QURIUS
ANNUAL REPORT 2011

Including Sustainability Report (G3 Standard GRI - Application Level C)

Content

1 Letter from the CEO

For Qurius, 2011 has been the year that yielded the first fruits of the restructuring programme that we initiated in 2010. At EBIT level before restructuring, we managed to turn a loss-making situation into an almost break-even one. This is a most welcome step forward to creating a solid foundation for further recovery, prosperity and growth.
This improvement follows a number of measures taken in 2011. One of them is the increase in the chargeability of our fee earners. In the Netherlands, this went up from below sixty per cent to almost seventy per cent. Measures taken include tighter management of the available capacity by bringing the available staff in line with customer demand. We also cut out a layer of middle management and brought the professionals concerned back into positions where they are chargeable. In order to restore profitability, Qurius also took further measures to reduce costs, especially overhead costs. Examples of these kinds of measures include a more efficient use of office space in Germany leading to lower rental costs and a decrease in staff at the head office of Qurius Netherlands. In addition to these financial and operational measures, we welcomed a number of large new customers and substantial follow-ups of current projects in all our operating countries. Furthermore, it is encouraging that we were able to create innovations in our go-to-market model with Qurius Online and to do a fast-track innovation in the field of Augmented Reality.

Looking back on the first half of the three year restructuring programme which was started late 2010, we noticed that the reforms took more efforts and more time than expected. Much is left to be done. After the initial restructuring of our business and our efforts to get our act together in 2010 and 2011, we simultaneously entered the phase of increased orientation on our customers and markets in 2011. One of the new tools we introduced in 2011 were the Customer Dialogues, of which we conducted a total of seven during the past year. During these interactive sessions, the senior managers of larger customers and of Qurius exchange views, expectations and approaches. The result is a better understanding and a common roadmap towards the development of the customer's business. Learning from one customer can often leverage another client, ideas can be combined, innovations gain impact when they are being shared – it all boils down to creating sustainable success. In the meantime we did not forget to improve our own organisation either. Operational excellence is absolutely required to deliver what customers may and should expect from us. In 2011, we introduced a tight, lean and flexible organisation model with clear, unambiguous responsibilities, and this renewed organisation model too allows us to focus more on our customers.

In addition, we developed a new methodology that elevates the level at which we operate with our clients. It lifts us from being an IT supplier to becoming a versatile business partner with a wider experience that first and foremost delivers integral business solutions. All this requires a different approach by our staff members. Our highly educated and specialised software engineers were mostly used to tackle questions and requirements by means of software. Now we ask them to oversee the entire situation and to develop an integral view. Perhaps software is not the answer, but only one of its elements. Or perhaps the solution doesn't need to come from the Qurius people only, but that the best solution is found together with the customer. In short, the paradigm of our people is to be redefined. We ask our people to change their view and to apply a wider set of capabilities besides software design. In 2011, this proved to be more difficult than anticipated and the required cultural change and adoption of the new strategy took more effort and time than we had expected. In order to mitigate the risk of retardation of the desired strategic changes, we installed internal ambassadors who help colleagues to shift their paradigm – a movement from within our organisation. During the past year, a number of our project leaders and account managers made this turn, under the guidance of our internal ambassadors, and I would like to thank them for their valuable contributions.

In July, we established a strategic alliance between Prodware and Qurius. This alliance aims at providing both local and international customers and partners with the full range of resources and expertise both companies have at their disposal. Examples of the synergy gains are, besides distributing each other's Intellectual Properties, joint projects for larger customers, sharing each other's specific expertise and aligning the relationships with various business partners. In 2011, we also strengthened our mutual

relation by a two-day conference of over twenty Prodware managers and the same number of Qurius managers. Not only did this conference result in people of both companies getting to know each other better, but also in establishing working relationships that will enable them to reap the benefits of this alliance at a deeper level. Our partnership thus enables us to leverage Qurius' strengths across Europe and Prodware's strengths in the Qurius core countries. Prodware is and will remain of great importance.

In 2011, we also came to the conclusion that our operations in Belgium and Spain would fit in better with our strategic partner Prodware than it did with us. As a consequence, we transferred this business from Qurius to Prodware, generating proceeds of EUR 3 million for Qurius and a one-off book loss amounting to EUR 4.6 million. Qurius has thus brought its focus back to the core countries UK, the Netherlands and Germany. These being our core countries on which our success depends, it is of extreme importance that these operations are pre-eminently managed. In order to achieve this, we continued with further improving our management. In Germany we were happy to welcome Dieter Große-Kreul as the new Managing Director of our German operations. Our new colleague has the right experience and managerial and entrepreneurial skills to bring the Qurius Germany organisation to the next level. I replaced the Managing Director of Qurius Netherlands, Peter van Haasteren, during a period of illness and when Mr Van Haasteren resigned, I continued to hold that position in addition to being Qurius N.V.'s CEO. In the meantime, our new Managing Director in the UK, Mark Cockings, was quite successful. The board invited him to support me in my role of Managing Director Qurius Netherlands on an interim basis. Mark Cockings did this so well that in 2012 it was decided to appoint him as the Managing Director of Qurius Netherlands, a task he combines with leading the management team of Qurius UK.

As announced in our previous annual report and on several other occasions, we are working at the development of our own intellectual property (IP). This is software owned by Qurius itself, which can be applied by a large number of customers. In 2011, we established a dedicated IP company, QIPtree B.V., fully owned by Qurius. QIPtree is a developer and distributor of business software based on Microsoft Dynamics to Value Added Resellers (VARs). Although the official launch took place in 2012, QIPtree started its first commercial operations in 2011. As for the distribution of the products, QIPtree will benefit from the Qurius offices in our core countries, our strategic alliance with Prodware and the Qurius Global Alliance, who, in turn, will benefit from the products and support delivered by QIPtree.

Qurius has a clear vision of where we are going and we believe that the potential of our company is huge. Qurius is one of the very few IT solution providers in Europe that can deliver the full stack of Microsoft based business solutions. This makes us attractive for organisations in the market of medium sized and larger companies and organisations looking for comprehensive, integrated solutions for complex business challenges. We believe that this market, and our customer base, is strong enough to overcome the current and persistent economic situation. However, in 2011 our market also proved to be volatile and we therefore need to be cautious with regards to the current year.

I would like to extend a special word of thanks to our shareholders, who supported us throughout 2011. During the report year, our share price developed in line with the AEX Software & Computer Supplies Index. This means that shareholders experienced a significant decrease in the value of their investment. Shareholders nevertheless remained committed to Qurius and joined us in our efforts to bring the company back to where it belongs.

Leen Zevenbergen
CEO, Qurius N.V.

2 Updating Qurius

Qurius provides innovative ICT solutions in the areas of design, architecture, infrastructure, deployment and systems management of Microsoft-based business solutions. From a dozen offices and its headquarters in Zaltbommel, Qurius serves customers throughout Europe; the Netherlands, the United Kingdom and Germany being the core countries. Innovation, New Ways of Business and Sustainability are Qurius' spearheads. The company aims to be a one hundred per cent sustainably operating company in 2014. Since 1998, Qurius has been listed on Euronext Amsterdam.

2.1 Vision and mission

In 2010, Qurius published its Vision Document, a comprehensive view and roadmap that guides the way for the next years of development. This document still inspires us and is engaging people and businesses to cooperate with Qurius.

Our mission is to improve the business performance of our customers by offering innovative and sustainable ICT solutions, thus enabling them to create sustainable success.
We partner with our customers today to help them face tomorrow's challenges. We do this by delivering sustainable ICT solutions, services and infrastructures with visible, sustainable performance and permanent value. Our future and the future of our customers are aligned, so we work alongside all of our stakeholders to create a better future for all of us, underpinned by sustainable technology solutions and environments.

2.2 Strategy

Qurius' strategy is based on the notion that technology is a tool to achieve business goals. Although we supply customers with high value, state of the art technology, this is not the basis of our strategy. That is enhancing our customers' businesses, notably by optimising their business processes with the right methods and tools. From that perspective, we need to have all technologies and expertise available to supply our customers with any solution that is required to expand their business. Qurius is one of the very few ICT solution providers in Europe that can deliver the full stack of business solutions and offer its customers a fully integrated approach, solutions that seamlessly meet the entire customer's demand. Customers do not need to assemble a number of suppliers and put the pieces of the puzzle together by themselves. With Qurius they can fill in the true needs from a broader perspective leading to integrated solutions.

2.2.1 Three Strategic Pillars

Our three pillars are *Innovation, Sustainability* and *New Ways of Business*. Innovation is the result of being curious. We have an endless thirst for knowledge, for solutions and challenges ahead. We believe that innovation can turn any strategy into success, for our customers as well as for our own organisation.

Being entrepreneurs, we care for the planet and people. This attitude will bring us extra value (profit) in terms of processes, innovative power and market position. It means that we are considerate of the environment, as this is our moral obligation. Good business navigation is crucial, as operating sustainably requires being in control of processes, costs and benefits. Sustainability can drive innovative power. Responsibility, respect and fairness are important company values.

Political, sociological, economic and technological changes enhance a new way of doing business. The ways in which organisations and people work and organise themselves is changing dramatically. Qurius offers the experience, tools and techniques to realise a new way of doing business. We first concentrated on the New Way of Working (organising and facilitating daily performance of workers) but we extended it to New Ways of Business because this reflects more the holistic character of challenges and changes in the ecosystems of our stakeholders. We consider New Way of Working to be a part of New Ways of Business.

2.2.2 Head start markets

Qurius' overarching approach enables us to support any organisation in enhancing its business processes and achieving its goals. Furthermore, we have specific sector knowledge, which gives us a head start in these sectors. This expertise is available in most Qurius countries. When the expertise is concentrated in only one or two countries, Qurius assembles international teams, sharing competences, knowledge and experience.

The key-sectors in which Qurius has an additional head start are:

- Environmental, including waste management & recycling
- Manufacturing, discrete & (semi-)process
- Professional & technical services organisations
- Retail & Distribution
- Wholesale & Logistics

Next to these, the country organisations have the following regional sector expertise:

- Health Care (Netherlands)
- Maritime (Germany)
- Membership Organisations (Netherlands, UK, Germany)

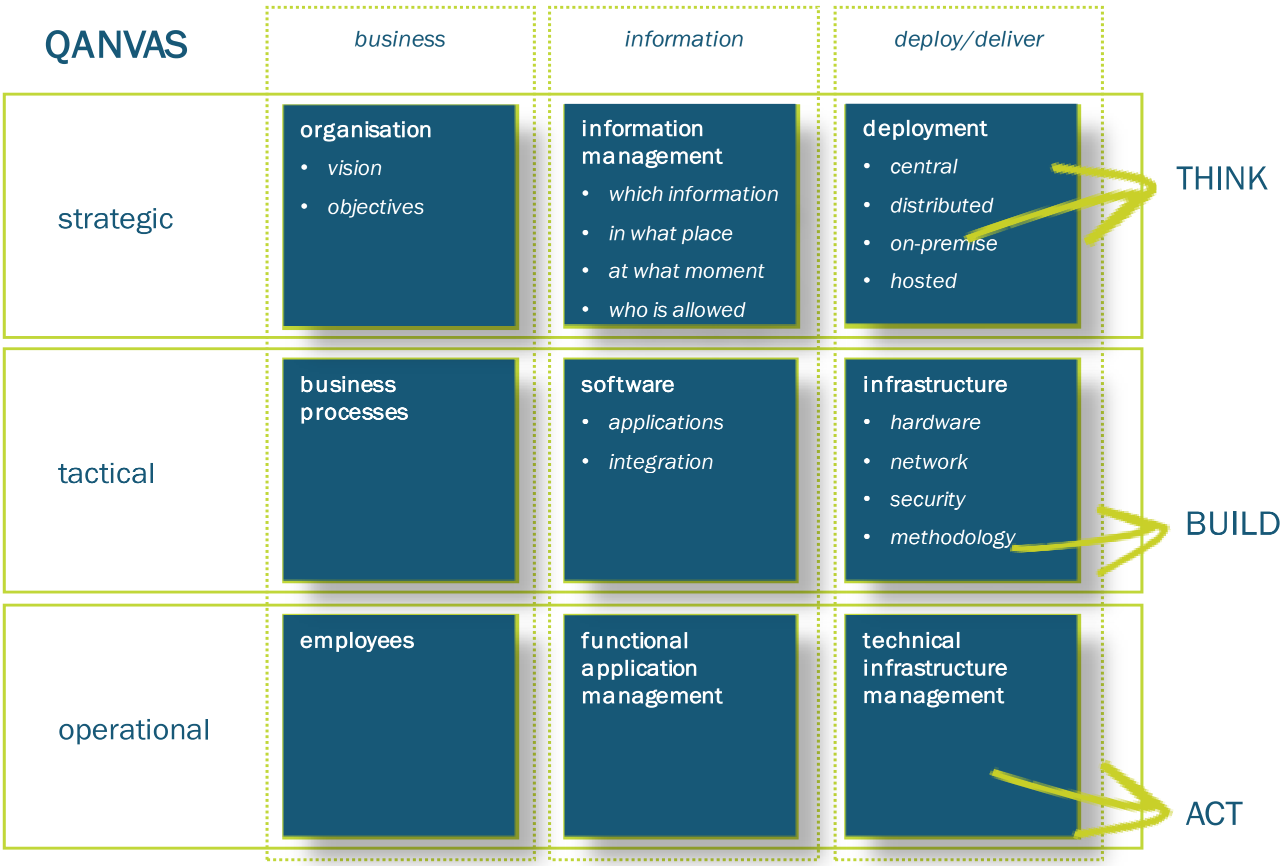
2.3 The solutions we provide

Qurius aims at enhancing the business of its customers, technology not being the starting point but a tool. Providing solutions is central in Qurius' customer approach. To that aim, all required technology should be available and well directed. This requires a broad set of competences to manage a full stack of business information technologies both coming from own developments and from strategic partners. As a matter of fact: Qurius is one of the very few IT suppliers in Europe that can deliver an entire integrated technology stack for any business solution.

2.3.1 Qanvas

Qurius has an approach that sets us apart from traditional IT providers. We rather enhance the customer's business and consider technology as a means to achieve this. We therefore do not sell products as such, but create value for our customers by delivering integrated solutions. Products and services are part of these solutions. In order to make this approach work, we apply the Qanvas methodology together with our customers. We jointly assess the strategic perspective: and consequently we complete the Qanvas grid together with our customers. In this way, Qanvas structures the whole process of finding the best solutions, ensuring that we do not overlook any aspect of the customer's challenges.

By using the Qanvas methodology, we have embedded our customers' partnership It helps us not to focus on short-term goals only, but to put all efforts in sustainable relationships, products and services that will continue to prove their value.



2.3.2 Five themes

Business solutions typically stretch across the whole business process, throughout the entire organisation. Different systems may be combined to achieve a comprehensive solution that exactly fits the needs of the organisation. These demands can be better met when perceived in a more comprehensive, integral manner. Qurius has therefore organised its solutions around themes:

- Performance Management
- Compliance
- New Ways of Business
- Supply Chain Management
- Relationship Management

The themes may overlap each other as they often represent different angles tackling more or less the same questions. Although the approach may differ, the result will be a solution fitting the organisation's needs. These solutions comprise first of a number of interrelated business processes, including business rules, reporting and control. All this is possible thanks to Information Technology (IT). Qurius applies mainly Microsoft technology as Microsoft offers a comprehensive, complete stack of technologies that operate from aligned platforms and can easily be integrated. The Microsoft technologies Qurius applies include:

- CRM for customer contact and relationship management
- Dynamics, the so-called ERP (Enterprise Resource Planning) systems for integral management of a complete organisation
- .Net and Windows Azure, for bespoke solutions and integration. .Net is the 'computer language' in which all Microsoft applications are built.
- SharePoint, an easy sharing and collaboration tool to build and to give access to documents and news
- Lync, virtual conferencing software and telephone integration that provide unified communications. Together with SharePoint the building blocks for supporting the New Way of Working

Non Microsoft technology that Qurius applies includes Sitecore, for public facing websites and online lead generation; Ortec, planning software; RFGen, for data collection, Citrix for desk top virtualisation and Yammer, for enterprise collaboration.

2.4 How we have organised ourselves

Qurius aims to create sustainable success. For its customers and for the company itself, including all stakeholders. To that aim we initiated in 2010 a restructuring programme that is currently being executed. This includes creating a clear, transparent organisation that better allows us to manage customers through their life cycle. Clear roles and responsibilities of staff members, enhance their ownership and empowerment.

Department	Responsibility
Marketing	Market intelligence, lead generation and brand management
Sales	Stable performance and new customers
Professional Services	Delivering high quality software that adds value to the customers
Support	Partner and advisor to customers in their roles of Qurius software users
Solutions	Designing software solutions with unique value propositions
Business Consulting	Adding value to customer relationships and enhancing the bonds with customers
Finance	Supporting the business with business information, financial processes and reporting
HRM	Reinforcing staff members' skills and knowledge, managing staff composition

The Qurius organisation consists of six entities: four country organisations, QIPtree and a small international holding organisation.

2.4.1 Germany

Qurius Deutschland AG has its head office in Hamburg and offices in Hannover, Leipzig, Lübeck, Bremen, Düsseldorf, Ravensburg and Stuttgart.
Qurius Germany includes a substantial branch in the field of business intelligence. These activities are managed and executed by a distinct organisation, Qurius Advanced Solutions AG with offices in Hamburg and Regensburg.
In July 2011, Qurius Germany implemented a new organisation model. Main goal of this reorganisation was to gain a stronger focus on vertical markets, offering complete solutions instead of products only. One of the key roles in the new organisation is the Solution Team which is responsible for business development and pre-sales support. The establishment of this solutions approach is fully in line with the developments in other Qurius countries. In addition to that, the service organisation has been reorganised in order to increase its flexibility and to

better anticipate on customer demands. This new service organisation increased the transparency. A dedicated support organisation has been re-established.
The sales team has been split into two major groups: Account Management for existing clients and the New Business Team focussing on large strategic accounts and new customers. Next to that, a smaller, third team has been implemented that focuses on cloud solutions (with CRM Online as a start) and hosting business. To further strengthen Qurius' market position, a new marketing team has been established. At year end Qurius Germany and its subsidiaries employ in total 154 staff members on FTE basis.

2.4.2 The Netherlands

Qurius Netherlands has its head office in Zaltbommel and offices in Deventer, Joure, Rijswijk and Veenendaal. In 2011, Qurius Netherlands was re-aligned in order to create greater customer focus and operational efficiency, the process resulted in the reduction of the number of indirect employees, for whom Qurius receives no fee from customers. Wherever possible, the employees concerned were re-employed in direct fee earning positions. Unfortunately however, this operation also involved a dozen lay-offs. After the realignment Qurius Netherlands employs at year end a total of 292 staff members on FTE basis. The realignment has resulted in bringing the specific activities of the operational departments and functions into line with customer and market requirements while focussing on the core strategic direction of the Qurius group. Redundant tasks that do not contribute to sustainable success have been cut out and overlapping responsibilities have been removed resulting in an operational and management structure where each department or function is responsible for delivering the specific required results and outcomes.

2.4.3 United Kingdom

With offices in Bury, Lancashire, Qurius UK covers the geographic region of mainland Britain, and Ireland. Employing 39 staff members at year end located throughout the region, the company has in 2011 moved from positioning itself in the market as a generalist ERP vendor, active across a broad spectrum of markets into positioning as a more specialist vendor of total Microsoft solutions within specific industry sectors. Majoring development activities in the core vertical sectors of Environmental, Waste Management & Recycling, Holiday Park Management and Distribution the company has developed positively in 2011 reflecting greatly improved business results during the year with both higher revenues and a return to profitability. During the year the management structure has been developed to provide optimal levels of performance while supporting continued scalability without operational disruption to the business. The revised structure aligned UK operations with other Qurius countries providing greater potential for synergy in operations and resource utilization. While the labour market in the UK for skilled resources remained tight, Qurius has during the year increased headcount and competence, as well as utilising resource from within the Qurius group, to better meet the demands of our customers and projects. The introduction of a structured customer development programme during the second half of the year, following feedback from existing customers has proved successful in securing longer term relationships and revenue streams; while the marketing focus on new business also resulted in the acquisition of a number of new customer projects.

