Qurius

# Annual report 2008

# Content

# 1 Letter from the CEO

**To our shareholders**

Qurius wants to be a leading IT company in Europe, delivering integrated business solutions based on Microsoft technology. This is an ambitious objective. But, with over 15 years of experience, plus the right people, skills and attitude, we have the means to realise this objective and to create a healthy, profitable organisation that satisfies our customers, outperforms our competitors and creates long term value for our shareholders.

In 2008, we have taken important steps in improving, integrating and optimising our organisation. However, it has also been a year in which we have not been able to realise the improvement in profitability we were aiming for. Integration issues, and disappointing operational performance in various countries are the main cause for this. We believe that adequate corrective actions have been taken and that we have created a stronger foundation for the future.

In a wider perspective, 2008 has been a historical year, with financial markets plummeting to historical lows and a subsequent economic crisis. Uncertainty is greater than ever. In this climate, we believe that the steps that we have taken were necessary to ride through the storm.

In the current economic downturn, companies will be looking for IT solutions that can help improve the efficiency of their organisation. This is exactly what Qurius offers its customers. In addition, our strong Qurius installed base presents us with a lot of business opportunities. During the coming year we will monitor our results carefully to be able to stay in control and to take any further steps required for a healthy organisation.

In this annual report, we not only describe the various results and figures, but we also present our Qurius identity to you. In 2008, we defined the rules of the game we want to play, including our Qurius core values. I am proud to introduce the people from our international organisation telling their personal story about the Qurius values and our company.

At this stage, I would also like to thank the individuals who are the major asset of Qurius: our employees. Their commitment and excellent work has been, and will continue to be instrumental in strengthening our operations. This will continue to be the driving force behind our performance in the future.

Fred Hermans
CEO Qurius NV

## Curious

Qurius is pronounced as ‘curious’. Throughout history, curiosity has been the great driver for excellence and innovation. Satisfying curiosity often means using the word *why*. This is a very powerful word. It expresses respect for the opinion of one’s counterpart, but the counterpart is challenged at the same time. It is an open question that triggers to give substance in content, but also invites a specific response.

In our profession, we design and implement solutions. Designing solutions is equivalent to answering the questions *what* and *how*. Excellent solutions, however, are only created if our sales and consulting staff acquire a good understanding of the answer to the question *why* first.

Why does a manager need this requirement to be fulfilled; which business processes are supported by the solution; in what sense will the solution be beneficial for the business success of our customers? Asking the question *why*, understanding the answer and acting in accordance with the answer provides the foundation of the added value for our customers as well as the foundation for personal growth and development.

If you ask WHY, you are Qurius.

# 2 Key developments in 2008

| | |
|---|---|
| January | Qurius is selected for the AScX index |
| February | New Qurius website completes international rebranding |
| March | Qurius and LS Retail to market solutions in Europe<br>Qurius starts Near Shore Development Centre in Czech Republic<br>Qurius founds Qurius Global Alliance to ensure global coverage for its customers by acknowledged Microsoft partners<br>Qurius appoints two new business line directors in the Netherlands: Peter van Haasteren at Qurius Business Solutions and Robert Lagas at Qurius Advanced Solutions |
| April | Major PSO contract with Eiffel for Qurius the Netherlands |
| May | Qurius announces acquisition of Bíndar in Spain |
| September | Qurius the Netherlands starts managed hosting assignment at Land van Horne, one of the largest care institutions in the south of the Netherlands<br>Restructuring of the Spanish sales and delivery organisation<br>Reorganisation of the German management and overhead |
| October | Qurius postpones Bíndar acquisition |
| November | Qurius announces 4 new members of the Qurius Global Alliance: All e Technologies (India); IBIZ Consulting Services (Singapore); OMNi Technology (Turkey); and Tribridge (USA)<br>Qurius integrates its German subsidiaries into one entity: Qurius Deutschland AG with its head office in Hamburg<br>Qurius changes its Board Structure and appoints Michiel Wolfswinkel as CFO; Tom Stolk steps down from the Executive Board and leaves the company |
| December | Qurius Netherlands wins large assignment for BDO International<br>Qurius implements Q-Care solution at Zorggroep Noord- en Midden-Limburg<br>Managing Director in Sweden replaced by interim Managing Director |

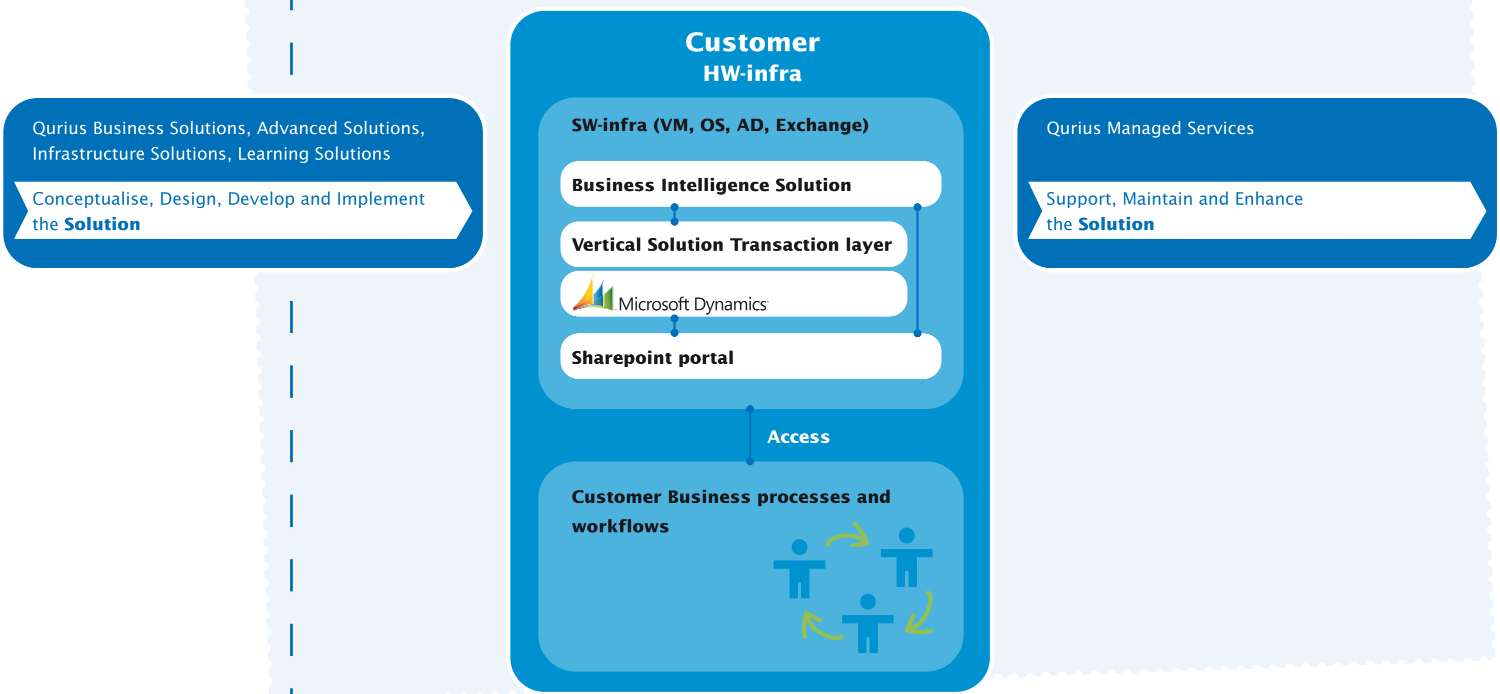
# 3 About Qurius

## 3.1 Profile

Qurius is an experienced, reliable, full service IT provider that supports its customers with the complete life cycle of IT systems, including system architecture, packaged or custom-made application solutions, BI-solutions, portals, infrastructure or training. With over 15 years of practice, we recognise and master the complex process of any IT implementation project. We understand the operational process after going live. We deliver and operate smart solutions that help our customers realise their goals.

Qurius is listed at the NYSE Euronext in Amsterdam and has its head office in Zaltbommel, the Netherlands. Qurius is Europe's number one Microsoft Dynamics partner with operations in Austria, Belgium, Denmark, Germany, Italy, the Netherlands, Norway, Spain, Sweden, the United Kingdom and a Near Shore Development Centre in the Czech Republic. Through our international presence we are able to serve local and international customers in the mid-market as well as the lower enterprise segment.

Qurius has an eventful growth history, in the past five years characterised by mergers and acquisitions. After a swift expansion in the Dutch market, we progressed to becoming a Europe-wide IT supplier with a clear focus: to be the leading IT company in Europe delivering integrated business solutions based on Microsoft technology.



## 3.2 Mission and vision

**Mission**

In a rapidly changing competitive environment, well-functioning and reliable IT systems are vital for a company's success. At the same time, supporting clients with smart IT solutions, services and infrastructure is a challenging playing field. Our customers often perceive IT projects as risky, and they might indeed involve a certain level of concern and stress. We find pressure, changes during the process and sometimes uncertainty about the final result to be part of the game we play with our customers. Qurius acknowledges these complex factors and the high level of interdependency our work involves. Therefore we strive towards excellent project and process management and high level, supported professionals working from a solid home base. This way we have better control of the uncertain, risky factors involved in any IT project and we are able to deliver better and more creative solutions.

Our mission is to realise and provide IT facilities that improve the success of our customers and help companies realise their goals.

**Vision**

At Qurius, we enjoy learning, sharing best practices and supporting one another whenever necessary. Qurius' solid home base and support energise us to a higher level. We work open-mindedly, we challenge and support each other to perform anew every day.

Qurius aims to outperform and win the game, to manage successful projects, provide excellent operational service and to deliver good results. We understand that winning this game depends very much on our professional skills and personal abilities. The way we manage the process is crucial for client satisfaction and for better Qurius professionals. We do not push stress or complexity completely down the line; we apply different rules. We stage our players and give them full support.

Staging and supporting key players in their role is the leading Qurius principle. This principle is what has united the various companies into one pan-European company, offering the broadest spectrum of services in our industry and delivering better solutions for our customers.

## 3.3 Strategy

**Stakeholders**

Our *customers* are our Number One stakeholders. Our customers are looking for a reliable partner that offers them high quality, innovative and integrated solutions. Qurius offers its customers integrated solutions in a full-service model. We deliver and operate complete business applications based on Microsoft technology and we make sure we equip our customers with the right tools to achieve their growth objectives and to realise their strategy.

Qurius wants to win the game. Therefore we want to be the best IT partner for our customers.

In order to win the game, we want to excel. Our *employees* want to excel in understanding and addressing our customer needs. We continuously strive to meet expectations. Our people are crucial for winning the game. They can only perform better and in a creative way with the right tools. Therefore we equip our professionals with the latest technology, share expertise, provide career opportunities and create a pleasant working environment.

Qurius invests intensely in the valuable relationship with its primary technology and solution *partners* like Microsoft. Our strategy is to build on our partners' strengths in delivering smart solutions to our customers.

Qurius wants to be the leading IT provider for business solutions based on Microsoft technology in Europe. Efficiency and utilisation is of utmost importance to grow Qurius. Through synergy and cooperation between our country organisations, Qurius will profit from its size and international presence. Furthermore, Qurius strives towards transparent management and communication in accordance with the Dutch corporate governance code. This way we create a healthy, profitable company that creates long term value for our *shareholders*.

**Organisational structure**

Qurius is a flat organisation, with much autonomy in the countries. In practice, this means that we have a small holding and that the country organisations are very independent in developing and managing their business.

At the same time, our international setting offers us potential for organisational synergies, knowledge sharing and cross-border customer rollouts. The purpose of the holding is to facilitate and initiate synergies and supervise the management of the country operations. We operate and manage the organisation in a practical manner and minimise bureaucracy.

In each country, Qurius specialises in various local vertical solutions with which we distinguish ourselves from our competitors. Internationally, we offer corporate vertical solutions that we aim to develop once, with a specialist European team, and sell in several European countries.

**Innovation and smart solutions**

Qurius wants to be the best IT partner for its customers and therefore we aim to deliver state of the art, smart solutions. Integration of Microsoft Dynamics ERP software with portals, adding Business Intelligence to ERP solutions, combining mobility solutions with ERP are all examples of these smart, innovative solutions. Innovation is crucial to the success of Qurius and our customers. We are continuously aiming to adapt our processes and organisation to be the leader in adopting the latest technologies and business models of our industry.

A well-managed delivery process is essential to deliver high quality products and solutions. We invest continuously in the quality of our project management capabilities and delivery tools. The Qurius methodology, QMethod, is one of our distinguishing aspects because it uniquely covers the full IT lifecycle and up to six different project types. We use a company-wide knowledge base, toolset and workbench, to leverage the combined knowledge of our professionals.

Secondly, we want to work with the most innovative products that enable us to offer better solutions for our customers. We select our partners carefully and invest in long-term relationships to be able to guarantee outstanding service and quality for our customers.

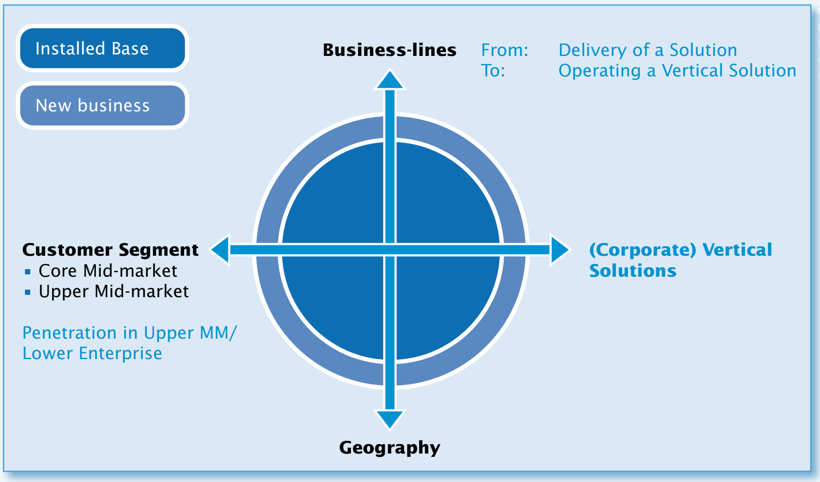
Our customers have high demands for availability, performance, accessibility of their application, maintenance and service. We want to be leading in offering the smartest solutions and delivery models, which outperform these demands. Innovative business models, such as hosting and software as a service, are part of our portfolio and we invest in technological developments like virtualisation and high availability.

## 3.4 Core activities

Qurius delivers system architecture, packaged or custom-made application solutions, BI-solutions, portals, infrastructure and training. Furthermore, we operate and maintain complete business critical IT systems based on Microsoft technology[1]. Thanks to this focus we have powerful expertise and the latest technology and products for further support to our customers.

We deliver these solutions and services in selected countries and to selected industries. Qurius has operations in Belgium, Germany and Austria, Denmark, Italy, the Netherlands, (head office), Norway, Spain, Sweden and the United Kingdom. Qurius also has its own Near Shore Development Centre in the Czech Republic.

In those segments where we can distinguish ourselves, we deliver sector-specific solutions and technology. Key industries are Wholesale and Trade, Manufacturing, Waste Management and Business Services. The exact selected industries vary per country.




### Qurius differentiators

What differentiates Qurius is:

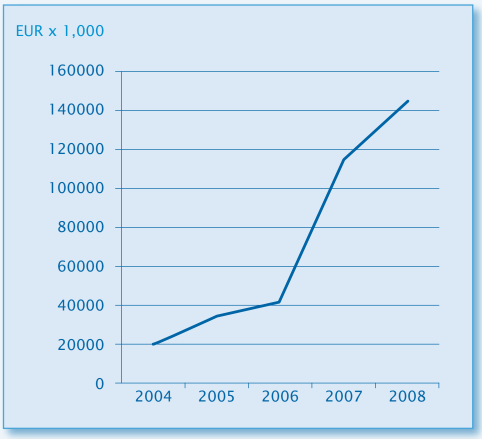
- A strong vertical focus based on a deep knowledge and understanding of the sectors we specialize in
- Our strong focus on Microsoft, which equips us with the latest technology and thorough knowledge of the Microsoft products
- We have a proven track record in delivering integrated innovative solutions in applications as well as in infrastructure, support, hosting and maintenance
- Our organisation is scaled for larger international customers as well as local mid-size companies and has multinational coverage
- We offer full service support: IT architecture, solution delivery, and operate & improve any IT solution

[1] In our Italian, Spanish and German operations, the BAAN software (owned by Infor) forms a part of the business.

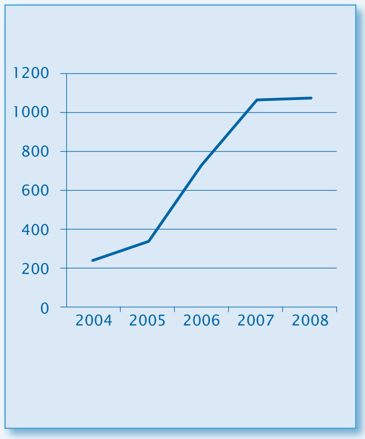
## 3.5 Five year financial summary

| *In EUR x 1,000, unless stated otherwise* | 2008 | 2007 | 2006 | 2005 | 2004 |
|---|---|---|---|---|---|
| **Results** | | | | | |
| Net sales | 143,888 | 114,758 | 41,859 | 33,855 | 19,932 |
| EBITDA | 5,666 | 7,668 | 5,726 | 4,234 | 1,947 |
| EBIT (before restructuring and impairment charges) | 1,937 | 4,729 | 4,675 | 2,705 | 1,162 |
| EBIT | -18,497 | 4,729 | 4,675 | 2,705 | 1,162 |
| Net result | -22,495 | 2,605 | 3,201 | 1,720 | 521 |
| Result per share (in EUR) | -0.21 | 0.03 | 0.06 | 0.03 | 0.01 |
| **Capital base** | | | | | |
| Total assets | 118,582 | 138,855 | 87,767 | 22,246 | 15,958 |
| Shareholders' equity | 48,691 | 71,317 | 33,483 | 11,348 | 6,621 |
| Shareholders' equity per share (in EUR) | 0.46 | 0.68 | 0.45 | 0.21 | 0.13 |
| Solvency as % of total assets | 41 | 51 | 38 | 51 | 41 |
| Current ratio | 0.88 | 0.95 | 0.80 | 1.16 | 0.94 |
| **Employees** | | | | | |
| Number of employees at year-end | 1,074 | 1,060 | 725 | 312 | 238 |
| Average number of employees | 1,056 | 852 | 320 | 289 | 196 |
| **Share price information (in EUR)** | | | | | |
| Highest | 0.82 | 1.81 | 1.16 | 0.63 | 0.66 |
| Lowest | 0.22 | 0.62 | 0.57 | 0.42 | 0.35 |
| Year-end | 0.24 | 0.70 | 1.13 | 0.56 | 0.45 |

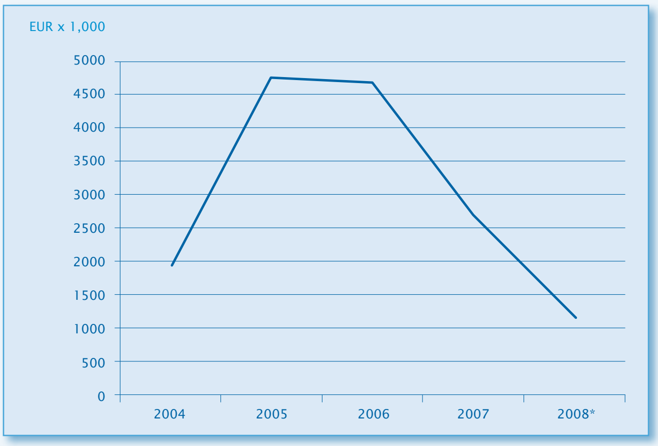
**Net sales 2004-2008**




**Employees year end 2004-2008**




**EBIT 2004-2008**




** 2008 EBIT excl. impairment & restructuring costs*

## *Curious*

### Javier López, Services Manager QAS, Qurius Spain

"Curiosity is very important to me as it has allowed me to go beyond the obvious and search the reason behind things. I have always wanted to learn new things and understand how things work. I remember that being a kid I used to fantasize about the way organisations, people and machines around me worked. And sometimes I like to imagine operational scenarios that I solve in my head as if they were puzzles. I think that those people that stop being curious, will start missing something. There's a saying that states 'Curiosity killed the cat', but in my opinion, curiosity is one of those things that keeps us alive!"

