

Unit 4 Agresso: strong organic growth in first six months of 2002

Sliedrecht, the Netherlands, 22 August 2002 – Unit 4 Agresso NV, secure e-business software supplier, today announces its results for the first half of 2002.

In spite of the worsening economic situation in the first half of 2002, Unit 4 Agresso succeeded again in expanding its market share and turnover. Turnover increased with 8% organically to 105.5 million euro (H1 2001: 102.6 million euro. In the results of the first half of 2001, turnover and results of Bestmate were consolidated. This organization was sold to the management at the end of 2001). Especially the Internet & Security division (+11%) and Agresso Business World (+15%) realised a growth well above market averages.

In the first six months of 2002 Unit 4 Agresso realised a positive net result after taxes and goodwill of 3.1 million euro. This represents earnings per share of 0.13 euro (average number of shares: 24,533,625), which is a decline compared to the same period in 2001. Given the current market conditions and the fact that extra reorganisation costs were made, Unit 4 Agresso's management is nevertheless satisfied with the results achieved. Unit 4 Agresso has already taken some practical steps in order to reduce the operational costs to a level that better suits the current market conditions. An amount of 3.5 million euro was spent on the reorganisation in the first six months of this year.

Unit 4 Agresso was able to maintain a healthy balance sheet. In spite of the deteriorating market, the management succeeded in reducing the average term of credit from 69 days as at 30 June 2001 to 57 days as at the end of June 2002. The ratio of group equity in total equity results at 42.5% per 30 June 2002 (30 June 2001: 26.4%). Cash at bank and in hand slightly decreased to 18.6 million euro due to goodwill and earn-out payments in the first months of 2002 (H1 2001: 22.8). Because of its sound balance sheet and its profitability Unit 4 Agresso is positive about the future.

The division Business Software realised an organic growth of 6% resulting in a turnover of 65.4 million euro. In a number of markets the Business Software division was faced with a weak first half of the year. Especially the Benelux and more specifically the market for manufacturing companies, had to deal with a stagnating growth. The international product line Agresso Business World (ABW) however, showed a healthy growth. In the first half of 2002 Unit 4 Agresso achieved an organic increase in ABW's turnover of 15%, showing that the focus on specific core markets like professional services (SPO/ PSA) and the public sector is starting to bear fruit. Research carried out by Gartner showed that in the SPO market in view Unit 4 Agresso succeeded in expanding its market share by more than 100%. Especially the subsidiaries in Norway and the United Kingdom realised strong organic growth. In a strong field of competitors, the UK subsidiary gained some 20 new customers / orders in the first half of 2002, varying in order value between 200K and 750K euro. Gartner recognized ABW as 'Europe's highest-selling business system in the rapidly growing "Service Process Optimisation" market.'

The first half of 2002 was also successful for the Internet & Security division. The second half of 2001 showed a strong pressure on margins and the gross margin decreased to 25.2%. In the first half of 2002 the Internet & Security division managed to increase the margin with 1.8% to 27.0%. In line with the expectations Unit 4 Agresso was able not only to improve the profitability of this division in the first half of 2002 sequentially, compared to the second half of 2001, but also to realise a stable growth in market share. Especially the value added distribution saw its margins rise due to increased services, added value during the sales

process, and the expected shake-out among competitors. Turnover of the Internet & Security division rose by 11% organically and amounted to 40.1 million euro.

Foundation ICT Solutions

Unit 4 Agresso took a 35% interest in Foundation ICT Solutions, which was completely financed from the company's own resources. For the time being the interest will be held as a financial investment.

Foundation ICT Solutions is a newly founded organisation, consisting of healthy divisions of the former Landis ICT Group. This management buy-out is the initiative of the former management that took over the successful parts of the former organisation. The new organisation carries on going-concern business like current contracts, goodwill, certifications of the training institute and personnel.

The organisation employs some 200 people that will all be committed to current projects. Based on the current orders in hand, expectations are that in the last 9 months of 2002 a turnover of more than 10 million euro will be attained. The organisation will be profitable from the start.