2.4.4 Czech Republic

Qurius Czech Republic (Qurius CZ) is the Near-shore Development Centre of Qurius. It is located in Olomouc. Qurius CZ focuses on serving the other Qurius offices by developing software for their customers. In addition to its main focus of servicing Qurius offices, it offers its services to Prodware and customers from the Czech Republic and other countries in the region (however, 95% of the revenue is generated from projects from other Qurius offices). At the end of 2011, Qurius CZ employed 21 FTE's. Qurius CZ is managed locally by two Dutch Managers with long-term commitments towards living in the Czech Republic.

In 2011, Qurius Czech Republic worked for all Qurius branches, including Belgium and Spain, which were later in the year sold to Qurius' strategic partner Prodware. Prodware remained a customer of the Near-shore Development Centre.
Services were and are offered in the areas of:

- Modifications in MS Dynamics AX
- Modifications in MS Dynamics NAV
- Upgrades of AX and NAV implementations
- Technical Product Management (of Qurius solutions)
- Development Tablet Applications (WPF)
- Development Smartphone Applications
- BizTalk implementations
- 24/7 second line Support (in English)

2.4.5 QIPtree

QIPtree is the separate Independent Software Vendor (ISV) that Qurius established in 2011. Qurius gathered the Microsoft Dynamics software solutions it owned (Intellectual Property, IP) and transferred these to QIPtree. QIPtree has turned these solutions into readymade solutions for a broad market. Qurius set up QIPtree as a spin-off for future growth and is part of the restructuring programme announced in 2010. It is a strategic move that allows Qurius to respond more flexibly and swiftly to future developments like cloud computing.
QIPtree B.V., owned by Qurius N.V., is developer and vendor of business software based on Microsoft Dynamics to Value Added Resellers (VARs). QIPtree

stands for Quality IP and is an analogy of a tree with many branches, each representing high quality, state of the art and easily to adopt applications. The QIPtree approach is built on sharing experience, knowledge and understanding. QIPtree helps its VARs to achieve business goals and long-term success by providing strategic (local) market information, proven and successful go-to market plans, standard quality guidelines and state of the art vertical and horizontal solutions certified for Microsoft Dynamics.
Creating a separate ISV also brings focus into product development activities and creates an effective and dedicated international marketing and sales organisation. In 2011, QIPtree developed over twenty products, including products for immediate implementation in specific industry sectors, such as QIP4-Service Management, QIP4-IT Business, QIP4-Transportation and QIP4-Semi Process Industry. Besides these vertical applications, QIPtree offers a second category of products with generic applications that can be used across any industry. These include solutions like QIP4-Quality Management, QIP4-Electronic Banking, QIP4-Invoice Workflow, QIP4-PackTax and QIP4-Inventory Status. The third category of products consists of apps that VARs can use for developing and connecting solutions. Examples of these are QIP4-Testing and QIP4-Handheldconnect.

2.5 Our management

Qurius pays much attention to the selection and development of its staff, especially regarding key functions and management.
By nature, our management is the most visible part of our staff. In 2011 we carefully assessed managers and their positions in the organisation. This is an ongoing process, which, by the end of 2011, resulted in the following composition.

2.5.1 Qurius International Leadership Programme (ILP)

In 2010, the International Leadership Programme (ILP) was established in order to strengthen the ties between Qurius managers across Europe and enhance the exchange of views, ideas and solutions within the organisation. Participation in this programme requires greater efforts to develop and execute our strategy and an investment in the company. Each participant invested between EUR 25,000 and EUR 100,000 in shares in Qurius for a period of three years. This resulted in a total net cash inflow of EUR 1.6 million in 2010.

On 31 December 2011, the ILP consisted of 20 members, ranging from supervisory board members to senior management from the Qurius country organisations. In 2011 the ILP-members held two conferences discussing themes like building one Qurius (culture and operations) and creating international business together. Most of the ILP members also participated in the meeting with the senior management of strategic partner Prodware that was held in Zaltbommel in September 2011.

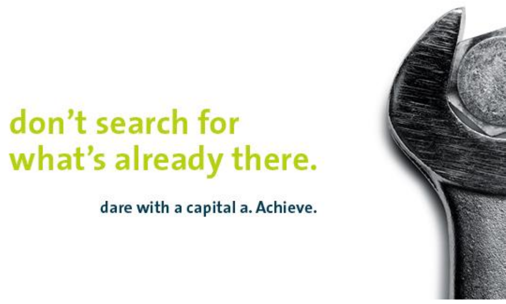
2.5.2 Senior Management

Holding
On 31 December 2011, the following senior managers worked with Qurius N.V.:
Jeroen van Erve, Director Corporate Control
Robert van der Kleij, Corporate Strategist
Robert Lagas, Group Business Development Director
Geerd Schlangen, Chief Brand Officer
André Sliedrecht, International Service Director
Jeroen Verkuyl, Manager Corporate Social Responsibility
Peter Curwiel, Director QIPtree

Qurius Germany
Country Management on 31 December 2011: Dieter Große-Kreul (Managing Director), Gernot Brade (CFO), Thomas Zeller (COO).

Qurius Netherlands
Up to 1 April 2011, the Country Management of the Netherlands consisted of: Peter van Haasteren, Robert Lagas, Geerd Schlangen, Bert Hidding, Ton Baeten, Susan Bamsey (a.i.) and Paul Tolstra.
As of 1 April 2011, Leen Zevenbergen was in charge of the Dutch operation. As per this date, the Dutch management Team consists of Leen Zevenbergen, Robert Lagas, Geerd Schlangen, Bert Hidding, Ton Baeten, Susan Bamsey (a.i.) Paul Olthof, Herman van Leeuwen and Paul Tolstra. Since September 2011, Leen Zevenbergen has been supported on an interim basis by Mark Cockings, Managing Director of Qurius United Kingdom.

Qurius United Kingdom
Managing Director on 31 December 2011: Mark Cockings



2.5.3 Executive Board

Leen Zevenbergen, CEO
Leen Zevenbergen's background illustrates his extensive entrepreneurial skills as well as his strong management qualities. Starting as an accountant with degrees in business economics (1983) and accountancy (1984) from the Erasmus University of Rotterdam, Mr. Zevenbergen (1958) became an entrepreneur early in his career. He founded many companies, including Bolesian Systems in 1985 and Escador in 2000. In between, he fulfilled executive board positions at Roccade and Origin. He published management books, including the Dutch management book of the year (2006) *En nu laat ik mijn baard staan*, recently translated into English (*Rip off your neck-tie and dance*) and French (*Brûle ta cravatte et danse*). Together with a team of Qurius he recently (April 2012) published *Sustainability @ the Speed of Passion.* Mr. Zevenbergen is a well-known speaker and business coach. He was appointed CEO of Qurius NV at the Annual General Meeting of 29 April 2010.

Michiel Wolfswinkel, CFO
Michiel Wolfswinkel (1963) graduated in business economics from Erasmus University in Rotterdam in 1989. Before joining Qurius, he was Chief Financial Officer at VDM Holding NV, where he successfully led various business improvement programmes. Earlier in his career, he fulfilled several financial management and financial director's roles, at Eneco NV and Matrix One, among other places. In addition to his role as CFO at Qurius, Mr. Wolfswinkel is a lecturer at the Rotterdam School of Management. He was appointed as CFO at the Annual General Meeting of 24 April 2009

2.5.4 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 AMRO 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 and has been reappointed as a member and chairman of the Supervisory Board at the Annual General Meeting on 29 April 2010.

Fred Geerts
Fred Geerts (1949, Dutch nationality) is an independent management consultant. From 1976 until 2000, he worked for Accenture (formerly Andersen Consulting), ultimately as a managing partner of Andersen Consulting Nederland. After having completed his studies in Mechanical Engineering and Business Economics, he joined this company as a consultant. He was in charge of extensive processes of change 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 took place on 22 April 2004. During the AGM of 2012, Fred will step down as he fulfilled two terms, the maximum from the Corporate Governance Code. In his place, the Work Council will nominate Reggie de Jong to the AGM.

Evert Smid
Evert Smid (1951, Dutch nationality) is the founder and director of Eehaes Participations BV, a strategic consultancy and investment management company. Evert Smid started his career in 1979 at NMB Postbank Group, followed by a position as senior investment manager at NMB-Participatie, where, among other things, he was in charge of the foundation of the Boston operation. In 1987, Evert Smid was one of the two initiators (Atlas Venture) of the privatisation of NMB-Participatie and became a co-managing director of Atlas Investment Group NV. Atlas has become a leading international venture capital organisation, providing risk capital to technology companies. In 1996, Evert Smid left the Atlas Investment Group and set up Eehaes Participations BV. He was appointed to the Supervisory board on 24 April 2009.

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

3 Corporate Social Responsibility

Part of the restructuring plan announced in 2010 is a drive in our Corporate Social Responsibility (CSR) programme. Although Qurius also paid attention to CSR in the previous years, in 2010 we announced our ambition to become 'one hundred per cent sustainable company by the end of 2014'. In this chapter, we would like to share our CSR ambitions and achievements with our stakeholder community. In order to ensure transparency and comprehensiveness and to compare our progress with others, we are applying the G3 Guidelines from the Global Reporting Initiative (GRI) Framework at Level C (see 10.3).

3.1 Ambition

Sustainability is one of our three strategic pillars and does not only concern Corporate Social Responsibility (CSR), but sustainability in every sense: the solutions we provide, the benefits we deliver to our customers, the development of our own company and its staff, etc. That is why we state "Create sustainable success" in every publication including advertisements, thus showing our ambition in the briefest way. It is an invitation to do this together. CSR is an integral part of this ambition.
We are convinced that our CSR policy and practice enhance our value, particularly for those customers who also aim at sustainability and ask the same from their suppliers. We want to be part of their value chain, as organisations that take CSR seriously tend to be better organised and are the most professional companies in their sector. This makes them attractive customers for Qurius.

3.1.1 Scope of this report

In 2010 we decided to make a quick start. No paperwork, meetings or plans, but immediate action. As a result, twelve distinct projects were continued or initiated in 2011:

- New Way of Working
- Health & Well-being
- Recruitment for Diversity
- Variable Remuneration
- Customer Dialogue
- Stakeholder Dialogue
- Community Support
- Sustainable IT Propositions
- Carbon Emission Reductions
- Mobility Policy
- Office Buildings
- Office Technology

These projects define the content of this CSR report. Many of them were started in 2010 in a limited number of Qurius' premises. In 2011 we extended the scope of these projects to a larger number of Qurius branch offices, except the Czech operation which is neither covered by the GRI report and its appendices.

3.1.2 Roadmap for hundred per cent sustainability

As our goal is to be a hundred per cent sustainable company by the end of 2014, we realised right from the beginning that the aforementioned twelve projects would not be sufficient. Although we were happy to make an immediate start, we also knew that we had to work out a plan that would cover all aspects of sustainability. We did so in 2011 and during the first months of 2012.
First of all, we defined what it would mean for Qurius to be one hundred per cent sustainable. Our motto is: *"Every operation under Qurius' control is in compliance with the general accepted sustainability standards."*
We then worked out what operations are under Qurius' control. These are:

- Client relations
- Our products and services
- Qurius as an employer
- Qurius as a member of society
- Use of natural resources, waste and emissions, notably our CO_2 footprint
- The choice of business partners and suppliers we work with

For each of the categories above, we set ambitious goals:

- Client relations: to be a true partner of our clients and a top supplier of ICT solutions in our class. This is to be measured by customer satisfaction polls and the regular Microsoft benchmark in which we want to enter the top 5 of our league and later the top 3.
- Products and services: all products and services should help our customers to become more sustainable and more productive. This includes carbon neutral hosting and dedicated CSR products. Regular products are to be reviewed in terms of CSR and will be replaced when better alternatives exist.
- Qurius as an employer: to be one of the best employers in our class, as measured, among other things, by employee engagement surveys and statistics including illness rates. We also set targets to better reflect the population of the communities we are present in, in terms of, among others things, gender and cultural back ground. The company-wide introduction of the New Way of Working, being one of the projects we started with, is also part of this ambition.
- Community membership: this is another project we started. In 2011, we gained considerable success here and we aim at extending this.
- CO_2 footprint: also started as one of the initial projects, detailed measurements and progress

make part of this report. Our objective is to extend this to the full, first by reducing carbon emissions as much as we can and then compensate the reminder.
- Business partners and suppliers: although this was not one of the projects, we made a start in 2010 and 2011 when we selected new partners and suppliers. We currently aim at reviewing all our existing partners and suppliers too.

In 2011, our road to becoming one hundred per cent sustainable proved to be not as easy as we had anticipated. We learned that the time and energy required for restoring our profitability, the key factor for sustainable success, could not be spent on executing our CSR programme. This does not imply, however, that we should not be ambitious in our endeavours to become one hundred per cent sustainable.
In our next CSR Report we will inform you what we have achieved in 2012, as a part of our Annual Report, just like the CSR Report below that deals with 2011 and hence covers the achievements of the twelve projects we executed in 2011.

3.2 The Qurius People

Qurius people make the difference and our objective is to offer our customers the best people with the right experience and relevant expertise. Professionals who enjoy their work, who want to share their knowledge and continuously attempt to improve their solutions and services.

3.2.1 New Way of Working

The New Way of Working (NWoW) is more than working at any time and any place. In fact, if that were the case, NWoW could negatively affect staff members. Research has shown that if it is not carefully managed, the New Way of Working increases the hazard of stress and even of a burn-out. The essence of the New Way of Working is that staff members commit themselves to a certain result and are free in assessing when and where they will execute the necessary actions to achieve that result. Considerations that need to be made in choosing working hours include face to face contact with colleagues and customer contacts. Furthermore, some technical provisions need to be made, such as the availability of laptop computers, mobile phones and wireless access to the Internet and the Qurius network.

With the exception of office based staff, all UK staff operate with 'hot desk' facilities in our Bury office, this includes, Sales, Pre-sales, Professional services and Management. In all Qurius UK offices, a large number

of new and existing employees have been offered employment contracts that enable them to be considered as working from home. This has reflected in greater flexibility of the workforce to meet customer demands across the UK as well as enabling Qurius UK to expand its workforce without the need to provide increased office space and incur additional cost.
To enable this Qurius UK utilizes many of the technologies which embrace NWoW both internally and with customers to enable NWoW including IP telephony, Instant messaging, Video/telephone conferencing and collaborative project and information portals, as a matter of normal working procedures.
In 2011, Qurius Netherlands made two major steps towards fully applying the New Way of Working. The first one was a training course for all managers to improve their skills including personal leadership and output oriented management. These two skills are essential for the New Way of Working. The second step implied that all employees who volunteered were free to adopt the New Way of Working, within the constraints set regarding customer contact and regular meetings with their colleagues. About a quarter of the staff members volunteered and worked more flexible hours, for instance working in the train, which turns commuting hours into working hours.
In the UK, all staff members are free to apply the New Way of Working, within the constraints set regarding customers, colleagues and other contacts with suppliers and partners.
In Germany, provisions were made to introduce the New Way of Working by redesigning the working space in the Ravensburg office and introducing flex work, for instance.

Description New Way of Working (NWoW)

In the New Way of Working (NWoW), employees can decide how, where and when they want to work. People are managed on their output and results. We have all the organisational and technological facilities in place to enable the New Way of Working. All countries will implement or start implementing in 2011.

Country	Ambition	Achievement 2010	Achievement 2011
UK	Start implementation in 2011. Close one office.	One office closed	NWoW has been embraced with a large number of new and existing employees being offered employment contracts that enable them to be considered as working from home.
Netherlands	NWoW completely implemented in the course of 2012. 5% productivity increase, productivity over 2012 compared to 2010. 20% less office space at year ending 2012 compared to year ending 2009.	Two pilot groups, twenty employees in total, fully adopted NWoW. All employees are allowed to work according to the NWoW. A roll-out plan for the whole organisation is being developed and ready for implementation in 2011.	Managers did a training course to increase their skill, mainly related to NWoW. About 25% of the staff members now apply NWoW
Germany	NWoW completely implemented year ending 2012. 3% productivity increase over 2012 compared to 2010. Reduction of absenteeism with two days per FTE in 2012 compared to 2010.	All employees are allowed to work according NWoW. Detailed document with a description of NWoW and some rules of behaviour and communication has been rolled out. A rollout plan for the whole organisation is being developed and ready for implementation in 2011. Meeting point / NWoW environment in the Ratingen premises established.	In Germany, flex work is one of the first realisations of the NWoW. This has been built in by the open space concept in offices as well as the implementation of the necessary infrastructure in all offices and for all working tools.

3.2.2 Health & Wellbeing

Any sustainable company takes the welfare, particularly the health and safety of its employees, to heart. We aim at creating a safe and healthy working environment that encourages healthy lifestyle choice (food, exercise, etc.).

Description of Health & Wellbeing

Qurius continued with the projects initiated in 2010, focusing on the physical and mental wellbeing of its employees. The initiatives include the 'silence room' in the head office (Zaltbommel) where people can meditate and pray, as well as organic food in the company restaurant. In 2011, we extended these projects by adding regular health check-ups, thus applying the knowledge gained in initiatives in other countries.

Country	Ambition	Achievement 2010	Achievement 2011
UK	Implement health improving concepts	Cycle to Work Project	

Country	Ambition	Achievement 2010	Achievement 2011
Netherlands	Implement health improving concepts Reduce illness rate by 1 percentage point in 2012.	The company restaurant switched to at least 50% organic foods and drinks. All meat and dairy 100% organic. Removal of the confectionery machines and confectionery boxes. Free fruit supply at the Zaltbommel office (Netherlands)	Programme for bi-annual health check-ups for volunteering employees has been prepared and is ready for implementation in 2012
Germany	Implement health improving concepts		

3.2.3 Recruitment for Diversity

Qurius wants to be a company that reflects society in terms of diversity of age, gender and cultural background. The first reason is that we believe that leaving people out and denying them opportunities is not only an injustice against the individual but also to Qurius and society as a whole. The second reason is to aim at inclusion, since companies with a diverse mix of employees show better results. And last but not least, positions that Qurius is trying to fill will become increasingly scarce as we seek the best. We depend on a well-trained, highly educated and motivated staff and need to ensure that we attract the right people. Talent has no agenda, no prejudice and is completely independent. So are we.

Description Recruitment for Diversity

Qurius aims at becoming a more attractive employer for four specific groups: minorities, female ICT professionals, disabled persons and elder professionals. The Qurius Netherlands operation began a recruitment programme to facilitate this. All other countries will follow in 2011.

Country	Ambition	Achievement 2010	Achievement 2011
UK	At year ending 2014: 35% women and minorities in line functions. Increase by five minority group staff members from 2011.	No policy set in the UK	NA
Netherlands	At year ending 2014: 35% women and minorities in line functions. Increase by five minority group staff members from 2011.	Hearings with internal target groups (women on ICT functions and minorities). Visiting the Islamic Friday service in the Zaltbommel mosque. New hiring procedure for 2011 and beyond: for each vacant position, at least one of the three target groups is to be included in the procedure. Sanctuary for mediation, prayer and reflection in the Dutch head office.	Twelve new hires from minorities in line functions

Country	Ambition	Achievement 2010	Achievement 2011
Germany	At year ending 2014: 35% women and minorities in line functions. Increase by five minority group staff members from 2011.	Policy developed in Germany, to be implemented in 2012	NA

3.2.4 Variable Remuneration

In 2010, Qurius decided to implement a sustainable remuneration policy. In practice this means that, aside from its financial objectives, the bonus scheme for Qurius' international top management will partly be related to the company's sustainability objectives. Qurius has based its sustainable remuneration policy on the methodology as developed by the Dutch Association for Socially Responsible Investing, VBDO (*Vereniging van Beleggers voor Duurzame Ontwikkeling*).

Description variable remuneration

In 2010 the Executive Board decided to base variable remuneration partly on achievements in the field of CSR. Main performance indicators for awarding variable remuneration:

- *New Way of Working*
- *Diversity of workforce*
- *Co-development and marketing of sustainable propositions and products*
- *CO_2 footprint reduction*
- *Mobility policy*
- *Internal IT facilities*

Since Qurius boosted its sustainability strategy in 2010, 2011 should have been the first year in which the achievements could be measured.