## 3.6 Share profile

Qurius has been listed at Euronext in Amsterdam since 1998 under the name of Magnus Holding NV; since 2 May 2006 under the name of Qurius N.V.

**Development of the share price in 2008**


***Passionate***

## Evelien Wackenier, Consultant, Qurius Belgium

"I am passionate for teamwork, which already started at a young age when I began to play volleyball. Being a team sport, the team is more important than your own personal success. You cannot win a game if you do not act as one team. I also see this in my daily work as an ERP consultant. A passionate team working closely together in a project will reach better results.

To win a game of volleyball, or deliver a good project, depends on your own motivation and passion, and on those of your team members. For me, passion and professionalism are two pillars that lead to customer satisfaction. And a happy customer results in joy and passion at work!"

### Developments in share capital

In 2008, no changes took place in the amount of outstanding share capital.

On 31 December 2008, Qurius had 105,432,619 shares outstanding at a nominal value of 0.12 EUR each.

On average, the number of shares in 2008 was 105,432,619

In 2008, the average turnover per trading day was EUR 0.23 million, which corresponds with a total turnover of EUR 73.9 million. On average, 607,209 shares were traded per trading day.

The market capitalisation on 31 December 2008 amounted to EUR 25,303,829 at a closing price of EUR 0.24. On 31 December 2007 the market capitalisation amounted to EUR 73,802,833, at a closing price of EUR 0.70.

### Financial Calendar

**2009**

| | |
|---|---|
| 23 April 2009 | Publication of 2009 first quarter results |
| 24 April 2009 | Annual General Meeting |
| 23 July 2009 | Publication of 2009 half-year results |
| 22 October 2009 | Publication of 2009 third quarter results |

**2010**

| | |
|---|---|
| 23 April 2010 | Annual General Meeting |

### Remote voting

Qurius endorses the importance of proper shareholders' participation and, within the limits of the articles of association, allows shareholders to be represented by proxy at the general shareholders meeting. Future developments in the field of remote voting will be followed to enable remote voting in the future.

### Investor relations

For questions regarding Qurius investor relations, please contact: investorrelations@qurius.com or +31 (0)418 68 35 00.

## 3.7 Boards and senior management

### Executive Board

**Fred Hermans, CEO**

Following graduation at Eindhoven Technical University in industrial engineering and management science in 1985, Fred Hermans (1962) started his career as a consultant at Andersen Consulting where he followed the traditional careerpath from consultant to program manager and eventually managing consultant. Together with 4 colleagues, he founded Magnus in 1992. From 1992 to 2001, he was initiator and subsequently regional managing director of Magnus' practice in Asia-Pacific and member of the Board of Directors of Magnus Holding NV. He was appointed Chief Executive Officer of Qurius on 16 September 2002.

**Michiel Wolfswinkel, CFO**

Michiel Wolfswinkel (1963) graduated in business economics at Erasmus University in Rotterdam in 1989. Before joining Qurius, he was Chief Financial Officer at Van Der Moolen Holding NV, where he successfully led various business improvement programs. Earlier in his career he fulfilled several financial management and financial director roles, among others at Eneco NV and Matrix One. In addition to his role as CFO at Qurius, Mr Wolfswinkel is a lecturer at the Rotterdam School of Management. He will be nominated as CFO at the AGM of 24 April 2009.

**Frank van der Woude, COO**

Until its merger with Qurius in December 2006, Frank van der Woude (1965) was Watermark's chief operating officer. From 2001 to 2005, he was managing director at Imtech Systems. He was Asia Pacific regional director of Philips Speech Processing from 1999 to 2001. Before joining Philips, he was European sales director at Fujitsu-ICL, where he worked in several international management positions from 1992 to 1998. Mr Van der Woude holds a degree in Business Economics from the University of Amsterdam. He was appointed to Qurius' Executive Board on 18 December 2006.

For the shares owned by the individual directors, please refer to page 90 of this annual report.

## Supervisory Board

**Lucas Brentjens (chairman)**

Lucas Brentjens (1959, Dutch nationality) is former CEO of Exact Software and has been a private investor since 2004. After rounding off his study in Business Economics at the University of Brabant, he started his career at A O bank in 1985. From 1987 to 2004 he held several management positions at Exact Software. He was appointed to the Supervisory Board of Qurius on 21 April 2006.

**Fred Geerts**

Fred Geerts (1949, Dutch nationality) is an independent management consultant. From 1976 till 2000 he worked for Accenture (the former Andersen Consulting), lastly as managing partner of Andersen Consulting Nederland. After having rounded off his study in Mechanical Engineering and Business Economics he joined this company as consultant. He was in charge of extensive change processes and held various positions including head of competency strategy, head of quality, member of the Western Europe management team and head of practice for government & services. His appointment to the Supervisory Board of Qurius was made on 22 April 2004.

**Erik Westerink**

Erik Westerink (1961, Dutch nationality) studied Dutch law at the University of Leiden and then rounded of his MBA at INSEAD. He was associate and later Managing Director in the investment-banking branch of Morgan Stanley in London. In 2001, he switched to Philips Electronics where he was in charge of the M&A department for two years and then became CEO of the Lighting Electronics Business Group. Since October 2006, he has been Managing Director of Parcom Capital Nederland. His appointment to the Supervisory Board of Qurius was made on 27 April 2007.

For an actual summary of the shares owned by the members of the Supervisory Board please refer to the public AFM registers.

## Senior Management

**Holding**

Willibrord Blom, Corporate Finance Director

**Qurius Belgium**

Managing Director: Geert Goeteyn

**Qurius Denmark**

Managing Director: Kim Godsk Ottosen

**Qurius Germany**

Country Management: Kay Laukat, Christian Schneider, Thomas Zeller

**Qurius Italy**

Managing Director: Antonio Gentile

**Qurius The Netherlands**

Managing Director: Frank van der Woude (Executive Board member)
Peter van Haasteren, Director Qurius Business Solutions
Robert Lagas, Director Qurius Advanced Solutions
Jan Leppink, Director Qurius Learning Solutions
Pieter Meeuwis, Director Qurius Managed Services
Ton Baeten, Director Qurius Infrastructure Solutions

**Qurius Spain**

Managing Director: Jose Maria Sanchez

**Qurius Sweden**

Managing Director: Fredrik Andersson

**Qurius United Kingdom**

Managing Director: Mike Dickson

**Qurius Near Shore Development Centre Czech Republic**

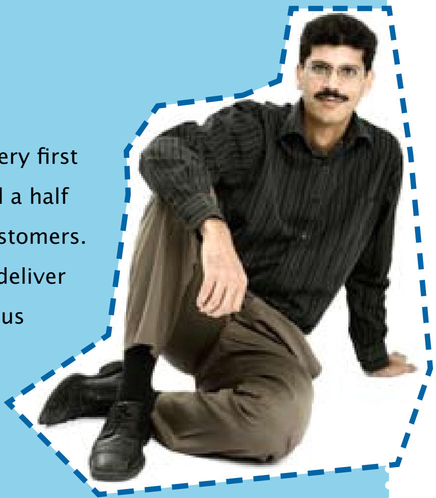
Country Management: Stephan Losekoot, George Knap

**MultiPlus (Norway, Denmark, China)**

Managing Director: Per Olav Helgelund

*My Qurius career story*

## Nadeem Ayub, senior application specialist, Qurius Denmark



"Qurius gives its employees freedom and responsibility, from the very first day at the customer. That is why I joint Qurius for almost three and a half years ago. I like my work because I of this responsibility for the customers. Every implementation of a solution is a new challenge. In order to deliver good results and develop myself as a competent professional, Qurius offers me trainings not only in ERP-systems but I also follow a Master in IT Management. In the coming years I aim to grow towards management level."

## Liz Harris, consultant, Qurius UK

"At an early age I decided that my initial venture into accountancy was not going to give me the diversity of opportunity I was looking for. I was lucky enough to get involved in Navision over 9 years ago and I took my limited experience to Cedilla Systems, in Manchester. After a few years as a Navision consultant I formed part of the management buy-out team at Cedilla. This obviously gave me the opportunity to take on more and more responsibility, and whilst this was very hard, it gave me the experience I was striving for in a very short period of time. Having taken a short break around the birth of my daughter, I returned to the business as a senior consultant working in the Waste & Recycling sector and I continue to perform in that role today within Qurius. Working for Qurius, particularly in that market, is very hard work, be it very rewarding. Being part of a larger organisation which is growing at a rapid rate gives me even more opportunities to extend my experience, skills and knowledge."

# 4 Supervisory Board Report

### Financial statements

The Supervisory Board herewith presents the financial statements of Qurius NV for the 2008 financial year. The financial statements for 2008 have been prepared by the Executive Board and audited by the external auditor BDO Camps Obers Audit & Assurance B.V. and provided with an unqualified audit opinion rendered on page 100 of this annual report. The financial results have been discussed in the presence of the auditor at the meeting of the Supervisory Board and the Executive Board of 11 March 2009. The Supervisory Board proposes that the shareholders adopt the financial statements as presented in the annual report for the year 2008 at the Annual General Meeting of 24 April 2009. The external auditor will be present at the Annual General Meeting. After having assessed the performance of the external auditor, the Supervisory Board recommends that the Annual General Meeting re-appoints BDO Camps Obers Audit & Assurance B.V. as external auditor for a one-year term.

### Discharge

The Supervisory Board recommends granting discharge to the Executive Board for the management conducted and to the Supervisory Board for the supervision it exercised in 2008.

### Profit appropriation

The Supervisory Board approves to the appropriation of profit as proposed on page 102 of this annual report.

### Supervisory Board composition

The composition of the Supervisory Board is such that it corresponds with the nature, activities, and scope of the company and its stock exchange listing. The Supervisory Board currently consists of three members. They are appointed for a fixed term of four years and may be re-appointed for two additional terms of four years. The biographies of the members of the Supervisory Board can be found on page 19 of this annual report.

The Supervisory Board elected Mr Lucas Brentjens as its chairman with effect from 21 June 2007. At the shareholders meeting of 25 April 2008, the Supervisory Board approved Fred Geerts' re-appointment as member of the Supervisory Board. Since this date, the Supervisory Board has been composed as follows, with the following re-appointment schedule:

| SB member | First appointment | End of term |
|---|---|---|
| Lucas Brentjens (chairman) | 21 April 2006 | 2010 AGM |
| Fred Geerts | 22 April 2004 | 2012 AGM |
| Erik Westerink | 27 April 2007 | 2011 AGM |

Mr Erik Westerink will resign from the Qurius Supervisory Board at the Annual General Meeting of 24 April 2009 as per that date. Mr Westerink is also Managing Director of Parcom Capital BV, one of the major shareholders of Qurius. Qurius and Mr Westerink have mutually agreed to have a clearer separation of roles. On the agenda of the same Annual General Meeting is the proposed appointment of Mr Evert H. Smid as member of the Supervisory Board.

### Independence

Parcom Capital BV, a subsidiary of ING bank, has acquired a current shareholding of approximately 18% in Qurius. Mr Erik Westerink is managing director of Parcom Capital as a result of which he cannot be considered independent. The Supervisory Board refers to the Corporate Governance Code as stated on page 48 in this respect.

### 2008 activities

The Supervisory Board met eleven times with the full Executive Board in 2008. The full Supervisory Board attended all these meetings. The Supervisory Board met once without the Executive Board, to discuss matters including the composition, remuneration and performance of the Supervisory Board and the Executive Board, as well as the performance of its individual members. In particular, the Supervisory Board has taken steps to ameliorate the position of financial responsibility within the Executive Board as a result of which Michiel Wolfswinkel was hired as CFO. The Annual General Meeting will be requested to formally approve the Supervisory Board's binding appointment of Michiel Wolfswinkel as member of the Executive Board in the position of CFO.

During the course of 2008, the Executive Board informed and consulted the Supervisory Board on matters including the overall policy, acquisitions, major decisions and strategy of the company. The larger parts of the meetings held in February, March, July and October were dedicated to the financial results of Qurius. Moreover, the Supervisory Board paid special attention to the operational integration of the activities in the various countries where Qurius is present. Also, the Supervisory Board regularly reviewed topics relating to the company's strategy, results, corporate governance, and internal control and risk management. In addition to the scheduled meetings, the Chairman of the Supervisory Board had frequent informal contact with individual Executive Board members.

### Executive Board remuneration report

In 2007, the CEO and COO of Qurius NV entered into new employment contracts for a period of 4 years with an option for extension. The remuneration package for the members of the Executive Board consists of a basic salary, a variable income and a long-term incentive. The basic salary is the fixed annual amount that is paid for the work. The variable income is an annual remuneration and will be determined by both the performance of the individual and the overall performance of the company. The total variable income amounts to no more than 23% of the basic salary and is based on the added value, the absolute and relative value of the EBIT, and other measurable objectives, such as staff turnover and customer satisfaction. The long-term incentive is the variable income component that is based on the long-term increase in value of the company and is paid after three years, under the condition of continuous employment. The long-term incentive will amount up to a maximum of 30% of the basic salary and is based on creation of shareholder value (absolute and relative EBIT) and increase in profit per share. The structure and procedures for the long-term incentive program have been communicated to the Executive Board in writing.

The Supervisory Board has considered whether the pre-defined objectives regarding revenue and results had been achieved for 2008. In addition, the Supervisory Board has assessed whether the members of the Executive Board have achieved pre-defined organisational and qualitative targets that will contribute to the company results in the coming years. On 20 February 2009, the Supervisory Board concluded that, although some of the organisational and qualitative targets have been met, various financial targets, especially related to EBIT, have not been met. Therefore, the Supervisory Board has decided that the members of the Executive Board are entitled to only a part of their variable income. No income was granted based on the long-term incentive related to the creation of shareholders value and profit development per share. The total individual remuneration of the members of the Executive Board for 2008 can be found on page 89 of this annual report.

## Supervisory Board remuneration report

The chairman of the Supervisory Board received a fixed amount of EUR 20,000. Each other member received EUR 15,000. The remuneration does not depend on the results of the company.

## Corporate governance

The Supervisory Board and the Executive Board are together responsible for the corporate governance structure of Qrurius. More details can be found about this in pages 47 of this annual report.

### Concluding

In 2008, important steps were taken towards further integration of the international activities of Qurius and enhancing operational results. The Supervisory Board values the commitment and contribution of the Executive Board, the management team and the employees of the operating companies. The Supervisory Board would also like to express its gratitude to the shareholders and customers for their trust in Qurius.

Zaltbommel, 3 April 2009

*Supervisory Board*
Lucas Brentjens
Fred Geerts
Erik Westerink

## *Professional*

### Eugen Blehm, AX developer, Qurius Germany

As a software developer I am always concerned with plenty of software and tools. Very often there are at least two editions of the same software: the usual one and the professional edition. What is the difference between these editions? Well, the professional edition is equipped with more tools and interfaces than its usual alternative, with nice to have features. You can simply achieve more with the "pro" version. As a passionate hobby photographer I know, that it is not enough to be well equipped or to be a "technical professional". Without your personal imagination and original ideas the picture will be flavorless. That's why the creativity is so important. Professionalism is a little bit boring without creativity. As a software developer I learn a lot when analyzing a code written by a professional; I can also admire it, if it has been written by a creative professional!

# 5 Executive Board Report

## 5.1 Explanation of key activities in 2008

In our 2007 annual report, we listed the improvement of the efficiency of our back office and service delivery as an important objective for 2008, in order to create a high level of customer satisfaction. By standardising and optimising processes and operations, and exchanging knowledge and solutions we aimed to increase the profit margin. In addition to that we planned to grow the various business lines in the countries and start up a Near Shore Development Centre in the Czech Republic. We also planned to define and present the Qurius organisational identity internally.

In hindsight, we can say that although 2008 did not yet bring us the increase in profitability we were aiming for, we have set important steps forward in order to realise better and healthy margins in the near future. Qurius is currently implementing internationally integrated back-office processes that improve our business insights and forecasts. Furthermore, in 2008 Qurius launched various applications to improve service delivery and cooperation:

QMethod is the Qurius approach to realise and manage integrated solutions and to be able to guarantee our high quality standards. QMethod is a set of practical rules and deliverables that offers our project managers, consultants and our customers a clear structure and an effective way of working to achieve the right results and lasting improvements.
QHome is the Qurius-wide intranet developed in SharePoint that enables us to share information and work together with colleagues, customers and partners on projects and assignments.

By reorganising our operations in Spain, Germany and Sweden we have created a better organisational base for improving future results. In these countries, overhead-staff has been reduced and some managers have been discharged. This has already resulted in some recovery in the last quarter of 2008, and has created a better base, backlog and pipeline for 2009.

In the second quarter of 2008, Qurius opened a Near Shore Development Centre in Olomouch, in the Czech Republic, in order to meet the increasing demand for cost-efficient software development as well as to expand the resource capacity quickly. The organisation is up and running and has capacity to deliver NAV, AX and .Net development work.

Customer satisfaction has been one of our priorities in 2008 and will continue to be so in 2009. In times when IT is as vital for a company as electricity, we work extensively on the relationships with our customers and continuously work together to improve their solutions.

In May 2008, Qurius announced the acquisition of Bíndar in Spain. Unfortunately, influenced by the general turbulence in the financial markets and the tightening of financing, both parties agreed in October 2008 to re-evaluate the acquisition of Bíndar. This re-evaluation will be performed during the course of 2009.

In the first half of 2008, the Qurius Executive Board developed the Qurius identity story and decided on the core values of the company. This story and the values are recognised and shared by all operations across Europe. In the second half of 2008, the Qurius identity was launched by developing a booklet for all employees, and we organised several management presentations. In 2009, the identity and the new tagline will be implemented further internally, for example in HR policies, as well as in external communication and marketing statements.

The composition of Qurius Executive Board changed at the end of the year. With effect from 1 December 2008, Michiel Wolfswinkel was appointed as CFO and Tom Stolk stepped down as member of the Executive Board and left the company. By changing the Board structure, we intend to create a shorter and direct communication line between the CEO and the Country Managers. This now provides us with a short distance between strategy and operational execution. At the same time, by fulfilling the statutory position of CFO in the Executive Board, we are laying the foundation for tighter financial control.

In the Qurius company story, we compare our work, challenges and objectives with a game. Not that it's just a game we play, on the contrary: we recognise Qurius and our people to be part of a game with a challenging playing field. We see that this playing field, with our customers, competitors, technological developments and increasing demands, is continuously changing. In order to distinguish ourselves, we set clear rules, which we all have to agree on. This way we can play, enjoy and win this game.

How do we win the game?

- We set clear rules: in our company as well as in the market's playing field
- Supporting each other helps us to learn, grow and be creative
- State of the art methodology, knowledge and technological facilities empower and inspire us to play, enjoy and win the game

## 5.2 Growth opportunities and developments

### 5.2.1 General trends

In 2008, we saw various developments emerging which Qurius has incorporated in its business. First of all we observed that the specific demands of customers and their individual needs are continuously increasing. A business application should be easy to use, and preferably each user should only be able to see and use that part of the solution that is relevant. Microsoft Dynamics offers products and technology that focus more and more on a role-based approach, in which the only information displayed on the screen is information that is relevant. Another aspect, which is relevant for this kind of ERP that puts the user in the centre of the solution, is to apply Service Orientated Architecture, which defines the use of services to support the requirements of its users specifically.

Another identified trend is the increased speed and performance demands of IT systems in general due to faster technology developments, more and more global integration of companies and their supply and delivery chain, thus creating more complicated business intelligence demands.

ROI and TCO are terms that have become and will be of increasing importance in the IT industry. Return on Investment, the ratio of money gained on an IT system relative to the amount of money invested, is obviously crucial in the decision-making process. Our products typically lead to improved visibility, and enhanced manageability of operational processes, leading to tighter cost control and ease of communication. These potential savings are measured against costs of the investment in the new system as well as costs involved in the customer’s organisation (which form together the Total Cost of Ownership).

Qurius aims for transparency and openness in its sales and delivery process and works together with its customers to realise their objectives. Elements such as a positive ROI and a manageable cost outline therefore play an important part in the process of sales, delivery and maintenance.

### 5.2.2 Strategic initiatives 2008 - 2009

**Corporate Vertical Solutions**

In 2008, the Qurius Executive Board initiated the launch of corporate vertical solutions. In order to increase our international presence we have defined and pursued a limited number of corporate vertical solutions (CVS’s), which will be launched and implemented internationally, in at least three countries. Each solution has a defined target group and a ready-to-use software solution, in order to deliver solutions and services that meet the requirements of the customer.

