

## **INTERIM RESULTS OF ORDINA N.V. REVENUE UP 21%, EBITA UP 32%**

### **HIGHLIGHTS OF FINANCIAL PERFORMANCE FOR FIRST HALF OF 2007**

- Total revenue rose from EUR 257.9 million to EUR 311.4 million. This represents an increase of 21%.
- EBITA was up 32%, from EUR 19.6 million in the first half of 2006 to EUR 25.8 million in the first half of 2007.
- Earnings per share before amortisation of intangible assets at acquisitions rose to EUR 0.49 (first half of 2006: EUR 0.38). This represents an increase of 29%.
- Revenue from consulting, ICT and application outsourcing rose from EUR 242.5 million in the first half of 2006 (excluding Infrastructure Management, divested in H1 2006) to EUR 296.0 million in the first half of 2007. This represents an increase of 22%.
- The operating margin on consulting, ICT and application outsourcing increased to 9.7%.
- Revenue and profit from BPO activities developed in line with earlier guidance. Revenue was up by 52% to EUR 15.4 million in the first half of 2007. EBITA from BPO activities was EUR 2.8 million negative. In particular due to expected start-up costs of a number of major new contracts.
- Acquisition in Belgium opens the door to the finance markets in Belgium and Luxembourg.

### **OUTLOOK FOR 2007**

- The market for consulting, ICT, application outsourcing and BPO is expected to continue on its upward path for organisations with a specialist profile.
- In the second half of this year we will do extra investments in a large-scale labour market campaign.
- Allowing the fact that conditions on the labour market continue to be tight, we expect to generate a revenue of approximately EUR 660 million for the full year 2007. EBITA is expected to range between EUR 61 and EUR 64 million.

### **COMMENTING ON THE INTERIM RESULTS, RONALD KASTEEL, CEO OF ORDINA, SAID**

"We managed to exceed our previously announced expectations about our financial performance for the first half of the year thanks to our excellent market position, which is built on a solid foundation. Together with our clients, we think about the future rather than concentrating on today. With them, we focus and work on tomorrow's success. Our success is based on long-standing client relations, in-depth knowledge of business and technological developments, and our focus on those areas where local knowledge of language, culture, and regulations is relevant. The combination of these factors and our no-nonsense, typically Dutch, solutions-oriented mentality make Ordina a unique organisation. We plan to emphasise Ordina's unique character even more in the labour market over the next few months. We have many inspiring projects on offer for qualified and motivated new colleagues who want to help us build the future of the best provider of consulting, ICT and outsourcing services in the Benelux.

I am pleased that, in the first half of 2007, we were able to convert all previously announced letters of intent regarding application outsourcing and BPO into large multiple-year contracts. We are uniquely positioned where BPO is concerned, which leaves us a wealth of opportunities, especially now that Tier-1 players in the financial world are ever more seriously considering local outsourcing of some of their business processes, including supporting IT. Over the next few years, BPO will become a key driver of the continued growth of our organisation."

Summary of key figures (in EUR millions, unless stated otherwise)	H1 2007	H1 2006	change
Revenue from Consulting, ICT and Application Outsourcing	296.0	247.8*	22%
Revenue from BPO	15.4	10.1	52%
Total revenue	311.4	257.9	21%
EBITA from Consulting, ICT and Application Outsourcing	28.6	22.1*	30%
EBITA margin on Consulting, ICT and Application Outsourcing	9.7%	8.9%*	
EBITA from BPO	-2.8	-2.5	-12%
EBITA margin on BPO	-18.2%	-24.8%	
Total EBITA	25.8	19.6	32%
Total EBITA margin	8.3%	7.6%	
Net earnings per share before amortisation of intangible assets due to acquisitions (in EUR)	0.49	0.38	29%
Number of employees (in FTEs)	5,477	4,557	20%

*\*figures for H1-2006 are inclusive of Infrastructure Management (revenue of EUR 5.3 million, divested in H1-2006)*

#### MARKET OFFERS AMPLE OPPORTUNITY FOR GROWTH AND INNOVATION

*Investments in innovation* - Clients in all markets are more than willing to invest. The market for ICT services in the Netherlands and Belgium is continuing to show above-average growth. This allowed Ordina to generate strong revenue growth in all market segments. Important topics for our clients are shaped by initiatives targeted at growth, innovation of products and services, and winning market share. In addition, governance, corporate performance management and compliance are key drivers for new projects and consulting assignments.

