	4.2	12.0
<b>Total</b>	<b>46.0</b>	<b>100.0</b>	<b>34.9</b>	<b>100.0</b>
<b>Gross profit</b>				
E-commerce service company Docdata	8.6	24.0	8.9	28.8
Technology company IAI industrial systems	4.1	40.0	1.9	45.5
<b>Total</b>	<b>12.7</b>	<b>27.6</b>	<b>10.8</b>	<b>30.8</b>
<b>Operating profit (EBIT)</b>				
E-commerce service company Docdata	0.4	1.0	1.5	4.9
Technology company IAI industrial systems	2.8	27.2	0.9	21.0
<b>Total</b>	<b>3.2</b>	<b>6.9</b>	<b>2.4</b>	<b>6.8</b>
<b>Profit for the half-year</b>	<b>2.6</b>	<b>5.6</b>	<b>1.9</b>	<b>5.4</b>
<b>Basic earnings per share</b>	<b>0.38</b>		<b>0.28</b>	
<b>Diluted earnings per share</b>	<b>0.37</b>		<b>0.27</b>	
<b>Balance sheet total</b>	<b>50.2</b>		<b>39.1</b>	
<b>Equity</b>	<b>26.6</b>		<b>21.7</b>	
<b>Solvency ratio (Equity / Balance sheet total)</b>	<b>53.0%</b>		<b>55.6%</b>	

Technology company IAI industrial systems delivered many personalisation systems in the first half-year 2010. As a result the revenue of IAI industrial systems increased with € 6.1 million (+147%). The operating result for the first half-year 2010 is exceptionally high due to several specific orders. Per end of June 2010 the order book included orders for a revenue of € 8.6 million which will be delivered for a large part in 2010 (end 2009: € 13.8 million). The pipeline is well filled and the company is working hard to convert this pipeline into orders.

In the document security market IAI industrial systems is seen as the highest quality supplier of production systems to personalise and/or secure documents issued by governments. IAI has expanded the product range considerably in the document security market through the development of new systems in the past years.

In the Solar market IAI offers systems for the production of solar cells or solar panels. In 2010 IAI delivered several 'lab'-systems and further increased its reputation in the market. To realise unique applications in solar cells, IAI has invested in an excimer laser which will be used for application oriented research. This laser will also be used for application development in other markets. Due to the current economic crisis we expect to deliver production systems not before 2011.

Michiel Alting von Geusau, CEO of DOCDATA N.V.: "We remain ideally positioned in the document security market because of our high quality, reliable and customised systems. This also gives us the possibility to compete with the major players in the market. We expect that governments world-wide will continue to give a high priority to investments in document security. We will continue to invest in new applications and systems."

E-commerce service company Docdata again achieved a strong increase in the number of unique transactions compared to 2009. In the first half 2010 nearly 13 million unique transactions have been processed. The strong revenue growth was mainly achieved by the success of existing clients and the acquisition of the business activities of the former Dohmen Solutions Group. As these activities have been acquired for a relatively small amount from Dohmen Solutions which was in suspension, this does result in restructuring costs fully charged to the operating result of Docdata. As a result of the acquisition one-off costs of € 1.3 million have been recognised in the first half-year 2010. For the second half-year 2010 we expect to incur a comparable amount of costs. These substantial one-off costs in combination with the relatively low acquisition price, make it an interesting deal compared to the acquired customer base.

Michiel Alting von Geusau, CEO of DOCDATA N.V.: "Thanks to the acquisition of the activities of Dohmen Solutions we have further strengthened our position in Germany and have taken a top 10 position in the e-commerce service market. Through five sites spread across Germany we can now provide our customers a full e-commerce service."

## **Major features of the first half-year 2010**

The revenue of DOCDATA N.V. increased with € 11.1 million to € 46.0 million (+32%) in the first half-year 2010. IAI industrial systems has realised an increase in revenue of € 6.1 million (+147%). Docdata has realised with the commerce, payments and fulfilment services an autonomous revenue increase of € 4.3 million (+19%), predominantly due to the increased number of transactions of more than 27% compared to last year. The acquisition of the activities of the former Dohmen Solutions Group contributed to revenue for € 3.7 million in the first half-year 2010 as from 16 April 2010. Finally, Docdata media incurred a decrease in revenue of € 3.0 million (-/- 35%) due to the further decline of replication activities.

In the first half-year 2010 a higher gross profit of € 12.7 million has been realised compared to the € 10.8 million in the first half-year 2009 (+18%). The gross profit margin for the first half-year 2010 is 27.6% compared to 30.8% in the first half-year 2009, with a decrease of the gross profit margin for both lines of business. For Docdata this lower gross profit margin is mainly the result of lower realised efficiency due to the tremendous growth of some of our largest customers in the Netherlands and Germany. For IAI industrial systems the decrease of the gross profit margin is due to different size and composition of deliveries in both comparable periods, taking into account that in the first half-year 2009 almost no deliveries were realised.