These solutions are relevant and rolled out in at least three countries, which is a big advantage in terms of scale and profitability. By incorporating several CVS's in our business strategy, we combine our core expertise, which is delivering the best solutions designed specifically for the needs of particular growth industries, and our international presence.

### Software as a Service and Dedicated Hosted Solutions

Software as a Service is much in demand and this technology has been further incorporated by Qurius during the course of 2008. SaaS and Dedicated Hosted Solutions stand for web-native software applications, hosted and operated for use by customers over the internet. In 2008, Qurius Managed Services completed its Hosted Application Service proposition and the first customers have started to make use of our hosting facilities and services in return for a monthly subscription fee. Our dedicated hosting offering will continue to be a focal point.

Qurius has also been working on integrated vertical IT solution facilities to which customers can subscribe. In 2009, the Qurius SaaS products and proposition will be further defined and it is expected that more customers will start using our hosted facilities and solutions.

### Virtualisation

In 2008, Qurius Infrastructure Solutions took major steps forward in the market of virtualisation and now has a lot of knowledge and expertise in this field. Virtualisation is a strategic way to use your IT tools in a more flexible and efficient way. It increases the return on investment of your IT investments. By means of, for example, desktop virtualisation or data centre virtualisation, operational costs decrease and flexibility increases.

### Partnerships

Qurius further strengthened its partnerships in 2008, not only with Microsoft but also with several ISV's and other expert organisations. In March, Qurius announced the conclusion of a European reseller and marketing agreement with LS Retail to distribute the solutions of LS Retail in all Qurius countries. LS Retail is one of the principal companies developing retail software based on Microsoft Dynamics NAV/AX for the international arena, and used by more than 18,000 stores operating with over 41,000 POS terminals worldwide. The LS Retail products complete Qurius solutions in the retail market.

In September 2008, Qurius and the German information system company Sonapro started collaborating in the PSO market. Qurius Germany has the exclusive right to sell the NAV based solutions including the Professional Services Organisation specific add-ons developed by Sonapro.

### Professionalising the Qurius sales and delivery organisation

In order to deliver well-managed, high quality solutions and services, Qurius has made important steps forward in 2008. By launching and implementing the QMethod methodology, the reorganisation of our sales and account management teams, and the use of more and better collaboration technology, we have created a solid basis for better solution delivery and quality management.

## 5.3 Countries

### Belgium

With the Business Solutions business line, Qurius Belgium provides Microsoft Dynamics NAV solutions focused on the Food, Pharmaceuticals / Chemicals, and Waste Management & Recycling industries. Qurius Belgium also delivers Microsoft Dynamics AX solutions, focusing on Professional Services and Technical Services organisations. For Member Administrations we provide a tailored Microsoft Dynamics CRM solution.

Besides the Business Solutions business line, the Belgian operation also provides Infrastructure solutions to our customers.

Qurius Belgium has locations in Gent (Sint-Martens-Latem) and Antwerp (Kontich) and is managed by Geert Goeteyn.

### Denmark

Denmark is a relatively small Qurius subsidiary managed by Managing Director Kim Godsk Ottosen, with Business Solutions and Learning Solutions business lines. Qurius Denmark delivers both Dynamics AX and Dynamics NAV. In September 2008 Qurius Denmark moved to a new location and is now operating from Herlev close to Copenhagen. In the past year sales activities increased to expand the business further in 2009.

### Germany & Austria

After the merger with Watermark in 2006 and the acquisitions of Cabus and Wilhelm + Zeller, the operations in Germany started in 2008 under the labels of Qurius Deutschland GmbH (Hannover), Qurius Solutions GmbH (Hamburg) and Qurius Deutschland AG (Ravensburg).

Even though there were three different operations at the beginning of 2008, all sales, project operations and internal administration have been harmonised into one operating unit. In December 2008, the merger of the three companies into one operation, Qurius Deutschland AG, with headquarters in Hamburg was finalised. Members of the executive board are Kay Laukat (CEO), Christian Schneider (CFO) and Thomas Zeller (COO).

With offices in Hamburg, Berlin, Bremen, Chemnitz, Düsseldorf, Essen, Hannover, Leipzig, Lübeck, Mannheim, Münster, Ravensburg and Dornbirn (A) 216 employees (FTEs) are organised in business lines for Business Solutions (Microsoft Dynamics AX, NAV, CRM and Baan), Managed Services, Infrastructure Solutions, Learning Solutions, and Advanced Solutions. With an increased investment up to 86% in SDG Consulting AG and the renaming of SDG as Qurius Advanced Solutions AG, Qurius runs the Advanced Solutions business with specialisation in Management, Planning and Controlling solutions, and offering Business Intelligence, Data Warehousing, System integration and Portals.

### Italy

Qurius Italy runs the Business Solutions business line and sells mainly Microsoft Dynamics AX, INFOR ERP LN and Baan software and, as in 2007, is Baan market leader with more than 100 customers. From Turin, Bologna and Reggio Emilia, the Managing Director Antonio Gentile manages the company, expanding the business and creating strong organic growth over the past year.

### Netherlands

In the Netherlands, all five business lines are strongly represented and are working together with a new account management team that represents the integrated solutions of all business lines. Qurius the Netherlands added several outstanding new customers and projects to its customer base in 2008, including Horeca Nederland, Zorggroep Noord- en Midden-Limburg and Eiffel (Business Solutions), Stichting Land van Horne (Managed Services), MEE (Learning Solutions), Bruynzeel Keukens (Infrastructure Solutions) and BDO International (Advanced Solutions).

There were 402 people (FTEs) employed in the Netherlands on 31 December 2008.
A major focus for 2009, besides the existing customer base, will be specific markets such

as professional services and care, and a focus on specific solutions such as Customer Relationship Management and (upgrading into) the new versions of Microsoft Dynamics AX and NAV. Expanding the Managed Services business is also on the management agenda. Frank van der Woude is in charge of Qurius the Netherlands.

### Norway

The Norwegian subsidiary of Qurius sells its own ERP system to the order & project-based industry. Scandinavia and China form the main targeted market, but recently the company has also started activities in Spain and Vietnam. Managing Director Per Olav Helgeland is in charge of the head office in Sandefjord (120 km south of Oslo), and the operations in Copenhagen and Shanghai.

2008 was a strong year in the 25 years of history of MultiPlus Solutions, and brought several new customers.

The Norwegian Qurius organisation will continue to carry the name of MultiPlus Solutions because of its excellent brand recognition in the shipbuilding and project-based industry in which it has its core business.

### Spain

In Spain, Qurius is market leader in Microsoft Dynamics AX, CRM and Infor-Baan. In 2008, the organisation won at least 18 new AX accounts, 5 new NAV accounts, 9 CRM accounts and 2 SharePoint accounts. In 2008, Qurius succeeded in selling and delivering the Advanced Distribution and the Industry Equipment ERP verticals. The Qurius Infrastructure Solutions division was also launched as a business unit, generating around 80 opportunities in 60 installed-base customers.

On 1 January 2008, the Advanced Solutions and Managed Services business lines were launched. Learning Solutions continues to be the business line recognised by Microsoft as the only one certified to provide official Dynamics training in Spain. At the end of their 2008 Fiscal Year, Microsoft distinguished Qurius Spain with 4 out of 5 awards (First Microsoft Dynamics Partner for the revenue, First Microsoft Dynamics CRM Partner, First Partner on Customer Satisfaction, and Operational Excellence Award), thus consolidating the company as the first Microsoft Partner for the business solutions division.

Qurius Spain has grown from its 150 employees in 2007 to the current 160 employees, and is also promoting recruiting programs together with Microsoft and universities to incorporate new Dynamics professionals in the market. Spain's team is led by Managing director Jose Maria Sanchez and has operations over 4 locations: Barcelona, Bilbao, Madrid and Valencia.

### Sweden

Qurius Sweden has locations in Stockholm, Linköping and Gothenburg. At the end of 2008, Qurius Sweden represented the Business Solutions, Advanced Solutions and Learning Solutions business lines. Qurius Sweden is one of the leading local suppliers of the complete Microsoft solutions portfolio, thanks to a combination of Microsoft Dynamics with Microsoft SharePoint and BizTalk Server with industry-specific specialties. In addition, Qurius Sweden offers Open Solutions and IScala based solutions.

In December 2008, Fredrik Andersson was appointed as the country's new managing director. Fredrik has worked for the company for three and a half years and previously held the position as manager of the Advanced Solutions business line.

### United Kingdom

The transition of Watermark UK and Çedilla Systems into one combined operation, Qurius UK, was completed in 2007. For 2008, Qurius UK focused on rebranding and successfully made the Qurius name known to customers, prospects and partners. With competition growing, 2008 was a challenging trading year; however, the company ended the year by improving its Microsoft standing to number three on the ERP reseller list and number four for ERP and enhancement in the UK.

Today, Qurius UK remains focused on total solutions offered by Microsoft Dynamics AX, Microsoft Dynamics NAV, and Microsoft Dynamics CRM. 2009 will see increased focus on a vertical approach to the market with the UK company developing market business units. Verticals include Recycling and Waste Management, Metals Stockholding and Manufacturing, Holiday Homes and Caravans, and Professional Services Organisations.

Significant new accounts for 2008 include Niagara LaSalle, Fuji Seal, and Environcom.

Qurius UK has two offices and continues to serve over 100 customers. Managing Director of Qurius UK is Mike Dickson.

**Near Shore Development Centre - Czech Republic**

In March 2008, Qurius announced the opening of its own Near Shore Development Centre in the Czech Republic, in order to meet the increasing demand for cost-efficient software development as well as to expand the resource capacity quickly. The Czech office has been operational since June 2008 and has already served customers of Qurius Netherlands and Qurius Belgium, and it upgraded the first Qurius solution to the latest Dynamics release. At this moment, 15 employees work at the Czech office in the centre of Olomouc.

The Near Shore Development Centre primarily serves Qurius' operations across Europe, but its capacity is also available for non-Qurius clients. Current activities focus on Microsoft Dynamics (NAV and AX) and will extend to Microsoft.Net development in the near future. Management of the Czech operation is formed by Stephan Losekoot and George Knap.

## 5.4 Qurius Global Alliance

On 1 January 2008, Qurius converted its international partner alliance FAQT Group and Global Alliance into Qurius Global Alliance. The Qurius Global Alliance is an international network that allows Qurius to offer Microsoft related support and services to international clients outside its own geographical reach or expertise. The pan-European Qurius presence, together with its international alliances, forms the basis of a worldwide platform.

During the course of 2008, Qurius listed several new members of the Global Alliance, amongst which are All e Technologies (India), IBIZ Consulting Services (Singapore), OMNi Technology (Turkey), and Tribridge (USA).

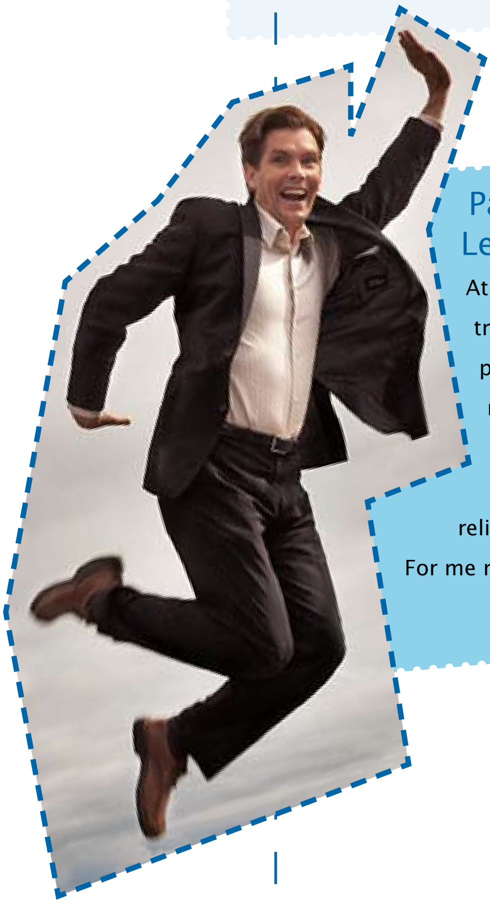
With a current list of more than 20 partner organisations, the Qurius Global Alliance offers a uniform engagement model, a single point-of-contact and a consistent service-delivery methodology based on the high-level standards of Microsoft and Qurius for customers worldwide. The alliance's goal is to ensure that customers experience a global and seamless project execution and post go-live support.

Qurius
Global Alliance

## 5.5 Employment and development

On 31 December 2008, Qurius employed 1,074 FTEs (2007: 1,060 FTEs). The total number of employees has stayed at around the same level throughout 2008. Integrating the organisation and increasing for example sales effectiveness and operational efficiency has lead to reorganisations in the Spanish, German and Swedish operations. In all countries, not only the retention and recruitment of high-quality personnel has been top priority, but also the right allocation of personnel, a better utilisation rate and the ratio of fee earners to overhead staff.

Qurius believes that giving direct responsibility, in combination with offering a solid home base in terms of training, coaching, products and technology, is the best motivation for excellent performance. This is how we create continuity and growth for the organisation. At Qurius, we work with motivated employees, with passion for their profession, for delivering better, more creative results and for winning the game!



***Reliable***

### Patrick Astrand, Business Line Manager Qurius Learning Solutions, Qurius Sweden

At Qurius, reliable is more than just a word. To be reliable means that you are trustworthy, loyal and supportive. Reliable is also about being faithful, keeping promises and meeting deadlines – the people around you need to be able to rely on you, knowing that you are there to listen to their issues or problems when they need you, even at busy times. For me it is important always to be emphatic and professional, respecting other people’s time for example. Being reliable means being someone you can rely on in the broadest sense of the word. For me reliable is not just a word, it is a concept.

**Staging our players**

Frank van de Woude: “Our people make the difference between success and failure – winning and losing. That is why we are always looking for people with specific qualities, not only technical requirements, but also the right soft skills, to play the game with us.”

“Our team members often work in a challenging position between the Qurius organisation and the customer. In high impact projects, such as any business information system change or replacement, stress is a known fact, imposed on to our players. In order to relieve this stress, we stage our team members and give them full support.”

Staging its professionals means that Qurius equips them with the right tools, expertise and training. It also means that Qurius wants to create a pleasant working environment, with the right technical support and the right leadership. “When we enjoy what we do, we will also perform better. By empowering and inspiring our key players, we enable them to take the extra step required for the best and more creative solution for the customer.”

**How we win the game**

At Qurius, people get a lot of room to learn and grow, by experience and learning on the job, and by making professionals responsible from their first assignment. But the Qurius training programmes and education facilities also enable our colleagues to increase their expertise and knowledge continuously.

“Staging and supporting key players in their role is the leading principle of Qurius. It is this principle that has united the various companies into one pan European company, offering the broadest spectrum of services in our industry.”

## 5.6 Corporate Sustainability

Corporate sustainability is becoming more and more an integral part of the Qurius organisation. As a member of the international corporate community we acknowledge our responsibilities in this field.

We aim to reduce any negative impact of our business on the environment. As we are aware, the type of IT systems we deliver use certain amounts of energy. However initiatives such as virtualisation can improve the efficiency and utilisation of IT systems and thus reduce energy consumption.

In 2008, Qurius launched Microsoft Office Communication Server organisation-wide: a tool that facilitates instant messaging, online Live Meetings and video conferencing. OCS enables our employees to work together and organise virtual meetings, no matter where they work in any of the European offices, or from home. Our intranet also enables people to work together and share knowledge while working from different locations. These applications help us to minimise travelling, which reduces our company's negative impact on the environment.

Responsible waste management in our offices and reduction of the use of paper are natural top-down points of attention as well.

## 5.7 Financial position

**Balance sheet and solvency**

The balance sheet total as at 31 December 2008 amounted to EUR 119 million (2007: EUR 139 million).The shareholders' equity amounted to EUR 48.7 million compared to EUR 71.3 million as at 31 December 2007. The solvency as a percentage of the balance sheet total amounted to 41% at the end of 2008 (year-end 2007: 51%). The current ratio amounted to 0.88 at the end of 2008 (year-end 2007: 0.95).

**Cash flow and financing**

The net cash flow was EUR 0.6 million negative (2007: EUR 0.4 million negative). The cash flow from operating activities amounted to EUR 0.8 million negative (2007: EUR 3.4 million negative), including restructuring costs amounting to EUR 1.4 million. The cash flow from investing activities amounted to EUR 6.1 million negative (2007: EUR 17.2 million negative). The cash flow from financing activities amounted to EUR 6.2 million (2007: EUR 20.2 million).

## 5.8 Impairment charges

Changing economic conditions and lower than expected earnings resulted in an impairment charge of EUR 19.0 million on the carrying value of some of our operations acquired in 2005, 2006 and 2007. The main reason for this impairment charge was the lower long-term growth rates due to the deterioration of the overall economic situation.

## 5.9 Management and supervision

The Executive Board of Qurius consists of Fred Hermans (CEO, appointed on 16 September 2002), Michiel Wolfswinkel (CFO, to be nominated as member of the EB at the Annual General Meeting on 24 April 2009), and Frank van der Woude (COO, appointed on 18 December 2006).

Tom Stolk, former member of the Executive Board since December 2006, stepped down from the Board effective 1 December 2008 and left the organisation. Tom joined the Qurius Board after the merger with Watermark in December 2006 and has been responsible for most of the international Qurius operations. We thank Tom for his efforts and work over the past 2 years in building the pan-European Qurius organisation.

The new composition of the Executive Board ensures a tighter line of management and communication between the Board and Country Management, and ensures better financial control. The Board has divided its responsibilities as follows:

- Fred Hermans – International operations (except for Denmark, Italy and Norway), corporate governance, IT and corporate communications
- Michiel Wolfswinkel – Finance, Investor Relations and the operations in Denmark, Italy and Norway
- Frank van der Woude – Qurius the Netherlands, Human Resources, knowledge and methodology, and Qurius Global Alliance

The Supervisory Board supervises the policy of the Executive Board and assists the Executive Board with advice. The Supervisory Board consists of Lucas Brentjens (chairman, appointed as a member on 21 April 2006 and elected as chairman on 21 June 2007), Fred Geerts (elected on 22 April 2004 and re-appointed at the General Shareholders' Meeting of 25 April 2008) and Erik Westerink (appointed on 27 April 2007).

Mr Erik Westerink will resign from the Qurius Supervisory Board at the Annual General Meeting of 24 April 2009 as per that date. Mr Westerink is also Managing Director of Parcom Capital BV, one of the major shareholders of Qurius. Qurius and Mr Westerink have mutually agreed to have a clearer separation of roles. On the agenda of the same Annual General Meeting is the proposed appointment of Mr Evert H. Smid as member of the Supervisory Board.

## 5.10 Risks, risk management and internal control

Qurius runs risks associated with general corporate activity, as well as risks particular to our business. We eliminate risks where possible, and monitor, limit and control risks where they are inescapable. These risks comprise of:

- strategic risks, resulting from general economic conditions and the cyclical nature of our business;
- operational risks, resulting from the software and solutions that we implement;
- financial risks, arising from the way Qurius is organised and financed

### 5.10.1 Risks

As an international provider of IT solutions and services, Qurius runs various risks. These risks could influence the Qurius operations, revenue, net profit and financial position, which ultimately might lead to a situation in which the objectives may not be achieved. The Executive Board is responsible for identifying such risks, taking appropriate measures to address them and to ensure that there is an effective system of risk management and internal control in relation to these risks.

This section provides insight into the most relevant risks identified by Qurius and how it manages these. For the sake of completeness, we state that there may be risks that Qurius is unaware of, or that are currently considered as non-material.

**Strategic risks**

*General economic conditions and cyclical sensitivity*

Economic conditions in all countries where we are located and offer our products and services, significantly influence companies' readiness to invest in IT products and services. Deterioration of the economic situation could negatively affect the demand for our products and services. We could, as a result, also be exposed to significant deterioration of the financial position of our customers.

*Fluctuations of quarterly results*

Quarterly results are difficult to predict and fluctuate from quarter to quarter because of various factors such as the pricing policy of the partners and competitors of Qurius, aspects related to the timing of software and hardware sales, and seasonal circumstances. Qurius endeavours to spread this risk by apportioning its core activities across several countries, industries, services and customers.

*Competitive position*

There are only a few international service providers in the international ERP market for medium-sized and larger companies. However, there are many local players who tend to concentrate on the small and also medium-sized companies, thus intensifying competition.

Historically, we are well represented in the mid segment and carefully guard our position. Thanks to our size, expertise, and experience, we are also capable of developing activities in the lower enterprise segment, which helps to balance any competitive risks. In addition, locally as well as internationally, we focus more and more on those industries and sectors where we offer the most distinctive solution and provide the most added value for our customers.