Breakdown of revenue by vertical (in EUR millions):	H1 2007	H1 2006*	change
Finance	81,5	58,0	41%
Public	111,3	91,1	22%
Industry	94,6	80,6	17%
Energy & Telecom	24,0	22,9	5%
Total	311,4	252,6	23%

*\*figures for H1-2006 are exclusive of Infrastructure Management (revenue of EUR 5.3 million, divested in H1-2006)*

For financial institutions multi channel management, compliance, application outsourcing and BPO continue to be the most important issues. Our specialist positioning in relation to these issues has contributed significantly to our strong growth of 41% in the finance market. Integration of supply chains, shared services and the one-stop shop concept are spearheads in the public sector. In the Industry and Energy & Telecom market governance and compliance, growth through innovation and flexibilisation are important trends.

*Ongoing trend towards segmentation and outsourcing* - In addition to innovation initiatives, streamlining and reducing the cost of ICT as well as efficiency improvements continue to be key investment issues for clients in all market segments. There is increasing demand for standardisation and outsourcing of full-range business processes. We have for example won projects to assist the Department of Public Works in structuring its outsourcing organisation and to manage the SAP applications of the Port of Rotterdam for a five-year period.

In a growing number of cases, innovation and transformation initiatives need to be implemented in combination with the management and maintenance of applications. Within the scope of these type of projects, there is an obligation to offshore part of the work in due course. The outsourcing agreement that Ordina concluded with Rabobank in the first half of 2007 - one of the largest deals in Europe in this field over the past twelve months - is a telling example in this regard.

*BPO market continues to evolve rapidly* - The willingness among financial institutions to outsource some of their business processes is still on the rise. It is important to note that, in addition to Tier-2 and Tier-3 players, a growing number of Tier-1 players are seriously considering outsourcing some of their business processes locally. The reasons for wanting to outsource locally lie in the continued relevance of local regulations, short communication lines, and social and employment aspects. With our BPO activities that are aimed squarely at the financial sector, Ordina is uniquely positioned to achieve further growth over the next few years. In the first half of 2007, we concluded final BPO agreements with Bank Nederlandse Gemeenten, Reaal Verzekeringen and Robeco Direct, representing a total order value of more than EUR 200 million. Based on our strong sales pipeline we aim to announce a few smaller BPO deals in the second half of 2007. Our strategy to focus more on long-term projects in order to reduce our reliance on cyclical fluctuations is proving to be successful.

Breakdown of revenue by portfolio (in EUR millions):	H1 2007	H1 2006*	change
Consulting	75.8	53.9	41%
ICT	189.9	161.6	18%
Application Outsourcing	30.3	27.0	12%
BPO	15.4	10.1	52%
Total	311.4	252.6	23%

*\*figures for H1-2006 are exclusive of Infrastructure Management (revenue of EUR 5.3 million, divested in H1-2006)*

#### LAUNCH OF LABOUR MARKET OFFENSIVE IN SECOND HALF OF 2007

*Workforce increased first half with more than 450* - Conditions on the labour market were extremely tight in the first half of 2007. The shortage of consulting and ICT professionals is growing. The demand for highly qualified, motivated professionals was up once again in our sector compared with the already overheated situation in 2006. The number of university and college graduates is still dropping.

Despite this tight labour market, Ordina saw its workforce increase from 5,009 employees at year-end 2006 to 5,477 employees at the end of June 2007, an accomplishment of which we are proud. To a limited extent, this growth was attributable to the acquisition of YoungWood B.V. in April of this year (90 FTE). For the most part, the growth is a mix of organic developments and new colleagues who joined Ordina due to application outsourcing and BPO contracts.