Country	Ambition	Achievement 2010	Achievement 2011
Holding level, affecting all countries	Implement a sustainable remuneration policy according to the standards from the Dutch VBDO. New policy applies as of 2011 for the top 25 managers and 10% of their variable remuneration depends on the realisation of sustainability targets. 2012: 20% of variable remuneration depends on quantified sustainability achievements. 2013: after evaluation decision whether 30% of variable remuneration will be dependent on quantified sustainability achievements.	Sustainable Remunerations Policy was developed and approved by the Supervisory Board. Is in place and applies to the full 2011.	In view of Qurius' financial performance, the number of awarded bonuses was limited. The drive to restore profitability resulted in the decision to award bonuses only for achievements in the field of commerce and finance. No bonuses for CSR goals were awarded.

3.3 The Curious People

Being firmly rooted in (local) communities and society in general, creates an important asset that enhances the sustainable results of a company. Likewise, being an integral part of the economic value chain enhances the long-term value of a company. Qurius therefore intends to strengthen ties with its external environment. Qurius people engage with curious people through personal contacts and direct interaction with a focus on developing a dialogue that begins with listening.

3.3.1 Customer Dialogue

It is our ambition to be our customers' partner of choice, helping them to create sustainable success. This goes beyond supplying the right products and services at the right time, in the right place and at the right price. We are an integral part of our customers' value chain, so we expect our customers to assess us on our CSR policy. In order to better understand their demands and to be better able to meet these demands, we talk to them.

Description Customer Dialogue

Qurius aims at engaging with its customers in strategic business discussions. As for sustainability, our objective is to discuss and decide on the potential of, and demands for socially responsible and sustainable behaviour. These conversations create close, sustainable personal relationships between Qurius management and customers; and facilitate commercial and business development.

Country	Ambition	Achievement 2010	Achievement 2011
Netherlands	Organise at least five customer dialogue sessions per year. Create relationships with top managers at C-level.	Two sessions with two distinct customers were prepared. Execution followed early in 2011.	Qurius Netherlands held seven customer dialogues, well above the target.
Germany	Start with customer dialogues in 2011.		No customer dialogues were held.
UK	Start with customer dialogues in 2011.		No customer dialogues were held.

3.3.2 Stakeholder Dialogue

At corporate level, Qurius aims at sharing its sustainability strategy and ideas with all its stakeholders: investors, customers, partners and employees. The Dutch Association for Socially Responsible Investing, VBDO (*Vereniging van Beleggers voor Duurzame Ontwikkeling*) organises and facilitates these dialogues.

Description stakeholder dialogue

In an annual stakeholder meeting, we sound out our suppliers, partners, investors and customers about our sustainability strategy, targets, activities, and communications. Our goal is to further carry out our sustainability strategy and learn from participants and increase transparency.

Country	Ambition	Achievement 2010	Achievement 2011
Corporate office	At least one stakeholder dialogue per year.	First Stakeholder Dialogue executed with twenty participants from a wide range of stakeholder groups.	Second Stakeholder Dialogue executed with another twenty participants from a wide range of stakeholder groups.

3.3.3 Community Support

Community support differs from operation to operation as the choice of support often comes bottom-up, suggested by the staff – and with the options to choose from differing from country to country.

Description Community Support

Qurius is committed to serving its local communities and wants to share its specialist knowledge, experience and resources with those who need it. After all, being a company active in ICT makes it easier to help others with ICT matters than for other organisations. In addition, our employees are increasingly active in scouting potential not-for-profit and voluntary opportunities for Qurius to be involved in. At corporate level, a specialist team advises management on the most appropriate and relevant community projects to support.

Country	Ambition	Achievement 2010	Achievement 2011
UK	Structural support to the community by providing our company specific resources, knowledge or support (ICT).		Funds were donated to a number of charities. No opportunity to provide company specific resources.
Netherlands	Structural support to the community by providing our company specific resources, knowledge or support (ICT).	Establishment of a project group that will advise management.	Launch of Q4All: an initiative from staff members to make Qurius expertise available for the community as such. Employees work on these projects in their own time, Qurius partly compensates this by granting extra holidays. In 2011, staff members supported North Star Alliance (an NGO in Africa that aims at reducing the spread of hiv/aids) in making its infrastructure and applications ready to grow from the present thirty locations to sixty.
Germany	Structural support to the community by providing our company specific resources, knowledge or support (ICT).		

3.4 The Qurius Environment

Delivering business consultancy and business solutions, notably technology and software, our impact on the environment is related to the energy consumption of our office buildings, systems, servers and data centre. Another relevant environmental factor is the mobility of our employees, travelling to and from customers and between offices. In 2011 the number of measures we initiated in 2010, was further expanded in order to reduce our carbon footprint.

3.4.1 Carbon Emission Reductions

We realise that a neutral CO_2 footprint is part of being one hundred per cent sustainable – as is our ambition by the end of 2014. We could already attain this sub-goal by compensating the current CO_2 emissions. However, we consider limiting such emissions in the first place to be better than compensating. Currently we therefore give priority to limiting our CO_2 emissions as much as possible; compensating already now might even relief the pressure in doing so (also see 10.2, CO_2 emissions report from the Carbon Neutral Group). From 2015, we plan to compensate all CO_2 emission of the operations under our control.
As of 2011, all flights are compensated by means of programmes provided by the respective travel agents. This may have had the undesirable effect that we flew more. In order to tackle this, we aim at structurally listing alternatives for at least frequent flights within Europe. Furthermore, we can persuade our colleagues to at least consider these alternatives. Other measures focus on both reducing energy use and turning to renewable energy sources.

Description Carbon Emission Reduction

Each country organisation is required to calculate its CO_2 footprint, to draw up a reduction plan and to execute this plan with the overarching goal to be 100% climate neutral by the end of 2014.

Country	Ambition	Achievement 2010	Achievement 2011
Corporate	By the end of 2011, company-wide 10% reduction in CO_2 emissions, 2012 another 15% and fully climate neutral by the end of 2014.	Carbon footprint and reduction plans made for: the Netherlands, Germany and Spain.	Reduction plans were made, but only partly executed due to other priorities, notably restoring profitability.
UK	Reduce CO_2 footprint by 10%. Reduce Energy Consumption 25% YOY All Qurius Events to be carbon neutral (utilise offset projects).	Carbon footprint compiled. Reduction plan finished and ready to be executed.	Total CO_2 emissions went up from 193 tons in 2010, to 206 tons in 2011, an increase of 6.7%. Per employee, the increase amounted to 33%.
Netherlands	By the end of 2011, 10% reduction in CO_2 emissions 2012 another 15%. Fully climate neutral by the end of 2014.	Carbon footprint and reduction plan drawn up and partly implemented.	Total CO_2 emissions went down from 2.8 million tons in 2010, to 2.2 million in 2011. A decrease of 21%. Per employee however, the decrease amounted to 3.1%.
Germany	10% reduction in CO_2 emissions in 2011	Carbon footprint and reduction plan drawn up and partly implemented.	Total CO_2 emissions went up from 781 tons in 2010, to 807 tons in 2011, an increase of 8.6%. Per employee, the increase amounted to 24%.

From the measurements, it appears that only Qurius Netherlands reached the ambition for 2011, although not per employee. The other Qurius countries did not reach the ambition for 2011. Analyses shows that this is mainly due to the increased number of air flights.

3.4.2 Sustainable & Marketable Propositions

In 2011, the replacement of existing hardware and software by the latest releases proved to deliver immediate gains with regard to CO_2 reduction. Developing brand new, innovative products and services, however, take much longer before they can be implemented. This does not mean that we should abstain from developing and applying innovations – on the contrary.
One of these innovations is Cloud Computing. This relatively new concept implies that IT is a service distributed via the Internet instead of a product being placed on the user's server (his own computer). Cloud Computing proves to make IT greener. Research revealed that with the right platforms, such as Windows Azure and Office 365, CO_2 emissions can be decreased by fifty to even ninety per cent compared to the 'traditional' hosting on premise. For Qurius this means that in 2011 we were speeding up our innovative Cloud solutions, such as CRM Online.

Replacing older versions by the new Windows 7 Power saving schemes also result in reductions of CO_2 emissions by almost 50%. The same applies to virtualisation of servers or implementation of the Windows server 2008 R2. The latter can save an additional up to thirty per cent by a more efficiently use of available hardware.
Electronic invoicing too reduces CO_2 emissions as a case study demonstrated. In this case, the savings not only turned out to be at least one euro per invoice, but also reduced the total carbon footprint by the company in case by 1.7 tonnes per year. The same results can be expected from Invoice Workflow Management, which distributes incoming invoices to those responsible and manages the entire workflow efficiently and paperless. Qurius also distributes other solutions for document management, all replacing paper documents by electronic versions, thus enabling working at any place, anytime in teams physically scattered across the globe. Moreover, Qurius supplies other solutions that make physical meetings redundant, including Unified Communications.

Description Sustainable & Marketable Propositions

In 2010 we started developing sustainable propositions which we plan to bring to market in the course of 2011. We selected a hosting centre in the Netherlands that is powered by 100% green electricity and meets high sustainability targets. Next to that, we started building a new server environment and moved customer server environments in 2011 to this new hosting environment.

Country	Ambition	Achievement 2010	Achievement 2011
All countries	Development of ICT products supporting CSR of (prospect) customers. Leverage CSR products from our French partner Prodware to our European markets. Portfolio of sustainable propositions has to generate 10% extra sales in 2013 compared to 2009. Migrate all hosting services from Qurius premises to central, carbon neutral hosting platforms.	Established international project team. Clear view of the offer and options for Qurius markets across Europe. Product adaptations initiated. Identified potential products and markets and started to work out a selection of the propositions: OCS, Lync, Paperless invoicing, BizTalk, SM/SMC. Approach in place. Working out the detail.	Over ten clients set their first steps towards a paperless office with our Q-DMS solution. Started with implementing digital procurement invoice processing with first client. Selection and implementation of alternative products that decrease CO_2 emissions.

3.4.3 Mobility Policy

As a service company, travelling to and from customers and meeting partners and colleagues is inevitable. However, by using innovative communication technologies and smarter planning we can avoid unnecessary travelling and save on fuel, costs and flights – reducing our overall CO_2 emissions significantly.

Description Mobility Policy

Qurius aims at reducing its travel and corresponding carbon emissions. Although the New Way of Working will help we will also develop a much cleaner fleet and driver education and training.

Country	Ambition	Achievement 2010	Achievement 2011
UK	Reduce mobility costs over 2011 by 10% by reduction of flight travel.		CO_2 emissions due to flights went up from 50 tons in 2010, to 65 tons in 2011, an increase of 30%.
Netherlands	7% fuel reduction in 2011 compared to 2010. 13% fuel reduction in 2012 compared to 2010.	All new lease cars max. 130 gram CO_2 emission per km. Mobility policy developed and ready for implementation in 2011.	All new lease cars indeed emit max. 130 gram CO_2 per km. CO_2 emissions from car use went down from 1,942 tons in 2010, to 1,340 in 2011, a decrease of 31%. Per employee, the decrease amounted to 16%
Germany	3% fuel reduction in 2011 compared to 2010.	Mobility policy developed and ready for implementation in 2011.	CO_2 emissions from car use went down from 498 tons in 2010, to 464 in 2011, a decrease of 7%. Per employee however, CO_2 emissions went up by 12%

3.4.4 Office Buildings

Next to travelling and hosting, Qurius CO_2 footprint is heavily affected by its premises. Office buildings still offer much reduction potential, especially in terms of the number of square meters and in switching to green power and smarter heating.

Description Office Buildings

It is relatively easy to decrease Qurius' footprint caused by building related factors (e.g. gas and electricity use). All countries started to make and partly implemented reduction plans.

Country	Ambition	Achievement 2010	Achievement 2011
UK	Decrease building related carbon emissions by 10% in 2011.	Building related measures developed, approved and ready for implementation during 2011.	Increase in 2011 compared to 2010: 6.5%

Country	Ambition	Achievement 2010	Achievement 2011
Netherlands	Decrease building related carbon emissions by 5% in 2010. Decrease building related carbon emissions by 10% in 2011 (compared to 2009).	Building related carbon emissions decreased by 6%.	Decrease in 2011 compared to 2009: 31% Increase in 2011 compared to 2010: 27%
Germany	Decrease building related carbon emissions by 10% in 2011 (compared to 2009).	Switched to green power supplier for energy in all offices. Reduced use of paper and print standard double-sided. Use by default only recycled paper.	Decrease in 2011 compared to 2009: 82% (thanks to green power)

3.4.5 Office Technology

A smart and more centralised organisation of our internal, European-wide, IT systems increases efficiency, saves technology costs and contributes significantly to CO_2 emission reductions. Consequently, Qurius will migrate all of its internal servers unless they are already virtual.

As for hardware, we use server systems for as long as possible. At the end of their lifecycle, they are collected and recycled. End-user systems (PCs, printers, etc.) are also used for as long as possible, with a minimum of a three to four/year lifespan. We also encourage notebooks instead of desktop PCs, as they are designed to save power.

Description Office Technology

A corporate team has been established to consolidate Qurius' IT systems. The first step is to make our own technology sustainable and move systems to central 'green' hosting platforms. At the same time, we are running power-saving programmes at our premises.

Country	Ambition	Achievement 2010	Achievement 2011
UK	Save energy and hardware through migrating servers in own premises to virtual environment.	All internal servers migrated to virtual environment.	We reduced the required hosts for our virtual environment by 40% We completed 50% of a storage consolidation project to eliminate older and less power efficient SAN equipment.
Netherlands	Complete virtualization and migration to a central carbon neutral facility of local physical servers. Implement SCCM in 2011 to monitor computer activity and energy consumption. Based on this information, Qurius can take better decisions about energy saving measures and tools. 60% CO_2 reduction year ending 2013.	Identified all internal servers and developed migration schedule.	The sustainable, KPN based, hosting environment became available Q4. The Corporate IT landscape was reviewed. Ineffective used applications and services were replaced by more efficient tools or phased out. For the Corporate applications, 90% was migrated from dedicated platforms to hosted solutions.

Country	Ambition	Achievement 2010	Achievement 2011
Netherlands			All new environments were provisioned in our sustainable hosting facilities in Germany and the Netherlands. 25% of existing Dutch development environments were moved from dedicated virtual servers to KPN hosting.
Germany	Migrate all development environments, training and demo servers to central green hosting centre in Hamburg.	Early 2010, the complete German hosting environment was migrated to a completely green and CO_2 neutral hosting centre.	Objective already reached at 2010. Nevertheless, the performance to power consumption ration was improved by adopting new technologies.

4 Performance

4.1 Key activities 2011

2011 was a year of implementing the key restructurings. This was a very necessary process in revitalising the company which took longer than expected. Now Qurius is in its next phase of the three year restructuring plan and steps up to innovative developments both in the traditional ERP business as well as in new technologies. Customers are welcoming these new developments. Qurius started the restructuring process in the middle of 2010 and experienced a tough ride because the economic headwinds in Europe made companies in the Netherlands and the UK reluctant of investing in ICT.
We are happy that during this whole restructuring period existing and new customers have continued to show their confidence in Qurius. They bought in on our sector expertise and on innovative solutions.
In the meantime, Qurius substantially changed its managements in Germany and the Netherlands and had a positive outlook on the business developments in the UK. The restructuring of Qurius was accelerated through the alliance with Prodware. Sharing knowledge, resources and marketing power with Prodware strengthened the company in 2011.
Transferring the Spanish and Belgian operations as strategic building blocks into the Prodware operation in the fall of 2011 created a strongly focused core group in Qurius with operations in the UK, Germany and the Netherlands as well as a growing group of high-level developers in the Czech Republic. Qurius now concentrates on its most successful markets – geographies and sectors – integrating the various operations more than before into one company, with better shared processes, staff and facilities, ready to create operational excellence.
In 2011, Qurius took a number of the software products it owns and transferred these to an ISV (Independent Software Vendor) company: QIPtree. This move will enable Qurius to sell Intellectual Property to third parties all over the world. In 2011, Qurius also created room for innovation as reflected in its fast track development of CRM Online relying on strong partnerships with Microsoft and Zero2Ten from the USA. This new activity, which was first rolled out in 2011 in the Netherlands and Germany, positions Qurius in the Microsoft Dynamics space with more cloud based solutions and services.

4.1.1 Where we worked on

In 2011, all Qurius operations welcomed substantial follow-ups of current projects and a number of large new customers. An increasing number of our customers are from our focus markets (2.2.2), sectors where Qurius has a head start thanks to its vast knowledge of that sector, extended experience and dedicated products.

In the field of waste management, Qurius UK booked a considerable success with DS Smith Recycling, a market leading integrated recycling and waste management company delivering solutions to organisations across the UK. Another milestone for Qurius UK was Palm Recycling. After many years of operating as a sales office for paper products in the UK, Palm Paper took the decision to install a new paper machine for newsprint. This represents the first major UK investment in the paper industry in the last decade. The solutions that Qurius UK provided consisted of business analysis and work flow management, including Enwis business management software solution. Enwis, based on Microsoft Dynamics NAV, is specially designed for the waste and recycling industry.
The Van Gansewinkel Groep is a key customer of Qurius. Van Gansewinkel Groep is a leading waste service provider as well as a supplier of raw materials and energy with a top-10 position in Europe. Qurius provides Van Gansewinkel with a range of services and realised in 2011 various automation projects at a number of divisions of Van Gansewinkel Groep.
Manufacturing is another market where Qurius has a head start. In 2011, market leader in the food industry Ad van Geloven, 'world' famous in the Netherlands for its Mora snacks, selected Qurius' Q-Food to allow the four manufacturing and sales locations in the Netherlands and Belgium to optimally serve their markets and to create maximum synergy.
The largest customer in the sector of professional services is BDO International Ltd, the world's fifth largest audit & accountancy network. Qurius developed the BDO Audit Process Tool, which was designed by BDO and Qurius jointly. The BDO Audit Process Tool reduces complexity, improves efficiency and ensures a clear alignment with the IASB's International Standards on Auditing. The technology is Microsoft-based and uses Groove, InfoPath and SharePoint, meaning that the solution is based on standard components so that new versions can be integrated seamlessly, enabling BDO partners and staff to collaborate efficiently. At the same time the tool is tailor-made to suit the specific, high quality needs of BDO and its clients' businesses. It is a flexible solution that gives BDO the ability to adapt to local regulations and changes in international auditing standards.
In 2011, Qurius provided BDO with, among others: software maintenance and release management; infrastructure and second line support; on-call support.
We were also most happy to help DTG (the organisation behind the Dutch Telephone Directory) to enhance its customer satisfaction by means of a 24/7 online self-service portal. Customers can immediately see which services they take, but also which other opportunities are available. The portal thus also serves as a platform for e-commerce including billing and the full administration. For DTG, this also meant an efficiency gain, among others by reducing the

manual handling. It also speeds up the go-to-market of new products from DTG. Sitecore was an important building block to achieve the result in such a short notice.
In the Retail & Distribution sector, Qurius serves around 250 customers, ranging from companies with a turnover form some ten million to over hundred. The solutions Qurius provides these clients with cover almost the complete array of work flow management and IT solutions, such as complete ERP, Business Intelligence, electronic invoicing, hosting etc.
A remarkable development concerns reversed logistics. Clients tend more and more to make trial purchases over internet instead of making directly a definitive choice. They order for example three different kinds of a product, keep the one they like most and send the other two back. Taking these return shipments back, putting them in the right place and the whole administrative process around that, including billing, is quite a challenge for the distributor. Qurius specialises as no other in an innovative solution to tackle this issue.
Qurius and Baas Plantenservice developed the first software solution for complete logistics chain management in 2011. Since early 2011, in the floriculture industry all so-called CC trolleys have been equipped with RFID chips for identification of the carts and their content. Together with Baas Plantenservice Qurius has developed the first software solution that makes all information in the chip clear and usable for the entire logistics chain, resulting in faster processing of data and reliable and transparent data during the entire process of order, transport and delivery.
The maritime sector is another market where especially Qurius Germany as a head start. In 2011, Qurius Germany provided among others the harbour of Bremen with a comprehensive solution in the field of logistics.
In 2011, Qurius also implemented an enterprise resource system with SWB group, a work and learning company where people have the opportunity to develop themselves in all kinds of professions and skills, in jobs as 'normal' as possible. Qurius will further advise and support SWB Group in the areas of customer relations, CRM and process optimisation.