**Operational risks**

*Project control*

Due to increasing customer demands and increased size and complexity of our projects in general, project management is a key factor in our daily business that can have a strong effect on our performance. We also participate more and more in extensive selection procedures; winning or losing such large and complex assignments with a long start-up phase can have a material effect on the performance of the company.

*Integration*

A solid and thorough integration of the companies Qurius acquired over the past few years is very important not only to retain control of costs, but also to reduce the risk on, for example, unwanted turnover in personnel. A certain increase in personnel turnover comes naturally with a merger or acquisition. However, Qurius has installed HR and management policies and measures to limit this to a minimum.

*Employment*

People are the most valuable asset of Qurius. For its result and growth, Qurius depends on its capability to retain, attract, motivate and train the right and qualified employees. In addition, the loss of specific specialists and project managers could have a negative effect on the results. In 2008, retaining and recruiting talented and experienced personnel has been one of the key objectives and will continue to be so in 2009. In this respect, our Near Shore Development Centre, set up in the Czech republic in 2008, plays an important role.

*Technological developments*

Technological developments could influence Qurius' market position. The ERP market, and with it the Microsoft Dynamics market, is characterised by rapid changes, caused by new technologies and continual changes in user's demands. Today's level of expertise is therefore no guarantee for future success. Plus, one expects a high level of flexibility and reliability of the existing ERP solutions. These factors could influence the market and competitiveness of Qurius.

Microsoft, as well as Qurius, consequently invest in software innovations to help clients to realise their optimum and integrated IT infrastructure with systems that reduce costs and complexity, facilitate a quick implementation and increase productivity of end users.

## Financial risks

*General*

We are affected by a number of financial risks related to:

- the way we do business,
- the way our business is financed, and
- the financial situation of our customers

Our financial risk management policy is directed at eliminating risks where possible, and monitoring, limiting and controlling them where they are inescapable.

*Credit risk*

Credit risk arises from counterparty default. As a sales and services organisation, we run credit risk. In order to mitigate credit risk, we have thorough creditworthiness checking procedures in place. This, however, cannot prevent any issues occurring due to a customer's inability to pay for services or products received from us.

*Currency risks*

We perform our activities mainly in Euros within the Euro-zone. For transactions in non-Euro currencies, we seldom use financial instruments. There were no unpaid forward foreign exchange contracts on the balance sheet date. However, where possible and economically appropriate, we will seek to mitigate the effect of currency fluctuations as they arise.

*Financing risk*

The credit facility documentation includes financial covenants to monitor the financial performance of the company. In case of breach of such covenants or default, the lender may terminate the facility. As a result, the facility may have to be re-financed. We are then exposed to the risk that the refinancing may not be possible or only with unfavourable conditions. In order to mitigate such risk, we closely monitor our financial covenants in close consultation with the lender.

In the second half year of 2008, Qurius was unable to meet all financial covenants related to its Credit Facility of Euro 17,5 million. As at balance sheet date, certain covenants based on EBITDA ratios could not be met. After a process in which we have closely monitored this situation with our lender, Qurius has reached agreement on re-scheduling debt amortization and adjustment of the financial covenants for 2009 while a structural long term solution for redemption is being put in place.

*Interest rate risk*

Our interest rate risk policy aims to limit the interest rate risks resulting from financing the business and to optimise the net interest results as well. At the end of 2008, Qurius had a limited amount of interest-bearing debts. A change of interest rates by 1% would result in approximately EUR 200 change in the financial income and expenses.

*Intangible fixed assets*

Qurius has historically always applied acquisitions as a means to grow its business and market position. When acquiring profitable acquisitions, part of the purchase price consists of goodwill. If the economy weakens or if the acquired businesses perform below expectations for other reasons, there is the risk that part of the acquisition goodwill must be recognised as impaired. Please refer to paragraph 5.8 of this report.

**Risk management and internal control**

Qurius eliminates risks where possible, and we monitor, limit and control risks where they are inescapable. We apply the following mechanisms to limit and monitor our risks:

- Customer credit checking, including assessing the level of credit allowed;
- Use of collection agents to collect overdue receivables;
- A uniform cycle for annual planning and reporting, comprising a strategic three-year plan, annual plans at the levels of business lines and countries, the annual budget, and monthly and quarterly financial and pipeline reports and reviews;
- Biweekly discussions by the Executive Board and country and business line boards about issues including the financial results and operational status of each business line, (potential) cross-business-line assignments and matters such as IT, marketing and human resources;
- Bimonthly discussion by the Executive Board regarding progress of the strategic plan, mergers and acquisitions, investor relations, new initiatives, and business risks and measures to minimize these;
- An annual external audit;
- Uniform financial procedures and a uniform policy including the Supervisory Board regulations, regulations directed at preventing the abuse of inside knowledge, the disclosure policy, the KGI rules for handling price-sensitive information, and the whistleblowers' procedure.

The Executive Board, under supervision of the Supervisory Board, is responsible for guaranteeing that effective systems of risk management and internal control are in place and operating. These should provide reasonable guarantees for achieving the defined objectives. Our internal control framework has been designed to provide a reasonable level of assurance that the financial reporting does not contain material errors.

In the year under review, the risk management and control systems functioned adequately; there is no indication that this will not be the case for the current financial year. However, the risk management and control systems cannot provide absolute certainty in relation to achieving our objectives or the reliability of financial reporting. The same applies to preventing material inaccuracies, losses, fraud and infringements of the relevant legislation and regulations.

## 5.11 Looking ahead

**Long-term objective**

The long-term objective of Qurius is to become the premier provider of business solutions on the basis of Microsoft technology in Europe. To achieve this, Qurius is committed to creating a healthy company with strong margins.

Qurius strives to find a balance between the interests of its customers, employees, partners and shareholders. The organisation is aiming to further strengthen its dominant position in Europe and to further improve its full-service concept for the complete Microsoft platform of business software.

The full-service platform Qurius offers, from architecture and design, to package-based solutions, tailor-made solutions, infrastructure, training and maintenance, provides a lot of cross-selling opportunities. Qurius aims to build long term partnerships with its customers by delivering the best solution, which is continuously being improved, maintained and adjusted to the customer's changing needs.

In terms of geography, Qurius will continue to focus on Europe in the years ahead. Any activities beyond its geographical footprint will be shaped in cooperation with the Qurius Global Alliance, supported by specific partnerships where necessary. The industry-specific approach is a crucial success factor within the Microsoft Dynamics indirect business model. The possible growth within new market segments is determined by two factors: the scope of the Microsoft Dynamics market, and the degree to which it is possible to create a lasting distinctive capacity.

In addition, Qurius is planning to increase its business in the lower enterprise segment (500 – 5000 employees). We see an increasing demand from these organisations for complex, integrated IT platforms. With the complete Microsoft offer, the experience, expertise and joint selling from the different business lines, Qurius is capable of servicing this market.

In terms of international ambitions, Qurius wants to develop its international services gradually. Local business continues to be the basic principle. From local leadership, we can build further international synergy projects and opportunities. Qurius stands for a strong local starting point and a multinational approach, which is the basis for further growth.

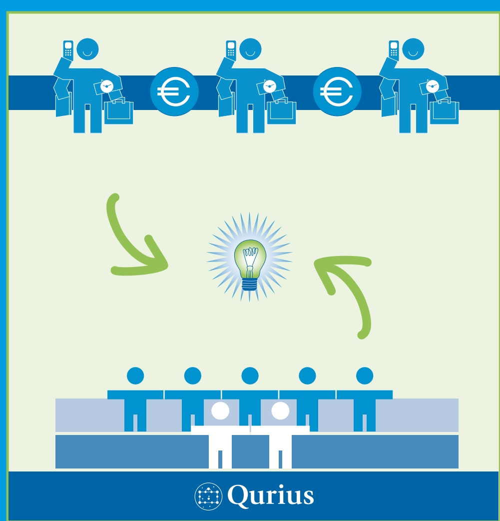
## Annual objectives for 2009

During 2008, we executed programmes to improve the efficiency and quality of our service delivery and to streamline our back-office processes. In 2009, implementing these programmes throughout the international operations remains on our top priority list. Furthermore, creating higher customer satisfaction has a major focus from our management teams. Recovering and improving profitability, strict financial management and customer satisfaction, are our top 3 goals for the coming year.

With respect to quantitative objectives, we note that the intended profitability improvement did not materialise in 2008. In addition, we have seen a rapid expansion of economic uncertainties at our customers. These two factors force us to be cautious. We have decided to scale down our previous objective of achieving a top-line revenue figure of EUR 250 to 300 million in 2010. Neither organic nor acquisitive topline growth is an objective. For 2009, instead we have formulated the following targets:

- Fight the economic storm by streamlining the operations and have contingency plans available for different recession scenarios
- Improve our profitability in 2009 relative to 2008
- Mid-term EBIT target is still 9% of revenue, but this will most probably not be achieved until after 2010

Our customers are busy running their company and need an IT solution that supports them and will lead to more efficiency. They obviously have high demands of their IT partner. Qurius knows how to execute a successful IT project. Our well-equipped and well-supported professionals design, realise and implement a better, creative and smart solution.



## 5.12 True and fair view statement

The Qurius Executive Board hereby states the annual accounts in this report give a true and fair view of the assets, liabilities and financial position of the company over the year 2008. Furthermore, the consolidated accounts give a true and fair view of the assets, liabilities and financial position of all the international Qurius operations.

We also declare that the annual report gives a true and fair view of the company's situation as at the balance sheet date, of the development of the company and its affiliated companies during the previous financial year and of all material risks to which the company is exposed.

Zaltbommel, 3 April 2009

*Executive Board*
Fred Hermans
Michiel Wolfswinkel
Frank van der Woude

***Creative***

### Steven Brom, technical architect Advanced Solutions, Qurius Netherlands

"Creativity forms a major part of my life. As a software architect, creativity is essential in finding solutions for the business or technical problems that our customers have. Sometimes the right solution is not the obvious one. Taking a creative approach can help find those not so obvious solutions. But creativity goes further than just my job. In my spare time I'm a DJ and (amateur) producer of dance music. This requires another kind of creativity, but again needs a lot of thinking "outside the box". As a company in the rapidly changing IT business, creativity is important on all levels throughout the organisation. For me, Qurius offers a working environment that allows me to be creative!"

# 6 Corporate Governance Report

Qurius considers proper and professional corporate governance of the company as extremely important. In that respect, Qurius fully acknowledges the objectives of increasing integrity and restoring the balance of powers within Dutch publicly listed companies as regulated by the Dutch Corporate Governance Code (hereinafter: “ the Code”), which formally came into force in 30 December 2004.

Qurius has always set great store by complete, honest, and consistent publication of relevant information, as all Qurius’ stakeholders and the investment community should be able to have access to this in a simultaneous and equal manner. Also, Qurius is of the opinion that by having instigated an Executive Board that is supervised by a Supervisory Board, checks and balances in managing the company are safeguarded. In the following, a synopsis is given on how Qurius complies with the Code and related legislation. Many more details and documentation on how Qurius complies with the Code can be found on the Qurius website in the ‘Corporate governance’ section.

**I. Compliance with and enforcement of the code (principle)**

Qurius subscribes to the principles and best practices of the Code related to the compliance with and enforcement of the Code (I.1 – I.2), with the following stipulations or observations.

The Qurius Supervisory Board jointly with the Qurius Executive Board are responsible for the corporate governance structure of the company and subscribe to nearly all the principles of the Code. In this respect, the Qurius Supervisory Board and the Executive Board jointly prepared an extensive and elaborate document in which the compliance of Qurius with each principle and best practice of the Code is described, and which can be found on Qurius’ website in the ‘Corporate governance’ section.

The annual general shareholders meeting of 22 April 2005 formally approved the compliance of Qurius with the majority of the principles of the Code, and explicitly approved deviations from the remaining principles of the Code. In the 2005 and 2006 financial years, a number of changes were made to this, which were approved at the general meetings of 21 April 2006 and 27 April 2007 respectively. Since the 2004 financial year, the annual report has contained a section in which an overview is given of compliance and non-compliance by Qurius with the various principles and best practices of the Code.

In the event of major changes to the Code and subsequent changes in compliance by Qurius, Qurius shall present such changes to the annual general shareholders meeting.

In this respect, Qurius mentions that the Dutch Corporate Governance Code Monitoring Committee ('Commissie Frijns') issued a revised Code on 10 December 2008 that will be applicable from the 2009 financial year. Qurius will assess this revised Code during 2009 and, in the annual general meeting of 2010, will subsequently propose changes to compliance with the Code by Qurius, if necessary.

## II. Executive Board

Qurius fully subscribes to the principles and best practices of the Code related to the management (II.1 – II.3.4), with the following stipulations or observations.

'Qurius stipulates that no separate audit committee, or separate remuneration committee has been set up, due to the limited size of the Supervisory Board. The audit tasks of a body as referred to in the Decree of 26 July 2008 (regarding the implementation of article 41 of Directive 2006/43/EC of the European parliament and of the Council of 17 may 2006 on statutory audits of annual accounts and consolidated accounts) are in practice being performed by the Supervisory Board. Also, publication of operational and financial objectives and the parameters applied in relation to the strategy will be done wherever possible, taking into account the sensitivity of the company's activities, for example, competition, economic developments and the situation in the labour market.

More details on the remuneration of management and other main elements of the employment contracts with the Executive Board can be found in the Supervisory Board Report. Qurius is of the opinion that, mainly in view of the size and activities of the company, ownership of and transactions in securities other than issued by the 'own' company are a personal matter of the Executive Board member involved.

Details of the company's share option programme can be found on page 91.

## III. Supervisory Board

Qurius fully subscribes the principles and best practices of the Code related to the Supervisory Board (III.1 – III.8.4), with the following stipulations or observations.

Information, as requested in principle III.1.3., can be found in the Biographies section in this Annual Report. The Supervisory Board has established Supervisory Board regulations and a re-appointment scheme that can be found on the Qurius website. None of the Supervisory Board members holds more than five supervisory directorships. On 27 April 2007,

Mr Erik Westerink was nominated as a member of the Supervisory Board. Since 2006 he has been managing director of Parcom Capital, a company that has acquired a shareholding of approximately 18% in Qurius in January 2007. Consequently, Mr Westerink cannot be considered independent. This has nonetheless no impact on the best practice provision II.2.1, as all other Supervisory Board members can be considered independent.
As previously mentioned in part, no audit, remuneration and selection committees have been installed due to the relative small size of the Supervisory Board. Therefore, the best practice provisions III.5.4, III.5.5, III.5.8, III.5.9, III.5.10, III.5.13, V.1.2, V.2.3 and V.3.1 are applicable to the Supervisory Board as a whole.

### IV. The shareholders and general meeting of shareholders

Qurius fully subscribes to the principles and best practices of the Code related to the shareholders and annual general meeting (IV.1 – IV.4.3), with the following stipulations or observations.

Qurius subscribes to the importance of good shareholder participation. Desirable in this are a good turnout and fully-fledged participation of shareholders and decision-making at the Annual General Meeting. However experience teaches us that shareholders prefer to contact the company at moments convenient to them. Mainly for cost reasons related to its size and market value, Qurius does not yet participate in initiatives such as 'Shareholders Communication Channel'. Future developments on voting by proxy will be closely watched, to possibly facilitate voting by proxy in the future. Shareholders are allowed to grant power of attorney an with voting instructions, if so desired, to be represented at the Annual General Meeting.

The Qurius articles of association state that decisions regarding the cancellation of a binding nomination may be taken if the votes represent at least a two-third's majority, representing more than fifty percent of the issued capital. Due to Qurius' specific circumstances, the Supervisory Board considers it necessary to maintain such a majority and quorum, in order to ensure that its position is optimal in this respect. In accordance with the Qurius articles of association, article 27:1, every share is entitled to cast one vote, with the exception of those shares held by the company or its subsidiaries.

Qurius strives to provide all stakeholders simultaneously with relevant and correct information on matters that can influence the share price. On some occasions, specific details on customer contracts are not disclosed at the request of such customers or for reasons related to competition.

The whole of sections IV.2, on depositary receipts for shares, and IV.4, responsibility of institutional investors, are not applicable to Qurius.

**V. The audit of the financial reporting and the position of the internal auditor function and of the external auditor**

Qurius fully subscribes to the principles and best practices of the Code related to the shareholders and annual general meeting of shareholders (V.1 – V.4.3), with the following stipulations or observations.

As previously mentioned, no specific audit committee has been installed. Since the Annual General Meeting of 2005, the appointment of the external auditor is presented as a separate item on the agenda and the external auditor is invited to attend the Annual General Meeting. The Supervisory Board and Executive Board jointly and annually assess the performance of the external auditor. Given the size of the company, Qurius has no internal auditor.

**Article 10 Takeover Directive**

With respect to the EU Takeover Directive, which came into force by Royal Decree of 5 April 2006, Qurius includes the following explanatory notes below.

The authorised capital of Qurius amounts to EUR 30 million, divided into (i) 100 million A shares, (ii) 25 million B shares that can be converted in A shares and (iii) 125 million preference shares, with all shares having a nominal value of EUR 0.12. At present, only A shares exist; no B shares, or preference shares have been issued. All A shares are listed with Euronext Amsterdam and are freely tradable. Participations in Qurius can be found in the registers of the AFM. No shares with special control rights have been issued.

Qurius has an insider trading policy in place that prevents employees from obtaining shares in the company. This policy can be found on the company's website in the 'Corporate Governance' section.

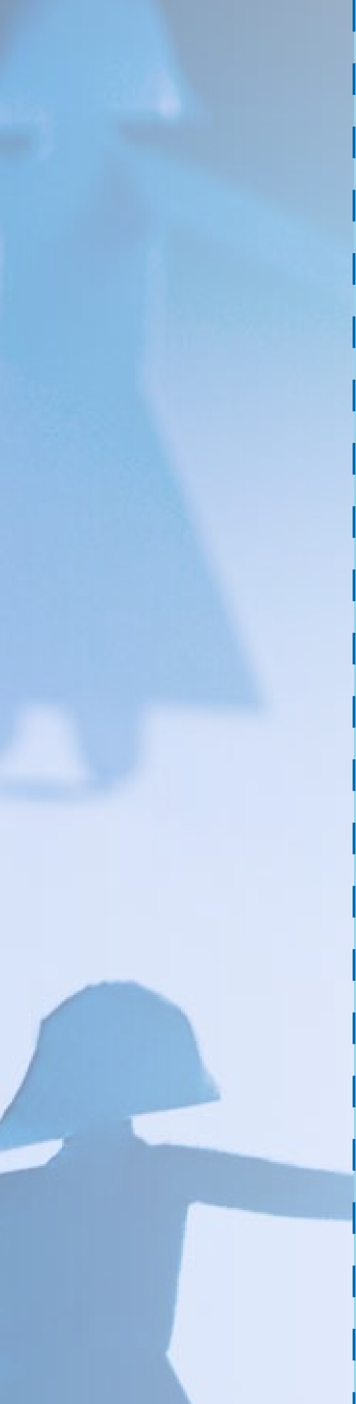
Each share represents one vote. However, shares owned by Qurius itself or any of its affiliates do not represent any votes. Depository receipts of shares have not been issued. As far as Qurius is aware, there is no arrangement that limits the transfer of shares or limits voting rights.

Members of the Executive Board are appointed by the Annual General Meeting, following a binding nomination from the Supervisory Board by at least two individuals. Members to the Executive Board can be dismissed or suspended by the General Shareholders Meeting as a result of (i) a two third majority decision of the votes cast in a shareholders meeting where at least 50% of the authorised capital is present, or (ii) a normal majority decision if the dismissal or suspension has been proposed by the Supervisory Board.

Changes to the articles of association can only be decided by the General Shareholders Meeting voting on a proposal to this effect from the Executive Board, which proposal should also be approved by the Supervisory Board.

Under clause 36:1 of the articles of association, the Executive Board is authorised – with prior approval of the Supervisory Board and within the limits of the authorised capital – to issue A shares, B shares or preference shared and/or to grant rights to these. Furthermore, in accordance with article 8 of the articles of association, the Executive Board has been authorized by the general shareholders meeting of 25 April 2008 to redeem Qurius shares up to a maximum of 10% of the nominal amount of the issued and paid-up capital.

To the best of Qurius knowledge, Qurius has not entered into agreements of importance that can be annulled or changed in the event of a public offer as referred to in Section 5:70 of the Financial Supervision Act. Each of the members of the Executive Board is entitled to an amount of EUR 300.000 if their employment is ended for any reason other then an urgent cause leading to immediate dismissal.