In the first half-year 2010 an operating result before financing result (EBIT) of € 3.2 million has been realised compared to € 2.4 million in the first half-year 2009.

The operating result of the technology company IAI industrial systems increased with € 1.9 million as a result of the delivery of more systems in the first half-year 2010.

The operating result of the e-commerce service company Docdata decreased with € 1.1 million due to several one-off effects:

- acquisition- and consultancy costs, start-up losses and restructuring costs after acquisition of the business activities of the former Dohmen Solutions Group (impact: approximately € 1.3 million);
- significant higher organisation costs to realise the strong growth of some large customers in the Netherlands and Germany.

As a result of the improved operating result of both lines of business together, the profit for the first half-year 2010 amounts to €2.6 million which is €0.7 million (+36%) higher compared to the first half-year 2009.

DOCDATA N.V. has maintained its strong financial position during the first half-year 2010 with a solvency ratio of 53.0% per 30 June 2010 (31 December 2009: 55.9%). In relation to the Company's liquidity, the cash surplus position of €6.1 million at 31 December 2009 has decreased with €2.8 million to €3.3 million at 30 June 2010. DOCDATA N.V. has realised in the first half-year 2010 a cash flow from operating activities of €5.4 million (first half-year 2009: €0.2 million), which is influenced to a large extent by cash flows generated from the delivery in February 2010 of the second part of the Bulgarian order by IAI industrial systems B.V. and the receipt of an income tax receivable by the Dutch fiscal entity. Furthermore, DOCDATA N.V. has drawn €4.4 million from the existing credit facility with Dresdner Bank AG (now part of Commerzbank AG) to finance the following:

- the acquisition of the assets and business activities of the former Dohmen Solutions Group in Germany (purchase price: €2.0 million);
- the working capital of the new legal entities in Germany, which acquired the assets and business activities of the former Dohmen Solutions Group (including the restructuring costs after acquisition of these activities);
- the investments in the warehousing (among others installations and racking) of our fulfilment centers in the Netherlands and Germany.

Of these total available funds of €9.8 million, €3.7 million was spent on the payment of the 2009 dividend. In addition, the Group has invested a total amount of €4.5 million in the half-year ended 2010: €3.2 million in property, plant and equipment (mainly warehousing equipment and investments in IT infrastructure) and €1.3 million in intangibles (predominantly IT platform and customer contracts from the former Dohmen Solutions Group). The remaining €1.6 million has resulted in higher cash and cash equivalents per 30 June 2010.

## Outlook

As already announced in February 2010, the focus of DOCDATA N.V. for 2010 is on growth, both autonomous and through acquisitions. The first half-year 2010 has proven that both lines of business of the Company in terms of achieving autonomous growth are fully on track. With the acquisition of the assets and business activities of the former Dohmen Solutions Group in Germany the target to achieve a top 10 position in Germany has already been realised. For the second half-year 2010 the focus will be on realisation of further autonomous profitable growth and process optimisation.

In the market for document security, technology company IAI industrial systems has realised outstanding results in the first half-year 2010. The focus for the second half-year 2010 will be on further development of new systems for the various markets in which IAI operates and on bringing in new orders for 2011. In the Solar market we do not expect substantial revenue for IAI industrial systems in the second half-year 2010. IAI industrial systems' order book amounts to €8.6 million at 30 June 2010 and will be delivered mainly in 2010.

The management of DOCDATA N.V. expects that the operating result for the full-year 2010 will be lower than that for the full-year 2009, due to one-off costs related to the acquisition of the business activities of the former Dohmen Solutions Group.

## **Accounting policies**

The consolidated financial statements of DOCDATA N.V. are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (hereafter IFRS). For an overview of the significant accounting policies under IFRS, please refer to the 2009 Annual Report that is available at the Company and can also be downloaded from the Company's corporate website, [www.docdatanv.com](http://www.docdatanv.com). The interim financial report has been prepared in accordance with IAS 34 ('Interim Financial Reporting').

## **Audit**

The financial information included in this interim report and its enclosures have not been audited by the external auditors.

## **Enclosure with financial information**

For a detailed review of the 2010 half-year results please refer to the attached enclosure 'Interim Financial Information for the half-year ended 30 June 2010' with Appendix.

## **Meeting for financial press and analysts**

Today, Thursday 22 July 2010, management of DOCDATA N.V. will discuss the 2010 half-year results in a meeting for which both financial press and analysts have been invited, to be held at 10.30AM Amsterdam time in the Mercurius room of the Financieel Nieuwscentrum Beursplein 5 of NYSE Euronext Amsterdam (Beursplein 5, 1012 JW Amsterdam, telephone +31-20-5505505).