In view of the favourable market conditions and the successes that we manage to post in the market, we are continually looking for well-qualified, motivated professionals who want to help build the future together with Ordina. We are looking for people across the board: business consultants, project managers, ICT consultants, and ICT specialists. To boost our employee influx, we will launch a large-scale labour market campaign in September.

## FINANCIAL PERFORMANCE CONFIRMS STRONG MARKET POSITION

*Revenue development* - In the first half of 2007, revenue from consulting, ICT and outsourcing rose by 23% to EUR 311.4 million. Hans den Hartog, CFO of Ordina N.V.: "Revenue for the first half of 2007 was slightly above the guidance we issued last May. The acquisitions of companies (particularly of Be Value, Bergson, Iterum (Belgium), Wisdom & The Missing Link and YoungWood) represented 14% of the revenue growth in the first half of 2007. Organic revenue, including the major new contracts for application outsourcing and BPO, was up 9%. Price hikes and increases in the number of employees contributed to this growth. The positive market conditions afford us elbow room to continually improve our fees throughout the year. This is definitely one of our management priorities."

Of total revenue EUR 26.4 million was generated in Belgium (2006: 23.9 EUR million), which boosted revenue in Belgium by approximately 10%. The bulk of this growth was organic.

*Operating profit and operating margin* - Operating profit before amortisation of intangible assets due to acquisitions (EBITA) rose by 32% to EUR 25.8 million in the first half of 2007 (2006: EUR 19.6 million). The operating margin was 8.3% for the first half of 2007 (2006: 7.6%). BPO weighed down this amount by EUR 2.8 million. This loss incurred on the BPO activities is largely driven by start up costs of three new large-scale contracts with Reaal Verzekeringen, Bank Nederlandse Gemeenten and Robeco Direct and is in line with the guidance we issued in March of this year. The operating margin on consulting, ICT and application outsourcing increased to 9.7% (2006: 8.9%). Price increases and utilisation of our increasing scale are important pillars under the upward margin developments.

*Net profit and EPS* - Net profit for the first half of 2007 rose by 14% to EUR 12.1 million (2006: EUR 10.6 million). Higher amortisation charges on intangible assets due to acquisitions caused profit for the period to grow at a lower rate than EBITA. Interest charges climbed as well (EUR 1.7 million in the first half of 2007 compared with EUR 0.6 million in the first half of 2006). This is due to the fact that, a year ago, Ordina consciously opted to better utilise its financing potential.

In accordance with earlier guidance, the tax burden is stable and slightly above the Dutch nominal corporate income tax rate, the key reason being that the effective corporate income tax rate is higher in Belgium than in the Netherlands.

The number of outstanding shares as at 30 June 2007 was 41.1 million. The increase relative to mid-2006 was caused by the partial financing of acquisitions, the exercise of, specifically, the option programme that expired in the first half of 2007 and the share issue to Rabobank in connection with the conclusion of the seven-year outsourcing agreement.

Earnings per share, exclusive of amortisation of intangible assets at acquisitions, increased to EUR 0.49 in the first half of 2007. This represents an increase of 29% compared with 2006 (EUR 0.38).

*Capital expenditure, cash flows and financing* - The first half of 2007 saw a cash outflow of EUR 60.7 million on balance. This was caused first of all by the seasonal pattern that is common to the professional services sector as a result of the distribution of bonuses for 2006, holiday allowances and dividend. In addition, a major part of earn-out obligations in relation to acquisitions and the initial acquisition price of YoungWood were settled in cash. This involved an amount of EUR 29.3 million in total.

We invested an amount of EUR 6.3 million in tangible fixed assets for our normal operations. Total investment in intangible assets was 12.5 million, of which an amount of EUR 11.3 million is invested in BPO for the development of the factory-type platforms for our service provision regarding basic banking, mortgages and paperless investments. We aim to complete the development of the basic banking platform in the course of Q4 and to start migrating the first clients to the platform by that time. The banking platform is aimed at facilitating further growth of the business to an annual revenue of approximately EUR 100 million.