4.1.2 New partnerships

In July 2011, Qurius and Prodware announced the establishment of a strategic alliance. This follows the announcement made on February 8th, 2011 when the companies entered into exclusive discussions. The key objective is to create significant synergies. Qurius and Prodware also investigate development of joint IP (Intellectual Property, software for a broader market) and joined forces to accelerate the potential revenue and margins generated by such products and solutions. The two companies further signed an agreement to jointly and cross distribute respective IP and together develop new solutions for key high potential markets.
Later in 2011, Prodware and Qurius formalized their International Enterprise Partnership with Tegos, provider of business software solutions for the waste management and recycling industry. Both Prodware and Qurius are long time partners of Tegos and represent their product Enwis, exclusively in a number of markets. Tegos and the Qurius Prodware group have combined business, development and marketing programmes to further develop global solutions for the increasing number of international enterprises in waste management and recycling. In Europe this market totals circa EUR 70 billion of revenues and has a projected growth rate for 2012-2015 of 15% to 25%. Prodware and Qurius, Tegos' number one partners, joined forces to create a substantial team in the European environmental market.

In April 2011, Qurius joined forces with Sitecore. Sitecore provides web content management software (CMS) and portal software for organisations to create compelling website experiences. Sitecore's broad range of features, combined with a strong development architecture, enables companies to implement online business strategies, and measure and manage online results. Part of the range of solutions is the Online Marketing Suite, which gives insight into visitor behaviour and offers tools to optimize website content in real time, for each unique visitor. Qurius sees opportunities to integrate front end and back end technology to support successful online customer relations.

Qurius also closed a partner agreement in 2011 with Zero2Ten, in the USA the leading CRM Online company. Qurius has kicked off its Rapid Customer Adoption Program for Microsoft Dynamics CRM Online by implementing the Learning Labs Program pioneered by Zero2Ten.

4.1.3 Management updates

On 1 April, Dieter Große-Kreul started as the new CEO after Mr Kay Laukat had left the company. Before joining Qurius, Mr Große-Kreul (55) was CEO of UNIT4Agresso in Germany, a European-wide ERP supplier. He began his IT career in 1980 at General Electric Information-Services as Account Manager. Since 1986, he had held various management positions, such as Sales Manager at Bertelsmann and Debis, branch manager at Ingres and Oracle, Vice President Central Europe at Baan und CEO at Business Objects, before he started at UNIT4Agresso in November 2005.
On the same date, Leen Zevenbergen, CEO Qurius NV, took over all duties from Peter van Haasteren as general manager of Qurius Netherlands. This step was mutually agreed, after Mr Van Haasteren notified the Board of his wish to resign because of health problems. Mr Van Haasteren has held various positions at Qurius since 1 May 2008. Since 1 January 2010, he has been Managing Director of Qurius Netherlands. In this capacity he led the restructuring of the Dutch operations.

4.1.4 Business Awards

The Qurius website, both the international version as well as the local editions, have been elected to be the Sitecore Site of the year 2011 in the category Best Professional Services website. Competition for this prize came from many countries, such as Australia, Hong Kong and Belgium.

Again, Qurius has been welcomed in the Microsoft Dynamics Inner Circle 2011, the elite group of Microsoft's most strategic partners from across the Globe. Since our first membership in 2005, our commitment to business excellence, innovation and customer satisfaction have been the reasons for Microsoft to welcome us in this group.

Qurius has been a finalist for the IBM Business Partner Award 'Fastest Growing Hardware Partner' and 'Best Marketing Partner'. During the Partner Event at the Lichtfabriek in Haarlem on 1 February 2011, the Award Ceremony took place and IBM gave their vision on the 2011 activities and forecasts. Cloud Computing and Business Intelligence will definitely play a leading role in the coming period. For IBM as well as Qurius, the Mid Market is continuing to be our main focus area.

4.1.5 Qurius Inspirience Center

The Qurius Inspirience Center is a meeting place for the business community where Qurius visualises and demonstrates its strategic pillars Sustainability, Innovation and The New Way of Business in practice. It is the living room of Qurius, where staff members have meetings with (prospect) customers, partners or with each other. In addition, the Inspirience Center offers inciting lectures, workshops and events. The themes vary from being business oriented to technological as regards content. Qurius shows its innovative applications, from ERP systems to Augmented Reality, while it also offers other organisations the opportunity to demonstrate their innovations.
In addition to the programme Qurius and its partners organise, the Inspirience Center offers everybody else the opportunity to organise their own meetings, suggest interesting themes or show technology. The Stage, a theatre with sixty seats, and the Cube, a meeting room with twenty seats, are often booked to that purpose by people who are not related to Qurius. The Open Space in the Inspirience Center is open to friends of the Inspirience Center. Many people drop in to do some work or to meet people. All they need to do is to hand over their business card to the hostess on their first visit. Friends of the Inspirience Center become ambassadors and are free to share the location with their network.

4.2 Market growth and Opportunities

4.2.1 Innovation

Innovation is one of Qurius' strategic pillars. In 2011, we gave this substance in a number of ways. We combine the basic IT systems, such as ERP, CRM, BI and collaboration Portals with all new and emerging interaction tools, technology and demands, such as augmented reality, mobile applications, cloud technology, social media and sustainability. We aggregate these technologies to solutions targeted to defined markets.

We see in the market what we call 'colliding star systems'. Over the last ten years, the internet has matured and it is now possible to deliver offerings via the cloud on mobile devices without having to invest in large private data centres. This breaks the mould of traditional IT systems. Combining current social communities and collectives with classic information systems will offer new ways of interaction and integration. Mobile applications and augmented reality will provide a new way for users (employees, customers, suppliers, and consumers) to interact with our solutions. This will move several of the basic IT systems from the back office to the front office.

Integrating these new technologies in our solutions will make them a unique differentiator in the eco-system of our clients. By delivering our offerings to the internet on demand and making them available on mobile devices, we can offer benefits in the area of self service, branding and image, combining administration and interaction for employees and a lower footprint and more contextual data information. Employees can use the solutions when needed and work wherever they want, enabling them to start working and interacting in a new way.

Our solutions are designed by our own solution team, which combines the technologies of our partners for our customers. Qurius also established QIPtree in 2011 as dedicated Independent Software Vendor (ISV). QIPtree develops software in solutions that leverage these new technologies for a wide range of potential customers. Qurius and other Value Added Resellers (VARs) are involved to deliver the solutions across the world.

4.2.2 Market Trends Radar 2012– 2016

Over the past years, we have noticed that a cloud subscription model is starting to change the market of commodity software. More and more customers will expect complete products delivered from the cloud. Gartner predicts that in 2012, twenty per cent of businesses will no longer own any IT assets and that in 2016 half of the global top thousand companies will store confidential customer data in the public cloud. This change directly affects our role of reseller and provides an immense opportunity for offering cloud solutions to our customers. We started an online sales and delivery brand - Qurius Online - to offer fast implementations and commoditised software from the cloud. We expect to extend that in the coming years and to offer both complex and commodity software from the public cloud by using services of our strategic public cloud partners.

Another market opportunity is the so called *consumerisation* of IT, where people expect and even demand that next generation personal mobile devices can also be used in a corporate environment. Using consumer tablets and mobile smart phones is common practice. This will be combined with the use of social networks that are not only used in someone's personal environment but increasingly in the professional environment. Back office applications, social elements, interacting with the real world with mobile devices (augmented reality) and *gamified* applications will result in new opportunities for Qurius. Qurius is already seeing and increased customer demand in augmented reality and offering solutions for those on mobile devices like IPads or smart phones. It is not the single application that makes the difference but using the information from the basic IT systems with these new technologies.

We also foresee the dawn of the so called Sustainable IT 2.0. The focus on Green IT, version 1.0, will shift from IT systems energy saving to using IT to become more sustainable. This will not focus on the environmental aspects alone, but on sustainability in a broader sense. We see a market for solutions that will help administrating, reporting and optimising current business processes from a broad sustainability perspective: profit (cost), environmental and social. We foresee these solutions mainly aligned with current markets and offerings to extend our footprint in our defined markets. With our solutions, Qurius will deploy initiatives in:

- Remote communication and collaboration to reduce travel
- Analytics to optimise transportation of goods
- Teleworking
- Content and document management to reduce the need for paper
- Smart building technology
- Carbon tracking, management and trading
- Collation and reporting of nonfinancial and CSR data
- Lifecycle management of products, enabling cradle to cradle initiatives

4.2.3 Microsoft in the ERP Market 2010 – 2014

Vendor	2009	2010	2011	Share 2009	Share 2010	Share 2011
SAP	1,319	1,344	1,446	34.5%	34.6%	34.2%
Other Vendors	736	724	715	19.2%	18.7%	16.9%
Sage	405	393	428	10.6%	10.1%	10.1%
Oracle	216	252	315	5.6%	6.5%	7.5%
Infor Global Solutions	187	197	238	4.9%	5.1%	5.6%
Microsoft	205	192	202	5.3%	4.9%	4.8%
Unit4	169	166	181	4.4%	4.3%	4.3%
Exact Software	118	108	111	3.1%	2.8%	2.6%

Table: ERP Market Size and Market Share - Gartner data with regards to the three Qurius core countries

Microsoft currently has five per cent market share in business applications and to grow further, they will need international capable partners with market knowledge and with complete products for specific markets. Microsoft is changing the Partner network to facilitate larger partners, focusing on the upper midmarket and investing in vertical specialisation (products and partners).
Over the past years, Microsoft Dynamics has been improving their products and gained market share. They have done so thus far, but they want to break out their current bandwidth which is five per cent based on license value or eight per cent based on user licenses. Their aim is to move further towards the upper midmarket. With the vertical enrichment of AX and the online CRM platform, Microsoft is ready to target the second tier and top tier ERP users.
To be successful Microsoft needs capable partners that are able to implement larger (international) projects and have an industry focus to be able to compete with niche players or specialists. From a Qurius perspective we are perfectly aligned to do

larger (international) implementations. In order to be really successful in this eco system we have to focus on our defined markets.

4.2.4 Qurius in the Market

Being one of the few Microsoft partners with an international geographical presence and the ability to integrate the complete Microsoft stack – from Dynamics NAV, AX, and CRM, to BI, SharePoint, .Net, hosting and infrastructure – there are not many competitors of a comparable size, presence and experience.
Qurius also competes with companies offering other business solutions than Microsoft, for example Exact or Sage in the small and midsize market, and SAP or Oracle in the upper midmarket. There are also various competitors offering their own specialised software solutions.
In 2010, we presented our vision and three strategic pillars: Innovation, Sustainability and New ways of Business. We are convinced that by incorporating these pillars in our everyday business, we will be able to distinguish ourselves from our competitors. Our objective is to move from the backdoor, where a company's regular suppliers gather, to the front door, and become strategic partners of our customers. We will then be able to deliver solutions that affect a company's business process organisation and performance and ensure continuity. In essence, our three pillars are critical to all companies to deliver competitive products, to be able to survive and stay healthy, and to attract and retain talented and motivated professionals.

4.3 Financial position

Balance sheet and solvency

The balance sheet total as at 31 December 2011 amounted to EUR 73.2 million (2010: EUR 83.2 million). The shareholders' equity amounted to EUR 30.5 million compared to EUR 34.3 million as at 31 December 2010. The solvency as a percentage of the balance sheet total amounted to 41.7% at the end of 2011 (year-end 2010: 41.2%). The current ratio amounted to 0.77 at the end of 2011 (year-end 2010: 0.74).

Cash flow

The net cash flow was minus EUR 0.4 million (2010: minus EUR 1.4 million). The cash flow from continued operating activities amounted to EUR 0.3 million (2010: EUR 2.4 million), including restructuring costs amounting to EUR 1.6 million (2010: EUR 3.4 million). The cash flow from continued investing activities amounted to minus EUR 3.6 million (2010: EUR 0.4 million), mainly due to the investments in software development of EUR 2.3 million (2010: EUR 1.0 million). The cash flow from continued financing activities amounted to EUR 4.0 million (2010: minus EUR 2.0 million).

Financing

As at balance sheet date the NIBC facility was reduced from EUR 11.0 million to EUR 8.5 million with the proceeds from the sale of Qurius Spain and Qurius Belgium to Prodware. In December 2011 the remaining facility reached maturity and ended. Qurius and NIBC agreed to investigate the possibilities of refinancing the remaining facility of EUR 8.5 million with NIBC and/or with other parties. This investigation is currently ongoing. Pending this phase NIBC periodically provides waivers, current waiver expires 30 April 2012.

4.4 The Qurius countries

4.4.1 Germany

In 2011, economic and market developments in Germany were positive compared to those in other countries. The demand for Microsoft based business solutions developed in a positive way. Qurius managed to expand its NAV and AX business while it made a start on future expansion of the CRM segment, especially CRM Online.
In comparison with 2010, Qurius was able to increase revenues in Germany. Without the sold Infor and hardware business the revenues over 2010 amounted to EUR 21.0 million and to EUR 22.6 million over 2011, which is an increase of 7.4%. The increased revenues were mainly realised in services. With 69%, the gross margin over 2011 was similar to the level of 2010. Costs were reduced by EUR 2.6 million, of which EUR 0.9 million relates to the Infor and hardware business sold. The cost reduction was realised on personnel and building expenses. The EBIT before restructuring improved with EUR 0.8 million to EUR -0.7 million. The EBIT on Infor and hardware business sold amounted to EUR 1.9 million. Taken this into account, the EBIT before restructuring over 2011 improved with EUR 2.7 million in comparison with 2010.
In 2011, Qurius Germany experienced a major challenge in recruiting the right people, which is difficult, given the German labour market situation. Colleagues from the Netherlands were working for Qurius Germany in order to help Qurius Germany meeting the demand. Another source was found in external partners and of course in experts from the Qurius near-shore operation in the Czech Republic. The Business Intelligence business of Qurius Advanced Solution was successful and profitable.

4.4.2 The Netherlands

In 2011, the Netherlands market proved to be difficult, due to the market situation in the IT sector, notably ERP systems that still represent a large part of the traditional Qurius business in the Netherlands. In 2011, Qurius Netherlands experienced that customer restrained from updating or renewing their solutions and often decided to do another year with the old one;

the more reason for Qurius Netherlands to develop a new approach and include new, innovative products. The revenues in the Netherlands decreased by 6.4% to EUR 46.4 million. License and maintenance revenues remained at the same level as in 2010, while hardware revenues increased. The decrease in revenues was caused by services dropping from EUR 31.0 million to EUR 26.6 million (-14%). The total number of fee earners decreased accordingly, from an average of 233 over 2010 to 198 over 2011 (-15%). The gross margin decreased from 62% to 60% as a result of the lower portion of services in the revenues and the increase in hardware sales. Due to the restructuring in 2010, the Netherlands was able to reduce its costs by EUR 5.4 million, compensating for the lower revenues and even resulting in a positive EBIT before the restructuring of EUR 0.1 million. This is an improvement of EUR 2.4 million compared to 2010.

4.4.3 United Kingdom

In 2011 market circumstances were favourable in the UK. Qurius created solid financial and business foundations focussing on the continued development of its market position within the chosen verticals sectors it selected to focus on. In the UK, Qurius also enabled a wider product/solution offering to the market via the introduction of new products to its overall portfolio and increased the breadth of vertical market spaces in which it looks to sell solutions. Qurius UK increased its revenue by 25.2% to EUR 6.0 million, by increasing its market share in the UK. All revenue streams contributed to the revenue increase. License revenues doubled to EUR 1.3 million and service revenue increased 12% with less fee earners than in 2010. Despite the revenue increase, UK was able to reduce costs by EUR 0.2 million. The EBIT of EUR 0.5 million is an improvement of EUR 0.8 million compared to 2010.
It is of note that Mark Breeden now holds the position of General Manager for Qurius UK enabling a dedicated focus on driving operational excellence throughout the UK organisation and fall in line with the overall strategic aims and ambitions of Qurius group. Mark Cockings remained Managing Director of Qurius UK.

4.4.4 Near Shore Development Centre – Czech Republic

Since 2009, Qurius CZ has consistently operated with a healthy profit, grown autonomously and has enabled the other Qurius companies to increase their margins on service hours.

4.4.5 Qurius Global Alliance

The Qurius Global Alliance is an international network that allows Qurius to offer Microsoft related support and services to international customers outside its own geographical range or expertise. The pan-European Qurius presence, together with its international alliances, forms the basis of a worldwide platform.
In 2011 the Qurius Global Alliance has particularly been helpful in the sales of Qurius IP (Intellectual Property, software that is owned by QIPtree, the Independent Software Vendor from Qurius).
With a dozen 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.

4.5 Risk Management

4.5.1 Risk Management and Internal Control

Qurius' Executive Board is responsible for the design and operation of Qurius' risk management and internal control systems. Risk management is an intrinsic part of our day-to-day work. We continuously seek a balance between maximising business opportunities while simultaneously we carefully manage the associated risks. Within Qurius, we rely upon the Qurius Way of Working throughout all our all business processes and the identification of associated risks.

The Qurius Way of Working is the foundation for our interactive tool called Q2, which is our online help and documentation platform. Q2 contains a description of all work flows, business scenarios and processes, organisational responsibilities, and the usage of the Qurius central information systems. This makes Q2 an important asset for our risk management. Q2 has been developed in close co-operation with our operational line managers. In 2011 we have obtained ISO9001 certification, a clear sign of commitment to operational quality, supported by a uniform way of working.

At Qurius we run risks associated with running a business operation in general, and additionally we run risks particular to our specific type of business. We mitigate risks where possible, and monitor, limit and control risks where they are inevitable. These risks comprise:

- Strategic risks: these are risks resulting from general economic conditions in the countries we operate and the cyclical nature of our business.
- Operational risks: risks resulting from the software and solutions we implement and the way we work.
- Financial risks, which arise from the way we are organised and financed.

4.5.2 Main Risks

As an international provider of ICT solutions and services, Qurius runs various risks. These risks could affect 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 place related to these risks.

This section provides insight into the most relevant risks identified by Qurius and how they are managed. However, we note that this list is non-exhaustive as there may be risks that Qurius is currently unaware of, or risks that may currently be considered non-material.

Strategic Risks

On the year-end date, Qurius has, in the Netherlands a committed credit facility drawn for EUR 8.5 million (2010: EUR 11.6 million). 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, NIBC, 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 on a quarterly basis in close consultation with the lender.

At the end of 2009 and with fine-tuning in 2010 new quarterly covenants have been agreed upon with the lender. The covenant for solvency requires that solvency remains at forty per cent. As of the 1st of January 2011, the covenant for the Last Twelve Months EBITDA amounts to EUR 5.5 million. The Interest Coverage ratio will no longer be applicable. The margin (over EURIBOR) on the facility amounts to 350 basis points. The current account overdrafts, the accounts receivable of the Netherlands and the shares of the Netherlands and German operations are pledged as security.

At the end of Q3, 2010, Qurius breached the above mentioned covenants due to lower LTM EBITDA levels. This situation has been discussed between Qurius and NIBC resulting in periodically provided waivers by the NIBC, current waiver expires 30 April 2012. During 2011, Qurius decided to divest its operations in Spain and Belgium. From the proceeds, amounting to EUR 3.0 million, EUR 2.5 million has been used to repay the credit facility. In 2012, Qurius will investigate refinancing the remaining EUR 8.5 million facility.

General economic conditions in the countries, where we are located or offer our products and services, will significantly influence companies' readiness to invest in IT products and services. Negative economic stimuli will negatively affect the opportunity to sell our products and services. As a result, Qurius could also be exposed to significant deterioration of the financial position of its customers.

Our quarterly results are difficult to predict and may fluctuate from quarter to quarter caused by factors such as the pricing policy of the partners and competitors of Qurius, aspects related to the timing of software and hardware sales, and certain seasonal circumstances. Qurius endeavours to mitigate such risk by apportioning its core activities across countries, industries, services and customers.