# 2008

# Annual Accounts

# 7 Annual Accounts

## Consolidated balance sheet (in EUR x 1,000)

*For the year ending on 31 December, before allocation of result*

| *Assets* | | | **2008** | | **2007** |
|---|---|---|---|---|---|
| **Non-current assets** | | | | | |
| Non-current intangible assets | | | | | |
| Goodwill | (1) | 42,744 | | 63,226 | |
| Other non-current intangible assets | (2) | 5,704 | | 6,193 | |
| | | | 48,448 | | 69,419 |
| Property, plant and equipment | (3) | | 5,385 | | 4,176 |
| Non-current financial assets | | | | | |
| Deferred tax assets | (4) | 5,745 | | 7,577 | |
| Other non-current financial assets | (5) | 302 | | 561 | |
| | | | 6,047 | | 8,138 |
| **Current assets** | | | | | |
| Trade receivables | | | | | |
| Accounts receivables | (6) | 48,355 | | 43,369 | |
| Other receivables | (7) | 6,588 | | 9,378 | |
| | | | 54,943 | | 52,747 |
| Cash and cash equivalents | | | 3,759 | | 4,375 |
| **Total assets** | | | **118,582** | | **138,855** |

| *Equity and Liabilities* | | | | | |
|---|---|---|---|---|---|
| **Equity** | (8) | 48,547 | | 71,140 | |
| Minority interest | | 144 | | 177 | |
| **Group equity** | | | 48,691 | | 71,317 |
| **Provisions** | (9) | | 2,005 | | 1,930 |
| **Non-current liabilities** | (10) | | 5,480 | | 10,362 |
| **Current liabilities** | | | | | |
| Bank credit | (11) | 14,366 | | 3,383 | |
| Accounts payables | | 14,778 | | 15,161 | |
| Taxes and social security contributions | (12) | 8,491 | | 5,465 | |
| Other liabilities | (13) | 24,771 | | 31,237 | |
| | | | 62,406 | | 55,246 |
| **Total equity and liabilities** | | | **118,582** | | **138,855** |

## Consolidated income statement (in EUR x 1,000)

*For the year ending on 31 December*

| | | | 2008 | | 2007 |
|---|---|---|---|---|---|
| Net sales | (14) | 143,888 | | 114,758 | |
| Cost of sales | | -45,019 | | -33,096 | |
| **Gross margin** | | | 98,869 | | 81,662 |
| Employee costs | (15) | 79,320 | | 63,474 | |
| Other operating expenses | (16) | 13,883 | | 10,570 | |
| Sales result of Magnus Management Consultants | (17) | 0 | | -50 | |
| **Operating expenses** | | | -93,203 | | -73,994 |
| **EBITDA** (before restructuring) | | | 5,666 | | 7,668 |
| Depreciation and amortisation | (18) | | -3,729 | | -2,939 |
| **EBIT** (before restructuring and impairment of goodwill) | | | 1,937 | | 4,729 |
| Restructuring costs | (19) | | -1,430 | | 0 |
| Impairment of goodwill | (20) | | -19,004 | | 0 |
| **EBIT** | | | -18,497 | | 4,729 |
| Financial income and expenses | (21) | | -1,508 | | -1,126 |
| **Result before taxation** | | | -20,005 | | 3,603 |
| Taxation | (22) | | -2,451 | | -976 |
| Minority interest | | | -39 | | -22 |
| **Net result** | | | **-22,495** | | **2,605** |

| | | |
|---|---|---|
| Net result per ordinary share (in EUR) | -0.21 | 0.03 |
| Number of ordinary shares (weighted average) | 104,977,955 | 90,713,747 |
| Net result per ordinary share after dilution (in EUR) | -0.21 | 0.03 |
| Number of ordinary shares after dilution (weighted average) | 104,977,955 | 90,757,381 |

## Consolidated statement of changes in group equity (in EUR x 1,000)

*For the year ending on 31 December*

| | 2008 | 2007 |
|---|---|---|
| *Changes in group equity can be summarised as follows:* | | |
| **1 January** | | 33,474 |
| Adjustment as a result of maintenance contracts | | -617 |
| **1 January adjusted** | 71,317 | 32,857 |
| Net result | -22,495 | 2,605 |
| Value of option share loan furnished | 0 | 131 |
| Value of employee options | 191 | 63 |
| Exchange rate differences | -292 | -13 |
| Other changes | -43 | 0 |
| Changes in minority interests | -33 | 22 |
| Total result | -22,672 | 2,808 |
| Share Issue | 0 | 36,705 |
| Costs related to issue of shares | | -1,297 |
| Re-issue of own shares | 0 | 150 |
| Shares issued/purchased for 2004 options | 46 | -70 |
| Changes in minority interest as a result of acquisitions | 0 | 164 |
| **31 December** | **48,691** | **71,317** |

# Consolidated cash flow statement (in EUR x 1,000)

*For the year ending on 31 December*

| | | **2008** | | **2007** | |
|---|---|---|---|---|---|
| **Cash flow from operating activities** | | | | | |
| Net result | | -22,495 | | 2,605 | |
| *Adjustments* | | | | | |
| Impairment of goodwill | (20) | 19,004 | | 0 | |
| Amortisation of other non-current intangible assets | (18) | 2,074 | | 1,565 | |
| Depreciation property, plant and equipment | | 1,663 | | 1,374 | |
| Financial income and expenses | (21) | 1,508 | | 1,126 | |
| Taxation | (22) | 2,451 | | 857 | |
| Minority interest | | 39 | | 22 | |
| EBITDA (after restructuring) | | | 4,244 | | 7,549 |
| | | | | | |
| *Adjustments for:* | | | | | |
| Interest received | | 281 | | 716 | |
| Interest paid and similar expenses | | -1,261 | | -1,776 | |
| Company tax paid | | -773 | | -1,053 | |
| | | | -1,753 | | -2,113 |
| *Changes to working capital and provisions* | | | | | |
| Changes in trade receivables | | -4,986 | | -14,164 | |
| Changes in deferred taxes | | 1,832 | | 173 | |
| Changes in other receivables | | 2,790 | | 118 | |
| Changes in current payables | | -2,990 | | 4,912 | |
| Changes in provisions | | 75 | | 79 | |
| | | | -3,279 | | -8,882 |
| **Net cash flow from operating activities** | | | **-788** | | **-3,446** |

| | | | | | |
|---|---|---|---|---|---|
| **Cash flow from investing activities** | | | | | |
| Net investments in non-current intangible assets | (2) | -1,585 | | -422 | |
| Net investments in property, plant and equipment | (3) | -2,872 | | -1,311 | |
| Net investments in non-current financial assets | | 0 | | -15 | |
| Earn-out payments/Acquisition of subsidiaries | | -1,600 | | -16,840 | |
| Cash and cash equivalents obtained with acquisitions | (1) | 0 | | 1,420 | |
| **Net cash flow from investing activities** | | | **-6,057** | | **-17,168** |
| | | | | | |
| **Cash flow from financing activities** | | | | | |
| Issue of shares | | 0 | | 35,408 | |
| Re-issue of own shares | | 45 | | 150 | |
| Repayment financing | | -4,882 | | -15,369 | |
| Current borrowings drawn | | 10,983 | | 0 | |
| Purchased shares | | 0 | | -70 | |
| Other | | 83 | | 50 | |
| **Net cash flow from financing activities** | | | **6,229** | | **20,169** |
| | | | | | |
| **Net cash flow** | | | **-616** | | **-445** |
| | | | | | |
| Net cash flow in the year | | | -616 | | -445 |
| Balance of cash and cash equivalents at start of financial year | | | 4,375 | | 4,820 |
| **Balance of cash and cash equivalents at end of financial year** | | | **3,759** | | **4,375** |

## General Information

Qurius N.V. is a public limited company established and domiciled in the Netherlands, with registered office and headquarters at Van Voordenpark 1a, 5301 KP in Zaltbommel. The consolidated financial statements for 2008 will be submitted for approval to the Annual General Shareholders Meeting of 24 April 2009.

The consolidated IFRS financial statements of the company for the year ending on 31 December 2008 include the company and all its subsidiaries (jointly called "Qurius') and the share of Qurius in third parties (non-consolidated participating interests). A summary of the most important subsidiaries has been included in the 'consolidation' section.

Statement of compliance: The consolidated financial statements have been compiled in accordance with the International Financial Reporting Standards (IFRS) as accepted in the European Union (EU) and the interpretations thereof as adopted by the International Accounting Standards Board (IASB).

**New standards and interpretations adopted for the first time by the company**

IFRS 7, 'Financial instruments: furnishing information' introduces important new disclosure requirements regarding financial instruments. This demands qualitative and quantitative disclosure of exposure to risks attached to financial instruments, such as specified minimum disclosure of credit risk, liquidity risk and market risk, including a sensitivity analysis for market risk. IFRS 7 replaces the disclosure requirements of IAS 32, 'Financial instruments: presentation'. In addition, a change was pursued in IAS 1 'Presentation of the financial statements'. New disclosure requirements have been added that must enable users of financial statements to judge the objectives, directives and processes of Qurius for capital management.

IFRS 8, 'Operational segments' (effective from 1 January 2009) introduces a management approach for reporting segment information. The reported information must fit in with the internal information on the basis of which the internal performance of operational segments is judged, and funds are assigned to the various segments. IFRS 8 replaces the disclosure requirements of IAS 14 'Segmented information'.

IFRIC 8, 'Area of adoption of IFRS 2' clarifies that IFRS 2 on share-based payments applies to all transactions in which a business receives non-financial assets or services in exchange for the issue of own equity instruments, even if it seems that no payment is received. The adoption of this interpretation does not have any effect on the consolidated financial statements for 2008.

IFRIC 9, 'Reassessment of embedded derivates' demands that an entity assesses whether a contract contains an embedded derivative at the moment at which the entity enters into the contract and forbids reassessment, unless a change in the contract terms is of significant influence on the cash flows resulting from the contract. This interpretation is in line with the accounting treatment used in earlier financial years and therefore does not lead to changes in the consolidated financial statements.

IFRIC 10, 'Interim Financial Reporting and Impairment' specifies that an impairment of goodwill and own equity instruments available for sale may not be reversed in the subsequent interim figures. This interpretation is in line with the accounting treatment adopted in earlier financial years and therefore does not lead to changes in the consolidated financial statements.

IFRIC 11, 'Group and Treasury Share Transactions' IFRIC 11 requires a share-based payment arrangement in which an entity receives goods or services as consideration for its own equity instruments to be accounted for as an equity-settled share-based payment transaction, regardless of how the equity instruments are obtained. The application of IFRIC 11 did not have any impact on the consolidated financial statements.

IFRIC 14, 'The limit on a defined benefit asset, minimum funding requirements and their interaction' (effective from 1 January 2008) gives a further interpretation of assessment of the restriction that IAS 19 imposes on the surplus that may be accounted for as an asset. IFRIC 14 also explains how a pension claim or debt could be influenced by minimum funding requirements in the articles of association or contracts.

**New standards and interpretations not yet adopted by the company**

The Company has not yet fully determined the potential impact of the relevant new standards, amendments to standards and interpretations. The Company expects that the changes will have no material effect on the consolidated financial statements.

The IAS 1, Presentation of the financial statements' changed in 2007, and effective from 1 January 2009, prescribes that the initial balance sheet is also presented for comparative periods. In addition the statement of comprehensive income will be separated from the statement of changes in equity.

Amendments to IFRS 2, 'Share-based Payment – Vesting Conditions and Cancellations'
The amendments to IFRS 2, that will be applicable to the Company, effective from 1 January 2009, clarify the definition of vesting conditions and the accounting treatment of cancellations by the counterparty to a share-based arrangement. Qurius expects that this amendment will not have a material impact on the consolidated financial statements.

Revision to IFRS 3, 'Business Combinations' The revised standard incorporates the following changes that are likely to be relevant to the company's operations:

- The definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations
- Contingent consideration will be measured at fair value, with its subsequent change recognised in the income statement
- Transaction costs, other than costs of share and debt issues, will be expensed as incurred
- Any pre-existing interest in an acquired company will be measured at fair value with gain or loss recognised in the income statement
- Any non-controlling (minority) interest will be measured on a transaction-by-transaction basis either at fair value, or at the proportional interest in the identifiable assets and liabilities of the acquired company

The revision to IFRS 3 is mandatory for the Company's business combinations with effect from 1 January 2010 and will have no impact on prior periods.

The change in IAS 23, 'Financing costs' (effective from 1 January 2009) prescribes that financing expenses to be attributed to the acquisition, building or production of a qualifying asset must be capitalised. The possibility to take these financing costs as a charge has been cancelled. The adoption of this directive will not have any effect on the consolidated financial statements.

Amendments to IAS 27, 'Consolidated and Separate Financial Statements' The amendments to IAS 27 require accounting for changes in ownership interest of the Company in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Company loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in the income statement.
The amendments to IAS 27 will be effective from 1 January 2010. These amendments are not expected to have a significant impact on the consolidated financial statements.

## General accounting principles

The consolidated financial statements are presented in EUR 1,000 unless otherwise indicated.

The financial statements have been prepared on the basis of a going concern and the historical cost convention, except for derivates and financial instruments, classified as held for trading or available for sale, which are stated at fair value.

Unless otherwise indicated, assets and liabilities are carried at their nominal value. Income and expenses are accounted for on an accrual basis.

**Use of estimates**

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts. The estimates and related assumptions are based on experience and other factors that are believed to be relevant under the circumstances. Such estimates form the basis for the judgments made about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates. Estimates are used when accounting for items and matters such as revenue recognition, allowances for uncollectible accounts receivable, depreciation and amortisation, assets valuations, impairment assessments, taxes, earn-out provisions, other provisions, stock-based compensation, and contingencies. The estimates and underlying assumptions are reviewed on an ongoing basis.

**Disclosure of prior period errors and change in accounting estimates**

Due to errors in the presentation and measurement and the change of accounting estimates in elements of the financial statements, there have been adjustments in the comparative figures of 2007 in order to provide better insight.

The following adjustments have been made:

- In 2008, the pension plan of one employee appeared to qualify as a defined benefit pension scheme instead of an defined contribution plan. The adjustment in the provisions is caused by an error of EUR 150 in the calculation of the pension provision
- A liability to personnel of Qurius Italy (EUR 577) has been reclassified from the provisions item to other liabilities. This reclassification is based on the fact that the liability is directly claimable and therefore should be presented as a current liability under IFRS. There is no impact on the equity and result
- In 2007 a change in estimation was pursued with respect to the turnover on maintenance contracts. The turnover of all maintenance contracts will be spread over the period to which these refer. The estimation change resulted in a non-recurring charge in 2007 of

EUR 617. As a result of an AFM review the change should have been presented as an adjustment caused by an error. Therefore the revenue and cost adjustment in 2007 should have been adjusted in the opening balance instead of an adjustment in the result of 2007. The following adjustments have been made: net sales EUR 1,869, cost of sales EUR 1,252. The adjustment affected equity with EUR 617 as at 1 January 2007

- The 2007 result adjustments have an impact of EUR 119 on the taxation of 2007

As result of the adjustments, net profit of 2007 has been adjusted from EUR 2,257 to EUR 2,605 and net profit per share as been adjusted from 2 eurocents to 3 eurocents.

These adjustments affect the following line items in 2007:

| *Line item* | *Balance 31-12-2007 prior to adjustment* | *Adjusted amount* | *Balance 31-12-2007 after adjustment* |
|---|---|---|---|
| Equity | 71,409 | -269 | 71,140 |
| Provisions | 2,357 | -427 | 1,930 |
| Other liabilities | 30,660 | 577 | 31,237 |
| Net sales | 112,889 | 1.869 | 114,758 |
| Cost of sales | -31,844 | -1.252 | -33,096 |
| Employee costs | 63,324 | 150 | 63,474 |
| Taxation | -857 | -119 | -976 |
| Net profit | 2,257 | 348 | 2,605 |

## Foreign exchange

In the balance sheet, amounts in foreign currencies will be converted into amounts in Euros at the exchange rates applicable at the end of the financial year. Exchange rate differences will be credited or charged to the income statement. Conversion of gains and losses in foreign exchange into euro's will be made against average rates. Exchange rate differences from conversion to Euros of the equity or of intercompany loans with a permanent nature from/to participating interests outside the Euro zone will be credited or charged directly to the equity.

## Financial instruments

### Financial assets

#### Initial recognition

Financial assets within the scope IAS 39 are classified as financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are classified as available for sale when they do not meet the definition of any other category.

Financial assets are recognised initially at faire value plus, in the case of investments not at fair value through profit and loss, directly attributable transaction costs.
Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way purchases) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include cash, short-term and long-term deposits, trade and other receivables and loan and other receivables.

### Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

*Financial assets at fair value through profit and loss*

Financial assets at fair value through profit and loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit and loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near future. This category includes derivative financial instruments entered into by the Company that do not meet the hedge accounting criteria as defined by IAS 39. Derivates, including separated embedded derivatives are also classifieds as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit and loss are carried in the balance sheet at fair value with gains or losses recognised in the income statements.

The Company has not designated any financial assets as at fair value through profit and loss.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such financial assets are carried at amortised costs using the effective interest rate method. Gains and losses are recognised in the consolidated income statement when the loans and receivables are derecognised of impaired, as well as through the amortisation process.

*Held-to-maturity investments*

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold it to maturity, other than those that meet the definition of loans and receivables. After initial measurement held-to-maturity investments are measured at amortised costs using the effective interest method. This method uses an effective interest rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the net carrying amount of the financial asset. Gains and losses are recognised in the consolidated income statement when the investments are derecognised or impaired, as well as through the amortisation process.

The Company did not have any held-to-maturity investments during the years ended 31 December 2008 and 2007.

*Available for sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the three preceding categories. After initial measurement, available-for-sale financial assets are measured at fair value with unrealised gains or losses recognised directly in equity until the investment is derecognised, at which time the cumulative gain or loss recorded in equity is recognised in the income statement, or determined to be impaired, at which time the cumulative loss recorded in equity is recognised in the income statement.

The Company did not have any available-for-sale financial assets during the years ended 31 December 2008 and 2007.

**Financial liabilities**

Initial recognition

Financial liabilities within the scope IAS 39 are classified as financial liabilities at fair value through profit and loss, loans and borrowings, or as derivatives designated as hedging instruments, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value, and in the case of loans and borrowings, directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loan and borrowings.

Subsequent Measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

*Financial liabilities at fair value through profit and loss*

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit and loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near future. This category includes derivative financial instruments entered into by the Company that do not meet the hedge accounting criteria as defined by IAS 39.

The Company has not designated any financial liabilities as at fair value through profit and loss.

*Loans and borrowings*
Loans and borrowings are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. Such financial liabilities are carried at amortised costs using the effective interest rate method. Gains and losses are recognised in the consolidated income statement when the loans and borrowings are derecognised of impaired, as well as through the amortisation process.

## Consolidation

Qurius' subsidiaries are those entities over which Qurius N.V. directly or indirectly exercises effective control. Effective control means that Qurius controls, directly or indirectly, the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of these subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The financial figures of subsidiaries are recognised for 100% in the consolidation. Minority interests in the equity and net profit will be recognised separately.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of Qurius.
All intercompany transactions, balances, income and expenses are eliminated on consolidation.

The consolidated financial statements include the financial information of the group companies of which the most important are:

| Subsidiary name | Registered office | Interest |
|---|---|---|
| Qurius N.V | Zaltbommel, The Netherlands | 100% |
| Qurius Nederland B.V. | Zaltbommel, The Netherlands | 100% |
| Qurius International Holding B.V. | Zaltbommel, The Netherlands | 100% |
| Qurius Belgium N.V. | Gent, Belgium | 100% |
| MultiPlus Solutions A.S. | Sandefjord, Norway | 96.02% |
| Qurius Sweden AB | Linköping, Sweden | 100% |
| Qurius AB | Linköping, Sweden | 100% |
| Qurius Denmark A/S | Birkeroed, Denmark | 100% |
| Qurius Deutschland AG | Hamburg, Germany | 100% |
| Qurius Italy SRL | Reggio Emilia, Italy | 99.43% |
| Qurius Spain SA | Madrid, Spain | 100% |
| Qurius UK Ltd. | Manchester, United Kingdom | 100% |
| Qurius Development Center Czech Republic s.r.o. | Olomouc, Czech Republic | 100% |

## Non-current intangible assets

### Goodwill

All acquisitions have been included using the purchase accounting method. Goodwill results from the acquisition of subsidiaries, associates and joint ventures. In respect of business acquisitions that have occurred since 1 January 2004, it represents the difference between acquisition cost and the related cost and the fair value of the net identifiable assets acquired. The accounting treatment of business combinations with earn-out agreements is based on the expected earn-out. If the earn-out is not fully realised, the difference will be adjusted to goodwill. Goodwill will not be amortised, but is systematically tested for impairment on the balance sheet date and, if necessary, written down.