Ordina had a net debt position of EUR 115.7 million as at 30 June 2007. This net debt position is in line with our policy to limit net debt to no more than twice the EBITDA figure. By mid-2007, net debt amounted 1.7x EBITDA. In view of our solid balance sheet position, the strong seasonal pattern in cash generation and our profitability, we have ample financial resources to continue to make targeted acquisitions in the future.

*IFRS* - The schedules, figures and notes in this interim report are based on IFRS. For the accounting policies, reference is made to the notes to the financial statements for 2006. These policies have remained unchanged. Ordina N.V. has availed itself of the option not to prepare this semi-annual report on the basis of IAS 34 Interim Financial Reporting. Finally, we would note that the figures in this semi-annual report have not been audited.

#### ACQUISITION IN BELGIUM OPENS DOOR TO FINANCE MARKETS IN BELGIUM AND LUXEMBOURG

Today, Ordina acquired all shares in Belgian-based ITG Consulting. With its more than 80 employees, ITG Consulting focuses fully on the finance market in Belgium and Luxembourg, counting Fortis, ING, Dexia and Euroclear among its key clients. For details, we refer to our press release that was published this morning before market opening.

Ronald Kasteel: "The acquisition of ITG Consulting opens up opportunities for us to enter the finance markets in Belgium and Luxembourg, in which we only had a very limited presence until now. Our ambition is to realise strong growth in this market over the next few years, in which process we certainly intend to fall back on the knowledge and long-standing experience that we have gained in the Netherlands. In addition, we will undertake a targeted effort to review the opportunities for our BPO services in Belgium and Luxembourg. Although this will not result in new wins in the near future, it might well offer an interesting potential for expansion in the medium to long range."

#### SOUND LONG-TERM GROWTH PERSPECTIVES THROUGH FURTHER SPECIALISATION

Ronald Kasteel: "We are convinced that we need to continue on our path towards specialisation. This means that we will keep making choices over the coming years. As we seek to achieve above-average growth in our revenue and profit, we plan to fine-tune the profile of our organisation even further. Focus will be on the domains in our home market where we are able to add visible value to our clients on a sustainable basis. In concrete terms, this means that we have the ambition to achieve above-average growth in our consulting activities as well as in application outsourcing and BPO. We will, therefore, not make any acquisitions in the future that do not tie in seamlessly in this orientation. ICT services will obviously continue to be a key component of our portfolio, and will be dedicated, even more explicitly than before, as an supporting instrument for achieving the business objectives of our clients."

#### OUTLOOK FOR FULL YEAR 2007

Based on our financial performance for the first half of 2007 and making allowance for the continued tight conditions on the labour market during the rest of the year, we expect to generate revenues for the full year 2007 of approximately EUR 660 million. EBITA for the full year 2007 is likely to range between EUR 61 and EUR 64 million. In accordance with our earlier guidance, our BPO is expected to realise an EBITA loss of EUR 3 to EUR 4 million.

#### ABOUT ORDINA

With approximately 5,500 employees, Ordina aims to improve the business processes of Dutch and Belgian enterprises by providing advisory services, developing supporting applications or taking on a wide range of processes, including ICT. Ordina N.V. was incorporated in 1973. Ordina N.V. shares are quoted on Amsterdam's Euronext Stock Exchange, where they are included in the Midkap Index.