Our competitive landscape has only a few international service providers in the international ERP market for medium-sized and larger companies. Generally, competition is intensified by many local players who tend to concentrate on the small and also medium-sized companies.

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 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 solutions and provide our customers with the highest added value.

In its Vision Document, Qurius has expressed its long term vision on the development of the IT market and its role in it. To achieve this vision implies that we need embark on the transition from our historical role as an ERP vendor to a total solution provider and strategic business partner, within the customer's ecosystem. This transition is to be phased over several years. In order to manage this transition in a controlled manner, multiyear strategic milestones have been set and the vision document has been translated into a long-term business plan. The Executive Board applies the 'Plateau Planning' methodology to manage, monitor and control the transition phase throughout the business plan period. However, this does not exclude the risk of delay of the required changes. In 2011, we experienced that the shift in culture, the adoption of the new strategy and the application of a larger set of capabilities than only software and infrastructure engineering required more effort of our staff and more time of the company than expected. The risk involved partly relates to operational risks and partly to strategic risks.

Operational Risks

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. For this reason Qurius pays special attention to proper training and education of its project managers. We measure the achievements of competencies and skills of our consultants and project managers by means of pre-set targets. Qurius foresees extensive selection procedures; winning or losing large and complex assignments with a long start-up phase can have a material effect on the performance of the company. From time to time Qurius engages in large and complex projects possibly in the form of performance contracts. Compared with traditional time and material projects, such projects lead to a higher degree of legal complexity and a higher risk profile. To reduce operational risks Qurius works with the Sure Step Microsoft Dynamics method for project delivery and uses its Q2 tool to manage and control operational processes. Large project contracts are also examined during the tender phase and specifications are subject to further risk analysis.

People are Qurius' most valuable asset. 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. Training programmes, attractive employment conditions and facilities and the New Way of Working are all factors that contribute to a positive working climate and help to attract and retain employees. Qurius will continue to invest in attracting and recruiting talented personnel.

When economic growth becomes imminent, we expect that the labour market will get tight again and it will become difficult to attract talented and top quality professionals. Sustainable recruitment programmes are implemented to encourage diversity, to attract more women to our company, more employees from minority groups, but also people with physical disabilities and to retain and attract employees in the 55+ age group.

As a technology intensive firm, technological developments are important to Qurius' market position. The ERP market, and the Microsoft Dynamics market, is characterised by rapid changes driven by new technologies and continuous changes in users' demands. Today's level of expertise is no guarantee for future success. Moreover, a high level of flexibility and reliability of the existing ERP solutions is to be expected. These factors could influence the market and hence the competitiveness of Qurius.

Microsoft and Qurius invest in software innovations to help customers realise their optimum and integrated IT infrastructure with systems that reduce costs and complexity, facilitate a quick implementation and enhance the productivity of end users. Qurius also manages the integration of more 'traditional' IT, such as ERP and CRM, with modern communication technology and devices.

Financial Risks

We are affected by certain financial risks related to the way we do business, the way we are financed, but also related to the financial condition of our customers.

With our financial risk management policy we mitigate risks where possible, and we monitor, limit and control risks where they are inescapable.

An important part of our activities correlate with macro economic circumstances prevailing in the countries in which we operate. At the same time an important part of the operational costs are fixed by nature. Our efforts to increase the share of long term customer contracts, combined with cost reduction and replacing fixed costs by variable costs where possible, are important mechanisms for Qurius to generate healthy margins.

As a sales and services organisation, we are exposed to credit risk. Credit risk arises from counterparty default. 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. To control our receivables position, we have established a process of routinely monitoring overdue receivables in close cooperation with our credit collection agent.

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 as at 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 is applicable to the United Kingdom; exchange rate fluctuations in this region do not represent a material impact on the consolidated figures.

Our interest rate risk policy aims at limiting the interest rate risks resulting from financing the business, and to optimise the net interest results as well. At the end of 2011, Qurius had a limited amount of interest-bearing debts. A change of interest rates by 100 basis points would result in approximately EUR 100 change in the financial income and expenses.

Historically Qurius has always applied acquisitions as a means of expanding 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 a risk that part of the acquisition goodwill must be recognised as impaired.

Liquidity risk arises with a slump in business and a reduction in incoming payments, or if investing in development and operating capital would place an excessive burden on the available financial resources and/or operational cash flow. Qurius corporate policy prescribes maintaining minimum levels of cash in each operation.

Each month a liquidity forecast is drawn up, partly as a way of controlling liquidity risk. This is analysed, taking into account the available liquid assets, credit facilities and the usual fluctuations in the operating capital requirements. This provides sufficient scope to use the available liquid assets and credit facilities as flexibly as possible or to timely identify shortfalls.

In general we repay our obligations with cash generated with license and product sales, delivery of customer projects and support services. In prevailing cases we will rely on financing cash flows to provide operational funding.

Based on the current operating performance and liquidity position, Qurius believes that available cash balances and cash provided by operating activities and financing activities, will be sufficient for working capital, capital expenditures, interest payments, dividends and scheduled debt repayment requirements for the next twelve months and the foreseeable future.

4.5.3 Management Statements

Risk management and internal control

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

- Customer credit checking, including assessing the level of credit allowed.
- Using a standard routine to manage and collect overdue receivables in close co-operation with our debt collection agent.
- 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 discussion by the Executive Board regarding progress of the strategic plan, mergers and acquisitions, investor relations, and business risks and measures to minimise these.
- Monthly Business Reviews by the Executive Board and country boards of the operational performance, at the business line level.
- our unified way of working embedded in Q2.
- 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, rules for handling price-sensitive information, and the whistle-blowers procedure.

In Control Statement

The Executive Board is responsible for the design and operation of the internal risk management and control systems. Although such systems are intended to optimally control risks, however well designed or operating, they can never provide absolute assurance that human errors, unforeseen circumstances, material losses, fraud, or infringements of laws or regulations will not occur. In addition, the efforts related to risk management and internal control systems should be balanced against the costs of their implementation and maintenance. Based on the approach outlined above, the Executive Board believes to the best of its knowledge that the internal risk management and control systems provide a reasonable assurance that the financial reporting does not contain any errors of material significance and that the risk management and control systems operated properly in 2011.

True and Fair View Statement

The Qurius Executive Board hereby states that the financial statements in this report present a true and fair view of the assets, liabilities, financial position and the result of the company over the year 2011. Furthermore, the consolidated financial statements present a true and fair view of the assets, liabilities, financial position and the result of all the international Qurius operations.

We also declare that the annual report presents 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 financial year, and of all material risks to which the company is exposed.

The names and positions of the Executive Board members are stated in 2.5.3.

5 Investor information

5.1 Five year Financial Summary

In EUR x 1,000 unless stated otherwise	2011	2010	2009*	2008*	2007*
Results					
Net sales	74,515	81,653	117,201	126,187	114,758
EBITDA	2,641	-229	5,298	6,337	7,668
EBIT (before restructuring and impairment losses)	-572	-3,539	944	3,323	4,729
EBIT	-2,125	-6,916	-3,256	-8,158	4,729
Net result for the period	-7,714	-8,125	-8,983	-22,495	2,605
Result per share (in EUR from continued operations)	-0.02	-0.07	-0.09	-0.21	0.03
Capital base					
Total assets	73,181	83,181	95,511	118,582	138,855
Shareholders' equity	30,523	34,286	40,792	48,691	71,317
Shareholders' equity per share (in EUR)	0.24	0.30	0.38	0.46	0.68
Solvency as % of total assets	42	41	43	41	51
Current ratio	0.77	0.74	0.91	0.94	0.95
Employees					
Number of employees at year-end	524	607	882	921	1060
Average number of employees	542	612	881	894	852
Share price information					
Highest	0.33	0.37	0.47	0.82	1.81
Lowest	0.13	0.23	0.16	0.22	0.62
Year-end	0.15	0.29	0.38	0.24	0.70

** Including discontinued operations*

5.2 Share information

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

Developments in share capital
On 1 January 2011, Qurius had 113,435,429 shares outstanding at a nominal value of EUR 0.12 each. On 8 February 2011, Qurius issued 11.343.540 shares to Prodware for EUR 2.5 million in cash. On 17 June 2011 Qurius signed a Standby Equity Distribution Agreement (SEDA) with Yorkville. In 2011 an amount of EUR 1,475 was drawn under the SEDA in exchange for issuing 8.346.558 shares. On 31 December 2011, Qurius had 133.125.527 shares outstanding.

In 2011, the average turnover per trading day was EUR 0.12 million (2010: EUR 0.12 million), which corresponds with a total turnover of EUR 26.4 million (2010: EUR 31.8 million).

On average, 476,155 shares were traded per trading day in 2011 (2010: 395,615 shares). The market capitalisation on 31 December 2011 amounted to EUR 20.4 million at a closing price of EUR 0.153. On 31 December 2010, the market capitalisation amounted to EUR 32.8 million, at a closing price of EUR 0.289.

5.3 Proxy Voting

Qurius acknowledges 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 Meeting of Shareholders. Shareholders can submit their votes to the Corporate Secretary of Qurius, who will cast these votes during the AGM according to the shareholder's instructions. Submitters can receive the report regarding their proxy voting on demand with the Corporate Secretary.

5.4 Financial Calendar

Event	Time	2012	2013	2014
Publication Annual Results	7h30	15 March	14 March	13 March
Publication Annual Report	Thursday	12 April	11 April	10 April
Publication Q1 Interim statement	7h30	26 April	25 April	24 April
AGM, Inspirience Center, Zaltbommel (NL)	10h00	24 May	23 May	22 May
Publication H1 Report	7h30	23 August	22 August	21 August
Publication Q3 Interim statement	7h30	25 October	24 October	23 October

5.5 Contact Investor Relations

Qurius NV
Van Voordenpark 1a
5301 KP Zaltbommel

PO Box 258
5300 AG Zaltbommel

Contact Qurius Investor Relations at investorrelations@qurius.com or +31 (0)418 68 35 00

6 Supervisory Board Report

We herewith present the Supervisory Board Report for the financial year 2011. The annual accounts for 2011 have been prepared by the Executive Board and audited by the external auditor, BDO Audit & Assurance B.V., and provided with an unqualified audit opinion presented in 9.1 of this annual report. The financial statements have been discussed with the auditor on 14 March 2012. The Supervisory Board proposes the shareholders to adopt the financial statements as presented in the annual report for the year 2011 at the Annual General Meeting on 24 May 2012.
The Supervisory Board recommends granting a discharge to the Executive Board for the management it conducted in 2011.

6.1 Composition Supervisory Board

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 reappointed for two additional terms of four years.

Lucas Brentjens
SB member since 2006
Chairman since 2007
Second term: 2010 – 2014

Fred Geerts
SB member since 2004
Second term: 2008 – 2012
Not available for reappointment

Evert Smid
SB member since 2009
First term: 2009 – 2013

The Supervisory Board is of the opinion that all of its members are to be considered independent in the meaning of the best practice provision III.2.2 of the Dutch Corporate Governance Code.

During the financial year 2011, Reggie de Jong was present at all meetings of the Supervisory Board in her position as Advisor to the Supervisory Board. Reggie de Jong will be recommended to be appointed as Supervisory Board member at the Annual General Meeting of 2012. This recommendation came from the Works council and was adopted by the Supervisory Board.

In 2011, Philippe Bouaziz was due to practical conditions not able to attend the Supervisory Board meetings. He fulfilled his role as Advisor to the Supervisory Board by means of regular contacts and consults.

Currently, Philippe Bouaziz' busy schedule does not leave him room to accept a seat in the Supervisory Board either. This remains an option for the future.

The size of the Supervisory Board does not allow for formal committees. Some Supervisory Board members, however, spend more time on specific topics than other members. All decisions have been made with consensus.

6.2 Significant developments in 2011

6.2.1 Continuing the transformation

In 2011, the Executive Board continued to transform Qurius from a traditional ERP company into an IT product and consulting firm that assists its customers in a much wider range of IT issues and challenges. Qurius applies its own products as well as add-ons combined with the services of highly skilled people. Leen Zevenbergen set this direction after he had been appointed as CEO in 2010.
In the new Qurius, building IP and increasing add-on sales are getting more focus. For that purpose, a dedicated company, named QIPtree, was established in 2011 to manage this part of the business. The sales of Qurius Spain and Belgium were also an important step in allowing the company to make the turnaround. New management in the Netherlands and Germany had to come up with new ideas on how and where the existing organisations needed to be changed. Unfortunately, these changes have not yet resulted in the improved financial results we had hoped for. The reduced overhead, cost control measures and other structural changes, however, should be a solid foundation for the years to come.

6.2.2 Financing

Monitoring the cash flow was a frequent item on the agenda of Supervisory Board meetings. Additional funds had to be found to pay for restructuring costs, reducing the facility with NIBC and, at the same time, to keep investing in the development and improvement of add-ons. Three decisions were made. First of all, more focus was set to credit management in order to further reduce accounts receivables. Secondly, in July the company engaged in a Standby Equity Distribution Agreement (SEDA) giving the company more flexibility to draw additional funds in exchange for Qurius shares. And thirdly, Qurius Spain and Belgium were sold to Prodware, generating EUR 3.0 million in cash and allowing the company to focus on its key operations in the Netherlands, Germany and the UK. More details of the results of these financing activities can be found on further on in this annual report.

6.2.3 Cooperation Qurius and Prodware

The Supervisory and Executive Board regularly discussed the way forward in the company's cooperation with Prodware. In the letter of the CEO you can find more details about the development of this strategic alliance in 2011. The Supervisory Board believes that cooperation between the two companies will increase the market for Qurius products and add-ons. It will also improve its credibility towards larger international customers and will bring more financial strength.

6.3 Corporate governance

The Supervisory and Executive Board are together responsible for the corporate governance structure of Qurius. More details can be found in chapter 7 of this annual report. In view of the best practice provision V.3.3. of the Dutch Corporate Governance Code, the Supervisory Board recommends that there is no need for an internal auditor given the present size of Qurius.

6.4 Remuneration

Executive Board

The remuneration package of the members of the Executive Board consisted of a basic salary, a variable income and a share option plan. The basic salary is the fixed annual amount that is paid as a compensation 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. This amounts to no more than thirty per cent of the basic salary and is based on the EBIT and on other measurable objectives, such as staff turnover, sustainability and customer satisfaction. Since the company made no profit in 2011, no variable income will be granted to the Executive Board.

Supervisory Board

In view of the economic climate and the financial results of the company, the remuneration of the Supervisory Board remained unchanged. The chairman of the Supervisory Board received a fixed salary of EUR 20,000. Each other member received EUR 15,000. This remuneration does not depend on the results of the company.

6.5 Formal and informal meetings

The Supervisory Board met six times and held four conference call meetings with the full Executive Board in 2011. Except for one meeting, the full Supervisory Board attended all these meetings. In August, the Supervisory and Executive Board held an additional meeting to discuss the company's strategy.

Throughout the year, individual members of the Supervisory Board held frequent informal meetings, dined and made calls with both members of the Executive Board. During the formal and informal meetings the Supervisory Board addressed the following main topics:

- Quarterly financial and business updates
- Remuneration of key management: International Leadership Programme
- Business plans of main countries, presented by local management
- Risk management
- Cash flow and financing of operations
- New strategy
- Partnership with Prodware
- Performance of Executive and Supervisory Board
- New budget process

6.5.1 Self-assessment of the Supervisory Board

Once a year, the Supervisory Board evaluates its functioning. At the time, they decided that it was not necessary to involve an external person to assist or to conduct the assessment. The topics evaluated included: frequency of meetings, presence of members, preparation of meetings, independency, procedures around meetings, knowledge of the industry, relationship between members and relationship with the members of the Executive Board and composition of the Supervisory Board. A report was drawn up of the meeting and was shared with all members of the Supervisory Board. The evaluation resulted in a few changes to be made in the procedures around the Supervisory Board meetings. It was also concluded that a Supervisory Board of four members is preferred.

6.6 Closing statement

The company is now half way its restructuring and turnaround started in 2010. During the last eighteen months, the Executive Board steered the company through a turbulent period, making necessary changes in processes and management, cutting costs and fulfilling cash needs. The image of the company strongly improved and the first innovative add-ons were sold. Now the time has come to work on operational excellence and see profitability grow. A stronger strategic alliance with Prodware can bring more financial strength to the company and help it to better serve larger and international customers.

April 2012

Supervisory Board
Lucas Brentjens
Fred Geerts
Evert Smid

7 Corporate Governance Report

Qurius endorses the importance of good corporate governance, which is understood to include honest and transparent actions on the part of management, correct supervision thereof and the acceptance of responsibility for that supervision. For Qurius, this is performed by the Executive Board, the Supervisory Board and the Annual General Meeting of Shareholders ('AGM'). Dutch Corporate Governance is being regulated by the Dutch Corporate Governance Code (hereinafter: 'the Code'), which formally came into force on 30 December 2004. In December 2008, the Code was amended from recommendations as prepared by the Frijns Committee (Commissie Frijns), which came formally into force in December 2009. In December 2011, the Dutch Corporate Governance Code Monitoring Committee presented its report on compliance with the Dutch Corporate Governance Code in 2011, particularly regarding appointments of managing directors, composition and functioning of the Supervisory Board, voting and communication of foreign shareholders and the quality of explanation of non-application of the corporate governance principles.

Qurius fully endorses these principles and recommendations. 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. Furthermore, 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. As Qurius became subject to the large company regime ('structuurregime') during the financial year 2010, changes occurred in the Company's governance structure. The changes mainly relate to the procedure of the appointment and dismissal of the Executive Board and the Supervisory Board. In the AGM of 27 may 2011, Qurius' articles of association were amended accordingly and henceforth Qurius' policy regarding best practice IV.1.1.

The following text contains a synopsis of how Qurius complies with the Code and related legislation. In particular, it states that the changes in the amended Code as prepared by the Frijns Committee in December 2008, which came into force formally in December 2009, have also been taken into account. The Executive Board and Supervisory Board have accounted for these changes during the Annual General Meeting of Shareholders of 29 April 2010. The results thereof and many other details and documentation on how Qurius complies with the Code can be found on the Qurius website in the 'Corporate governance' section.

7.1 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 and Executive Board are jointly 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 Meeting of Shareholders 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, several changes were made to this effect, which were approved at the Annual General Meeting of shareholders of 21 April 2006 and 27 April 2007 respectively. Since the 2004 financial year, the annual reports contain a section with an overview of the Qurius compliance and non-compliance 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 will present such changes to the Annual General Meeting of shareholders (AGM). As mentioned above, the changes of the revised Code of 10 December 2008 as prepared by the Frijns Committee have been taken into account in this report. Qurius concludes that these changes do not lead to changes to its existing corporate governance policies. Qurius has accounted for these changes in Annual General Meeting of shareholders on 29 April 2010.

7.2 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 or remuneration committees have been set up, due to the limited size of the Supervisory Board.

- Qurius publishes operational and financial objectives and the parameters applied in relation to the strategy 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 (chapter 6). 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 company itself are a personal matter of the Executive Board member involved.

Details of the company's share option programme can be found on page 68.

7.3 Supervisory Board

Qurius fully subscribes to 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 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 reappointment scheme that can be found on the Qurius website.
- None of the Supervisory Board members holds more than five supervisory directorships.
- As previously mentioned, 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.

7.4 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.4.6), with the following stipulations or observations.

- Qurius subscribes to the importance of constructive shareholder participation and considers a high turnout and fully-fledged participation of shareholders desirable for decision-making at the Annual General Meeting of shareholders. Experience however 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 a 'Shareholders Communication Channel'. Future developments on voting by proxy will be closely watched, to possibly facilitate other forms of voting by proxy in the future. Shareholders are allowed to grant power of attorney and with voting instructions, if so desired, for them to be represented at the Annual General Meeting.
- 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 of customer contracts are not disclosed at the request of such customers or for competitive reasons.
- The whole of sections IV.2, on depositary receipts for shares, and IV.4, responsibility of institutional investors, are not applicable to Qurius.
- With respect to the new section IV.3.13, Qurius states that such a policy is published on its website.

7.5 Financial reporting audit

Qurius fully subscribes to the principles and best practices of the Code related to the audit of the financial reporting, the position of the internal auditor function and of the external auditor (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.