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*The listed DOCDATA N.V. exists of two lines of business:*

**Technology company IAI industrial systems** ([www.iai-industrial-systems.com](http://www.iai-industrial-systems.com)) is a high tech engineering company specialised in developing and building systems for very accurate and high speed processing of all kinds of products and materials. IAI delivers clients globally in the following sectors:

- securing and personalising of security documents
- processing of solar cells and modules
- processing of other materials and products

**E-commerce service company Docdata** ([www.docdata.com](http://www.docdata.com)) is a European market leader with a strong basis in The Netherlands, Germany and the United Kingdom, and exists of four services:

- Docdata commerce
- Docdata payments
- Docdata fulfilment
- Docdata media

Waalwijk, the Netherlands, 22 July 2010

Further information: DOCDATA N.V., **M.F.P.M. Alting von Geusau**, CEO, Tel. +31 416 631 100  
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## **Responsibility Statement**

Statement pursuant to article 5:25d section 2 sub c of the Dutch Financial Supervision Act ("Wet financieel toezicht", Wft)

The DOCDATA N.V. Management Board declares, that to the best of their knowledge:

1. the interim financial statements of DOCDATA N.V., as set out on pages 8 to 18 of this report, give a true and fair view of the assets, the liabilities and the financial position as at 30 June 2010 and the profit for the half-year ended 30 June 2010 of DOCDATA N.V. and its consolidated subsidiaries;
2. the interim report of DOCDATA N.V., as set out on pages 1 to 6 of this report, includes a true and fair review of the position as per 30 June 2009 and of the development and performance during the half-year ended 30 June 2009 of DOCDATA N.V. and the associated companies, of which the information is included in the interim financial statements. In addition, the interim report gives a true and fair review of the expected developments, investments and circumstances of which the development of revenue and profitability depend.

Waalwijk, 22 July 2010

The Management Board,

M.F.P.M. Alting von Geusau, CEO

M.E.T. Verstraeten, CFO

## Interim Financial Information

The interim financial information is prepared in accordance with International Financial Reporting Standards as adopted by the European Union (hereafter “IFRS”) and its interpretations adopted by the International Accounting Standards Board (IASB).

### Revenue

<i>(in thousands, except percentage figures)</i>	Half-year ended 30 June 2010		Half-year ended 30 June 2009	
	€	%	€	%
<b>Revenue by line of business</b>				
E-commerce service company Docdata	35,666	77.6	30,709	88.0
Technology company IAI industrial systems	10,323	22.4	4,187	12.0
<b>Total</b>	<b>45,989</b>	<b>100.0</b>	<b>34,896</b>	<b>100.0</b>

- Total revenue of the Docdata commerce, payments and fulfilment services increased with € 8.0 million (36.1%), including a positive foreign exchange effect of € 0.2 million. This revenue increased as a result of autonomous growth (€ 4.1 million, including the positive exchange effect of € 0.2 million) and the acquisition of the activities of the former Dohmen Solutions Group in Germany (€ 3.7 million). These acquired activities contribute to revenue as from 16 April 2010. The revenue of the Docdata media service decreased further with € 3.0 million (35%) due to declining revenue from replication activities in Tilburg and Berlin.
- IAI industrial systems' revenue increased € 6.1 million (146.5%) in the half-year ended 30 June 2010 compared to the half-year ended 30 June 2009. This increase in revenue is mainly the result of the systems' delivery of the second and last part of the Bulgarian order consisting of decentralised personalisation systems.

### Gross profit

<i>(in thousands, except percentage figures)</i>	Half-year ended 30 June 2010		Half-year ended 30 June 2009	
	€	%	€	%
<b>Gross profit (margin) by line of business (margin as % of revenue by line of business)</b>				
E-commerce service company Docdata	8,563	24.0	8,854	28.8
Technology company IAI industrial systems	4,126	40.0	1,903	45.5
<b>Total</b>	<b>12,689</b>	<b>27.6</b>	<b>10,757</b>	<b>30.8</b>

- The gross profit of Docdata decreased with € 0.3 million (-3.3%) in the half-year ended 30 June 2010 compared to the half-year ended 30 June 2009. The combined gross profit of the Docdata commerce, payments and fulfilment services contributed € 7.6 million in the half-year ended 30 June 2010 compared to € 7.2 million in the half-year ended 30 June 2009. This is mainly the result of the growth in the number of transaction in the Netherlands and Germany. The acquired activities from the former Dohmen Solutions Group had a gross profit of about zero. The Docdata media service contributed € 1.0 million to the gross profit in the first half-year ended 30 June 2010 compared to € 1.7 million in the first half-year ended 30 June 2009.
- The gross profit of IAI industrial systems increased with € 2.2 million (117%) mainly due to the systems' delivery of the second and last part of the Bulgarian order.