The organisation has the following five specialities: Education services, Infrastructure services, Application services, Consulting services and Managed services.

Amongst the current customers are companies like Nike, the Dutch Royal Military Police, energy supplier NUON, Siemens, ABN AMRO.

Outlook

To ensure optimised profitability Unit 4 Agresso will continue to carefully manage the operational costs in the second half of 2002. Because of its strong position Unit 4 Agresso expects turnover to increase again in the second half of 2002, attaining a positive result in spite of the uncertain market conditions.

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The Unit 4 Agresso Group is an international developer and distributor of secure e-business solutions. Unit 4 Agresso NV, headquartered in the Netherlands and listed on the Dutch Stock Exchange, employs nearly 1,400 professionals and provides services for its customers worldwide through its subsidiaries and distributors in the Netherlands, Norway, France, the United Kingdom, Sweden, Germany, Italy, Iceland, Spain, Belgium, Canada and the United States.

CONSOLIDATED BALANCE SHEET

*The figures below
have not been audited*

| | 30 JUNE 2002 | | 30 JUNE 2001 | |
|--|----------------|-------------------------------------|----------------|-------------------------------------|
| | In EUR. | As a % of balance sheet total | In EUR. | As a % of balance sheet total |
| <u>ASSETS</u> | | | | |
| Intangible fixed assets | 18,976 | 15,0% | 15,282 | 11,3% |
| Tangible fixed assets | 8,928 | 7,1% | 7,648 | 5,7% |
| Financial fixed assets | 1,533 | 1,2% | 4,464 | 3,3% |
| Current assets | | | | |
| Stocks | 7,325 | 5,8% | 6,055 | 4,5% |
| Receivables | 71,012 | 56,2% | 78,764 | 58,3% |
| Cash at bank and in hand | 18,609 | 14,7% | 22,859 | 16,9% |
| Total assets | 126,383 | 100,0% | 135,072 | 100,0% |
| <u>LIABILITIES</u> | | | | |
| Group equity | 53,660 | 42,5% | 35,597 | 26,4% |
| Provisions | 0 | 0,0% | 6,664 | 4,9% |
| Long-term liabilities | 2,269 | 1,8% | 10,891 | 8,1% |
| Deferred income | | | | |
| Due to maintenance contracts not realised | 16,827 | 13,3% | 16,864 | 12,4% |
| Current liabilities | 53,627 | 42,4% | 65,056 | 48,2% |
| Total liabilities | 126,383 | 100,0% | 135,072 | 100,0% |

CONSOLIDATED PROFIT AND LOSS ACCOUNT

*The figures below
have not been audited*

| | 1st HALF 2002 | | 1st HALF 2001 | |
|---|----------------|---------------------------|----------------|---------------------------|
| | In EUR. | As a % of Net turnover | In EUR. | As a % of Net turnover |
| Software | 56,308 | 53,4% | 53,247 | 51,9% |
| Maintenance | 18,706 | 17,7% | 17,422 | 17,0% |
| Service & other | 30,436 | 28,9% | 31,917 | 31,1% |
| Net turnover | 105,450 | 100,0% | 102,586 | 100,0% |
| Gross margin | 67,865 | 64,3% | 70,049 | 68,2% |
| Operating costs (excluding D&A) | 59,798 | 56,7% | 56,529 | 55,1% |
| EBITDA | 8,067 | 7,6% | 13,520 | 13,1% |
| Depreciation and amortization | 3,295 | 3,1% | 3,726 | 3,6% |
| Operating result (EBIT) | 4,772 | 4,5% | 9,794 | 9,5% |
| Financial income and charges | -355 | -0,3% | -319 | -0,3% |
| Result from normal operations before tax | 4,417 | 4,2% | 9,475 | 9,2% |
| Taxes | 1,290 | 1,2% | 3,361 | 3,2% |
| Result from normal operations after tax | 3,127 | 3,0% | 6,114 | 6,0% |
| Minority interest | 0 | 0,0% | 5 | 0,0% |
| Net profit (after amortization goodwill) | 3,127 | 3,0% | 6,119 | 6,0% |
| Amortization goodwill | 1,151 | 1,1% | 1,721 | 1,6% |
| Net profit (before amortization goodwill) | 4,278 | 4,1% | 7,840 | 7,6% |

Earnings per share

| | | |
|------------------------------------|------|------|
| EPS (after amortization goodwill) | 0,13 | 0,26 |
| EPS (before amortization goodwill) | 0,17 | 0,33 |

UNIT 4 AGRASSO N.V.

