

Qurius first half year figures 2007

<i>(in euros x 1,000)</i>	1st half year 2007	1st half year 2006
Net sales	51,208	22,177
EBIT	2,852	3,063
Net Profit	1,511	2,099

19 July 2007 – In the first half year of 2007 Qurius NV realised net sales of EUR 51.2 million, an increase of 131% versus 2006 (EUR 22.2 million). EBIT was EUR 2.9 million versus EUR 3.1 million in the first half year of 2006. Qurius realised a net profit of EUR 1.5 million (first half year of 2006: EUR 2.1 million). The decrease in net profit is partly caused by the inclusion of Magnus Management Consultants in all of the above figures of 2006 (effect on net profit of around EUR 0.7 million) and partly by increased interest charges due to acquisition financing (mainly Watermark in December 2006).

“The month of June 2007 brought less software licence sales than we expected on the basis of historical trends. However, we believe that most prospective deals are delayed rather than lost. As we have indicated before, our EBIT-margin is furthermore negatively influenced by the sub critical mass of a number of countries outside the Netherlands”, says Fred Hermans, Qurius’ Chief Executive Officer.

“With regard to our Mid-term strategy, we have set major steps forward in the first half of year of 2007. The business case behind the merger with Watermark has been to create a stepping stone for our international organic and acquisitive growth ambition. During the first half year of 2007, the acquisitions of Cedilla in the UK, Wilhelm+Zeller in Germany and Ibitec in Sweden mark the first steps in the increase of operational size in a number of countries. The successful recent share issue has provided us with a financial buffer to close the already announced acquisitions and form a base for subsequent steps”.

Profit & loss account
(in euros x 1,000, except percentages)

	1st half year 2007	1st half year 2006	% change
Net sales	51,208	22,177	131%
Cost of sales	-15,165	-5,985	153%
Gross margin <i>(as % of net sales)</i>	36,043 70.4%	16,192 73.0%	123%
Wages and salaries	19,448	8,148	139%
Pension and social security costs	3,760	1,241	203%
Other operating expenses	8,773	3,833	129%
Operating expenses	-31,981	-13,222	142%
EBITDA <i>(as % of net sales)</i>	4,062 7.9%	2,970 13.4%	37%
Depreciation and amortisation	1,210	533	127%
EBIT (excluding the sales result from Magnus Management Consultants)	2,852	2,473	17%
Sales result from Magnus Management Consultants	0	626	n.a.
EBIT <i>(as % of net sales)</i>	2,852 5.6%	3,063 13.8%	-7%
Financial income and expenses	-694	-79	778%
Profit before taxation	2,158	2,984	-28%
Taxation	-647	-885	-27%
Net profit <i>(as % of net sales)</i>	1,511 3.0%	2,099 9.5%	-28%

(Note: Qurius divested in June 2006 its interest in Magnus Management Consultants and in December 2006 the merger with Watermark was finalised. Both events are relevant when comparing 2007 with 2006.

The acquisitions of Cedilla, Wilhelm+Zeller and Ibitec will be consolidated as per 1 July 2007).

Net sales increased by EUR 29.0 million, or 131%, to EUR 51.2 million in the first half year of 2007 from EUR 22.2 million in the first half year of 2006. On a like-for-like basis (including Watermark and excluding Magnus Management Consultants), autonomous sales growth amounted to EUR 3.3 million. Watermark contributed EUR 31.0 million to net sales in the first half year of 2007.

Net sales were negatively impacted by the divestment of Magnus Management Consultants (EUR 3.2 million).

Growth of gross margin is to a large extent the result of the merger with Watermark. The gross margin as a percentage of net sales decreased from 73% in the first half year 2006 to 70% in the first half year 2007, which is caused by the larger share of Software licenses sales and Maintenance sales that have on average lower gross margin as a percentage of net sales than Qurius' Services activities.

In addition, there was also some negative impact from the divestment of Magnus Management Consultants that operates at a relatively high gross margin as a percentage of net sales.

In the EBIT for the first half year of 2006, an amount of EUR 0.6 million is included as sales result from Magnus Management Consultants. Additionally, Magnus Management Consultants contributed EUR 0.4 million EBIT.

On a like-for-like-basis, EBIT for the first half year of 2007 is EUR 2.9 million compared with EUR 2.0 million in the first half year of 2006.

Net sales segmentation

The following table sets forth the Company's net sales by business line for the periods indicated:

<i>(in euros x 1,000, except percentages)</i>	1st half year 2007	1st half year 2006	% change
Qurius Advanced Solutions	2,099	2,377	-12%
Qurius Business Solutions	44,509	13,028	242%
Qurius Infrastructure Solutions	3,459	3,533	-2%
Qurius Managed Services	1,141	0	n.a.
Magnus Management Consultants	0	3,239	-100%
	51,208	22,177	131%

Net sales of Qurius Advanced Solutions in the first half year of 2007 was 12% lower due to lower billability of fee earners as a result of the final delivery of some larger fixed price projects.

Net sales increase of Qurius Business Solutions was EUR 31.4 million, mainly as a result of the Watermark acquisition.

The decrease of net sales at Qurius Infrastructure Solutions is caused by the transfer of 'long-term contracts' to the Qurius Managed Services business line, which is partly compensated by autonomous growth at Infrastructure Solutions on a like-for-like basis.