**Operating profit before financing result (EBIT)**  
**Selling & Administrative expenses**  
**Other operating income and expenses**

*(in thousands, except percentage figures)*

	Half-year ended 30 June 2010		Half-year ended 30 June 2009	
	€	%	€	%
<b>Operating profit (margin) by line of business</b> (margin as % of revenue by line of business)				
E-commerce service company Docdata	352	1.0	1,496	4.9
Technology company IAI industrial systems	2,807	27.2	881	21.0
Total	3,159	6.9	2,377	6.8
<b>Selling &amp; Administrative expenses (as % of revenue)</b>				
Selling expenses	2,681	5.8	2,314	6.6
Administrative expenses	6,876	15.0	5,897	16.9
Total	9,557	20.8	8,211	23.5
<b>Selling &amp; Administrative expenses by line of business (as % of revenue by line of business)</b>				
E-commerce service company Docdata	8,219	23.0	7,189	23.4
Technology company IAI industrial systems	1,338	13.0	1,022	24.4
Total	9,557	20.8	8,211	23.5
<b>Other operating income and expenses</b> (as % of revenue)				
Other operating income	265	0.6	53	0.1
Other operating expenses	(238)	(0.5)	(222)	(0.6)
Net other operating expenses	27	0.1	(169)	(0.5)

- The operating profit of the e-commerce service company Docdata decreased with € 1.1 million in the half-year ended 30 June 2010 compared to the half-year ended 30 June 2009. The operating profit of the Docdata commerce, payments and fulfilment services decreased with € 1.2 million, which decrease is mainly the result of substantial restructuring costs and start-up losses following the acquisition of the activities from the former Dohmen Solutions Group. The total effect on EBIT amounts to a loss of € 1.3 million in the first half-year ended 30 June 2010. These expenses are essential in order to reduce the cost base of the acquired activities, and are recognised both under selling and administrative expenses. The restructuring of the acquired activities will continue in the second half-year 2010 with the expectation that these activities will only add to the profit of Docdata in the year 2011. The operating profit of Docdata media service is € 0.1 million in the half-year ended 30 June 2010, which is in line with the operating profit in the half-year ended 30 June 2009.
- The operating profit of IAI industrial systems increased with € 1.9 million in the first half-year 2010 compared to the first half-year 2009. This increase is the combined effect of a higher gross profit of € 2.2 million and increased selling and administrative expenses of € 0.3 million. Gross profit increased in the first half-year 2010 due to the delivery of a higher number of security systems, mainly to Bulgaria. The selling and administrative expenses increased in the first half-year 2010 as a result of higher organisation costs due to the expansion of the number employees.

**Net financing income**

Net financing income for the half-year ended 30 June 2010 amounted to just over € 0.1 million compared to net financing expenses of nearly € 0.2 million for the half-year ended 30 June 2009. Net bank interest expenses, as well as foreign currency exchange results are comparable for both half-years ended 30 June 2010 and 30 June 2009.

## **DOCDATA N.V. – Interim Financial Information for the half-year ended 30 June 2010 (unaudited)**

### **Income tax expense**

DOCDATA's effective tax rate in the half-year ended 30 June 2010 was 22.3% with an income tax expense of €0.7 million on a profit before income tax of € 3.3 million. In the half-year ended 30 June 2009, the profit before income tax amounted to € 2.6 million and the income tax expense amounted to € 0.7 million (effective tax rate: 27.7%).

The income tax expense of €0.7 million in the half-year ended 30 June 2010 is the combined result of the following tax treatments of the results per country:

- In the Netherlands, income taxes are recorded at a corporate income tax rate of 25.5% on the taxable income for the Dutch fiscal entity as well as for the Dutch subsidiaries that are not part of this fiscal entity (2009: 25.5%).
- In the United Kingdom, income taxes are recorded against a corporate income tax rate of 28.0% (2009: 28.0%).
- In Germany, income taxes are recorded at a corporate income tax rate of in general between 30% and around 32.5% on taxable income for the German entities when and where applicable, depending on the actual region in Germany of their legal seat (e.g. Berlin, Munich or Münster region).

### **Liquidity and capital resources**

The General Annual Meeting of Shareholders held on 12 May 2010 approved the proposal to distribute a dividend of € 0.55 per ordinary share outstanding (excluding own shares held by the Company), which had a decreasing impact of € 3.7 million on retained earnings within the equity of the Company in the half-year ended 30 June 2010.

In the half-year ended 30 June 2010, the Group realised net cash from operating activities of €5.4 million (half-year ended 30 June 2009: €0.2 million). Major items resulting in this high net cash from operating activities were the delivery by IAI industrial systems B.V. in February 2010 of the remaining part of the Bulgarian order, as well as the repayment by the Dutch tax authorities of €1.3 million prepaid income taxes for the year 2009 due to the recording by the Dutch fiscal entity of an income tax credit on the liquidation loss for docdata media Ltd. in the UK.