### Other non-current intangible assets

Development costs

Qurius develops industry-specific software solutions. If the development of these 'add-ons' has commercial potential, the expenditure will be capitalised. The capitalised expenses consist of direct and indirect costs insofar attributable.

Capitalised development costs have been included at purchase price less accumulated depreciation and impairment. The economic useful life of software is three years. Amortisation costs will be charged to the income statement using the straight-line method on the basis of the economic useful lives of intangible assets. Amortisation commences on the date on which they are available for use.

### Client portfolio

The non-current intangible assets related to clients refer to the non-current intangible assets identified in accordance with IFRS 3 ('Business Combinations') and concern client and contract portfolios. These will be recognised at fair value at the moment of acquisition. The fair value at acquisition is at that moment the cost price. The cost price of the identifiable intangible assets related to clients will be amortised as a charge to the income statement on the basis of useful life. The expected useful life is between 5 and 7 years.

## Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Qurius has opted under IFRS 1 to use the previous Dutch GAAP value of property, plant and equipment as deemed cost as at 1 January 2004 under IFRS.

Leases whereby Qurius assumes substantially all risks and rewards of ownership are classified as financial leases. Property, plant and equipment acquired under financial leases are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the assets. The economical useful life is between two and five years.

## Non-current financial assets

### Deferred tax assets

Deferred tax assets will be included for off settable tax losses, and for temporary differences between the carrying value of assets and borrowed capital according to the financial statements and the fiscal carrying value, based on tax rates expected to apply in the period in which the deferred tax assets will be realised. Deferred tax assets for fiscal losses will only be recognised if it is expected that taxable profits will be realised within 5 years to compensate these losses. Deferred tax assets will not be discounted.

### Other investments

Other investments are entities in which Qurius holds a minority interest and over which it exercises no control. These investments are valued at acquisition price. Dividends will be accounted for in the income statement at the moment they are payable.

## Trade receivables

### Accounts receivables

Accounts receivables are valued at the amortised cost price less impairment losses including doubtful items (see impairment policy).

### Other receivables

Other receivables and prepayments are stated at fare value. Provisions for bad debts are recognised when necessary.

### Cash and cash equivalents

Cash and cash equivalents consisting of bank balances and call deposits are recognised at amortised value.

### Impairment

The assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is calculated. For goodwill the recoverable amount is calculated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are charged to the income statement.

### Calculation of recoverable amount

The recoverable amount of an asset is the higher of its fair value less selling expenses and its going-concern value. In assessing the going-concern value, the estimated future cash flows are discounted to their present value using a realistic discount rate.

### Share capital

Share capital is classified as equity. Qurius has not issued preference shares. When share capital recognised as equity is repurchased, the amount of the consideration paid is recorded as a change in equity. Own shares re-issued are added to equity for the consideration received. The issued or re-issued shares in the scope of acquisitions and earn-out arrangements will be fully accounted for in the equity, also if the actual transfer of them has not yet been made.

### Employee benefits

#### Pension plans

Qurius has set up a pension plan for most of its employees, which qualifies as a defined contribution plan: the company's obligations are limited to the payment of an annual contribution to the insurance company.

The provision included in the balance sheet concerns pension obligations regarding defined benefit pension plans. These arrangements have a long-term nature and have been placed with an insurance company. The pension provision will be determined as the difference between the real value of the plan assets and the pension obligations valued according to the Projected Unit Credit Method and discounted using the market interest rate applicable for the term of these obligations.

The size of the provision also depends on the actuarial results that take account of factors including changes in expectations about wage development, actuarial interest and investment results.

Actuarial results exceeding the margin amounts of 10% higher of the plan assets and pension obligations will be attributed to the average remaining years of service of the active participants. Actuarial results within these margin amounts will not be included in the provision.

**Option rights**

Under the option scheme, a number of employees of Qurius are entitled to shares in the company. The fair value of the options granted is recognised as employee benefits, together with a corresponding increase in equity. The cost of employee option schemes is measured by reference to their fair value at the date when granted. An external assessor determines the fair value based on a Black & Scholes model. The dilutive effect of outstanding options is reflected as an additional share dilution in the computation of earnings per share.

### Non-current liabilities

Recognised interest-bearing loans and liabilities are valued at amortised cost. The repayment obligations on loans occurring within 1 year after the balance sheet date are presented as current liabilities.

### Current liabilities

Trade payables and other payable items are recognised at amortised cost.

### Net sales

The net sales consist of following categories:

a) Licences; the revenue from licence sales will be recognised if the performance has been delivered as at the balance sheet date
b) Maintenance; the revenue from the maintenance contracts will be spread on the period to which the maintenance contract applies
c) Services; the revenue from services will be recognised if:
   I. the revenue can be reliably assigned to a period
   II. it is probable that Qurius will gain the future economic benefits
d) Hardware; the revenue from hardware will be recognised if the goods have been delivered as at the balance sheet date

If a project is performed on a fixed price base, revenue will be reported based on the percentage of completion method.

### Cost of sales

Costs of subcontractors, software licenses, hardware and other external costs are recognised in the same period as the corresponding revenue is recognised.

### Operating expenses

Expenses are recognised on the basis of historical cost and allocated to the period to which they relate.

### Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

### Pension costs

Qurius has pension plans for a most of its employees on the basis of defined contribution schemes. The contribution amounts are charged to the income statement in the period to which they relate. For a number of employees, defined benefit schemes apply.

### Taxation

Income tax on the profit or loss of the financial year comprises current, refundable and deferred tax. Income tax is recognised in the income statement, unless it relates to items charged or credited directly to equity, in which case it too is recognised in equity. Current tax is the expected tax payable on taxable income for the year, using tax rates that are legally effective as at the balance sheet date, and any adjustments to tax concerning previous years.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the asset can be offset. The time horizon is maximised to five years. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

### Cash flow statement

The cash flow statement is prepared using the indirect method and distinguishes between operating, investing and financing activities. Payments and receipts of income taxes are included as cash flow from operating activities. Cash flows resulting from acquisitions or divestments of financial interests in group companies and subsidiaries are included as cash flow from investing activities, taking into account the available cash and cash equivalents in these interests.

### Segment reporting

In 2007, the administrative structure of Qurius was changed into management by country.

Segment results, assets and liabilities include items directly or reasonably attributable to a business line or country. Corporate is responsible for financing and tax planning. For this reason, financial results and taxation cannot be allocated in a meaning full manner. The holding charges have been distributed based on the relative net sales contribution of each segment.

## Changes in subsidiaries

### Changes in 2008

On 15 August 2008, the Dutch operational legal entities Qurius AS BV, Qurius BS BV, Qurius IS BV, Qurius MS BV, Watermark Nederland BV and Watermark Education BV legally merged into Qurius Nederland BV. This has simplified the legal structure in the Netherlands.

On 27 November 2008, the German companies Qurius Germany GmbH, Wilhelm und Zeller AG and Cabus Holding GmbH merged into the legal entity Qurius Deutschland AG. This has simplified the legal structure in Germany.

### Changes in 2007

In 2007, the acquisitions contributed a net profit of EUR 115.

On 12 March 2007, Qurius took over all shares of ICM Group from Waalwijk. Commencing from 1 March 2007, the results of ICM were included in the consolidation.

On 2 July 2007, the acquisitions of Çedilla Systems (United Kingdom), Ibitec (Sweden) and Wilhelm Zeller (Germany) were completed. The initial purchase price for these companies amounted to EUR 7.7 million, financed using the proceeds of the share issue of 22 June 2007. There were also earn-out agreements made with objectives for 2007, which will be financed from own funds. The results of Çedilla Systems, Ibitec and Wilhelm + Zeller were included in the consolidation with effect from 1 July 2007.

Furthermore, on 1 October 2007, Qurius bought a minority interest in iNovasion B.V. (Nijmegen, the Netherlands). The cooperation mainly has the objective of exchanging expertise and people.

Cabus Holding (Germany) was acquired by Qurius on 5 November 2007. Qurius paid between 0.5 and 0.6 times the Cabus turnover in 2007 (2006 turnover EUR 16.1 million) for this acquisition. The results of Cabus were included in the consolidation with effect from 1 November 2007.

## Fair value

In the company's opinion, there is no material difference between the values reflected in the balance sheet and the fair value of the assets and liabilities involved.

# Non-current assets

## Non-current intangible assets

| (1) Goodwill | 2008 | 2007 |
|---|---|---|
| **1 January** | | |
| Acquisition cost | 63,226 | 33,693 |
| Accumulated amortisation | 0 | 0 |
| **Carrying value** | **63,226** | **33,693** |
| **Changes** | | |
| Changes due to acquisitions | 0 | 105 |
| Investments | 0 | 19,672 |
| Reclassification of non-core business | 0 | 9,635 |
| Value of option share loan granted | 0 | 131 |
| Changes due to earn-out agreements | -1,447 | 0 |
| Other changes | -31 | -10 |
| Impairment charge | -19,004 | 0 |
| **Total changes** | **-20,482** | **29,533** |
| **31 December** | | |
| Acquisition cost | 61,748 | 63,226 |
| Accumulated amortisation | -19,004 | 0 |
| **Carrying value** | **42,744** | **63,226** |

As a result of the recommendations of the AFM, the cost price of the Watermark transaction was increased with the value of the option granted on the share loan of EUR 131.

| Goodwill can be allocated to the following operational segments: | 2008 | 2007 |
|---|---|---|
| The Netherlands | 18,083 | 19,038 |
| Germany | 10,742 | 16,305 |
| Spain | 5,507 | 7,516 |
| Other | 8,412 | 20,367 |
| | **42,744** | **63,226** |

Annually, or in case of an indication at any other time, Qurius conducts an impairment test. If a cash generating unit is not expected to generate enough cash flow in the future, this might result in impairment. For each CGU a sales growth and result development for a time span of five years is used, after which it is assumed that the cash generating unit will no longer generate an increasing cash flow.

**Assumptions used for DCF calculations**

We have used a Discounted Cash Flow (DCF) valuation model to estimate the value of our operations. We have applied DCF to model processes of market and profitability and thus estimate the value by reference to observed historic and actual data. This information is used in the DCF valuation model to determine a single point valuation figure specific for each Cash Generating Unit (CGU). The specific single point valuation figure is calculated using the firms Weighted Average Cost of Capital of 11%. The assumptions used in the CGU specific DCF model are net annual sales growth, EBIT margin and Net profit margin. In assessing the assumptions to be applied in the DCF model, observed historic data and actual data have been taken into account in the projected future cash flows per Cash Generating Unit. As a result of the actual development of certain activities, the projected net sales growth, and/or EBIT margin and/or Net Profit Margin have been re-assessed and reduced compared to earlier projections. In general we assume Net Sales Growth to achieve between -9% to 8% per year, EBIT Margin to achieve between 0% to 10% per year and Net Profit Margin to achieve between 0% to 7% per year. As a result of the re-assessment of the DCF valuation, the carrying values of certain of our operations have been reduced resulting in an impairment loss of EUR 19 million.

### Acquisitions in 2008

In 2008, no new acquisitions have been included in the consolidated figures.

### Acquisitions 2007

| | ICM | Ibitec | Cedilla | W+Z | Cabus | Total |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Non-current assets | | | | | | |
| Non-current intangible assets | 217 | 0 | 27 | 110 | 159 | 513 |
| Valued client portfolios | 0 | 0 | 414 | 462 | 846 | 1,722 |
| Property, plant and equipment | 46 | 203 | 49 | 1,636 | 350 | 2,284 |
| Non-current financial assets | 168 | 49 | 0 | 10 | 0 | 227 |
| Current assets | | | | | | |
| Accounts receivable | 391 | 1,866 | 1,081 | 1,242 | 4,443 | 9,023 |
| Cash and cash equivalents | 0 | 312 | 956 | 20 | 132 | 1,420 |
| **Total** | **822** | **2,430** | **2,527** | **3,480** | **5,930** | **15,189** |
| **Liabilities** | | | | | | |
| Shareholders' equity | -440 | 730 | 618 | 517 | 1,060 | 2,485 |
| Minority interest | 0 | 0 | 0 | 0 | 161 | 161 |
| **Group assets** | **-440** | **730** | **618** | **517** | **1,221** | **2,646** |
| **Non-current liabilities** | 99 | 0 | 0 | 1,587 | 659 | 2,345 |
| **Current liabilities** | 1,163 | 1,700 | 1,909 | 1,376 | 4,050 | 10,198 |
| **Total** | **822** | **2,430** | **2,527** | **3,480** | **5,930** | **15,189** |

| | ICM | Ibitec | Cedilla | W+Z | Cabus | Total |
|---|---|---|---|---|---|---|
| Invested amount | 0 | 5,189 | 2,651 | 4,382 | 9,935 | 22,157 |
| Shareholders' equity | -440 | 730 | 618 | 517 | 1,060 | 2,485 |
| **Goodwill** | **440** | **4,459** | **2,033** | **3,865** | **8,875** | **19,672** |

Within the acquisitions, the positioning in a country, the combination with existing activities and staff are important. The value of these subsidiaries cannot be clearly determined and is therefore not separated from the goodwill. The value of these aspects of the companies justifies payment and capitalising of goodwill. The invested amount includes an amount of EUR 334 of acquisition costs.

| (2) Other non-current intangible assets | Development costs | Client portfolio | Total |
|---|---|---|---|
| **1 January 2007** | | | |
| Acquisition cost | 5,733 | 2,547 | 8,280 |
| Accumulated amortisation | -3,071 | 0 | -3,071 |
| **Carrying value** | **2,662** | **2,547** | **5,209** |
| **Changes in 2007** | | | |
| Changes due to acquisitions | 405 | 0 | 405 |
| Investments | 422 | 1,722 | 2,144 |
| Amortisation | -1,069 | -496 | -1,565 |
| **Total changes** | **-242** | **1,226** | **984** |
| **31 December 2007** | | | |
| Acquisition cost | 6,560 | 4,269 | 10,829 |
| Accumulated amortisation | -4,140 | -496 | -4,636 |
| **Carrying value** | **2,420** | **3,773** | **6,193** |
| **Changes in 2008** | | | |
| Investments | 1,585 | 0 | 1,585 |
| Amortisation | -1,419 | -655 | -2,074 |
| **Total changes** | **166** | **-655** | **-489** |
| **31 December 2008** | | | |
| Acquisition cost | 8,145 | 4,269 | 12,414 |
| Accumulated amortisation | -5,559 | -1,151 | -6,710 |
| **Carrying value** | **2,586** | **3,118** | **5,704** |

Development costs relate to investments in industry-specific software. EUR 1,385 (2007: EUR 396) of which has arisen through capitalising own hours. In 2008, EUR 868 (2007: EUR 158) of development costs were not capitalised, but accounted for under operating expenses.

| **(3) Property, plant and equipment** | **2008** | **2007** |
|---|---|---|
| Changes in property, plant and equipment were as follows: | | |
| | | |
| **1 January** | | |
| Acquisition cost | 8,467 | 5,434 |
| Accumulated depreciation | -4,291 | -3,479 |
| **Carrying value** | **4,176** | **1,955** |
| | | |
| **Changes** | | |
| Changes due to acquisitions | 0 | 2,284 |
| Investments | 2,872 | 1,311 |
| Depreciation | -1,663 | -1,374 |
| **Total changes** | **1,209** | **2,221** |
| | | |
| **31 December** | | |
| Acquisition cost | 11,339 | 8,467 |
| Accumulated depreciation | -5,954 | -4,291 |
| **Carrying value** | **5,385** | **4,176** |

## Non-current financial assets

| **(4) Deferred tax assets** | **31-12-2008** | **31-12-2007** |
|---|---|---|
| Changes in deferred tax assets were as follows: | | |
| | | |
| **1 January** | 7,577 | 7,687 |
| Charged to the income statement | 385 | -278 |
| Changes due to acquisitions | 0 | 168 |
| Impairment | -2,217 | 0 |
| **31 December** | **5,745** | **7,577** |

The amount of recognised tax losses is EUR 19,779 (2007: EUR 26,985). The deferred tax assets is measured at the nominal tax rates of 34% - 25% (2007: 34% - 25%)

The company has an amount of EUR 30,370 (2007: EUR 24,488) in unrecognised tax losses available for offsetting. These tax losses are not recognised on the balance sheet because the company is uncertain whether sufficient taxable profits can be realised within the foreseeable future. Of this amount, EUR 5,364 will expire within 3 years, the remainder of EUR 25,006 will expire after 3 years, or can be carried forward indefinitely into the future on the basis of the current legislation and regulations.

The tax losses are the result of losses in previous years. Besides the tax losses, the Company has not accounted for temporary differences.

The effect of changes in the applicable tax rates is not material.

| **(5) Other non-current financial assets** | **31-12-2008** | **31-12-2007** |
|---|---|---|
| Other investments | 75 | 59 |
| Other financial receivables | 227 | 502 |
| | **302** | **561** |

## Current assets

| **Trade receivables** | **31-12-2008** | **31-12-2007** |
|---|---|---|
| **(6) Accounts receivables** | | |
| Gross value | 45,311 | 41,557 |
| Provisions | -1,845 | -1,393 |
| Net value | 43,466 | 40,164 |
| Amounts still to be invoiced | 4,889 | 3,205 |
| | **48,355** | **43,369** |

On 31 December, the age of the outstanding accounts receivable was as follows:

| | **2008** | **2007** |
|---|---|---|
| Accounts receivable not due | 27,777 | 25,473 |
| Accounts receivable 0 to 30 days overdue | 6,368 | 6,491 |
| Accounts receivable 30 to 90 days overdue | 3,244 | 2,932 |
| Accounts receivable more than 90 days overdue | 7,922 | 6,681 |
| | **45,311** | **41,577** |

The composition of the provision for bad and doubtful debts is as follows:

| | **2008** | **2007** |
|---|---|---|
| **1 January** | -1,393 | -449 |
| Changes due to acquisitions | 0 | -1,002 |
| Additions | -760 | 0 |
| Uncollectible trade debts received | 308 | 58 |
| **31 December** | **-1,845** | **-1,393** |

| **(7) Other receivables** | **31-12-2008** | **31-12-2007** |
| --- | --- | --- |
| Prepaid costs | 3,630 | 6,415 |
| Tax assets | 323 | 369 |
| Other | 2,635 | 2,594 |
| | **6,588** | **9,378** |

**(8) Equity**

For an explanation of the shareholders' equity, one is referred to the company financial statements on page 92 and following.

## Provisions

**(9) Pension provisions**

Contents of the defined benefit pension plans

In general, this concerns an average-career plan with conditional indexation.

*Composition*

The provision included in the balance sheet has been composed as follows:

| | **31-12-2008** | **31-12-2007** |
| --- | --- | --- |
| Defined benefit obligation | 2,561 | 3,030 |
| Fair value of plan assets | -1,078 | -1,089 |
| | 1,483 | 1,941 |
| Unrecognised actuarial gains and losses | 495 | -27 |
| Exchange rate differences and other | 27 | 16 |
| | **2,005** | **1,930** |

*Adjustment of an error*

In 2008 the pension plan of one employee appeared to qualify as a defined benefit pension plan instead of a defined contribution plan. This error was adjusted in the comparative figures of 2007. An actuarial calculation of the defined benefit pension provision has been made for 2008. The closing net liability of 31 December 2007 is EUR 150 higher than provided for, divided in EUR 169 defined benefit obligation, EUR 35 plan assets and EUR 16 other. The EUR 150 has been adjusted in the comparative figures of 2007.

The obligation regarding defined contribution schemes which was included under provisions in 2007 has been reclassed to other payables, due to its character as directly claimable post-employment obligation.

The comparative figures of 2007 are adjusted as follows:

| | 31-12-2007 prior to adjustment | Adjusted amount | 31-12-2007 after adjustment |
|---|---|---|---|
| Defined benefit obligation | 2,861 | 169 | 3,030 |
| Fair value of plan assets | -1,054 | -35 | -1,089 |
| | 1,807 | 134 | 1,941 |
| Unrecognised actuarial gains and losses | -27 | 0 | -27 |
| Exchange rate differences | 0 | 16 | 16 |
| Obligation from defined contribution arrangements | 577 | -577 | 0 |
| Net liability | **2,357** | **-427** | **1,930** |

The increase in provision of EUR 150 is adjusted in pension costs in the 2007 income statement.

