

Regulated information

Punch Telematix achieves good results and continues successful European expansion

Ypres, Belgium – 26 February 2010 18:00 CET – Punch Telematix nv ('Punch Telematix') announced its 2009 results today.

Despite the challenging economic situation Punch Telematix succeeded in achieving a reasonable level of sales, particularly thanks to a good first quarter and an extremely good fourth one.

In comparison with the previous financial year, sales in the Benelux declined by 20%; investment decisions were in fact postponed because of the economic crisis. In the other countries Punch Telematix actually achieved a 27% sales growth. Increasing success is therefore being achieved outside the home market (75% of total sales are achieved outside Belgium); Punch Telematix thus confirms its position as a pan-European player.

A positive net operational cash flow of EUR 2.5 million was realised; the result is a net cash position of EUR 0.6 million. Punch Telematix also has an unused credit line of EUR 2 million.

Consolidated key figures (IFRS)

	31-12-2009	31-12-2008	Difference
<i>Amounts in million euros</i>			%
Sales	14.8	16.1	-8
EBITDA¹	1.4	1.5	
EBIT (operating result)	0.0	0.2	
Financial result	0.3	0.1	
Result before taxes	0.3	0.3	
Taxes	-	-	
Net result	0.3	0.3	
Result per share – ordinary & diluted (in EUR per share)	0.07	0.07	
Total equity	37.4	37.1	
Net financial debt ² (negative = net cash position)	-0.6	0.6	

¹ EBITDA is not defined by IFRS. Punch Telematix defines this term as earnings before interest and taxes, plus depreciation, amortisation and provisions booked, minus any potential reductions of those items.

² Net financial debt = long- and short- term financial debts - cash & cash equivalents.

Important events

New products

In the course of 2009 Punch Telematix launched several new features and solutions to improve transporters' efficiency further, including the driving style analysis application and the link with a barcode scanner system.

The driving style analysis application answers the growing demand for environmentally responsible driving. Based on various driving style parameters such as speed, acceleration, rpm, braking behaviour and fuel consumption, the Driving Style Assistant calculates a score from 0 to 100 which the driver sees evolving in real-time on his onboard computer display. If his driving conduct produces a drop in his score a verbal message notifies him he should modify his driving style immediately. The driving style parameters are recorded and can be analysed using FleetWorks, based on well-organised Driving Style Reports. Recording and analysis of the driving style parameters offers fleet managers the ability to reward economical and responsible drivers or, if necessary, to take remedial action. The driving style analysis application helps to reduce fuel and maintenance costs and to reduce the fleet's carbon emissions considerably.

With the development of a standard protocol for barcode scanner applications, Punch Telematix meets a market need for uninterrupted control and monitoring of shipments. By integrating PDAs with build-in barcode scanners with the CarCube and FleetWorks, errors are avoided and transporters get a fully electronic summary from acceptance of the goods through their transportation through to delivery to the client.

New customers

Despite the economic slump a number of leading transport companies and logistical service providers opted for Punch Telematix in 2009.

They include CP Ships, part of Hapag-Lloyd, and Krefel, which each operate more than 100 trucks in Belgium. New customers in the Netherlands were Jan De Rijk Logistics (200), Internationaal Transportbedrijf G Snel (80) and Ploeger Groep (200), while Lehnkering (250) signed up from Germany, Miratrans (130) and Link (150) from Poland, Bernegger (100) from Austria and Transports Fournié (80) and Transports Sarrazain (200) from France.

New partners

In 2009 the existing partnership with LogicWay was further enhanced with the launch of the ASP-based solution FleetHours. Based on the activities recorded by the CarCube, FleetHours automatically calculates the hours operated by the drivers and their expenses. Drivers thus no longer need to maintain daily or weekly trip reports on paper. The hours and expenses calculation occurs automatically, in accordance with the applicable CAO (collective employment agreement) and company arrangements. FleetHours augments the FleetWorks back-office application. Because FleetHours is also web-based, the trip reports are available at any time and from anywhere via the internet; the reports can be processed in MS Excel.