Furthermore, the Group has drawn €4.4 million from the credit facility with Dresdner Bank AG (now part of Commerzbank AG) in the half-year ended 30 June 2010 to finance the following:

- the acquisition (total purchase price of the assets acquired: € 2.0 million) and post-transaction working capital and restructuring of the activities of the former Dohmen Solutions Group.
- the investments in warehousing in the Netherlands and Germany.

Of these total available funds of €9.8 million, €3.7 million was spent on the payment of the 2009 dividend. In addition, the Group has invested a total amount of €4.5 million in the half-year ended 30 June 2010: €3.2 million in property, plant and equipment (mainly warehousing equipment and investments in IT infrastructure) and €1.3 million in intangibles (predominantly the IT platform and the customer contracts from the former Dohmen Solutions Group, as well as some IT development costs). The remaining €1.6 million has resulted in higher cash and cash equivalents per 30 June 2010.

In the half-year ended 30 June 2010 1,500 share options were exercised from the 2006 series at a price of € 8.10 per share. The underlying shares have been delivered by the Company from the own shares in possession of the Company. The proceeds of € 13 thousand have been credited to equity under reserves, as the purchase of own shares has been charged to reserves in the past. Per 30 June 2010, the Company owned 349,982 own shares (5.00%), which number is the same as the number of own shares currently owned by the Company per 22 July 2010.

Waalwijk, 22 July 2010

**DOCDATA N.V. – Interim Financial Information for the half-year ended 30 June 2010  
(unaudited)**

**Consolidated Interim Financial Statements**

**1. Consolidated Balance Sheets**

Balance sheets before appropriation of profit.

	30 June 2010	31 December 2009
<i>(in thousands)</i>	€	€
<b>Assets</b>		
Property, plant and equipment	8,394	6,221
Intangible assets	9,812	8,633
Investments in associates	62	62
Other investments	100	100
Trade and other receivables	200	200
Deferred tax assets	801	1,130
<b>Total non-current assets</b>	<b>19,369</b>	<b>16,346</b>
Inventories	5,542	6,861
Income tax receivables	1,578	3,038
Trade and other receivables	15,340	15,566
Cash and cash equivalents	7,724	6,147
Assets classified as held for sale	662	1,054
<b>Total current assets</b>	<b>30,846</b>	<b>32,666</b>
<b>Total assets</b>	<b>50,215</b>	<b>49,012</b>
<b>Equity</b>		
Share capital	700	700
Share premium	16,854	16,854
Translation reserves	(517)	(1,030)
Reserve for own shares	(2,854)	(2,940)
Retained earnings	12,454	13,720
<b>Total equity attributable to equity holders of the parent</b>	<b>26,637</b>	<b>27,304</b>
Minority interest	-	107
<b>Total equity</b>	<b>26,637</b>	<b>27,411</b>
<b>Liabilities</b>		
Interest-bearing loans and other borrowings	313	313
Deferred tax liabilities	284	288
<b>Total non-current liabilities</b>	<b>597</b>	<b>601</b>
Bank overdrafts	4,400	-
Income tax payable	451	340
Trade and other payables	16,849	18,668
Provisions	602	1,039
Liabilities classified as held for sale	679	953
<b>Total current liabilities</b>	<b>22,981</b>	<b>21,000</b>
<b>Total liabilities</b>	<b>23,578</b>	<b>21,601</b>
<b>Total equity and liabilities</b>	<b>50,215</b>	<b>49,012</b>