*Changes in plan assets*

| | 2008 | 2007 |
|---|---|---|
| Fair value of plan assets as at 1 January | 1,089 | 917 |
| Adjustment to plan assets | 0 | 35 |
| Expected return on plan assets | 63 | 11 |
| Employer contributions | 174 | 116 |
| Benefits paid | -21 | 0 |
| Actuarial gains and losses on plan assets | -227 | 10 |
| **31 December** | **1,078** | **1,089** |

The group expects to contribute EUR 201 to the pension plans in 2009.

*Changes in defined benefit obligation*

| | 2008 | 2007 |
|---|---|---|
| Defined benefit obligation at beginning of the year | 3,030 | 2,990 |
| Current service cost | 231 | 169 |
| Interest cost | 137 | 8 |
| Benefits paid | -53 | -39 |
| Actuarial gains and losses | -784 | -98 |
| **31 December** | **2,561** | **3,030** |

The total defined benefit obligation of EUR 2,561 as at December 28, 2008 includes EUR 1,236 million related to plans that are completely unfunded.

*Expenses recognised in the income statement*

| | 2008 | 2007 |
|---|---|---|
| Current service cost | 231 | 169 |
| Interest cost | 137 | 8 |
| Expected return on plan assets | -63 | -11 |
| Actuarial gains and losses | -36 | -107 |
| Other charges | 17 | -44 |
| | **286** | **15** |

*Indexation*

The pension regulations stipulate that the indexation will always be of a conditional nature and that each year it is assessed whether the fund has sufficient available surplus interest to grant indexation.

*Most important actuarial principles*

The most important actuarial principles are:

| | 2008 | 2007 |
|---|---|---|
| Discount rate used | 5.3 – 6.1% | 4.0 – 4.7% |
| Price inflation | 2.0 – 2.8% | 1.9 – 2.8% |
| Expected yield on plan assets | 5.3 – 6.5% | 4.7 – 5.4% |
| Expected salary increases | 2.5 – 4.5% | 2.5 – 4.5% |

The expected return on plan assets is determined as a weighted-average rate of return based on the current and projected investment portfolio mix of each plan, taking into account the corresponding long-term yields for the separate asset categories, which depend on components such as the risk-free rate of return in real terms, expected inflation and expected risk and liquidity premiums. In addition, actual long-term historical return information is taken into account.

Information on the pension plan assets allocation and historical information of the experience adjustments for the last five years related to the plans included in the company's consolidated balance sheet are not easily or at reasonable costs obtainable.

**(10) Non-current liabilities**

| | 2008 | 2007 |
|---|---|---|
| **1 January** | 10,362 | 10,000 |
| Adjustments as a result of acquisitions | 0 | 2,345 |
| Repayments | -2,382 | 0 |
| Loan taken out | 0 | 517 |
| Repayment obligations for the years 2009 and 2008 are reported under current liabilities | -2,500 | -2,500 |
| **31 December** | **5,480** | **10,362** |

EUR 5,000 (2007: EUR 7,500) of the non-current liabilities relates to a loan with an original duration of five years and an annual repayment obligation of EUR 2,500 per year (2007: EUR 2,500). The accounts receivables and property, plant and equipment have been pledged for this. The loans have interest rates between 4.7% and 6.3%.

## Current liabilities

**(11) Bank credit**

Qurius has a credit facility with collateral of the trade receivables, property, plant and equipment, non-current intangible assets and shares in participating interests.

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| Credit institutions | 1,866 | 883 |
| Credit facility | 10,000 | 0 |
| Long-term loan repayment obligation for next year | 2,500 | 2,500 |
| | **14,366** | **3,383** |

In the second half year of 2008, Qurius was unable to meet all financial covenants related to its Credit Facility of Euro 17,5 million. As at balance sheet date, certain covenants based on EBITDA ratios could not be met. After a process in which we have closely monitored this situation with our lender, Qurius has reached agreement on re-scheduling debt amortization and adjustment of the financial covenants for 2009 while a structural long term solution for redemption is being put in place.

| **(12) Taxes and social security contributions** | **31-12-2008** | **31-12-2007** |
|---|---|---|
| Value added tax | 4,096 | 2,717 |
| Wage taxes and social security contributions | 3,724 | 2,582 |
| Income tax | 671 | 166 |
| | **8,491** | **5,465** |

| (13) Other liabilities | 2008 | 2007 |
|---|---|---|
| Employee expenses | 3,536 | 4,369 |
| Holiday allowances | 2,919 | 3,092 |
| Advance billings | 12,866 | 13,028 |
| Earn-out and subsequent payments | 1,095 | 5,316 |
| Other | 4,355 | 5,432 |
| | **24,771** | **31,237** |

## Off-balance sheet commitments

### Lease and rental agreements

Qurius has commitments under operating lease agreements that it has entered into with respect to cars, furniture and fixtures, as well as rental agreements for the use of its office premises.

| | Rent | Lease | Other |
|---|---|---|---|
| Duration shorter than one year | 3,658 | 3,804 | 377 |
| Duration longer than one year and shorter than five years | 6,556 | 4,878 | 360 |
| Duration longer than five years | 1,391 | 0 | 0 |
| | **11,605** | **8,682** | **737** |

### Bank guarantees

Qurius has issued bank guarantees for third parties for a total amount of EUR 563 (2007: EUR 212).

### Financial instruments

**General**

The most important risks to which Qurius is exposed are financing risk and market risk (consisting of an interest-rate risk and a currency risk). The financial policy of Qurius is directed at limiting the effects of price and interest fluctuations on the result in the short term and, in the long term, following the market exchange rates and market interest rates.

**Credit risk**

Management has a credit policy in place. Credit evaluations are performed on customers requiring credit in excess of a certain amount. There were no significant concentrations of credit risk as at the balance sheet date.

**Currency risk**

We perform our activities mainly in Euros within the Euro-zone. For transactions in non-Euro currencies, we seldom use financial instruments. There were no unpaid forward foreign exchange contracts on the balance sheet date. However, where possible and economically appropriate, we will seek to mitigate the effect of currency fluctuations as they arise.
The currency risk in our non-euro zone are mainly located in the UK, Norway and Sweden, exchange rate differences in these regions do not represent a material impact on the consolidated figures.

**Financing risk**

The credit facility documentation includes financial covenants to monitor the financial performance of the company. In case of breach of such covenants or default, the lender may terminate the facility. As a result, the facility may have to be re-financed.

In the second half year of 2008, Qurius was unable to meet all financial covenants related to its Credit Facility of Euro 17,5 million. As at balance sheet date, certain covenants based on EBITDA ratios could not be met. After a process in which we have closely monitored this situation with our lender, Qurius has reached agreement on re-scheduling debt amortization and adjustment of the financial covenants for 2009 while a structural long term solution for redemption is being put in place.

**Interest-rate risk**

Our interest rate risk policy aims to limit the interest rate risks resulting from financing the business and to optimise the net interest results as well. At the end of 2008, Qurius had a limited amount of interest-bearing debts. A change of interest rates by 100 bp would result in approximately EUR 200 change in the financial income and expenses.

**Disputes with third parties**

From time to time, Qurius has disputes with other parties. The management is of the opinion that no supplementary provisions needed other than those already included in the financial statements.

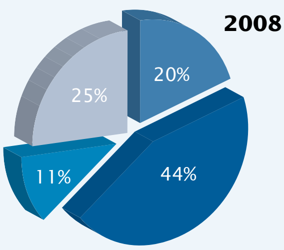
### Segment report per country

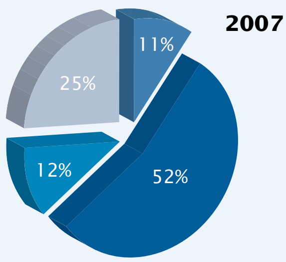
| **2008** | **Germany** | **Netherlands** | **Spain** | **Other** | **Total** |
|---|---|---|---|---|---|
| Revenue from third parties | 29,669 | 63,088 | 15,717 | 35,415 | 143,888 |
| Intercompany revenue | 192 | 611 | 54 | 824 | 1,681 |
| Total revenue | 29,861 | 63,699 | 15,771 | 36,239 | 145,570 |
| Cost of Sales | -9,874 | -22,509 | -5,959 | -8,359 | -46,701 |
| Gross margin | 19,987 | 41,190 | 9,812 | 27,880 | 98,869 |
| Employee expenses | -16,141 | -31,958 | -8,212 | -23,009 | -79,320 |
| Operating expenses | -3,358 | -3,958 | -1,630 | -4,937 | -13,883 |
| EBITDA (before restructuring) | 488 | 5,274 | -30 | -66 | 5,666 |
| Amortisation on intangible assets | -363 | -858 | -129 | -723 | -2,073 |
| Depreciation and amortisation | -259 | -902 | -97 | -398 | -1,656 |
| EBIT (before restructuring and impairment of goodwill) | -134 | 3,514 | -256 | -1,187 | 1,937 |
| Non-recurring expenses | -528 | -175 | -454 | -273 | -1,430 |
| Impairment charges | -4,544 | -955 | -2,009 | -11,496 | -19,004 |
| EBIT | -5,206 | 2,384 | -2,719 | -12,956 | -18,497 |
| | | | | | |
| Interest Income | | | | | 197 |
| Interest expenses | | | | | -1,705 |
| Result before taxation | | | | | -20,005 |
| Taxation | | | | | -2,451 |
| Minority interest | | | | | -39 |
| Net result | | | | | -22,495 |
| | | | | | |
| Goodwill | 10,742 | 18,083 | 5,507 | 8,412 | 42,744 |
| | | | | | |
| Accounts receivable | 9,559 | 24,828 | 5,212 | 8,552 | 48,151 |
| Unallocated | | | | | 204 |
| Total Accounts receivables | | | | | 48,355 |
| Total assets | 25,172 | 52,932 | 12,763 | 25,807 | 116,674 |
| Unallocated | | | | | 1,908 |
| Total assets | | | | | 118,582 |

| 2007 | Germany | Netherlands | Spain | Other | Total |
|---|---|---|---|---|---|
| Revenue from third parties | 12,730 | 59,969 | 14,308 | 27,751 | 114,758 |
| Intercompany revenue | 404 | 1,832 | 18 | 1,280 | 3,534 |
| Total revenue | 13,134 | 61,801 | 14,326 | 29,031 | 118,292 |
| Cost of Sales | -3,805 | -21,002 | -5,363 | -6,460 | -36,630 |
| Gross margin | 9,329 | 40,799 | 8,963 | 22,571 | 81,662 |
| Employee expenses | -7,363 | -30,319 | -7,668 | -18,124 | -63,474 |
| Operating expenses | -1,724 | -3,561 | -1,294 | -3,941 | -10,520 |
| EBITDA (before restructuring) | 242 | 6,919 | 1 | 506 | 7,668 |
| Amortisation on intangible assets | -61 | -1,026 | -103 | -375 | -1,565 |
| Depreciation and amortisation | -109 | -762 | -100 | -403 | -1,374 |
| EBIT | 72 | 5,131 | -202 | -272 | 4,729 |
| Interest Income | | | | | 831 |
| Interest expense | | | | | -1,957 |
| Result before taxation | | | | | 3,603 |
| Taxation | | | | | -976 |
| Minority interest | | | | | -22 |
| Net result | | | | | 2,605 |
| | | | | | |
| Goodwill | 16,305 | 19,038 | 7,516 | 20,367 | 63,226 |
| | | | | | |
| Accounts receivable | 8,721 | 20,944 | 3,786 | 9,758 | 43,209 |
| Unallocated | | | | | 160 |
| Total Accounts receivables | | | | | 43,369 |
| Total assets | 28,890 | 53,207 | 12,568 | 39,117 | 133,782 |
| Unallocated | | | | | 5,073 |
| Total assets | | | | | 138,855 |

*Total revenue*

- Germany
- Netherlands
- Spain
- Other



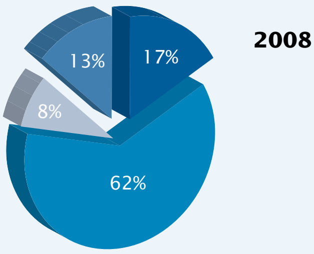



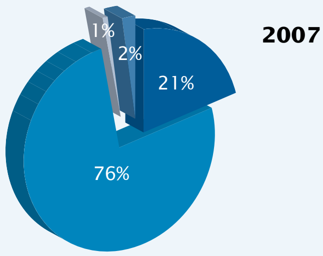
## Net sales

| (14) Net sales | 2008 | 2007 |
|---|---|---|
| Software licenses | 18,844 | 19,720 |
| Maintenance | 24,198 | 19,043 |
| Services | 89,601 | 67,685 |
| Hardware | 11,245 | 8,310 |
| | **143,888** | **114,758** |

*Net sales segmentation*

- Software licenses
- Maintenance
- Services
- Hardware




## Operating expenses

| (15) Employee costs | 2008 | 2007 |
|---|---|---|
| Salaries & bonuses | 55,679 | 44,888 |
| Social security charges | 9,871 | 7,024 |
| Pension costs | 1,854 | 1,883 |
| Car expenses | 7,798 | 6,352 |
| Training expenses | 1,432 | 779 |
| Other employee expenses | 2,686 | 2,548 |
| | **79,320** | **63,474** |

Under the car expenses, a sum of circa EUR 4.3 million (2007: circa EUR 3.1 million) has been included for operating lease contracts for cars.

| (16) Other operating expenses | 2008 | 2007 |
|---|---|---|
| Accommodation expenses | 5,243 | 3,668 |
| Marketing expenses | 2,385 | 2,250 |
| General expenses | 6,255 | 4,652 |
| | **13,883** | **10,570** |

A sum of circa EUR 3.0 million (2007: circa EUR 3.0 million) is accounted for under the accommodation expenses concerning operating lease contracts.

Expenses for audit services provided by BDO CampsObers Audit & Assurance B.V. and its network companies in the countries where the group is active amounted to EUR 205 (2007: EUR 185) and audit related services amounted to EUR 219 (2007: EUR 75).

| **(17) Sales result from Magnus Management Consultants** | **2008** | **2007** |
|---|---|---|
| Earn-out agreement | 0 | -50 |
| | **0** | **-50** |

| **(18) Depreciation and Amortisation** | **2008** | **2007** |
|---|---|---|
| Non-current intangible assets | 2,074 | 1,565 |
| Property, plant and equipment | 1,655 | 1,374 |
| | **3,729** | **2,939** |

**(19) Restructuring costs**

Non-recurring restructuring costs have been incurred in operational restructuring in Germany, Spain, Sweden and at the corporate head quarters, comprising one-off severance payments for rightsizing the respective operations, and management replacements.
The costs per segment are included in the segment report mentioned previously.

**(20) Impairment of Goodwill**

In 2008, an impairment of Goodwill of EUR 19,004 has been charged to the income statement. The impairment charges can be distributed to the cash generating units as follows:

| *Cash Generating Unit* | *Impairment charge* |
|---|---|
| Belgium | 1,150 |
| Denmark | 1,097 |
| Germany | 4,544 |
| Italy | 418 |
| Netherlands | 955 |
| Norway | 889 |
| Spain | 2,009 |
| Sweden | 6,793 |
| United Kingdom | 1,149 |
| | **19,004** |

| **(21) Financial income and expenses** | **2008** | **2007** |
|---|---|---|
| Financial income | 989 | 734 |
| Financial expenses | -2,414 | -1,850 |
| Exchange rate gains/losses | -83 | -10 |
| | **-1,508** | **-1,126** |

**(22) Taxation**

The reconciliation between the effective income tax and income tax based on the statutory rate is as follows:

| | 2008 | 2007 |
|---|---|---|
| Income tax at statutory rate | 5,101 | -915 |
| Effect of tax facilities | -5,373 | -129 |
| Effect of divergent tax rates for foreign companies | 38 | 68 |
| Impairment of deferred tax asset | -2,217 | 0 |
| **Effective income tax** | **-2,451** | **-976** |

The effective income tax of EUR -2,451 (2007: -976) consists of an amount of EUR 619 (2007: EUR 698) in a current liability and an amount of EUR 1,832 (2007: EUR 278) in a change in the deferred tax asset. In 2008, an amount of EUR 4,846 is included in the effect of tax facilities for the non-tax deductibility of goodwill.

The impairment charge is allocated to the following reporting segments:

| | |
|---|---|
| Germany | 0 |
| Netherlands | 0 |
| Spain | 494 |
| Other | 1,723 |
| | **2,217** |

The impairment is due to adjusted result projections for the near future and for EUR 380 due to expired carry back facilities

**Remuneration of Executive Board**

The income statement includes remuneration to directors, including pensions and social security charges, as follows:

| **2008** | G.C.H. Hermans | F. van der Woude | M. Wolfswinkel<br>Executive Board member since 1-12-2008 | T. Stolk<br>Executive Board member until 1-12-2008 |
|---|---|---|---|---|
| Fixed salary, including employer's charges | 213 | 198 | 18 | 182 |
| Pension contribution | 26 | 26 | 0 | 24 |
| Current remuneration | 16 | 11 | 0 | 0 |
| Long-term remuneration | 0 | 0 | 0 | 0 |
| Termination benefits | 0 | 0 | 0 | 300 |
| | **255** | **235** | **18** | **506** |

| | G.C.H. Hermans | F. van der Woude | T. Stolk Executive Board member until 1-12-2008 | M.M.F. van Kemenade Executive Board member until 1-9-2007 |
|---|---|---|---|---|
| **2007** | | | | |
| Fixed salary, including employer's charges | 212 | 197 | 197 | 107 |
| Pension contribution | 26 | 26 | 26 | 6 |
| Current remuneration | 26 | 36 | 26 | 11 |
| Long-term remuneration | 0 | 0 | 0 | 0 |
| | **264** | **259** | **249** | **124** |

| *Shares held by Executive Board members* | **31-12-2008** | **31-12-2007** |
|---|---|---|
| G.C.H. Hermans | 718,548 | 718,548 |
| T. Stolk *(Executive Board member until 1-12-2008)* | 0 | 1,100,092 |
| F. van der Woude | 1,100,092 | 1,100,092 |
| M. Wolfswinkel | 0 | 0 |

## Remuneration of Senior Management

In 2008, senior management jointly received EUR 2,383 fixed salary, EUR 100 pension contribution, EUR 179 current remuneration, EUR 4 long-term remuneration and EUR 156 termination benefits.

## Remuneration of Supervisory Board

The income statement includes remuneration to the members of the Supervisory Board as follows:

| | **2008** | **2007** |
|---|---|---|
| L. Brentjens | 20 | 18 |
| W. F. Geerts | 15 | 15 |
| E. Westerink *(with effect from 27 April 2007)* | 15 | 10 |
| J.H.M. van Rijt *(until 27 April 2007)* | 0 | 7 |

| *Shares held by Supervisory Board members* | **31-12-2008** | **31-12-2007** |
|---|---|---|
| L. Brentjens | 0 | 0 |
| W.F. Geerts | 50,000 | 50,000 |
| E. Westerink *(with effect from 27 April 2007)* | 0 | 0 |

## Number of employees

In the year under review, the following numbers of employees (FTEs) were employed by the company:

| Country | At the end of 2008 | Average | At the end of 2007 | Average |
|---|---|---|---|---|
| Germany | 216 | 209 | 223 | 105 |
| The Netherlands | 402 | 392 | 386 | 379 |
| Spain | 160 | 155 | 150 | 136 |
| Other countries | 296 | 300 | 301 | 232 |
| | **1,074** | **1,056** | **1,060** | **852** |

## Related parties

The transactions with related parties have been sufficiently explained in the financial statements.

## Share options

Qurius has an option plan as part of the total remuneration package of a number of important operational managers reporting to the Executive Board. Participants can exercise their options after a period of three years for a period of two years thereafter, so that the total duration amounts to five years. Exercising will solely be made by conversion into shares. Upon leaving the company the option rights of a participant will be cancelled.