Together with the Dutch ORTEC, Punch Telematix also developed a new real-time interface between the CarCube onboard computers and ORTEC's trip optimisation software. ORTEC is one of the largest providers of advanced software solutions and consultancy services for planning and optimisation. Its products and services

contribute to optimum trip and route planning, loading of vehicles and pallets, staff deployment, demand forecasting and logistical network planning.

In Germany a number of partners were granted a certificate for integration: TRANSDATA Soft- und Hardware GmbH, C-Informationssysteme GmbH, Computer Steiner GmbH, LIS AG, SLS Synergie Logistik Software GmbH & Co. KG and BNS Software GmbH.

In Poland the CarCube can now be linked to the TMS software from leading developer InterLAN.

Discussion of the results

In comparison with 2008, sales and the EBITDA declined by 8% and 7% respectively (see below). In terms of sales the fourth quarter was in fact considerably better than the third one (+68%). The contribution margin rose by 3% thanks to an efficient variable costs policy and the creation of more added value (see below).

Sales and other operating income

Punch Telematix saw its sales decline by 8% through 2009 in comparison with 2008. Other operating income rose from EUR 0.9 million in 2008 to EUR 1.4 million in 2009:

- In the course of 2009 Punch Telematix confirmed its position as a pan-European player. Sales in the Benelux declined as a consequence of the financial and economic crisis. Thanks to sales increases of 27% in the other countries the global sales decline remained limited.
- Other operating income rose by 52% (EUR 0.5 million). The increase is largely attributable to passing on incurred fixed costs to Punch International.

Order book

At the end of December 2009 Punch Telematix had an order portfolio of signed contracts worth EUR 14.7 million (end of December 2008: EUR 13.5 million).

EBITDA

EBITDA declined from EUR 1.5 million for 2008 to EUR 1.4 million for 2009. The main reasons for this slight drop are as follows:

- the fall of EUR 0.8 million in total sales
- improvement of 3% in the contribution margin, which partly compensates for the sales decline.

It should be noted that the 2009 figures include a one-off amount of EUR 0.5 million of fixed costs incurred for Punch International's account. If this amount is disregarded, the structural reduction in the fixed costs is EUR 0.6 million (6%).

Operating result (EBIT)

The operating result for 2008 was EUR 0.2 million. Punch Telematix recorded a break-even operating result for 2009. This can be explained as follows:

- EBITDA dropped by EUR 0.1 million.
- The costs of impairment losses and provisions remained largely unchanged.
- The depreciation on intangible non-current assets increased by EUR 0.1 million.

Finance income/cost

The financial result for 2009 amounted to EUR 0.3 million (2008: EUR 0.1 million). The rise can be attributed to the financial returns generated by bundle sales.

Result before taxes

The 2009 result before taxes amounted to EUR 0.3 million (2008: EUR 0.3 million).

Taxes

No taxes were reported for 2009.

Net consolidated result

The net result for 2009 is positive, and as in 2008, amounts to EUR 0.3 million. The result per share was thus again 0.07 EUR.

Balance sheet and cash flow statement

Balance sheet

	31-12-2009	31-12-2008	Difference
<i>Amounts in million euros</i>			%
Non-current assets	31.7	33.2	-5
Current assets	9.7	9.8	-1
Cash and cash equivalents	0.8	0.5	60
Total assets	42.2	43.5	-3
Shareholders' equity	37.4	37.1	1
Financial debts	0.2	1.0	-80
Other liabilities	4.6	5.4	-15
Total liabilities	42.2	43.5	-3
Solvency	89%	85%	

Due to the positive net result, shareholders' equity rose by EUR 0.3 million to EUR 37.4 million. Solvency increased to 89%.