**DOCDATA N.V. – Interim Financial Information for the half-year ended 30 June 2010 (unaudited)**

**2. Consolidated Income Statements**

	Half-year ended 30 June 2010		Half-year ended 30 June 2009	
<i>(in thousands, except earnings per share and average shares outstanding)</i>	€	%	€	%
Revenue	45,989	100.0	34,896	100.0
Cost of sales	(33,300)	(72.4)	(24,139)	(69.2)
<b>Gross profit</b>	<b>12,689</b>	<b>27.6</b>	<b>10,757</b>	<b>30.8</b>
Other operating income	265	0.6	53	0.1
Selling expenses	(2,681)	(5.8)	(2,314)	(6.6)
Administrative expenses	(6,876)	(15.0)	(5,897)	(16.9)
Other operating expenses	(238)	(0.5)	(222)	(0.6)
<b>Operating profit before financing result</b>	<b>3,159</b>	<b>6.9</b>	<b>2,377</b>	<b>6.8</b>
Financial income	240	0.5	278	0.8
Financial expenses	(110)	(0.2)	(97)	(0.3)
<b>Net financing income</b>	<b>130</b>	<b>0.3</b>	<b>181</b>	<b>0.5</b>
Share of profits of associates	-	-	36	0.1
<b>Profit before income tax</b>	<b>3,289</b>	<b>7.2</b>	<b>2,594</b>	<b>7.4</b>
Income tax expense	(734)	(1.6)	(718)	(2.0)
<b>Profit for the period</b>	<b>2,555</b>	<b>5.6</b>	<b>1,876</b>	<b>5.4</b>
<b>Attributable to:</b>				
Equity holders of the parent	2,662	5.8	1,838	5.3
Minority interest	(107)	(0.2)	38	0.1
<b>Profit for the period</b>	<b>2,555</b>	<b>5.6</b>	<b>1,876</b>	<b>5.4</b>
Weighted average number of shares outstanding	6,649,000		6,649,000	
Weighted average number of shares (diluted)	7,000,000		6,962,000	
<b>Earnings per share</b>				
Basic earnings per share	0.38		0.28	
Diluted earnings per share	0.37		0.27	

**DOCDATA N.V. – Interim Financial Information for the half-year ended 30 June 2010  
(unaudited)**

**3. Consolidated Statements of Cash Flows**

	Half-year ended 30 June 2010	Half-year ended 30 June 2009
<i>(in thousands)</i>	€	€
<b>Cash flows from operating activities</b>		
Profit for the period	2,555	1,876
<i>Adjustments for:</i>		
Depreciation and amortisation	1,490	1,622
Costs share options and delivered shares	73	94
Financial expenses	110	97
Financial income	(240)	(278)
Share of profits of associates	-	(36)
Income tax expense	734	718
<b>Cash flows from operating activities before changes in working capital and provisions</b>	4,722	4,093
(Increase) / decrease in trade and other receivables and assets held for sale	777	1,336
(Increase) / decrease in inventories	1,319	(3,563)
Increase / (decrease) in trade and other payables and liabilities held for sale	(2,132)	(853)
Increase / (decrease) in provisions and employee benefits	(437)	10
<b>Cash generated from the operations</b>	4,249	1,023
Interest paid	(108)	(165)
Interest received	81	118
Income taxes received / (paid)	1,199	(769)
<b>Net cash from operating activities</b>	5,421	207
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(3,213)	(1,102)
Acquisition of intangible assets	(1,299)	(57)
Acquisition of subsidiaries	-	(582)
Acquisition of associates and other investments	-	(62)
Proceeds from sale of property, plant and equipment	6	2
<b>Net cash from investing activities</b>	(4,506)	(1,801)
<b>Cash flows from financing activities</b>		
Proceeds from bank overdrafts	4,400	-
Proceeds from exercise of share options	13	141
Dividends paid	(3,658)	(2,031)
Repayment of bank overdrafts	-	(1,185)
Proceeds from interest-bearing loans and other borrowings	-	60
<b>Net cash from financing activities</b>	755	(3,015)
Net increase / (decrease) in cash and cash equivalents	1,670	(4,609)
Cash and cash equivalents at the beginning of the period	6,147	6,034
Effect of exchange rate fluctuations on cash held	(93)	188
<b>Cash and cash equivalents at the end of the period</b>	7,724	1,613

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**4. Consolidated Statements of Shareholders' Equity**

	Share capital	Share premium	Reserves	Retained earnings	Total equity attributable to equity holders of the parent	Minority interest	Total equity
<i>(in thousands)</i>	€	€	€	€	€	€	€
<b>Equity Statement 2009</b>							
Balance at 1 January 2009	700	16,854	(4,531)	7,882	20,905	292	21,197
Dividend distribution	-	-	-	(1,993)	(1,993)	(38)	(2,031)
Exercised share options	-	-	141	-	141	-	141
Delivered shares for remuneration	-	-	37	-	37	-	37
Costs share options	-	-	57	-	57	-	57
Consolidation of former associate	-	-	-	-	-	(5)	(5)
Total recognised income and expense for the period	-	-	443	1,838	2,281	38	2,319
Balance at 30 June 2009	700	16,854	(3,853)	7,727	21,428	287	21,715
Balance at 1 July 2009	700	16,854	(3,853)	7,727	21,428	287	21,715
Costs share options	-	-	43	-	43	-	43
Total recognised income and expense for the period	-	-	(160)	5,993	5,833	(180)	5,653
Balance at 31 December 2009	700	16,854	(3,970)	13,720	27,304	107	27,411
<b>Equity Statement 2010</b>							
Balance at 1 January 2010	700	16,854	(3,970)	13,720	27,304	107	27,411
Dividend distribution	-	-	-	(3,658)	(3,658)	-	(3,658)
Exercised share options	-	-	13	-	13	-	13
Costs share options	-	-	73	-	73	-	73
Realised translation reserves	-	-	270	(270)	-	-	-
Total recognised income and expense for the period	-	-	243	2,662	2,905	(107)	2,798
Balance at 30 June 2010	700	16,854	(3,371)	12,454	26,637	-	26,637