7.6 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.

The authorised capital of Qurius amounts to EUR 60 million, divided into (i) 200 million A shares, (ii) 50 million B shares that can be converted in A shares and (iii) 250 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. At 31 December 2011, 133,125,527 A shares are listed with Euronext Amsterdam and are freely tradable. Participating interests 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 applies to all employees and that regulates the trading in and possession of 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 Supervisory Board, upon prior notification to the Annual General Meeting.

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

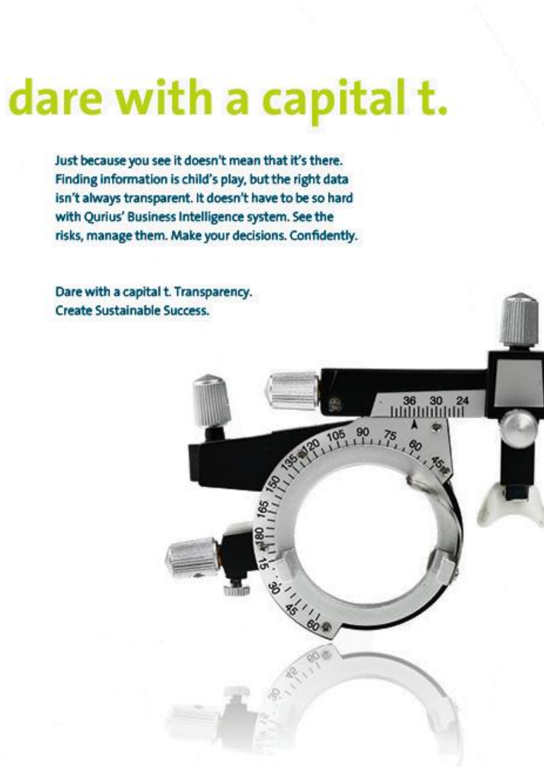
Under clause 36:1 of the Articles of Association, the Executive Board has been authorised by the Annual General Meeting of shareholders of 27 May 2011 as the body authorised, subject to the prior approval of the Supervisory Board and until 29 October 2012, to:

- Issue class A and convertible class B shares or to grant rights to subscribe for such shares up to ten per cent (10%) of the aggregate number of issued class A and convertible class B shares at the time of issue, which ten per cent can be used for general purposes, including but not limited to the financing of mergers and acquisitions.
- 1Issue class A and convertible class B shares or to grant rights to subscribe for such shares for an additional ten per cent (10%) of the aggregate number of issued class A and convertible class B shares at the time of issue, which additional ten per cent can only be used to facilitate a transaction such as a merger or an acquisition or to support the liquidity position of the company pending negotiations on a transaction.
- Resolve to exclude or restrict the pre-emptive rights pertaining to the (rights to subscribe for) shares which can be granted or issued pursuant to the authority as mentioned above.

Furthermore, in accordance with Article 8 of the Articles of Association, until 29 November 2012 the Executive Board has been authorised by the General Meeting of Shareholders of 27 may 2011 to acquire shares in the capital of the Company on the stock exchange up to ten per cent of the issued share capital and for a price of approximately the stock exchange price with a margin (upwards or downwards) of ten per cent of the stock exchange price. Stock exchange price means: the average of the closing price of the Qurius share according to the Official Price List of NYSE Euronext Amsterdam on the [five] consecutive trading days immediately preceding the date of purchase.

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.

One member of the Executive Board is entitled to an amount of EUR 200,000 if his employment is ended for any reason other than an urgent cause leading to immediate dismissal.



8 Annual Accounts

8.1 Consolidated Statement of Financial Position (in EUR x 1,000)

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

Assets

		2011		2010	
Non-current assets					
Non-current intangible assets					
Goodwill	(1)	31,499		37,169	
Other non-current intangible assets	(2)	4,984		4,419	
			36,483		41,588
Property, plant and equipment	(3)		3,299		4,509
Non-current financial assets					
Deferred tax assets	(4)	1,938		2,359	
Other non-current financial assets	(5)	216		353	
			2,154		2,712
Current assets					
Trade receivables					
Accounts receivable	(6)	16,921		19,610	
Other receivables	(7)	6,558		6,565	
			23,479		26,175
Cash and cash equivalents			7,766		8,197
Total assets			73,181		83,181

Equity and Liabilities

		2011		2010	
Group equity			30,523		34,286
Provisions	(8)		1,680		1,666
Non-current liabilities	(9)		205		274
Current liabilities					
Bank credit	(10)	9,687		11,783	
Accounts Payables		9,418		11,321	
Taxes and social security contributions	(11)	4,478		4,701	
Other liabilities	(12)	17,190		19,150	
			40,773		46,955
Total equity and liabilities			73,181		83,181

8.2 Consolidated Income Statement (in EUR x 1,000)

For the year ending on 31 December

	Note	2011	2011	2010	2010
Net sales	(13)	74,515		81,653	
Other Income		0		1,729	
Cost of sales		-26,427		-28,861	
Gross margin			48,088		54,521
Employee expenses	(14)	38,590		46,450	
Other operating expenses	(15)	6,857		8,300	
Operating expenses			-45,447		-54,750
Operating margin before restructuring (EBITDA)			2,641		-229
Depreciation and amortisation	(16)		-3,213		-3,310
EBIT (before restructuring)			-572		-3,539
Restructuring costs	(17)		-1,553		-3,377
EBIT			-2,125		-6,916
Financial income and expenses	(18)		-292		-387
Result before taxation			-2,417		-7,303
Taxation	(19)		-11		-162
Income from subsidiaries			0		31
Result discontinued operations	(20)		-5,286		-691
Net result for the period			**-7,714**		**-8,125**
Attributable to:					
Owners of the parent			-7,714		-8,161
Non-controlling interests			0		36
			-7,714		-8,125
Earnings per share	(21)				
Basic net result per ordinary share (in EUR)			-0.06		-0.07
Basic net result per share from continued operations (in EUR)			-0.02		-0.07
Number of ordinary shares (weighted average)			125,482,741		111,827,655
Net result per ordinary share after dilution (in EUR)			-0.06		-0.07
Net result per share from continued operations after dilution (in EUR)			-0.02		-0.07
Number of ordinary shares after dilution (weighted average)			125,482,741		111,827,655

8.3 Consolidated Statement of Comprehensive Income (in EUR x 1,000)

For the year ending on 31 December

		2011		2010
Net result for the period		-7.714		-8,125
Exchange rate differences	-13		-7	
Other comprehensive income		-13		-7
Comprehensive income		-7.727		-8,132
Attributable to:				
Owners of the parent		-7.727		-8,168
Non-controlling interests		0		36
		-7.727		-8,132

8.4 Consolidated Statement of Changes in Equity (in EUR x 1,000)

For the year ending on 31 December

	Issued capital	Share premium	Development costs reserve	Translation reserve	Retained earnings	Attributable to owners of the parent	Non-controlling interest	Group Equity
1 January 2010	**12,964**	**67,775**	**2,183**	**-180**	**-42,080**	**40,662**	**131**	**40,793**
Net result					-8,161	-8,161	36	-8,125
Translation of foreign operations				-7		-7		-7
Comprehensive Income	0	0	0	-7	-8,161	-8,168	36	-8,132
Movement of legal reserve			442		-442	0		0
Issue of shares	649	951				1,600		1,600
Value of employee options					372	372		372
Reversal of cost forfeited employee options					-180	-180		-180
Purchase non-controlling interest					0	0	-167	-167
31 December 2010	**13,613**	**68,726**	**2,625**	**-187**	**-50,491**	**34,286**	**0**	**34,286**
Net result					-7,714	-7,714	0	-7,714
Translation of foreign operations				-13		-13		-13
Comprehensive Income	0	0	0	-13	-7,714	-7,727	0	-7,727
Movement of legal reserve			1,225		-1,225	0		0
Issue of shares	2,362	1,613				3,975		3,975
Value of employee options					277	277		277
Reversal of cost forfeited employee options					-121	-121		-121
Transaction costs for issue of shares					-167	-167		-167
31 December 2011	**15,975**	**70,339**	**3,850**	**-200**	**-59,441**	**30,523**	**0**	**30,523**

8.5 Consolidated Statement of Cash Flows (in EUR x 1,000)

For the year ending on 31 December

		2011		2010
Cash flow from operating activities				
Operating margin before restructuring (EBITDA)	2,641		-229	
Restructuring costs	-1,553		-3,377	
Operating margin after restructuring (EBITDA)		1,088		-3,606
Adjustments				
Interest received	131		203	
Interest paid and similar expenses	-431		-640	
Costs of share based payments	156		193	
Net costs of provision for bad debt	425		136	
Result on sale of Infor	0		-1,729	
Company income tax paid	644		-88	
		925		-1,925
Changes to working capital and provisions				
Changes in trade receivables	-2,510		7,779	
Changes in other receivables	-888		-1,867	
Changes in current payables	1,662		2,304	
Changes in provisions and other	36		-247	
		-1,700		7,969
Net cash flow from operating activities continuing operations		**313**		**2,438**
Net cash flow from operating activities discontinuing operations		**-943**		**-1,702**
Cash flow from investing activities				
Net investments in non-current intangible assets	-2,326		-978	
Net investments in property, plant and equipment	-1,261		-1,646	
Acquisition of subsidiaries	0		-1,170	
Net receipts of sale of discontinued operations / subsidiaries	0		4,219	
Net cash flow from investing activities continuing operations		**-3,587**		**425**
Net cash flow from investing activities discontinuing operations		**-316**		**-474**

	2011	2011	2010	2010
Cash flow from financing activities				
Issue of shares	3,975		1,600	
Costs equity transactions	-167		0	
Repayment financing	-170		-2,035	
Loans taken	1,000		0	
Current borrowings repaid	-625		-1,525	
Other	1		-28	
Net cash flow from financing activities continuing operations		**4,014**		**-1,988**
Net cash flow from financing activities discontinuing operations		**88**		**-93**
Net cash flow		**-431**		**-1,394**
Net cash flow in the year		-431		-1,394
Balance of cash and cash equivalents at start of financial year		8,197		9,591
Balance of cash and cash equivalents at end of financial year		**7,766**		**8,197**

8.6 Notes to the consolidated financial statements

Summary of significant Accounting Policies

General Information

Qurius N.V. ('the Company') is a public limited company established and domiciled in the Netherlands, with its registered office and headquarters at Van Voordenpark 1a, 5301 KP in Zaltbommel. On 12 April 2012, the Executive Board authorised the financial statements for issue. The financial statements for 2011 will be submitted for approval to the Annual General Shareholders' Meeting on 24 May 2012.

The consolidated IFRS financial statements of the company for the year ending on 31 December 2011 include the company and all its subsidiaries (jointly called 'Qurius') and the share of Qurius in non-controlling interests (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 prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). IFRS includes the application of International Financial Reporting Standards including International Accounting Standards (IAS) and related Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and Interpretations of the Standing Interpretations Committee (SIC).

New Standards and Interpretations adopted for the first time by the Company

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2011 and have been adopted by the company:

Amendments to IAS 1 'Presentation of Financial Statements' effective per 1 January 2011.
The amendments to IAS 1 clarify that an entity may choose to disclose an analysis of other comprehensive income by item in the statement of changes in equity or in the notes to the financial statements. Since the company only presents exchange differences on translating foreign operations within other comprehensive income, it is presented separately and clearly in the consolidated statement of changes in equity.

IAS 24 (revised) 'Related party disclosures' effective per 1 January 2011. The amendment modifies the definition of a related party and simplifies related party disclosures for government-related entities. The company and its subsidiaries are not government-related entities. The company has not identified any changes in related party disclosures comparison with the previous disclosures.

IFRIC 19 'Extinguishing financial liabilities with equity instruments' effective per 1 July 2010. The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt or equity swap). The company applies the revised standard from 1 January 2011. It has no material impact on the consolidated or company's financial statements.

Amendments to IFRIC 14 'Prepayments of a minimum funding requirement' The amendments remove unintended consequences arising from the treatment of prepayments where there is a minimum funding requirement. Results in prepayments of contributions in certain circumstances being recognised as an asset rather than an expense. The company applies the amendments for the financial reporting period commencing on 1 January 2011. It has no material impact on the consolidated or company's financial statements.

Amendments to IAS 32 'Financial instruments: Presentation – Classification of rights issues' Amended to allow rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency to be classified as equity instruments provided the entity offers the rights, options or warrants pro-rata to all of its existing owners of the same class of its own non-derivative equity instruments. The company applies the amendments for the financial reporting period commencing on 1 January 2011. It has no material impact on the consolidated or company's financial statements.

Improvements to IFRS issued in 2010 Except for the amendments to IAS 1 described above, the application of Improvements to IFRSs issued in 2010 with an effective date of 1 January 2011 or earlier has no material impact on the consolidated or company's financial statements.

New Standards and Interpretations not yet adopted by the Company

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2011 and not early adopted by the company:

Amendments to IFRS 7 'Disclosures' The amendments to IFRS 7 are applicable for reporting periods starting on or after 1 July 2011. The amendments will allow users of financial statements to improve their understanding of transfer transactions of financial assets (for example, securitisations), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. These amendments will not result in a material impact on the consolidated or company's financial statements.

IAS 19 'Employee benefits' was amended in June 2011. The impact on the consolidated financial statement will be as follows:

- to eliminate the corridor approach and recognise all actuarial gains and losses in other comprehensive income as they occur and
- to immediately recognise all past service costs.

The company is yet to assess IAS 19's full impact and intends to adopt IAS 19 on 1 January 2013. To replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset) will not result in a material impact on the consolidated or company's financial statements.

IFRS 9 'Financial Instruments' effective per 1 January 2015. IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The company is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 on 1 January 2015.

IFRS 10 'Consolidated financial statements' effective per 1 January 2013. IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The standard will not result in a material impact on the group or company's financial statements.

IFRS 11 'Joint Arrangements' effective per 1 January 2013. IFRS 11 replaces IAS 31 'Interests in Joint Ventures' and deals with how a joint arrangement of which two or more parties have joint control should be classified. Under IFRS 11, joint ventures are required to be accounted for using the equity method of accounting, whereas under IAS 31, jointly controlled entities can be accounted for using the equity method of accounting or proportionate accounting. The standard will not result in a material impact on the consolidated or company's financial statements.

IFRS 12 'Disclosures of interests in other entities' effective per 1 January 2013. IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The standard will not result in a material impact on the consolidated or company's financial statements.

IFRS 13, 'Fair value measurement' effective per 1 January 2013. IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The company is yet to assess IFRS 13's full impact and intends to adopt IFRS 13 on 1 January 2013.

Amendments to IAS 1 'Presentation of Financial Statements' effective per 1 July 2012. The amendments retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. Since the company currently only presents exchange differences on translating foreign operations within other comprehensive income, the amendment will not have material impact on the presentation of financial information.

Amendments to IAS 12 'Income Taxes effective per 1 January 2012. The amendments provide an exception to the general principles in IAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset, mainly effecting investment property. Since the company currently does not have any investment property, the amendments will not result in a material impact on the consolidated or company's financial statements.

These new standards and interpretations will be adopted as per the required date of adoption, subject to EU endorsement of these standards. There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the consolidated or company's financial statements.

General Accounting Principles

The consolidated financial statements have been prepared on the basis of a going concern and the historical cost convention, except for 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. The Euro is the used presentation currency and is the functional currency. The consolidated financial statements are presented in EUR 1,000 unless otherwise indicated.

Significant Accounting Judgments and 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 bad and doubtful debts, the used expected useful life to calculate depreciation and amortisation, assets valuations, impairment assessments including goodwill and deferred tax assets, income taxes, earn-out provisions, other provisions, valuation of amounts still to be invoices, business combinations, share-based compensation and contingencies. The estimates and underlying assumptions are reviewed on an ongoing basis.

Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at transaction date.
In the statement of financial position, amounts in foreign currencies are converted into amounts in Euros at the exchange rates applicable at the end of the financial year. Exchange rate differences are credited or charged to the income statement. Conversion of gains and losses in the income statement in foreign currencies into Euros are made against average exchange 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 are credited or charged directly to the equity. When a foreign operation is partially disposed or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

The following exchange rates have been used in the financial statements of the company:

	Balance Sheet 31-12-2011	Balance Sheet 31-12-2010	Income Statement 2011	Income Statement 2010
British Pound	0.8345	0.8612	0.8689	0.8595
Czech Koruna	25.5200	25.0400	24.6414	25.2125

Financial instruments

Financial assets

Initial recognition

Financial assets within the scope of 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 recognised initially at fair value plus, in the case of investments not at fair value through profit and loss, 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 depending on their classification is 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 receivables are derecognised or 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, except for joint ventures. Non-controlling interests in equity, net result and other comprehensive income are recognised separately.

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

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, Netherlands	100%
Qurius Nederland B.V.	Zaltbommel, Netherlands	100%
Qurius International Holding B.V.	Zaltbommel, Netherlands	100%
QIPtree B.V. (former Qurius Holding B.V.)	Zaltbommel, Netherlands	100%
Qurius Deutschland AG	Hamburg, Germany	100%
Qurius Advanced Solutions AG*	Hamburg, Germany	100%
Qurius UK Ltd.	Manchester, United Kingdom	100%
Qurius Czech Republic s.r.o.	Olomouc, Czech Republic	100%
Qurius Belgium N.V. (until 1 October 2011)	Gent, Belgium	100%
Qurius Spain SA (until 1 October 2011)	Madrid, Spain	100%
Qurius Italy SRL (until 30 June 2010)	Reggio Emilia, Italy	99.43%

**(until June 2010 84%)*

Joint ventures

A joint venture is a contractual arrangement whereby Qurius and one or more parties (together with Qurius 'the ventures') undertake an economic activity that is subject to joint control. A joint venture often involves the establishment of a legal entity. The ventures share the full economic ownership and are entitled to a share of the financial result of the activities of the joint venture rather than individual assets or obligations for expenses of the venture. Joint ventures in which Qurius participates with other parties are consolidated proportionately. In 2010 and 2011 Qurius participated for fifty per cent (50%) in one small joint venture in Germany named CKL Software GmbH.

Segment information

Qurius operates in different countries through subsidiaries. All subsidiaries provide similar products and services. Consequently, the segment-reporting is based on the economic environment in which these products and services are provided based upon the geographic region of Qurius:

- Netherlands
- Germany
- United Kingdom
- Other

This breakdown is consistent with the group's organisational structure and internal reporting structure based on the requirements of the Executive Board, the body that is the chief operating decision maker, during 2011. The geographical segments are based on the location of the Qurius' markets and customers.

Assets, liabilities, revenues and expenses include all items directly attributable to the segment. Those are revenues and expenses that can be allocated on a reasonable basis to that segment.

Non-current intangible assets

Goodwill

All acquisitions have been accounted for using the purchase accounting method. Goodwill results from the acquisition of subsidiaries, associates and joint ventures. In respect of acquisitions that have occurred, it represents the difference between the transferred consideration for an acquisition and the fair value of the net identifiable assets acquired. Any costs directly attributable to an acquisition are recognised through the income statement for the year in which they are incurred. The accounting treatment of acquisitions with earn-out agreements is based on the expected earn-out. Goodwill is not amortised, but is systematically tested for impairment on the year-end date and, if necessary, written down to lower recoverable value.

Impairment of Goodwill

Impairment of goodwill is tested on a Cash Generating Unit ('CGU') level. In assessing whether there are indications for impairment, management considers changes in the economic and technological environment, sales trends and other indicative data. When testing for impairment the recoverable amount is determined. In the case the recoverable amounts the value in use, a model calculating the net present values of future cash flows for CGU's is used which is compared with the carrying value of the CGU.

The models applied to determine the net present value of these future cash flows encompasses management's judgment and estimates with respect to the following elements:

- Discount rate
- Reasonable reliably estimable future cash flows
- Estimated business growth rates

Other non-current intangible assets

Development costs

Qurius develops industry-specific software solutions. If the development of these 'add-ons' will generate probable future economic benefits, the expenditure will be capitalised. The capitalised expenses consist of direct and indirect costs insofar attributable. The development costs are recognised as an intangible asset after establishing the technical feasibility of the project, future economic benefits from the project are deemed probable and sufficient resources are available and devoted to the project to facilitate successful completion.