Cash flow statement

	31-12-2009	31-12-2008
<i>Amounts in million euros</i>		
Cash flow – result	1.7	1.6
Cash flow – working capital	0.8	-6.4
Cash flow – investments	-1.4	-1.7
Cash flow – financing	-0.8	1.1
Net cash flow	0.3	-5.4

Cash flow was positive in 2009. Against the previous year, the net cash flow rose by EUR 5.7 million, largely as a consequence of the operational cash flow of EUR 2.5 million, the result of a better ratio of 'CarCube solutions financed by Punch Telematix' against 'CarCube solutions financed by external parties' so that the cash flow from working capital was positive.

Punch Telematix also has access to an external credit facility of EUR 2 million which has not yet been taken up.

Forecasts

Punch Telematix remains cautious. Although there are signs of slight improvement, it is still too early to speak of a recovery. And even though Punch Telematix does not expect any deterioration in the market, in the current economic climate it has insufficient insight into the future. Thus for the time being it prefers not to formulate any concrete forecasts or long-term objectives.

Dividend

The Board of Directors proposes not issuing any dividend on the 2009 results.

Auditor's report

"The statutory auditors of Punch Telematix nv, BDO Bedrijfsrevisoren Burg. Ven. CVBA, represented by Koen De Brabander, have confirmed that their audit work, which is substantially complete, has not revealed any significant matters requiring adjustments of the 2009 condensed consolidated income statement, balance sheet, or statement of cash flows and Group Shareholders' equity included in this press release."

Financial calendar

Annual Report 2009 available	30 April 2010
Trading update first quarter 2010	14 May 2010
Annual General Meeting 2010	28 May 2010
Publication of half-year results 2010	27 August 2010
Trading update third quarter 2010	15 November 2010
Publication of half-year results 2010	28 February 2011

Purchase of treasury shares

Punch Telematix did not purchase any treasury shares in the course of 2009.

Appendices – also available on www.punchtelematix.com

1. Consolidated income statement
2. Consolidated balance sheet
3. Consolidated cash flow statement
4. Reconciliation of equity

About Punch Telematix

Punch Telematix develops and markets transport management solutions for large and small firms in the truck & transport sector. These innovative and user-friendly total solutions consist of on-board computers, wireless communication services and web-based back-office applications. Thanks to their open standards and modular, scaleable architecture, they are simple to integrate, and can grow with the changing needs of your business. Because they require no investment, they are easy to adopt: the leasing arrangement spreads the cost over the total contract term. Within a short period, Punch Telematix has established a sound reputation as an IT reference in Western Europe. The head office and R&D department are based in Belgium, and sales and service are supported by offices in the Netherlands, France, Germany and Spain as well as value-added resellers. Since November 2006, Punch Telematix has been on Euronext Brussels (PTX).

For more information

Michel Van Maercke, CEO Punch Telematix – michel.vanmaercke@punchtelematix.com – Ter Waarde 4 – 8900 Ieper – Belgium - Tel.: +32 57 223 911 – Fax: +32 57 223 999 – www.punchtelematix.com

Cautionary statement regarding forward-looking statements

This press release contains certain forward-looking statements. Any forward-looking statement applies only on the date of this press release. Such statements are based on current expectations and convictions and, by their nature, are subject to a number of known and unknown risks and uncertainties as a result of which the actual results and performance may differ substantially from expected future results or performance expressed or implied in the forward-looking statements. The information and views contained in this press release may change without prior notice, and Punch Telematix nv has neither the intention nor the obligation to update forward-looking statements in this communication, except insofar as it is obliged to do so by any applicable legislation or by the rules of any stock exchange on which its shares may be traded.

1. Consolidated income statement

<i>in thousand euros</i> <i>(IFRS)</i>	31 Dec 2009	31 Dec 2008	Difference
Sales	14,825	16,143	-1,318
Other operating income	1,361	894	467
Total revenues	16,186	17,037	-851
Change in inventories	512	1,469	-957
Cost of goods & services sold	-5,565	-7,176	1,611
Salaries & employee benefits	-4,438	-4,061	-377
Depreciation, amortisation & impairment	-1,306	-1,150	-156
Impairment losses on current assets	-92	-494	401
Other operating charges	-5,316	-5,439	123
Total operating expenses	16,205	16,851	-647
Operating result	-19	186	-205
Finance income / cost	315	82	233
Result before taxes	296	268	28
Taxes	-	11	-11
Net result	296	279	17
EBITDA	1,385	1,484	-99

EBITDA: is not defined by IFRS. Punch Telematix defines this term as earnings before interest and taxes, plus depreciation, amortisation and provisions booked, minus any potential reductions of those items.