Similarly, the net sales growth at Qurius Managed Services resulted to a large extent from contracts which were initially serviced by Business Solutions and Infrastructure Solutions.

Magnus Management Consultants is sold and deconsolidated as of 30 June 2006 and hence is not contributing to net sales anymore.

The following table set forth net sales by category for the periods indicated are presented below.

<i>(in euros x 1,000, except percentages)</i>	1st half year 2007	1st half year 2006	% change
Software licenses	9,256	3,251	185%
Maintenance	10,305	2,042	405%
Services	28,652	10,868	164%
Hardware	2,995	2,777	8%
Magnus	0	3,239	-100%
	51,208	22,177	131%

The net sales split between the Netherlands and the international activities for the periods indicated are presented below.

<i>(in euros x 1,000, except percentages)</i>	1st half year 2007	1st half year 2006	% change
Netherlands	29,096	20,995	39%
International activities	22,112	1,182	1,771%
	51,208	22,177	131%

The growth in the international activities is due to the acquisition of Watermark in December 2006.

Result from financial income and expense

The costs from financial income and expense have increased from virtually zero to EUR 0.7 million in the first half year of 2007. The main reason is the significant increase of interest bearing debt on the balance sheet as a result of the debt financing of the transaction with Watermark.

Taxes

Taxes amounted to EUR 0.6 million in the first half year 2007 compared to EUR 0.9 million in the first half year 2006. The tax burden, as a percentage of profit before taxation amounted to 30.0% in the first half year 2007, compared to 29.7% in the first half year 2006. The increase is mainly due to the consolidation of Watermark that is active in tax jurisdictions with a higher tax rates then the Netherlands.

Net profit

Net profit decreased to EUR 1.5 million in the first half year of 2007 compared with EUR 2.1 million in the first half year of 2006, mainly as a result of the incidental net profit as a result of the sale of Magnus Management Consultants (around EUR 0.7 million).

Balance Sheet

<i>(in euros x 1,000)</i>	30 June 2007	31 December 2006
Assets		
Fixed assets		
Intangible fixed assets	35,196	35,082
Tangible fixed assets	2,033	1,955
Financial fixed assets	16,614	17,333
Current Assets		
Receivables	35,986	28,577
Liquid funds	35,141	4,820
Total Assets	124,970	87,767
Equity and Liabilities		
Group equity	71,071	33,474
Provisions	2,799	2,428
Long term liabilities	8,747	10,000
Current liabilities	42,353	41,865
Total Equity and Liabilities	124,970	87,767

Total assets amounts to EUR 125.0 million and group equity to EUR 71.1 million. Equity increase is for EUR 1.5 million resulting from net profit posted in the first half year of 2007. Additionally, Qurius has issued new shares for total net proceeds of EUR 36 million.

Cash flow

<i>(in euros x 1,000)</i>	1st half year 2007	1st half year 2006
Net profit	1,511	2,099
Depreciation and amortisation	1,210	533
Movements in provisions	371	0
Gross cash flow	3,092	2,632
Adjustments for movements in working capital	-7,415	-1,222
Cash flow from operating activities	-4,323	1,410
Cash flow from investments activities	-962	-32
Cash flow from financing activities	35,606	-600
	30,321	778

The operational cash flow amounted to EUR 4.3 million negative mainly caused by investment in working capital and partly compensated by net result.

The cash flow from investment activities amounted to EUR 1.0 million. The cash flow from financing activities amounted to EUR 35,6 million, mainly through the net proceeds of the share issue and negatively influenced by the reduction of the credit facility.

Employees

On the 30 June 2007 Qurius had 724 employees (30 June 2006: 263). The acquisitions of Cedilla, Wilhelm+Zeller and Ibitec will be consolidated as per 1 July 2007 and will add approximately 175 employees to the headcount.

<i>Number of Employees</i>	30 June 2007
Netherlands	388
International activities	336
	724
	(excluding acquisitions)

Looking ahead

Qurius wants to shape up as architect, builder and systems manager of Microsoft business solutions. Its Microsoft Dynamics expertise, references and experience ensure a strong point of departure. The objective is to reach annual net sales between EUR 250 and 300 million in 2010, with 75% added value and EBIT on net sales of 9%.

Up to now, Qurius has closed 4 acquisitions and announced a further 2 acquisitions, which are intended to be closed by September 2007, with a total accumulated revenue in 2006 of EUR 40 to 45 million. With regard to our Mid-term objectives, we have made this year a few important steps forward in Germany, Sweden and the UK.

Because of the limited size of a number of international subsidiaries, profitability for the whole year of 2007 will not reach the desired Mid-term levels. The upcoming two years, growths prevail over profitability. For the whole of 2007, the company has communicated an EBIT-level between 8% and 11% of gross margin, which is equal to 5.5% and 7.5% of net sales. The company still expects, for the whole of 2007, to achieve an EBIT within this range.

Qurius N.V.

Qurius provides architecture, realization and systems management of Microsoft technology based business and IT solutions, including infrastructures. Qurius has over 900 staff members; its headquarters are located in Zaltbommel, the Netherlands. Its offices in Belgium, Denmark, Germany, Italy, the Netherlands, Norway, Spain, Sweden and the United Kingdom serve over 2,300 clients. Qurius has been publicly listed on Euronext Amsterdam since 1998. Qurius was recognised by Microsoft® as the 2007 global Microsoft Dynamics™ Partner of the Year.

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