Capitalised development costs have been included at purchase price less accumulated depreciation and impairment. Development costs are amortized based on an expected useful life. The useful life assessment is based on the current experience and the present economic and technological environment. The useful life of this asset is reassessed at each financial year-end and adjusted accordingly when circumstances give rise to such action. The estimated useful life is between 3 and 7 years (2010: between 3 and 7 years). Amortisation costs are charged to the income statement using the straight-line method on the basis of the economic useful lives of the capitalised development costs. Amortisation commences on the date on then the asset is available for use.

Research costs are charged to the income statement.

Client portfolios

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 are recognised at fair value at the moment of acquisition. The fair value at acquisition date is the cost price at that moment. The cost price of the identifiable intangible assets related to clients is amortised as a charge to the income statement based on the expected useful life. Individually valued clients for maintenance contracts are amortised upon cancellation of the contract or without entering into a new contract. Up until then, no amortisation is taken into account for these individual valued clients which have an indefinite useful life. Valued groups of acquired contracts for clients are amortised on a straight line basis. The expected useful life is between 5 and 7 years (2010: between 3 and 10 years).

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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, taking into account any residual value. The estimated useful life is between 3 and 10 years (2010: between 3 and 10 years). Depreciation starts when the asset is put in use.

Non-current financial assets

Deferred tax assets

Deferred tax assets are included for tax losses carried forward 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 the tax rates that are expected to apply to the period when the asset is realised. The aforementioned tax rate is based on the tax rates and tax laws that have been enacted per balance sheet date. Deferred tax assets for fiscal losses are only recognised if it is probable that taxable profits will be realised within the foreseeable future to compensate these losses, in most cases 5 years is used as the foreseeable future. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available. Deferred tax assets are not discounted. Deferred tax assets are offset only when there is a legally enforceable right to offset tax assets against tax liabilities and when the deferred tax assets and liabilities relate to the same tax authority.

Other investments

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

Other financial receivables

If the time to maturity of other financial receivables is less than 12 months, trade and other receivables are presented as 'Current assets'. Otherwise they are presented as 'Non-current assets', measured at amortized cost.

Trade receivables

Accounts receivables

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

Other receivables

Other receivables and prepayments are initially recognised at fair value and subsequently re-measured at amortised cost. Provisions for bad debts are recognised when deemed necessary.

Cash and cash equivalents

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

Impairment

Assets are reviewed at each year-end date and whenever there is any indication of impairment. If any such indication exists, the asset's recoverable amount is calculated. For goodwill and other intangible assets with an indefinite useful life the recoverable amount is calculated at each year-end date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses in respect of cash-generating units are first allocated to goodwill and then to the carrying amount of the other assets on a pro rata basis. Impairment losses are charged to the income statement.
Except for goodwill, impairment losses are reversed if and to the extent a change in estimates used to determine the recoverable amount is identified. The reversal only takes place to the extent that the carrying value of the asset does not exceed the carrying value that would have been determined, net of amortization or depreciation, if no impairment loss had been recognized. Reversals of impairment are recognized in 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 value in use. In assessing the going-concern value, the estimated future cash flows are discounted to their present value using a discount rate which reflects current market assessments of the time value of money and the risks specific to the assets.

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.

Employee benefits

Pension plan

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

The provision included in the statement of financial position concerns pension obligations regarding defined benefit pension schemes. These arrangements have a long-term nature and have been placed with an insurance company. The pension provision is determined as the difference between the actual 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 into account factors such as changes in expectations about wage development, actuarial interest and variances between actual and projected investment results.

Amortisation of unrecognised gains or losses is included in other comprehensive income as a component of the annual expense for a year if, as of the beginning of the year, that cumulative net unrecognised gain or loss exceeds ten per cent of the greater of the defined benefit obligation and the fair value of any plan assets as of the beginning of the year. If amortisation is required, the amortisation is that excess divided by the expected average remaining working lives of the employees participating in the plan.

Option rights

Under the option scheme, a number of employees of Qurius are entitled to obtain 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 and amortised over the vesting period. Management determines the fair value based on a Black & Scholes model.

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 year-end date are presented as current liabilities.

Current liabilities

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

Net sales

Qurius recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to Qurius and specific criteria have been met for each of the activities as described below. Revenue is not recognised if there are significant uncertainties about the probability that the costs incurred will be recovered.

The net sales are measured at the fair value of the consideration received and consist of the following categories:

a) Licences; the revenue from licence sales is recognised if the software has been delivered as at the year-end date
b) Maintenance; the revenue from the maintenance contracts is allocated to the period to which the maintenance contract applies
c) Services; the revenue from services is 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 is recognised if the goods have been delivered as at the year-end date

Revenue from fixed-price contracts for delivering design services is recognised in accordance with the stage of completion of a transaction as a proportion of the total transaction (percentage of completion (POC) method), where the services performed on the year-end date can be reliably measured and the costs incurred for the transaction and the costs required to complete the transaction can be reliably estimated. Under the POC method, revenue is recognised based on the costs incurred to date as a percentage of the total estimated costs to meet the contractual obligations.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known by management.

If the outcome of a transaction cannot be estimated reliably, revenue is recognised only to the extent that it is probable that the economic benefits associated with the transaction will flow to Qurius.

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

Taxation

Income tax on the profit or loss of the financial year comprises current 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 other comprehensive income. Current tax is the expected tax payable or receivable on taxable income for the year, using tax rates that are legally effective as at the year-end date, and any adjustments to tax regarding 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.

Earnings per share

Qurius presents basic and diluted earnings per share (EPS) for the ordinary shares. Basic EPS is calculated by dividing the net result attributable to holders of the ordinary shares by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the net result attributable to shareholders of common shares by the weighted average number of common shares outstanding, including the effects for potentially dilutive ordinary shares, which comprise of stock options if in-the-money.

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. Cash flows in foreign currencies have been translated at transaction rates.

Fair value

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

Reclassifications

Qurius made reclassifications in the 2010 figures to align to the 2011 structure and presentation. This resulted in limited reclassifications which did not impact profit for the period. The Belgian and Spanish operations were divested and the results were reclassified into discontinued operations. As a consequence, the income statements and cash flows over 2010 have been restated.

Changes in subsidiaries

Changes in 2011

Divestment

On 1 October 2011 Qurius transferred its Belgian and Spanish operations to Prodware. This transfer aligns with the mutual strategy to create synergies between the two groups and thus laying a strong foundation for a global champion in business solutions and applications. Qurius Spain, will be reinforced as an uncontested leader in Spain and will be the hub to develop business in Latin America the same way Prodware France is positioned with its business in the francophone area. Qurius Belgium and Prodware Belgium will integrate into one company which takes a leading position in Belgium with presence in both Flanders and Walloon provinces. The sales price for the Belgian and Spanish operations is EUR 3 million. The book result on the transaction amounted to EUR -4.6 million, which is mainly caused by the write-off of goodwill and loans.

Changes in 2010

Divestment

On 30 June 2010 Qurius sold its Infor ERP LN business to Infor. The Qurius Infor ERP LN activities formed a healthy part of the business, however, in the light of future developments, Qurius has decided to sell this component and strategically use the proceeds of the transaction to strengthen its core business of Microsoft technology based platforms and solutions.

The divestment of the Infor ERP LN business includes the entire subsidiary Qurius Italy SRL (including around 35 FTEs) and around 25 FTEs, mainly consultants in Germany and Spain. Proceeds from the sale of Infor ERP LN business are EUR 4 million in cash and the result of the sales amounts to EUR 3,096 included in the line 'Other Income' in the income statement. The Infor business was not a major line of business to Qurius and does not qualify as discontinued business under IFRS and is therefore not presented as discontinued business in 2010.

On 23 December 2010 the 55%-interest in the German subsidiary C-3 GmbH was sold for EUR 60, with a transaction result of EUR 31.

Acquisitions

Qurius has made the strategic decision to invest in complementary technology and people to strengthen its proposition as leading system integrator. Business Intelligence (BI) is an essential component in our sustainable solutions offering and is a very high margin business. Therefore Qurius will continue to invest in technology and expertise in this field. System integration is becoming increasingly important in order to enable our customers to truly optimize their business processes and workflows.

On 3 June 2010, Qurius announced the transfer of 8 developers from the Dutch company OneDev, specialising in platform technologies such as SharePoint, .Net, BizTalk and CRM.

On 16 July 2010, Qurius announced the acquisition of the consultancy operation of Evidanza, a business intelligence technology company based in Regensburg, Germany. The total acquisition consists of 10 consultants, two sales people and more than 40 customers. Qurius is actively investing in complementary technology and people in order to further build its proposition as the leading European company in sustainable business solutions. Regarding the Evidanza acquisition in the 2010 income statement an amount of EUR 944 has been recognised as revenues and EUR 94 as EBIT. If the acquisition would have occurred at 1 January 2010, the annual revenue from the Evidanza acquisition would approximately have been EUR 2,060 and the EBIT EUR 205. The purchase price consists of an initial payment of EUR 920 and an annual earn-out payment for 2010 until 2012, which is estimated at EUR 430 in total. In 2010 and 2011 the performance of the Evidanza business was more successful than expected and for that reason the earn-out payments are higher than estimated. An additional amount of EUR 21 has been accrued for earn-out payments in 2011.

In the acquisition of the Evidanza business Qurius acquired staff and customers. The acquired client portfolio is valued at EUR 273. Allocated goodwill to the acquisition of Evidanza business therefore amounts to EUR 1,077. On 1 July 2010 and in relation to the acquisition of the Evidanza business, Qurius acquired the remaining 14% interest in Qurius Advanced Solutions AG. This is now a hundred per cent subsidiary of Qurius Deutschland AG. The consideration amounted to EUR 250.

8.7 **Notes to the Consolidated Financial Position (in EUR x 1,000)**

For the year ending on 31 December

Non-current assets

Non-current intangible assets

(1) Goodwill

	2011	2010
1 January		
Acquisition cost	49,019	49,749
Accumulated impairment	-11,850	-12,268
Carrying value	**37,169**	**37,481**
Changes		
Derecognition of discontinued operations (net)	-5,670	-1,618
Changes due to acquisitions	0	1,306
Total changes	**-5,670**	**-312**
31 December		
Acquisition cost	38,147	49,019
Accumulated impairment	-6,648	-11,850
Carrying value	**31,499**	**37,169**

On 1 October 2011 Qurius transferred the Belgian and Spanish operations to Prodware. The allocated goodwill to Belgium amounted to EUR 2,476 and to Spain amounted to EUR 3,194.

On 30 June 2010 Qurius sold her Infor business to Infor itself. The allocated goodwill to this sale amounts to EUR 1.6 million. On 16 July 2010 Qurius acquired the consultancy business of Evidanza and on 1 July 2010 Qurius acquired the remaining 14% of Qurius Advanced Solutions AG.

Goodwill can be allocated to the following operational segments:

	31-12-2011	31-12-2010
The Netherlands	17,898	17,898
Germany	11,593	11,593
United Kingdom	2,008	2,008
Other	0	5,670
	31,499	**37,169**

Annually at year-end, or in case of an indication at any other time, Qurius prepares an impairment test. The value in use is used for the recoverable amount for all cash generating units ('CGUs') in which the acquired business was integrated. If a CGU is not expected to generate sufficient 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 has a cash flow which is equal to the cash flow in the fifth year.

Assumptions used for DCF calculations
Qurius used a Discounted Cash Flow (DCF) valuation model to estimate the value in use of the operations. Qurius 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 value in use for each CGU. This calculated value reflects the expected net present value of the future cash flows, i.e. the weighted average of all possible outcomes.

This value is calculated using the pre-tax Weighted Average Cost of Capital (WACC) of 12.8% (2010: 13.6%). The assumptions used in the CGU specific DCF model are net annual sales growth and EBIT margin. In assessing the assumptions to be applied in the DCF model, observed historical data including recent data after year-end date have been taken into account in the projected future cash flows per CGU. The discount rate is determined on a pre-tax basis. Similarly, estimates of future cash flows do not include cash inflows or outflows from financing activities or income tax receipt or payments.

The basis for the DCF calculations is the budget 2012 for the countries. The budget of 2012 assumes Net Sales Growth in all the operations. After 2012, in general we assume for the Netherlands, Germany and UK a Net Sales Growth between 1% and 5% (2010: between 1% and 5%) per year and an EBIT Margin between 4% and 10% (2010: between 4% and 7%) per year. As a result of the re-assessment of the DCF valuation, the carrying values of certain of our operations have not been impaired (2010: no impairment). The total DCF valuation calculated is EUR 20.5 million (2010: EUR 16.5 million) higher than the carrying value. The assumptions reflect past experience (historical sales growth and EBIT margin) and external sources of information, such as benchmarking and annual accounts of similar companies. Despite the loss over 2011 Qurius is in the opinion that the used assumptions are realistic based on the strategy for the next years and the restructuring program that was undertaken.

If the WACC would have been 2% higher than the currently used 12.8%, the DCF valuation would not lead to an impairment charge. If the projected EBIT % would be 2% lower for the years 2012 until 2016, this would not lead to an impairment charge. If the Net Sales Growth percentages would be projected at 0% for the years 2012 until 2016, this would not lead to an impairment charge.

(2) Other non-current intangible assets

	Development costs	Client portfolios	Total
31 December 2009			
Acquisition cost	7,560	4,269	11,829
Accumulated amortisation	-5,379	-2,058	-7,437
Carrying value	**2,181**	**2,211**	**4,392**
Changes in 2010			
Investments	1,327	273	1,600
Amortisation	-883	-690	-1,573
Total changes	**444**	**-417**	**27**
31 December 2010			
Acquisition cost	8,083	4,542	12,625
Accumulated amortisation	-5,458	-2,748	-8,206
Carrying value	**2,625**	**1,794**	**4,419**
Changes in 2011			
Investments	2,326	55	2,381
Derecognition of discontinued operations (net)	-407	-295	-702
Amortisation	-694	-420	-1,114
Total changes	**1,225**	**-660**	**565**
31 December 2011			
Acquisition cost	8,810	4,055	12,865
Accumulated amortisation	-4,960	-2,921	-7,881
Carrying value	**3,850**	**1,134**	**4,984**

Development costs relate to investments in industry-specific software. EUR 2,361 (2010: EUR 1,300) of which has arisen through capitalising own hours. In 2011, EUR 337 (2010: EUR 1,574) of development costs which do not qualify for capitalisation were accounted for under operating expenses.
The carrying value of individually valued clients amounts to EUR 0.8 million (2010: EUR 1.2 million).

(3) Property, plant and equipment

Changes in property, plant and equipment were as follows:

	2011	2010
1 January		
Acquisition cost	10,809	9,281
Accumulated depreciation	-6,300	-4,899
Carrying value	**4,509**	**4,382**
Changes		
Investments	1,261	2,323
Derecognition of discontinued operations (net)	-373	-176
Disposals (net)	0	-10
Depreciation	-2,099	-2,014
Exchange rate differences	1	4
Total changes	**-1,210**	**127**
31 December		
Acquisition cost	10,044	10,809
Accumulated depreciation	-6,745	-6,300
Carrying value	**3,299**	**4,509**

The carrying value of equipment that is financed with financial lease agreements amounts to EUR 505 (2010: EUR 510). Until 31 January 2012 the fixed assets in The Netherlands were pledged as a security to debts.

Non-current financial assets

(4) Deferred tax assets

Changes in deferred tax assets were as follows:

	2011	2010
1 January	2,359	3,278
Charged to the income statement	0	-80
Derecognition of discontinued operations	-421	0
Realisation	0	-839
31 December	**1,938**	**2,359**

An amount of EUR 421 has been derecognised in 2011 due to the sale of the Belgian operations. The amount of recognised tax losses is EUR 7,129 (2010: EUR 8,368). Despite the loss over 2011 Qurius expects to be able to compensate the losses carried forward with future taxable profits within 5 years for at least the amount of the valued deferred tax assets based on the strategy for the next years and the restructuring program that was undertaken.

The company has an amount of EUR 8,953 (2010: EUR 46,228) in unrecognised tax losses available for offsetting. These tax losses are not recognised on the statement of financial position because the company is uncertain whether sufficient taxable profits can be realised within the foreseeable future and because of expiring carry forward facilities. Of this amount, EUR 0 (2010: EUR 11,009) will expire within 1 year, EUR 0 (2010: EUR 0) will expire within 2 years, the remainder of EUR 8,953 (2010: EUR 35,219) 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 current and previous years. Besides the tax losses the Company has not accounted for any temporary differences. The deferred tax assets is measured at the nominal tax rates of 25% - 30% (2010: 25% - 34%).The effect of changes in the applicable tax rates is not material.

(5) Other non-current financial assets	31-12-2011	31-12-2010
Other investments	0	17
Other financial receivables	216	336
	216	**353**

Current assets

Trade receivables

(6) Accounts receivables	31-12-2011	31-12-2010
Gross value	16,460	19,934
Provisions	-1,260	-2,052
Net value	15,200	17,882
Amounts still to be invoiced	1,721	1,728
	16,921	**19,610**

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

	31-12-2011	31-12-2010
Accounts receivable not due	12,043	13,877
Accounts receivable 0 to 30 days overdue	1,284	2,045
Accounts receivable 30 to 90 days overdue	537	556
Accounts receivable more than 90 days overdue	2,596	3,456
Provisions (completely allocated to the AR more than 90 days overdue)	-1,260	-2,052
	15,200	**17,882**

Changes of the provision for bad and doubtful debts are as follows:

	2011	2010
1 January	-2,052	-2,343
Derecognition of discontinued operations	860	102
Additions	-425	-615
Receivables written off during year as uncollectable	357	325
Uncollectible trade debts received	0	479
31 December	**-1,260**	**-2,052**

(7) Other receivables	31-12-2011	31-12-2010
Prepaid costs	6,115	5,600
Tax receivables	41	767
Other	402	198
	6,558	**6,565**

Equity

For disclosure of equity we refer to the Company Statement of Financial Position on page 74 of the annual report.

Provisions

(8) Pension provisions

Content of the defined benefit pension scheme
This concerns an unfunded average career plan for employees in Germany.

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

	31-12-2011	31-12-2010
Defined benefit obligation	1,385	1,371
Fair value of plan assets	0	0
	1,385	1,371
Unrecognised actuarial gains and losses	295	295
Net liability	**1,680**	**1,666**

Movement in plan assets

	2011	2010
Fair value of plan assets at beginning of the year	0	105
Settlement of plan assets	0	-105
31 December	**0**	**0**

Movement in defined benefit obligation

	2011	2010
Defined benefit obligation at beginning of the year	1,371	1,505
Settlement of pension obligations	0	-270
Current service cost	1	4
Interest cost	65	73
Benefits paid	-23	-22
Actuarial gains and losses	-29	81
31 December	**1,385**	**1,371**

The company expects to contribute in 2012 EUR 33 (2011: EUR 40) to the pension plans. The defined benefit obligation of EUR 1,385 (2010: 1,371) as of 31 December is completely un-funded. The provision is expected to have a long-term character.

Movement in unrecognised actuarial gains and losses

	2011	2010
Unrecognised actuarial gains and losses at beginning of the year	295	679
Settlement of pension obligations	0	-292
Actuarial gains and losses on defined benefit obligation	-29	-81
Amortization gains and losses	29	-11
31 December	**295**	**295**

Expenses recognized in the income statement

	2011	2010
Current service cost	1	4
Interest cost	65	73
Actuarial gains and losses	-29	-11
Settlement of pension obligations	0	-292
	37	**-226**

Actuarial assumptions
The most important actuarial assumptions are:

	31-12-2011	31-12-2010
Discount rate used	4.9%	4.8%
Inflation	2.0%	2.0%
Expected return on plan assets	N/A	N/A
Expected salary increase	0.0%	0.0%

In 2010 and 2011 there were no plan assets.

Experience adjustments

	2011	2010	2009
Experience adjustments on defined benefit obligations	-8	-9	-12

Historical information of the experience adjustments related to the plans included in the company's consolidated balance sheet is only available for the last three years.