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## **5. Consolidated Statements of recognised Income and Expense**

	Half-year 2010	Half-year 2009
<i>(in thousands)</i>	€	€
Foreign exchange translation differences	243	443
Income / (Expense) recognised directly in equity	243	443
Profit for the period	2,555	1,876
<b>Total recognised income and expense for the period</b>	<b>2,798</b>	<b>2,319</b>
<b>Attributable to:</b>		
Equity holders of the parent	2,905	2,281
Minority interest	(107)	38
<b>Total recognised income and expense for the period</b>	<b>2,798</b>	<b>2,319</b>

## **6. Notes to the Consolidated Interim Financial Statements**

### **6.1 Reporting entity**

DOCDATA N.V. (referred to as “DOCDATA” or the “Company”) is a company domiciled in Waalwijk, the Netherlands. The consolidated interim financial statements of DOCDATA N.V. as at and for the half-year ended 30 June 2010 comprise DOCDATA N.V. and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates and jointly controlled entities.

The consolidated financial statements of the Group as at and for the year ended 31 December 2009 are available upon request from the Company’s registered office at Energieweg 2, 5145 NW in Waalwijk, the Netherlands, or at the Company’s corporate website, [www.docdatanv.com](http://www.docdatanv.com).

### **6.2 Statement of compliance**

These consolidated interim financial statements have been prepared in accordance with IAS 34 (Interim Financial Reporting). They do not include all of the information required for full annual financial statements, and should therefore be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2009.

### **6.3 Significant accounting policies**

The consolidated financial statements of the Group are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (“IFRS”). The accounting policies applied by the Group in these consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2009. For a summary of the significant accounting policies under IFRS, please refer to the Group’s Annual Report for the financial year ended 31 December 2009.

### **6.4 Audit**

The consolidated interim financial statements and the reconciliations included in this report and its enclosures have not been audited by the external auditors.

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### 6.5 Management representations

In the opinion of the management, these consolidated interim financial statements include all adjustments necessary for a fair presentation of the financial position, operating results and cash flows of all reporting periods herein. All such adjustments are of a normal recurring nature, except for recorded non-recurring expenses related to the acquisition of the former Dohmen Solutions business activities (including acquisition costs, advisory fees, restructuring expenses, etc.).

The results of the operations for the half-year ended 30 June 2010 are not necessarily indicative of the results for the entire financial year ending 31 December 2010.

### 6.6 Organisation structure and segmentation

From 1 January 2008 onwards, DOCDATA has changed the organisation structure from a country organisation to a divisional structure. Starting the financial year 2008, DOCDATA identifies for the purpose of preparing financial statements the following two lines of business: Internet service company Docdata (consisting of the following four services: Docdata commerce, Docdata payments, Docdata fulfilment and Docdata media) and Technology company IAI industrial systems. Starting 1 January 2010, the names of the two lines of business are:

- E-commerce company Docdata;
- Technology company IAI industrial systems.

The segmentation for both comparable consolidated interim financial statements for the half-year ended 30 June 2009 and the half-year ended 30 June 2010 has been prepared accordingly and in a consistent way.

### 6.7 Consolidation

In the consolidated interim financial statements for the half-year ended 30 June 2010, the following treatment has been applied for the following incorporations:

- **IAI excimer systems B.V.:** per 1 April 2010, IAI industrial systems B.V. has incorporated a new legal entity for a Dutch subsidiary, IAI excimer systems B.V. in Veldhoven. The balance sheet and income statement of IAI excimer systems B.V. have been included in the DOCDATA consolidation starting per the date of incorporation;
- **Docdata Assets GmbH, Docdata e-Commerce Services GmbH, Docdata Fashion Services GmbH:** these three new German subsidiaries, wholly owned by docdata germany GmbH, have been incorporated (based on new shelf companies, "Blitz GmbH") to provide the legal structure enabling the asset purchase of the former Dohmen Solutions activities per 16 April 2010. The balance sheet and income statement of these three GmbH's have been included in the DOCDATA consolidation starting per this date.

In the consolidated financial statements for the year ended 31 December 2009, the following treatment has been applied for the following incorporation and acquisition:

- **IAI industrial systems GmbH:** per 12 January 2009, IAI industrial systems B.V. has incorporated a new legal entity for its Germany subsidiary, IAI industrial systems GmbH in Berlin. The balance sheet and income statement of IAI industrial systems GmbH have been included in the DOCDATA consolidation starting per the date of incorporation;
- **Pegasus Mail GmbH:** on 9 January 2009, docdata e-business GmbH has acquired all issued shares of Pegasus Mail GmbH in Münster (Germany). This company operates fulfilment services related to print and mail. The balance sheet and income statement of Pegasus Mail GmbH have been included in the DOCDATA consolidation starting per the acquisition date.