In the scope of the share option plan 1,225,000 (2007: 300,000) option rights on Qurius shares were granted in the financial year with an exercise price of EUR 0.61 – EUR 0.70 per share. As at balance sheet date, option rights with various exercise prices per share of EUR 0.12 nominal are outstanding, see following summary.

| Date of issue | Exercise price in EUR | Outstanding 31-12-2007 | Options exercised | Newly granted options | Options expired and cancelled | Outstanding 31-12-2008 | Expiry date |
|---|---|---|---|---|---|---|---|
| 15 December 2004 | 0.45 | 100,000 | 100,000 | 0 | 0 | 0 | 15-12-2009 |
| 13 November 2007 | 0.80 | 300,000 | 0 | 0 | 0 | 300,000 | 1-01-2012 |
| 31 January 2008 | 0.61 | 0 | 0 | 875,000 | 250,000 | 625,000 | 31-01-2013 |
| 1 May 2008 | 0.70 | 0 | 0 | 350,000 | 0 | 350,000 | 1-05-2013 |
| | | **400,000** | **100,000** | **1,225,000** | **250,000** | **1,275,000** | |

The cost will be spread over the vesting period of 3 years. In 2008, an amount of EUR 74 (2007: EUR 21) has been included in the income statement.

*Valuation assumptions*

The fair value of the share options granted up until May 2008 was determined using the Black and Scholes model. The Black and Scholes model contains the input variables, including the risk-free interest rate, volatility of the underlying share price, exercise price, and share price at the date of granting. The fair value calculated is allocated on a straight-line basis over the three year vesting period, based on the Group’s estimate of equity instruments that will eventually vest.

# Company balance sheet (in EUR x 1,000)

*For the year ending on 31 December, before allocation of result*

## Assets

| | | | 2008 | | 2007 |
|---|---|---|---|---|---|
| **Non-current assets** | | | | | |
| Non-current intangible assets | (a) | | | | |
| Goodwill | | 41,594 | | 62,044 | |
| Other non-current intangible assets | | 3,118 | | 3,773 | |
| | | | 44,712 | | 65,817 |
| Property, plant and equipment | (b) | | 762 | | 141 |
| Non-current financial assets | | | | | |
| Participating interests in group companies | (c) | 16,224 | | 9,418 | |
| Deferred tax asset | | 2,156 | | 2,441 | |
| | | | 18,380 | | 11,859 |
| **Current assets** | | | | | |
| Trade receivables | | | | | |
| Amounts owed by group companies | | 8,722 | | 7,838 | |
| Other receivables | | 645 | | 724 | |
| | | | 9,367 | | 8,562 |
| Cash and cash equivalents | | | 0 | | 1,124 |
| **Total Assets** | | | **73,221** | | **87,503** |

## Equity and Liabilities

| | | | 2008 | | 2007 |
|---|---|---|---|---|---|
| **Shareholders' equity** | | | | | |
| Issued share capital | (d) | 12,652 | | 12,652 | |
| Share premium | (e) | 67,087 | | 67,041 | |
| Legal reserve | (f) | 2,281 | | 2,407 | |
| Other reserve | (g) | -10,978 | | -13,565 | |
| Net profit financial year | | -22,495 | | 2,605 | |
| | | | 48,547 | | 71,140 |
| **Provisions** | | | 300 | | 150 |
| **Non-current liabilities** | | | 5,000 | | 7,500 |
| **Current liabilities** | | | | | |
| Amounts owed to group companies | | 374 | | 228 | |
| Current portion of liabilities | | 15,698 | | 2,500 | |
| Other liabilities | | 3,302 | | 5,985 | |
| | | | 19,374 | | 8,713 |
| **Total Equity and Liabilities** | | | **73,221** | | **87,503** |

## Company income statement (in EUR x 1,000)

*For the year ending 31 December*

| | 2008 | 2007 |
|---|---|---|
| Result of consolidated participating interests, after tax | -1,540 | 2,928 |
| Company net result | -20,955 | -323 |
| **Net result** | **-22,495** | **2,605** |

***Respectful***

### Donato Monopoli, Business Consultant, Qurius Italy

"In our job and in our daily life, being respectful means encouraging co-workers and people living with us and listening to what they have to say to us. Even and especially when their opinions and ideas are different from our own. Being respectful to anything different gives us the opportunity to improve ourselves. We should give everyone an equal opportunity. Respect also means manners: being at home, at work or with our friends doesn't mean we can omit the 'please' and 'thank you'. We should demonstrate our respect not only towards people but also towards our environment. We can enjoy green parks and blue sea only if we respect nature and its creatures. Finally, in my opinion, 'respect' means to treat others as they wish to be treated. I don't ask you to agree with me... I only hope you will respect me."

## General

As the financial data pertaining to Qurius N.V. have been incorporated into the consolidated financial statements, the company has opted to apply the exemption granted under Section 2:402 of the Netherlands Civil Code with respect to its own income statement. On this basis, the specification only states the net result from participating interests and the company's own net result.

## Accounting principles and determination of profit or loss

Assets and liabilities have been valued and results determined in accordance with the valuation criteria contained in the accounting policies as stated above. Qurius makes use of the option provided in Section 2:362 (8) of the Netherlands Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the company financial statements of Qurius are the same as those applied for the consolidated financial statements. Participating interests over which the company exercises significant control are accounted for by the equity method. The consolidated financial statements are prepared according to the standards set by the International Accounting Standards Board and adopted by the European Union (hereinafter referred to as EU IFRS). For a description of these principles see pages 59 through 61.

## Non-current assets

| (a) Non-current intangible assets | Goodwill | Other non-current intangible assets | Total |
|---|---|---|---|
| 31 December 2006 | | | |
| Acquisition value | 29,227 | 2,800 | 32,027 |
| Accumulated amortisation | 0 | -228 | -228 |
| **Carrying value** | **29,227** | **2,572** | **31,799** |
| Changes in 2007 | | | |
| Adjustment from previous years | 3,820 | 0 | 3,820 |
| Costs of option share loan | 131 | 0 | 131 |
| Reclassification of non-core business | 9,635 | 0 | 9,635 |
| Investments | 19,231 | 1,722 | 20,953 |
| Amortisation | 0 | -521 | -521 |
| **Total changes** | **32,817** | **1,201** | **34,018** |
| 31 December 2007 | | | |
| Acquisition value | 62,044 | 4,522 | 66,566 |
| Accumulated amortisation | 0 | -749 | -749 |
| **Carrying value** | **62,044** | **3,773** | **65,817** |
| Changes in 2008 | | | |
| Changes due to earn-out agreements | -1,446 | 0 | -1,446 |
| Amortisation | -19,004 | -655 | -19,659 |
| **Total changes** | **-20,450** | **-655** | **-21,105** |
| 31 December 2008 | | | |
| Acquisition value | 60,598 | 4,522 | 65,120 |
| Accumulated amortisation | -19,004 | -1,404 | -20,408 |
| **Carrying value** | **41,594** | **3,118** | **44,712** |

**(b) Property, plant and equipment**

The changes in property, plant and equipment can be presented as follows:

| 1 January | 2008 | 2007 |
|---|---|---|
| Acquisition value | 145 | 98 |
| Accumulated depreciation | -4 | -20 |
| **Carrying value** | 141 | 78 |
| | | |
| Changes | | |
| Net investments | 711 | 67 |
| Depreciation | -90 | -4 |
| **Total changes** | 621 | 63 |
| | | |
| **31 December** | | |
| Acquisition value | 856 | 145 |
| Accumulated depreciation | -94 | -4 |
| **Carrying value** | **762** | **141** |

## Non-current financial assets

**(c) Participating interests in group companies**

In 2008, the following transactions included in the balance sheet occurred

- On 15 August, the Dutch operational legal entities Qurius AS BV, Qurius BS BV, Qurius IS BV, Qurius MS BV, Watermark Nederland BV and Watermark Education BV have legally merged into Qurius Nederland BV. Hereby simplifying the legal structure in the Netherlands.
- On 27 November, the German companies Qurius Germany GmbH, Wilhelm und Zeller AG and Cabus Holding GmbH have merged into the legal entity Qurius Deutschland AG. Hereby simplifying the legal structure in Germany.

In 2007, the following transactions included in the balance sheet occurred

- On 2 July Qurius N.V. acquired all shares of Çedilla Systems Ltd.
- On 2 July Qurius N.V. acquired all shares of Wilhelm + Zeller A.G.
- On 2 July Qurius N.V. acquired all shares of Ibitec AB.
- On 5 November Qurius N.V. acquired all shares of Cabus Holding GmbH

The changes to the participating interests in group companies in the year under review were as follows:

| | 2008 | 2007 |
|---|---|---|
| **1 January** | 9,418 | 11,826 |
| Result participation interests | -1,540 | 2,928 |
| Investments | 0 | 1,203 |
| Adjusting previous financial years | 0 | -3,820 |
| Re-classification of non-core business | 0 | -9,635 |
| Received dividends | -200 | 0 |
| Adjustments due to negative net assets value of participation interests | 3,486 | 6,929 |
| Changes due to mergers in the group | 5,561 | 0 |
| Exchange rate differences | -292 | -13 |
| Other movements | -209 | 0 |
| **31 December** | **16,224** | **9,418** |

## Shareholders' equity

The division of the shareholders equity in accordance with Title 9, Book 2 of the Netherlands Civil Code can be presented as follows:

**(d) Authorised share capital**

The authorised share capital of the company amounts to EUR 30,000,000 and is divided into:

- 100,000,000 ordinary A shares with a nominal value of EUR 0.12;
- 25,000,000 ordinary B shares with a nominal value of EUR 0.12;
- 125,000,000 preference shares with a nominal value EUR 0.12;

Changes in issued share capital were as follows:

| | 2008 | 2007 |
|---|---|---|
| **1 January** | 12,652 | 8,962 |
| Issue | 0 | 3,630 |
| Issue as a result of earn-out | 0 | 60 |
| **31 December** | **12,652** | **12,652** |

Changes in issued shares (in nominal shares of EUR 0.12):

| | 2008 | | | 2007 | | |
|---|---|---|---|---|---|---|
| | A Shares | B Shares | Preference shares | A Shares | B Shares | Preference shares |
| **1 January** | 105,432,619 | 0 | 0 | 56,082,619 | 18,600,000 | 0 |
| Issue | 0 | 0 | 0 | 28,750,000 | 1,500,000 | 0 |
| Issue as a result of earn-out | 0 | 0 | 0 | | 500,000 | 0 |
| Conversion of ordinary B shares into ordinary A shares | 0 | 0 | 0 | 20,600,000 | -20,600,000 | 0 |
| **31 December** | 105,432,619 | 0 | 0 | 105,432,619 | 0 | 0 |

The authorised capital, in addition to listed class A shares, also consists of unlisted class B shares. B shares are identical to A shares with regard to voting rights and dividend entitlements. The B shares are transferable but not (yet) tradable on the Euronext stock exchange.

*Own shares*

| | 2008 | 2007 |
|---|---|---|
| **1 January** | 104,664 | 202,664 |
| Shares reissued – other | 0 | -150,000 |
| Shares delivered in connection with earn-out agreements | 0 | -48,000 |
| Shares purchased /delivered with respect to 2004 options | -100,000 | 100,000 |
| **31 December** | **4,664** | **104,664** |

**(e) Share premium**

The reserve was created as a result of issue of shares. The changes are as follows:

| | 2008 | 2007 |
|---|---|---|
| **1 January** | 67,041 | 35,243 |
| Issue of shares | 0 | 31,778 |
| Changes as a result of earn-out | 0 | -60 |
| Shares issued/bought for 2004 options | 46 | -70 |
| Re-issue of existing shares | 0 | 150 |
| **31 December** | **67,087** | **67,041** |

**(f) Legal reserves**

These are reserves to comply with legal requirements. Changes are as follows:

| | 2008 | 2007 |
|---|---|---|
| **1 January** | 2,407 | 2,662 |
| Changes due to acquisitions | 0 | 405 |
| Capitalised development costs during the year | 1,585 | 422 |
| Amortisation | -1,419 | -1,069 |
| Currency translation reserve | -292 | -13 |
| **31 December** | **2,281** | **2,407** |

**(g) Other reserves**

This concerns a reserve mainly created as a result of accumulated results.

Changes are as follows:

| | 2008 | 2007 |
|---|---|---|
| **1 January** | -13,565 | -16,585 |
| Appropriation previous year | 0 | -617 |
| Addition result of last financial year | 2,605 | 3,201 |
| Movement in legal reserves | -165 | 241 |
| Value of option share loan | 0 | 131 |
| Value of personnel options granted | 191 | 64 |
| Other changes | -44 | 0 |
| **31 December** | **-10,978** | **-13,565** |

For the remuneration of the members of the Executive Board and the Supervisory Board, please see pages 89 and 90.

Zaltbommel, 3 April 2009

*Executive Board*

Fred Hermans

Michiel Wolfswinkel

Frank van der Woude

*Supervisory Board*

Lucas Brentjens

Fred Geerts

Erik Westerink

# 8 Other information

## 8.1 Auditor's report

To the General Meeting of the Shareholders and Supervisory Board of Qurius N.V.

**Report on the financial statements**

We have audited the accompanying financial statements 2008 of Qurius N.V. at Zaltbommel. The financial statements consist of the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2008, the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The company financial statements comprise the company balance sheet as at 31 December 2008 and the company profit and loss account for the year then ended and the notes.

*Management's responsibility*
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's responsibility*
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion with respect to the consolidated financial statements*
In our opinion, the consolidated financial statements give a true and fair view of the financial position of Qurius N.V. as at 31 December 2008, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

*Opinion with respect to the company financial statements*
In our opinion, the company financial statements give a true and fair view of the financial position of Qurius N.V. as at 31 December 2008, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

## Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Arnhem, 3 April 2009

BDO CampsObers Audit & Assurance B.V.
on its behalf,

E.H.B. Schrijver RA

## 8.2 Articles of Association rules concerning profit appropriation

With respect to the profit appropriation the following is provided in articles 32 and 33 of the articles of association of the company: from the profit, payment is made first of all on the preference shares. Subject to approval of the Supervisory Board, the Executive Board will decide which part of the profit then remaining will be retained in the reserves. The profit remaining after reservation is available to the Annual General Meeting. If the Annual General Meeting decides on full or partial payment, this will be made to the holders of ordinary shares pro rata to the number of ordinary shares they own. Subject to approval of the Supervisory Board and the Annual General Meeting, the Executive Board will be authorised to decide that payment on ordinary shares is not made in cash but in ordinary shares, or that holders of ordinary shares will be given the option between payment in cash or in ordinary shares.

## 8.3 Profit appropriation

The proposal will be made to the Annual General Meeting not to pay any dividend. In accordance with article 32.4 of the articles of association and with the approval of the Supervisory Board the entire loss for the financial year will be charged to the other reserves.

# 9 List of publications in 2008

- New Qurius customer Zorggroep Noord- en Midden-Limburg, 11 December 2008
- Qurius wins large assignment BDO International, 10 December 2008
- Qurius changes Board structure and appoints Michiel Wolfswinkel as CFO, 27 November 2008
- Qurius integrates its German subsidiaries, 20 November 2008
- Qurius Global Alliance lists 4 new members, 20 November 2008
- Qurius Q3 results 2008, 22 October 2008
- Qurius postpones closing acquisition of Bíndar in Spain, 10 October 2008
- Qurius starts managed hosting assignment at Land van Horne, 3 September 2008
- Qurius Belgium wins international AX rollout for EskoArtwork, 21 August 2008
- Qurius H1 results for 2008, 23 July 2008
- Qurius announces intention to acquire Bindar in Spain, 22 May 2008
- Qurius Q1 results 2008, 23 April 2008
- Major PSO contract for Qurius with Eiffel, 14 April 2008
- Annual Results 2007 - Qurius NV, 13 March 2008
- Qurius starts Near Shore Development Centre, 7 March 2008
- Qurius and LS Retail to market solutions in Europe, 4 March 2008
- New Qurius website marks completion of European rebranding, 5 February 2008
- Qurius has been selected for the Amsterdam Small Cap Index, 31 January 2008
- Qurius update 2007, 9 January 2008

# 10 Glossary

*Add-on* – supplementary functionality on a business application

*AFM* – The Netherlands Authority for the Financial Markets; supervises the operation of Dutch financial markets and parties

*Business intelligence* – the process of systematically acquiring and processing information for decision-making and determining strategy of organisations

*Chargeability* – the occupancy as % of the number of available hours per employee

*CRM* – Customer Relationship Management: the process of systematically entering into and developing relationships with customers

*EPG* – The Enterprise & Partner Group of Microsoft Nederland maintains in combination with Enterprise Partners contacts with the 320 largest organisations in the Netherlands. An Enterprise Partner must possess of a proven service record with Microsoft technology and a thorough knowledge of the business processes of organisations with more than 500 work places

*ERP* – or Enterprise Resource Planning: a business wide and business limits-exceeding integrated planning and business management concept

*Euronext* – NYSE Euronext: the world's largest and most liquid stock market

*FTE* – fulltime-equivalent: a calculation unit with which the size of a job or the personnel strength can be expressed. One FTE is a full working week of 40 hours

*Hosting* – making a system, application or website available 24 hours a day

*IFRS* – International Financial Reporting Standards. Since 1 January 2005 all listed companies in the European Union must adopt IFRS when compiling their consolidated annual accounts

*Integration* – attuning information and business processes such as purchasing and sales, logistics and financial administration

*ISV* – Independent Software Vendor or a party who develops and sells software running on one or more computer hardware or operating platform systems

*Managed services* – externally supplementing IT needs of principals, usually on the basis of a Service Level Agreement

*Microsoft Dynamics* – a series of financial, CRM and SCM solutions (including Microsoft Dynamics AX, Microsoft Dynamics NAV and Microsoft Dynamics CRM) helping businesses to work more effectively

*Microsoft Gold Certified Partner* – a Microsoft partner who has been certified on a number of areas of attention

*Microsoft .NET* – technologies to integrate software via xml-web services: applications that, like building blocks, fit to each other - and other applications - via the Internet

*Outsourcing* – relocating management and/or daily execution of activities to an external service provider

*Portal* – a 'starting page' offering access to facilities relevant to the user

*Role-based approach* – the Microsoft way of creating more accessible and understandable software by tailoring each personal application to the user's needs

*ROI* – Return on Investment is the ratio of money gained or lost (realised or unrealised) on an investment relative to the amount of money invested

*Software as a Service (SaaS)* – offering licences, services, maintenance and hosting in a subscription form

*SLA* – or Service Level Agreement: mutual agreements about the way on which services will be delivered and about the desired final result

*SMB's* – small and medium-sized businesses

*SOA* – Service Orientated Architecture, a software architectural concept that defines the use of services to support the requirements of software users

*Supply Chain Management* – the process to be able to plan, carry out and check activities in a supply chain with the objective of being able to meet the customer needs as efficiently as possible

*TCO* – Total Cost of Ownership or the complete amount of costs a company annually spends on its IT system, including personnel, maintenance of systems and licences, upgrades and services

*Virtualisation* – the abstraction of computer resources, or, disconnecting the physical properties of a process from the way it is used; through this disconnection more flexibility is available; facilities of different computers can be made available on one machine

***Committed***

## Ben Lomax, Business Development Manager, Qurius UK

"'Commitment' – noun meaning a bond, duty, guarantee, obligation, pledge or promise. All words that can be associated to the life of a Qurius Business Development Manager.

'Commitment' can also be related to my desire to complete or compete in something I believe in. The belief that the company I work for is the best at what it does. The belief that the products I sell are the best in the market. The belief that I can rely on my colleagues in any situation. Due to my confidence in these three areas, it ensures that I can show 100% 'commitment' when going into battle selling the Qurius name, the Microsoft brand and my colleagues' expertise in delivering these solutions to our potential clients. In return I aim for 'commitment' from our clients in helping maintain long-lasting relationships."

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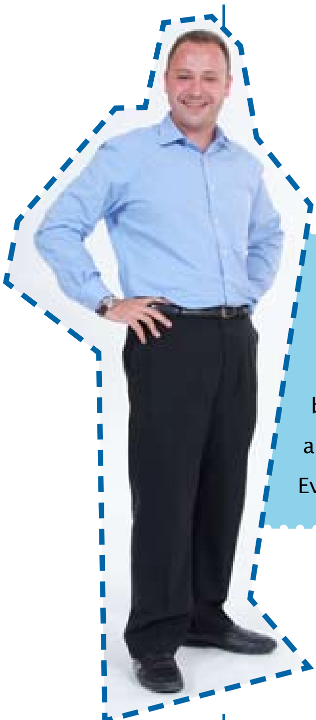

***My favorite game***

## Julio Moreno, Presales and vertical distribution, Qurius Spain

“My favourite game is poker. We use to associate poker often with gambling, cowboys, bad guys and smoke filled saloons. However, for me poker contains several really useful aspects in our day to day decision making: strategy, patience, scenario analysis... Every project, every account, every issue, is a poker hand we have to win.”