

Punch Telematix's growth continues

Wervik, Belgium – 29 August 2008 – Punch Telematix nv ('Punch Telematix') is today publishing the results for the first six months of 2008. In comparison to the same period of the previous year, sales have climbed by over a third. This growth occurred in both Belgium and the Netherlands, countries in which Punch Telematix has been long active, as well as in countries more recently included to its market. Effective cost control measures were partly responsible for turning around the previous year's negative result. Punch Telematix closed the first half-year with a break-even result.

Consolidated key figures (IFRS)

	30/06/2008	30/06/2007	Diff. %
<i>Amounts in million euros</i>			
Sales	8.8	6.4	38
EBITDA¹	1.3	-1.3	
EBIT (operating result)	0.0	-1.7	
Financial result	0.1	0.1	
Result before taxes	0.1	-1.6	
Taxes	0.0	0.0	
Net result	0.1	-1.6	
Result per share – ordinary & diluted (in EUR per share)	0.02	-0.38	
Equity capital	36.9	39.9	
Net financial debt ² (negative = net cash position)	-1.3	-6.9	

Important events

1. Increasingly more carriers are choosing Punch Telematix. Some big names have signed contracts during the first six months, including Vervaeke Transports in Belgium, as well as Ruploh and Greiwing in Germany.
2. During the first quarter, two of Punch Telematix's customers were rewarded with awards. Ninatrans was distinguished with the 'Truck ICT Award 2008' and Corneel Geerts won the 'Best Innovation of the Year 2008'. Both customers use an integrated transport management solution based on the CarCube onboard computer. These awards underline the effectiveness and the innovative character of the CarCube.

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.

3. The sharpened strategic focus on the truck and transport segment over the first half of 2008 resulted in:
 - growth in the number of customers
 - further standardisation of the product portfolio
 - optimisation of variable and fixed costs
 - advantages of scale

Review of the results

Sales

Sales over the first half-year rose by 38% in comparison with the same period of the previous year.

The major portion of these sales occurred in the truck and transport segment. Belgium and the Netherlands displayed a sales increase of 20%. Sales in the 'other countries' category more than tripled.

Order portfolio

At the end of June 2008, Punch Telematix had an order portfolio of signed contracts in the amount of EUR 13.2 million (end of June 2007: EUR 7.3 million).

Other operating income

Other operating income rose from EUR 0.3 million for the first half of 2007 to EUR 0.5 million for the same period in 2008. This increase was primarily on account of a legal decision in favour of Punch Telematix.

EBITDA

EBITDA increased from EUR -1.3 million for the first six months of 2007 to EUR 1.3 million in 2008. The main reasons for this upturn are:

- absence of one-time extraordinary costs in 2008;
- EUR 2.4 million rise in sales;
- improvement in both the absolute (EUR 2.3 million) and percent (H1-2007: 43%; H1-2008: 58%) contribution margin due to strategic repositioning and shift of focus to the truck and transport segment, as well as better control of variable costs;
- increase in other operating income.

Operating profit (EBIT)

Over the first half of 2008, Punch Telematix recorded a break-even business result, which is an improvement compared to the same period of the previous year (H1-2007: EUR -1.7 million). The improvement can be explained as follows:

- EBITDA rose by EUR 2.6 million.
- Write-downs of intangible non-current assets increased by EUR 0.1 million.
- Write-downs on current assets increased by EUR 0.7 million, primarily as a result of a devaluation of inventory (old ICS products) and debtors (ICS and Alturion).

Financial result

The financial result for the first half of 2008 amounted to EUR 0.1 million (H1-2007: EUR 0.1 million). Just as in the previous year, the main elements of the financial result are exchange-rate results and interest received on account of the positive net cash position.

Result before taxes

The result before taxes over the first six months of 2008 amounted to EUR 0.1 million (H1-2007: EUR -1.6 million).

Taxes

No taxes were reported during the first half of 2008.

Net consolidated result

The net result for the first half of 2008 was positive, amounting to EUR 0.1 million (H1-2007: EUR -1.6 million). The result per share rose accordingly from EUR -0.38 to EUR 0.02.

Balance sheet and cash flow analysis

Balance Sheet

	30/06/2008	31/12/2007	Difference %
<i>Amounts in million euros</i>			
Non-current assets	32.6	30.9	5
Current assets	8.3	7.3	14
Cash and cash equivalents	1.3	5.9	-78
Total assets	42.2	44.1	-4
Shareholders' equity	36.9	36.8	-
Financial debts	-	-	-
Other liabilities	5.3	7.2	-26
Total liabilities	42.2	44.1	-4
Solvency	88%	84%	

Cash-flow table

	30/06/2008	30/06/2007
<i>Amounts in million euros</i>		
Cash flow – result	1.4	-1.1
Cash flow – working capital	-5.2	-0.5
Cash flow – investments	-0.8	-2.5
Cash flow – financing	0.0	-0.0
Net cash flow	-4.6	-4.1

Prospects

The positive trend of the second half of 2007 has continued. Group expectations are therefore being maintained: growth and profitability in 2008.