2. Consolidated balance sheet

<i>in thousand euros</i>	31 Dec 2009	31 Dec 2008	Difference
<i>(IFRS)</i>			
Non-current assets	31,673	33,218	-1,546
Intangible assets	23,431	23,231	200
PPE: Property, Plant & Equipment	416	542	-126
Receivables (non-current)	3,960	5,580	-1,620
Deferred tax assets	3,865	3,865	-
Current assets	10,529	10,298	230
Inventories	824	1,225	-401
Contracts in progress	-	-	-
Trade debtors	8,572	7,220	1,352
Other amounts receivable	288	1,290	-1,002
Deferred charges and accruals	75	101	-26
Cash and cash equivalents	770	463	307
Assets held for sale	-	-	-
Total assets	42,201	43,517	-1,315
Shareholders' equity	37,408	37,112	296
Ordinary shares	35,325	35,325	-
Share Premium Account	960	960	-
Consolidated reserves	827	548	279
Result of the year	296	279	17
Minority interests	-	-	-
Total equity	37,408	37,112	296
Non-current liabilities	769	773	-4
Interest bearing loans & borrowings	34	44	-10
Provisions	735	730	5
Other liabilities	-	-	-
Current liabilities	4,025	5,632	-1,607
Trade payables	1,976	2,853	-876
Other current payables	1,489	1,413	76
Current tax liabilities	378	345	33
Borrowings	182	1,022	-840
Total liabilities and equity	42,201	43,517	-1,315
Net financial debt	-555	602	-1,157
Net financial debt / EBITDA	-0.40	0.41	
Net financial debt / Equity	-0.01	0.02	
Equity / Total assets	89%	85%	

Net financial debt = long- and short- term financial debts - cash & cash equivalents

3. Consolidated cash flow statement

<i>in thousand euros</i>	31 Dec 2009	31 Dec 2008
<i>(IFRS)</i>		
Cash flow from operating activities		
Result before taxes	296	268
<u>Adjustments for:</u>		
Depreciations, amortisations & impairment	1,398	1,643
Provisions	6	-345
Income taxes	-	11
Gains/losses on realisation PPE	-	-
Foreign exchange loss/gain	-	-
Derivatives	-	-
Warrants	-	-
Subtotal	1,700	1,577
Movement trade & other receivables	1,149	-4,545
Movement inventories	455	-276
Movement trade & other payables	-767	-1,546
Movement other payables: earnout not paid	-	-
Increase in provisions	-	-
Subtotal	837	-6,367
Net cash from operating activities	2,537	-4,789
Cash flow from investing activities		
Acquisitions	-1,381	-1,713
- non-current assets other than financial	-1,381	-1,713
- participations	-	-
- participations: earnouts not paid	-	-
Sales	-	-
Net cash from investing activities	-1,381	-1,713
Cash flow from financing activities		
Net IPO proceeds	-	-
New loans	185	1,068
Loan repayments	-1,034	-3
Net cash flow from financing activities	-849	1,065
Net cash flow	307	-5,437
Cash & cash equivalents		
Cash and cash equivalent at beginning of period	463	5,900
Cash and cash equivalent at end of period	770	463
Net cash flow	307	-5,437

4. Reconciliation of equity

<i>in thousand euros</i>	Ordinary shares	Share premium account	Consolidated reserves	Result of the year	Shareholders' equity
31 December 2007	35,325	960	5,280	-4,732	36,833
Transfer	-	-	-4,732	4,732	-
Result of the year	-	-	-	279	279
31 December 2008	35,325	960	548	279	37,112
Transfer			279	-279	-
Result of the year				296	296
31 December 2009	35,325	960	827	296	37,408