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## 6.8 Property, plant and equipment

	30 June 2010	31 December 2009
<i>(in thousands)</i>	€	€
Land and buildings	1,297	1,347
Machinery and equipment	3,749	2,935
Other	2,254	1,881
	7,300	6,163
Under construction	1,094	58
<b>Total</b>	<b>8,394</b>	<b>6,221</b>

The book value of property, plant and equipment has increased with €2.2 million over the half-year ended 30 June 2010 as a combined result from capital expenditure for €3.2 million, depreciation charges for €1.1 million and currency exchange profits for €0.1 million on the UK property, plant and equipment accounted for in British pounds. Included in capital expenditure in the half-year ended 30 June 2010 is the purchase price of in total €0.2 million paid at acquisition for the equipment bought from the former Dohmen Solutions Group, and €0.6 million investments by IAI industrial systems B.V. in buildings and laser production equipment. The remainder of about €2.4 million relates to investments in the fulfilment warehouses of the Group and is predominantly spent in Germany for the warehouses located in the Berlin and Munich regions.

## 6.9 Intangible assets

	30 June 2010	31 December 2009
<i>(in thousands)</i>	€	€
Goodwill	6,889	6,626
Customer contracts	1,062	468
IT platforms	1,861	1,539
	9,812	8,633
Under construction	-	-
<b>Total</b>	<b>9,812</b>	<b>8,633</b>

The book value for intangible assets has increased with €1.2 million during the half-year ended 30 June 2010, due to the following:

- capital expenditure in customer contracts and IT platforms (€1.3 million in total), predominantly for the acquisition of the customer contracts and the IT-platform from the former Dohmen Solutions Group (€1.2 million in total at acquisition);
- amortisation charges for customer contracts and IT platforms (€0.4 million in total);
- currency exchange profits (€0.3 million) on the valuation of the intangible assets with an original value in British pounds (i.e. related to the Braywood and Hitura acquisitions).

## 6.10 Inventories

	30 June 2010	31 December 2009
<i>(in thousands)</i>	€	€
Raw and auxiliary materials	1,190	720
Work in progress	3,951	6,066
Finished goods	401	75
<b>Total</b>	<b>5,542</b>	<b>6,861</b>

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The book value of inventories decreased € 1.3 million in the half-year ended 30 June 2009, which is the combined effect of an inventory increase from the acquisition of the former Dohmen Solutions business activities (€ 0.5 million) and decreased work in progress at IAI industrial systems (€ 1.8 million). IAI industrial systems' order book decreased about € 5 million from € 13.8 million at 31 December 2009 to € 8.6 million at 30 June 2010 resulting from system deliveries during the half-year ended 30 June 2010 for a revenue of about € 10 million and new orders booked with a total sales value of about € 5 million.

**6.11 Segmented Consolidated Income Statement half-year 2010**

	E-commerce service company Docdata		Technology company IAI industrial systems	
<i>(in thousands, except earnings per share and average shares outstanding)</i>	€	%	€	%
Revenue	35,666	100.0	10,323	100.0
Cost of sales	(27,103)	(76.0)	(6,197)	(60.0)
<b>Gross profit</b>	<b>8,563</b>	<b>24.0</b>	<b>4,126</b>	<b>40.0</b>
Other operating income	245	0.7	20	0.2
Selling expenses	(2,290)	(6.4)	(391)	(3.8)
Administrative expenses	(5,929)	(16.6)	(947)	(9.2)
Other operating expenses	(237)	(0.7)	(1)	-
<b>Operating profit before financing result</b>	<b>352</b>	<b>1.0</b>	<b>2,807</b>	<b>27.2</b>
Financial income	207	0.6	33	0.3
Financial expenses	(77)	(0.2)	(33)	(0.3)
<b>Net financing income / (expenses)</b>	<b>130</b>	<b>0.4</b>	<b>-</b>	<b>-</b>
Share of profits of associates	-	-	-	-
<b>Profit before income tax</b>	<b>482</b>	<b>1.4</b>	<b>2,807</b>	<b>27.2</b>
Income tax profit / (expense)	99	0.2	(833)	(8.1)
<b>Profit for the period</b>	<b>581</b>	<b>1.6</b>	<b>1,974</b>	<b>19.1</b>
<b>Attributable to:</b>				
Equity holders of the parent	688	1.9	1,974	19.1
Minority interest	(107)	(0.3)	-	-
<b>Profit for the period</b>	<b>581</b>	<b>1.6</b>	<b>1,974</b>	<b>19.1</b>