HALFYEARLY FIGURES AS PER JUNE 30, 2002
(Figures in EUR 1,000)

*The figures below
have not been audited*

CONSOLIDATED CASH FLOW STATEMENT

| | 1st HALF 2002 | 2001 |
|---|---------------|----------------|
| | In EUR. | In EUR. |
| Cash flow from operational activities | | |
| Operating result (before amortization goodwill) | 5,923 | 22,273 |
| <i>Amendments for:</i> | | |
| Depreciation | 2,144 | 4,129 |
| Changes in provisions | -1,159 | 7,121- |
| Earn out payments | -8,100 | - |
| Changes in operating capital and deferred income | 794 | 2,040 |
| Cash flow from business operations | -398 | 21,321 |
| Financial income and charges | -355 | 131 |
| Taxation on profit | -1,290 | 6,595- |
| Cash flow from operational activities | -2,043 | 14,857 |
| Cash flow from investment activities | | |
| Goodwill and translation differences | 1,393 | 24,688- |
| Acquisition of other interests | -79 | 1,986 |
| Divestment of group companies | 0 | 1,076- |
| Investments in tangible fixed assets | -2,874 | 4,833- |
| Cash flow from investment activities | -1,560 | 28,611- |
| Cash flow from financing activities | | |
| Issued shares after deducting provisions | -340 | 14,926 |
| Change in long-term receivables | -300 | 867 |
| Change in long-term debts | -907 | 1,815- |
| Cash flow from financing activities | -1,547 | 13,978 |
| Net cash flow | -5,150 | 224 |
| Cash at bank and in hand on 1 January | 23,759 | 22,301 |
| Cash at bank and in hand of the new consolidations on 1 January | 0 | 1,234 |
| Cash at bank and in hand on 30 June respectively 31 December | 18,609 | 23,759 |

NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

*The figures below
have not been audited*

| | 1st HALF 2002 | | 1st HALF 2001 | |
|---|---------------|---------------------------|---------------|---------------------------|
| | In EUR. | As a % of Net turnover | In EUR. | As a % of Net turnover |
| Internet & Security | | | | |
| Software | 34,064 | 84,9% | 31,176 | 86,4% |
| Service & other | 6,048 | 15,1% | 4,897 | 13,6% |
| Net turnover | 40,112 | 100,0% | 36,073 | 100,0% |
| Gross margin | 10,828 | 27,0% | 13,019 | 36,1% |
| Operating costs (excluding D&A) | 7,671 | 19,1% | 6,314 | 17,5% |
| Operating result before D&A (EBITDA) | 3,157 | 7,9% | 6,705 | 18,6% |
| Depreciation | 374 | 1,0% | 167 | 0,5% |
| Operating result before amortization (EBITA) | 2,783 | 6,9% | 6,538 | 18,1% |
| Business Software | | | | |
| Software | 22,244 | 34,1% | 22,071 | 33,2% |
| Maintenance | 18,706 | 28,6% | 17,422 | 26,2% |
| Service & other | 24,388 | 37,3% | 27,020 | 40,6% |
| Net turnover | 65,338 | 100,0% | 66,513 | 100,0% |
| Gross margin | 57,037 | 87,3% | 57,030 | 85,7% |
| Operating costs (excluding D&A) | 52,127 | 79,8% | 50,215 | 75,5% |
| Operating result before D&A (EBITDA) | 4,910 | 7,5% | 6,815 | 10,2% |
| Depreciation | 1.770 | 2,7% | 1.838 | 2,8% |
| Operating result before amortization (EBITA) | 3,140 | 4,8% | 4,977 | 7,4% |