#### FOR MORE INFORMATION, PLEASE CONTACT:

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*This document contains pronouncements forecasting the future financial performance of Ordina N.V. and outlines certain plans, objectives and ambitions based on current insights. Obviously, such forecasts are not without risk; they entail a relative degree of uncertainty since no guarantees exist on future circumstances. There are many factors that could potentially affect the actual performance and forecasts, causing them to deviate from the situation described in this document. Such factors include general economic trends, the pace of the globalisation of the ICT services industry, the growing number of projects with responsibility for deliverables, increasing scarcity on the labour market, and future acquisitions and disposals.*

*(in euro millions, unless indicated otherwise)*

	30 JUNE 2007	30 JUNE 2006	CHANGE
Revenue ICT-services	296.0	242.5	23%
Revenue Business Process Outsourcing	15.4	10.1	52%
Revenue Infrastructure Management	-	5.3	-100%
Revenue	311.4	257.9	21%
EBITA	25.8	19.6	32%
EBITA as a % of revenue	8.3	7.6	
Operating profit ICT-services (2006: including Infrastructure Management)	21.4	18.3	
Operating profit Business Process Outsourcing	2.8	2.5	
Total operating profit	18.6	15.8	18%
Net profit	12.1	10.6	14%
Net profit margin	3.9	4.1	
Shareholders' equity	233.5	158.5	47%
Capital asset ratio	44	45	
Intangible fixed assets	282.2	150.8	87%
Tangible assets	26.1	20.6	27%
Total assets	527.6	348.8	51%
Trade debtors as a % of revenue	19	21	
Days Sales Outstanding (DSO)	67	73	
Net debt to EBITDA	1.7	1.1	
Average number of staff	5,169	4,503	15%
Number of staff at half year-end	5,477	4,557	20%
Number of shares outstanding at half year-end (in millions)	41.1	37.5	10%
<b>PER SHARE INFORMATION (BASED ON AVERAGE NUMBER OF SHARES OUTSTANDING, IN EURO'S)</b>			
Shareholders' equity	5.87	4.23	39%
Net earnings before amortisation of intangible assets due to acquisitions	0.49	0.38	29%
Net earnings after amortisation of intangible assets due to acquisitions	0.31	0.28	11%
Net earnings after amortisation of intangible assets due to acquisitions, fully diluted	0.30	0.28	7%

(x euro thousands)

**FIRST HALF YEAR 2007**

**FIRST HALF YEAR 2006**

<b>Turnover</b>	<b>311,436</b>	<b>257,927</b>
Cost of hardware and software	10,168	9,137
Work contracted out (hired staff)	38,972	32,992
Personnel expenses	208,525	174,686
Depreciation	4,753	4,927
Amortisation	9,113	5,125
Other operating expenses	21,339	15,271
Total operating expenses	292,870	242,138
<b>Operating profit</b>	<b>18,566</b>	<b>15,789</b>
Finance costs - net	1,715-	597-
<b>Profit before income tax</b>	<b>16,851</b>	<b>15,192</b>
Income tax	4,709-	4,561-
<b>Profit for the year</b>	<b>12,142</b>	<b>10,631</b>



( x euro thousands)