Financial calendar

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|---|------------------|
| • Publication of interim results for 2008 | 29 August 2008 |
| • Analyst presentation | 1 September 2008 |
| • Publication of full-year results for 2008 | 27 February 2009 |
| • General Meeting 2009 | 29 May 2009 |

Appendices – also available at 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 the Eurolist by Euronext Brussels (PTX).

For more information

Wim Maes, CEO Punch Telematix – wim.maes@punchtelematix.com – Bootweg 4 - 8940 Wervik – Belgium - Tel.: +32 56 239 411 – Fax: + 32 56 239 400 – www.punchtelematix.com

Michel Van Maercke, CFO Punch Telematix – michel.vanmaercke@punchtelematix.com – Bootweg 4 - 8940 Wervik – Belgium - Tel.: +32 56 239 411 – Fax: + 32 56 239 400 – 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 (unaudited)

<i>in thousand euros</i> <i>(IFRS)</i>	30 June 2008	30 June 2007	Difference
Sales	8,750	6,354	2,397
Other operating income	521	323	198
Total revenues	9,272	6,677	2,595
Change in inventories	1,017	1,328	-311
Cost of goods & services sold	-4,091	-4,323	232
Salaries & employee benefits	-2,177	-2,412	235
Depreciation, amortisation & impairment	-569	-520	-49
Impairment losses on current assets	-739	-32	-707
Other operating charges	-2,722	-2,468	-254
Total operating expenses	9,281	8,427	854
Operating result	-9	-1,750	1,741
Finance income / cost	81	132	-51
Result before taxes	72	-1,618	1,690
Taxes	-	-10	10
Net result	72	-1,629	1,700
EBITDA	1,320	-1,274	2,594

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 (half-year figures unaudited)

<i>in thousand euros</i> <i>(IFRS)</i>	30 June 2008	30 Dec. 2007	Difference
Non-current assets	32,548	30,945	1,603
Intangible assets	22,988	22,858	129
PPE: Property, Plant & Equipment	469	351	118
Receivables (non current)	5,226	3,870	1,355
Deferred tax assets	3,865	3,865	-
Current assets	9,614	13,119	-3,505
Inventories	1,402	1,083	319
Contracts in progress	-	-	-
Trade debtors	6,512	5,530	982
Other amounts receivable	244	375	-131
Deferred charges and accruals	115	231	-117
Cash and cash equivalents	1,341	5,900	-4,559
Assets held for sale	-	-	-
Total assets	42,162	44,064	-1,902
Shareholders' equity	36,904	36,833	72
Ordinary Shares	35,325	35,325	-
Share Premium Account	960	960	-
Consolidated Reserves	548	5,280	-4,732
Result of the year	72	-4,732	4,804
Minority interests	-	-	-
Total equity	36,904	36,833	72
Non-current liabilities	714	1,075	-361
Interest bearing loans & borrowings (non-current)	-	-	-
Provisions	714	1,075	-361
Other liabilities	-	-	-
Current liabilities	4,544	6,156	-1,613
Trade payables	2,811	2,931	-120
Other current payables	1,452	2,905	-1,453
Current tax Liabilities	281	320	-39
Borrowings	-	-	-
Total liabilities and equity	42,162	44,064	-1,902
Net financial debt	-1,341	-5,900	4,559
Net financial debt / EBITDA	-1.02	2.63	-3.65
Net financial debt / Equity	-0.04	-0.16	0.12
Equity / Total assets	88%	84%	

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

3. Consolidated cash flow table (unaudited)

<i>in thousand euros</i> <i>(IFRS)</i>	30 June 2008	30 June 2007
Cash flow from operating activities		
Result before taxes	72	-1,618
<u>Adjustments for:</u>		
Depreciations, amortisations & impairment	1,308	552
Provisions	21	-76
Gains/losses on realisation MVA	-	-
Foreign exchange loss/gain	-	-
Derivatives	-	-
Warrants	-	-
Subtotal	1,401	-1,142
Movement trade & other receivables	-2,829	1,376
Movement inventories	-319	-484
Movement trade & other payables	-1,617	-1,311
Movement Other payables: earnout not paid	-	-
Increase in provisions	-378	-
Cash generated from operations	-3,742	-1,561
Income taxes	-	-
Net cash from operating activities	-3,742	-1,561
Cash flow from investing activities		
Acquisitions	-817	-2,850
- non-current assets other than financial	-817	-600
- participations	-	-
- participations: earnouts not paid	-	-2,250
Sales	-	372
Net cash from investing activities	-817	-2,478
Cash flow from financing activities		
Net IPO proceeds	-	-36
New loans	-	15
Loan repayments	-	-37
Financing from Punch International	-	-
Dividends	-	-
Net cash flow from financing activities	-	-58
Net cash flow	-4,559	-4,097
Cash & cash equivalents		
Cash and cash equivalent at beginning of period	5,900	11,024
Cash and cash equivalent at end of period	1,341	6,926
Net cash flow	-4,559	-4,097

4. Reconciliation of equity (half-year figures unaudited)

<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				72	72
30 June 2008	35,325	960	548	72	36,905