	30 JUNE 2007	30 JUNE 2006	31 DEC 2006
<b>Assets</b>			
Tangible assets	26,079	20,620	21,839
Intangible assets	282,182	150,766	242,101
Investments in associates	86	125	119
Deferred income tax assets	6,482	6,838	6,146
Derivatives	1,050	-	292
<b>Total fixed assets</b>	<b>315,879</b>	<b>178,349</b>	<b>270,497</b>
Inventories	78	28	103
Trade and other debtors	179,511	151,887	142,414
Income tax assets	8,472	6,985	10,529
Cash & cash equivalents	23,696	11,561	32,828
<b>Current assets</b>	<b>211,757</b>	<b>170,461</b>	<b>185,874</b>
Assets held for sale	-	-	666
<b>Total current assets</b>	<b>211,757</b>	<b>170,461</b>	<b>186,540</b>
<b>Total assets</b>	<b>527,636</b>	<b>348,810</b>	<b>457,037</b>
<b>Equity and liabilities</b>			
Issued capital	4,111	3,754	3,899
Share premium reserve	74,886	49,081	50,337
Hedging reserve	782	-	218
Retained earnings	141,620	95,027	113,757
Profit for the year	12,142	10,631	25,828
<b>Shareholders' equity</b>	<b>233,541</b>	<b>158,493</b>	<b>194,039</b>
Long-term borrowings	44,873	-	44,852
Financial lease	2,489	2,805	1,299
Employee related provisions	11,722	15,877	12,269
Other provisions	1,118	1,115	1,743
Deferred income tax liabilities	12,181	7,839	11,724
<b>Non-current liabilities</b>	<b>72,383</b>	<b>27,636</b>	<b>71,887</b>
Bank credit	89,562	61,502	38,041
Trade and other payables	127,699	101,179	149,120
Current tax payable	4,451	-	3,378
<b>Current liabilities</b>	<b>221,712</b>	<b>162,681</b>	<b>190,539</b>
Liabilities held for sale	-	-	572
<b>Total current liabilities</b>	<b>221,712</b>	<b>162,681</b>	<b>191,111</b>
<b>Total liabilities</b>	<b>294,095</b>	<b>190,317</b>	<b>262,998</b>
<b>Total equity and liabilities</b>	<b>527,636</b>	<b>348,810</b>	<b>457,037</b>
<b>Movements in shareholders' equity</b>			
Book value as at 31 December previous bookyear	194,039	152,947	
Share issue pursuant to acquisitions	31,517	-	
Share issue pursuant to exercise of options	3,220	1,458	
Cash flow hedges, net of tax	565	-	
Share based payments	268	403	
Management participation	-	559	
Prior-year dividend distribution	8,210	7,505	
Profit current bookyear	12,142	10,631	
Book value as at 30 June current bookyear	233,541	158,493	

(x euro thousands)

**FIRST HALF YEAR 2007**

**FIRST HALF YEAR 2006**

**Cash flow from operating activities**

Net profit	12,142	10,631
Adjustments for:		
Finance costs - net	1,715	597
Share of profit of associates	-	-
Income tax expense	4,709	4,561
	<u>6,424</u>	<u>5,158</u>
Operating profit	18,566	15,789

**Adjustments for:**

Depreciation	4,753	4,927
Amortisation	9,113	5,125
Share-based payments	268	403
	<u>14,134</u>	<u>10,455</u>

**Operating profit before changes in working capital and provisions**

**32,700** **26,244**

Movements in trade and other receivables	31,361-	20,006-
Movements in stock and work in process	25	28
Movements in current liabilities	2,741-	24,093-
Changes in provisions	1,302-	1,424-
	<u>35,379-</u>	<u>45,495-</u>

**Cash flow from operating activities**

**2,679-** **19,251-**

Interest paid	2,227-	472-
Income taxes paid	3,242-	129
	<u>5,469-</u>	<u>601-</u>

**Net cash flow from operating activities**

**8,148-** **19,594-**

**Cash flow from investing activities**

Acquisitions of group companies	29,254-	40,063-
Proceeds from sale of ApplicationNet	406	-
Proceeds from sale of infrastructure management activities	-	3,082
Additions to tangible fixed assets	6,315-	2,902-
Additions to intangible fixed assets	12,455-	3,593-
Investments in associates	-	-
Proceeds from sale of tangible assets	674	-
Proceeds from sale of intangible assets	-	-
Proceeds from dividends of associates	33	-
	<u>48,537-</u>	<u>49,550-</u>

**Net cash flow from investing activities**

**46,911-** **43,476-**

**Cash flow from financing activities**

Issue of shares	3,220	2,017
Repayments of borrowings	604-	1,273
Dividends paid	8,210-	7,505-
	<u>5,614-</u>	<u>10,805-</u>

**Net cash flow from financing activities**

**5,594-** **4,215-**

**Movements in cash first half year**

**60,653-** **67,285-**

Movements in cash first half year	60,653-	67,285-
Cash and cash equivalents at beginning of the year	5,213-	17,344
	<u>65,866-</u>	<u>84,629-</u>

**Cash and cash equivalents at half year end / net**

**65,866-** **49,941-**