Non-current liabilities

(9) Non-current liabilities	2011	2010
1 January	3,557	5,000
Repayments	-3,317	-2,035
Derecognition of discontinued operations	-28	0
Loans taken	180	592
	392	3,557
Short term repayment obligations	-187	-3,283
31 December	205	274

The non-current liabilities relate to a loan of EUR 0 (2010: EUR 28) and financial lease agreements of EUR 205 (2010: EUR 246). The financial lease agreements were closed in 2010 and 2011, with an original value of EUR 722 (2010: EUR 542) and relate to the lease of hard- and software. The agreements have a duration of 2-3 years and an interest rate of 4.5% to 9.2%. The related hard- and software has been pledged as security for the lease agreements.

Current liabilities

(10) Bank credit

	31-12-2011	31-12-2010
Lease agreements	187	158
Credit facility	8,500	8,500
Loan shareholder	1,000	0
Loan repayment obligation	0	3,125
	9,687	11,783

Qurius has credit facilities with the NIBC for a total amount of EUR 8.5 million (2010: EUR 8.5 million), of which EUR 8.5 million (2010: EUR 8.5 million) has been drawn. In 2010 EUR 3,125 of the current liabilities related to a loan with an original duration of five years and an annual repayment obligation of EUR 625 per quarter, which has been completely repaid at the end of 2011. The interest percentage on the credit facility and the loan is Euribor plus 350 basis points. For both the credit facility, the current account overdrafts, the accounts receivable of the Dutch subsidiary and the shares of the Dutch and German subsidiaries are pledged as security.

In December 2011 the remaining facility reached maturity and ended. Qurius and NIBC agree to investigate possibilities of refinancing the remaining facility of EUR 8.5 million with NIBC and/or with other parties. This investigation is currently ongoing. Pending this phase NIBC periodically provides waivers, current waiver expires 30 April 2012.

In October 2011 Qurius received a loan of EUR 1 million of a shareholder. The loan needs to be repaid at 31 December 2012. The interest rate is 10%. A secondary pledge on the shares of the Dutch and German subsidiaries is security for this loan.

(11) Taxes and social security contributions	31-12-2011	31-12-2010
Value added tax	2,654	2,839
Wage taxes and social security contributions	1,807	1,830
Corporate income tax	17	32
	4,478	**4,701**

(12) Other liabilities and accrued liabilities	31-12-2011	31-12-2010
Employee expenses	1,009	1,025
Holiday allowances	1,468	1,913
Advance billings	10,545	11,453
Other	4,168	4,759
	17,190	**19,150**

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.

2011	Rent	Lease	Other	Total
Duration shorter than one year	1,942	1,990	1	3,933
Duration longer than one year and shorter than five years	3,667	1,792	4	5,463
Duration longer than five years	397	0	1	398
	6,006	3,782	6	9,794

2010	Rent	Lease	Other	Total
Duration shorter than one year	2,660	2,676	33	5,369
Duration longer than one year and shorter than five years	5,403	2,290	27	7,720
Duration longer than five years	548	0	1	549
	8,611	4,966	61	13,638

Bank guarantees

Qurius has issued bank guarantees for third parties for a total amount of EUR 128 (2010: EUR 291).

Financial instruments

General

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

Credit risk

Credit risk arises from counterparty default. As a sales and services organisation, we are exposed to 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. There is no material concentration of credit risks for a single customer.
Total credit risk amounts to EUR 17.1 million (2010: EUR 19.9 million).

Currency risks

We perform our activities mainly in Euros within the Euro zone. For transactions in non-Euro currencies, we seldom use financial derivatives. There were no unpaid forward foreign exchange contracts as at the year-end 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 is applicable for the United Kingdom and the Czech Republic; exchange rate differences in this region do not represent a material impact on the consolidated figures.

Financing risk

As at balance sheet date the NIBC facility was reduced from EUR 11.0 million to EUR 8.5 million with the proceeds from the sale of Qurius Spain and Qurius Belgium to Prodware. In December 2011 the remaining facility reached maturity and ended. Qurius and NIBC agree to investigate possibilities of refinancing the remaining facility of EUR 8.5 million with NIBC and/or with other parties. This investigation is currently ongoing. Pending this phase NIBC periodically provides waivers, current waiver expires 30 April 2012.

Besides closing the Standby Equity Distribution Agreement (SEDA) with Yorkville in 2011, Qurius will continue to look at strategic funding initiatives. Several scenarios are under investigation, including cooperation with Prodware. Management expects that the available funding for Qurius will be sufficient to continue its mid-term strategy. Qurius believes that available cash balances and cash provided by operating and financing activities will be sufficient for working capital, capital expenditures and interest payments for the next 12 months.

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 2011, Qurius had an amount of EUR 9.9 million (2010: EUR 12.1 million) of interest-bearing debts. A change of interest rates by 100 basis points would result in approximately EUR 100 (2010: EUR 120) change in the financial income and expenses.

Liquidity risk

Risks to liquidity may arise if there is a slump in the services performed and a reduction in incoming payments and advance payments, or if investing in development and working capital would place an excessive burden on the available financial resources and/or the operational cash flow.

The size of the transactions may cause short-term fluctuations in the liquidity position. In general, Qurius is able to limit such fluctuations by adopting liquidity control measures. The company believes that it has sufficient access to capital or credit facilities to absorb these fluctuations.

Each month a liquidity forecast is drawn up for the twelve-month period ahead, partly as a way of controlling the liquidity risk. The liquidity risk is analysed taking into account the available cash and equivalents, the credit facilities and the usual fluctuations in the operating capital requirement. This gives Qurius sufficient scope to use the available cash and equivalents and credit facilities as flexibly as possible or to identify any shortfalls in a timely manner. The outgoing cash flows for financial liabilities and derivatives are comprised of repayments (contractual or otherwise) and interest payments (actual and estimated).

Based on the current operating performance and liquidity position, Qurius believes that cash provided by operating and financing activities and available cash balances will be sufficient for working capital, capital expenditures, interest payments, dividends and debt repayment requirements for the next 12 months and the foreseeable future.

In addition to the current liabilities which all mature with one year the following table summarize the maturity profile of Qurius as of 31 December 2011 and 2010:

31 December 2011	*Net carrying amount*	*Contractual cash flows**	*Within 1 year*	*Between 1 and 5 years*	*After 5 years*
Long term loans	0	0	0	0	0
Financial lease agreements	392	433	199	234	0
Short term borrowings	9,500	10,033	10,033	0	0
Total	9,892	10,466	10,232	234	0

31 December 2010	*Net carrying amount*	*Contractual cash flows**	*Within 1 year*	*Between 1 and 5 years*	*After 5 years*
Long term loans	3,175	3,249	3,218	31	0
Financial lease agreements	382	411	145	266	0
Short term borrowings	8,500	8,883	8,883	0	0
Total	12,057	12,543	12,246	297	0

** Including interest*

Disputes with third parties

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

Legal proceedings

Qurius is involved in a number of legal proceedings, most of which relate to matters resulting from the normal conduct of business. Qurius does not expect these court cases to result in obligations that may have a material effect on the company's financial position. To cover those cases in which it is likely that the outcome of the legal proceedings will be unfavourable for Qurius and in which the resulting obligation can be reliably estimated, a provision has been made in the consolidated financial statements.

Capital

The company's objectives when managing capital, being equity, are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure and to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

8.8 **Notes to the Consolidated Income Statement (in EUR x 1,000)**

For 2011 and 2010 respectively

Segment report per country

2011	Germany	Netherlands	United Kingdom	Other	Total
Revenue from third parties	22,412	46,192	5,820	91	74,515
Intercompany revenue	138	208	147	416	909
Total revenue	**22,550**	**46,400**	**5,967**	**507**	**75,424**
Other income	0	0	0	0	0
Cost of Sales	-6,938	-18,414	-1,871	-113	-27,336
Gross margin	**15,612**	**27,986**	**4,096**	**394**	**48,088**
Employee expenses	-12,434	-22,739	-2,778	-639	-38,590
Operating expenses	-3,051	-3,124	-593	-89	-6,857
EBITDA (before restructuring costs)	**127**	**2,123**	**725**	**-334**	**2,641**
Amortisation on intangible assets	-365	-504	-76	-169	-1,114
Depreciation on tangible assets	-432	-1,547	-120	0	-2,099
EBIT (before restructuring costs)	**-670**	**72**	**529**	**-503**	**-572**
Restructuring costs	-73	-1,470	-10	0	-1,553
EBIT	**-743**	**-1,398**	**519**	**-503**	**-2,125**
Interest income					12
Interest expenses					-304
Result before taxation					**-2,417**
Discontinued operations					-5,286
Taxation					-11
Income from subsidiaries					0
Result for the period					**-7,714**
Third party interest					0
Result attributable to shareholders					-7,714
Goodwill	11,593	17,898	2,008	0	31,499
Other non-current assets	1,520	5,096	334	1,534	8,484
Unallocated					1,953
Total non-current assets					**41,936**
Accounts receivable	5,881	9,387	1,314	109	16,691
Unallocated					230
Total Accounts receivables					**16,921**
Total allocated assets	25,285	41,264	4,352	1,910	72,811
Unallocated					370
Total assets					**73,181**
Capital expenditures	1,147	1,859	179	2,197	5,382
Unallocated					408
Total capital expenditures					**5,790**
Total allocated liabilities	18,293	19,866	2,303	2,380	42,842
Unallocated					-184
Total liabilities					**42,658**

2010	Germany	Netherlands	United Kingdom	Other	Total
Revenue from third parties	25,395	49,540	4,590	2,128	81,653
Intercompany revenue	31	27	176	603	837
Total revenue	**25,426**	**49,567**	**4,766**	**2,731**	**82,490**
Other income	1,254	0	0	475	1,729
Cost of Sales	-9,159	-18,570	-1,353	-616	-29,698
Gross margin	**17,521**	**30,997**	**3,413**	**2,590**	**54,521**
Employee expenses	-14,480	-27,554	-2,770	-1,646	-46,450
Operating expenses	-3,618	-3,608	-796	-278	-8,300
EBITDA (before restructuring costs)	**-577**	**-165**	**-153**	**666**	**-229**
Amortisation on intangible assets	-579	-754	-48	-19	-1,400
Depreciation on tangible assets	-383	-1,372	-116	-39	-1,910
EBIT (before restructuring costs)	**-1,539**	**-2,291**	**-317**	**608**	**-3,539**
Restructuring costs	-1,534	-1,465	-180	-198	-3,377
EBIT	**-3,073**	**-3,756**	**-497**	**410**	**-6,916**
Interest income					93
Interest expenses					-480
Result before taxation					**-7,303**
Discontinued operations					-691
Taxation					-162
Income from subsidiaries					31
Result for the period					**-8,125**
Third party interest					36
Result attributable to shareholders					-8,161
Goodwill	11,593	17,898	2,008	5,670	37,169
Other non-current assets	1,324	4,138	273	2,063	7,798
Unallocated					3,842
Total non-current assets					**48,809**
Accounts receivable	4,361	9,833	636	4,775	19,605
Unallocated					5
Total Accounts receivables					**19,610**
Total allocated assets	22,657	40,640	3,673	15,054	82,024
Unallocated					1,157
Total assets					**83,181**
Capital expenditures	863	1,707	243	483	3,296
Unallocated					636
Total capital expenditures					**3,932**
Total allocated liabilities	14,728	18,268	2,194	12,300	47,490
Unallocated					1,405
Total liabilities					**48,895**

Net sales

(13) Net sales	2011	2010
Software licenses	7,702	8,167
Maintenance	12,178	12,527
Services	43,817	49,747
Hardware	10,818	11,212
	74,515	81,653

Operating expenses

(14) Employee expenses	2011	2010
Salaries & bonuses	27,195	33,310
Social security charges	4,080	4,925
Pension costs	964	918
Car expenses	4,748	5,542
Training expenses	473	567
Other employee expenses	1,130	1,188
	38,590	46,450

Under pension costs, an amount of EUR 0.9 million (2010: EUR 1.1 million) has been included for contributions to defined contribution plans. Under the car expenses, an amount of EUR 2.9 million (2010: EUR 3.3 million) has been included for operating lease contracts for cars.

(15) Other operating expenses	2011	2010
Accommodation expenses	2,832	3,032
Marketing expenses	1,254	1,500
General expenses	2,771	3,768
	6,857	8,300

A total of EUR 1.9 million (2010: EUR 1.9 million) of the accommodation expenses relates to the costs of operating lease contracts.

Expenses for audit services provided by BDO Audit & Assurance B.V. and its network companies in the countries where the group is active amounted to EUR 161 (2010: EUR 151) and non-audit services amounted to EUR 45 (2010: EUR 44).

(16) Depreciation and Amortisation	2011	2010
Non-current intangible assets	1,114	1,400
Property, plant and equipment	2,099	1,910
	3,213	3,310

(17) Restructuring costs

Restructuring costs have been incurred in operational restructuring in all the operating countries 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 disclosed previously.

	2011	2010
Severance payments	1,126	2,299
Closing of offices	305	693
Other	122	385
	1,553	3,377

(18) Financial income and expenses	2011	2010
Financial income	11	93
Financial expenses	-300	-447
Exchange rate gains/losses	-3	-33
	-292	-387

(19) Taxation

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

	2011	2010
Income tax at statutory rate of 25.0% (2010: 25.5%)	604	1,862
Effect of tax facilities	-153	-293
Effect of divergent tax rates for foreign companies	39	146
Carry forward losses for which no deferred tax assets have been recognized	-501	-1,877
Effective income tax	-11	-162

The effective income tax of EUR -11 (2010: EUR -162) consists of a release of EUR -11 (2010: EUR 82) of the current liability and a release of EUR 0 (2010: EUR 80) of the deferred tax asset.

(20) Discontinued Operations

The discontinued operations are presented in accordance with IFRS 5.
In 2011 the Belgian and Spanish operations were discontinued. In 2010 there were no discontinued operations. In 2010 an amount of EUR 174 has been expensed due to guarantees given on the sale of the Multiplus (Norwegian) activities. In 2011 there was a release of guarantees for Multiplus.

2011	Norway	Spain	Belgium	Total
Net Sales	0	7,609	2,885	10,494
Cost of Sales	0	-2,226	-586	-2,812
Gross margin	0	5,383	2,299	7,682
Operating expenses	0	-5,755	-2,827	-8,582
Result before taxation	0	-372	-528	-900
Taxation	0	0	0	0
Result from discontinued operations for the period	0	-372	-528	-900
Results on divestments of discontinued operations	183	501	600	1,284
Derecognition of goodwill	0	-3,194	-2,476	-5,670
Net result from discontinued operations	**183**	**-3,065**	**-2,404**	**-5,286**

2010	Norway	Spain	Belgium	Total
Net Sales	0	12,936	3,876	16,812
Other Income	0	1,240	0	1,240
Cost of Sales	0	-4,200	-897	-5,097
Gross margin	0	9,976	2,979	12,955
Operating expenses	0	-9,835	-3,546	-13,381
Result before taxation	0	141	-567	-426
Taxation	0	-1	-90	-91
Result from discontinued operations for the period	0	140	-657	-517
Results on divestments of discontinued operations	-174	0	0	-174
Net result from discontinued operations	**-174**	**140**	**-657**	**-691**

(21) Earnings per share

	2011	2010
Net result of continuing operations	-2,428	-7,470
Net result of discontinued operations	-5,286	-691
Net result attributable to shareholders	**-7,714**	**-8,161**

	2011	2010
Weighted average number of issued shares	125,487,405	111,832,319
Weighted average number of own shares	-4,664	-4,664
Weighted average number of shares for the purpose of basic earnings per share	125,482,741	111,827,655
Effect of share options	0	0
Weighted average number of common shares for the purposes of diluted earnings per share	**125,482,741**	**111,827,655**

Remuneration of Executive Board

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

	L.P.W. Zevenbergen	M. Wolfswinkel	F. van der Woude
	Executive Board member since 1 January 2010	*Executive Board member since 1 December 2008*	*Executive Board member until 12 February 2010*
2011			
Fixed salary, including employer's charges	238	219	0
Pension contribution	27	26	0
Current remuneration	0	0	0
Long-term remuneration	0	0	0
Termination benefits	0	0	0
Share based payments	23	23	0
Non-monetary benefits	27	34	0
	315	302	0

	L.P.W. Zevenbergen *Executive Board member since 1 January 2010*	M. Wolfswinkel *Executive Board member since 1 December 2008*	F. van der Woude *Executive Board member until 12 February 2010*
2010			
Fixed salary, including employer's charges	238	225	25
Pension contribution	27	26	0
Current remuneration	36	0	0
Long-term remuneration	0	0	0
Termination benefits	0	0	388
Share based payments	18	18	0
Non-monetary benefits	27	36	8
	346	**305**	**421**

Shares and options held by Executive Board members

	31-12-2011		31-12-2010	
	Shares	Options	Shares	Options
L.P.W. Zevenbergen *(since 1 January 2010)*	337,838	675,676	337,838	675,676
M. Wolfswinkel *(since 1 December 2008)*	337,838	675,676	337,838	675,676
F. van der Woude *(until 12 February 2010)*	n.a.	n.a.	n.a.	n.a.

Remuneration of Senior Management

For the composition of senior management we refer to 2.5.2 of the annual report.

	2011	2010
Fixed salary, including employer's charges	2,110	1,975
Pension contribution	105	104
Current remuneration	29	35
Termination benefits	150	165
Share based payments	8	163
Non-monetary benefits	255	220
	2,657	**2,662**

Remuneration of Supervisory Board

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

	2011		2010	
	Remuneration	Share based payments	Remuneration	Share based payments
L. Brentjens	20	12	20	9
W.F. Geerts	15	12	15	9
E. Smid	15	12	15	9
	50	36	50	27

Shares and options held by Supervisory Board members

	31-12-2011		31-12-2010	
	Shares	Options	Shares	Options
L. Brentjens	168,919	337,838	168,919	337,838
W. F. Geerts	218,919	337,838	218,919	337,838
E. Smid	168,919	337,838	168,919	337,838

Number of employees

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

Country	At the end of 2011	Average	At the end of 2010	Average
Germany	154	165	189	178
The Netherlands	292	301	331	357
UK	39	37	35	45
Other	39	39	52	32
	524	542	607	612

Related parties

The transactions with related parties have been sufficiently explained in the financial statements. Related parties are group companies, the members of the Supervisory Board, the members of the Executive Board and the members of the Senior Management qualified as key management.

Share options

Previous option plans

In 2011 all option plans that were not related to the ILP expired without execution.

ILP option plan

In 2010 Qurius initiated an option plan as part of the International Leadership Program (ILP) consisting of plan A and plan B. Plan A: In the scope of the ILP option plan A, 10,810,811 option rights on Qurius' shares were granted with an exercise price of EUR 0.296 per share. The number of options is related to the investment of the ILP members in Qurius' shares. The ILP option plan A has a duration of three years. As part of plan B ILP members receive option rights based on targeted annual results. The ILP option plan B has a duration of three years. Based on the 2010 and 2011 results no options were granted to ILP members under plan B.

As at 31 December 2011 the following options rights per share of EUR 0.12 nominal are outstanding:

Date of issue	Exercise price in EUR	Outstanding 31 December 2010	Options exercised	Options granted	Options expired and cancelled	Outstanding 31 December 2011	Expiry date
31 January 2008	0.61	375,000	0	0	375,000	0	30 January 2011
1 May 2008	0.70	350,000	0	0	350,000	0	30 April 2011
19 March 2010	0.30	9,797,297	0	0	2,533,783	7,263,514	18 March 2013
		10,522,297	0	0	3,258,783	7,263,514	

Date of issue	Exercise price in EUR	Outstanding 31 December 2009	Options exercised	Options granted	Options expired and cancelled	Outstanding 31 December 2010	Expiry date
13 November 2007	0.80	300,000	0	0	300,000	0	12 November 2010
31 January 2008	0.61	525,000	0	0	150,000	375,000	30 January 2011
1 May 2008	0.70	350,000	0	0	0	350,000	30 April 2011
19 March 2010	0.30	0	0	10,810,811	1,013,514	9,797,297	18 March 2013
		1,175,000	0	10,810,811	1,463,514	10,522,297	

The cost of options will be spread over the vesting period of 3 years. The total fair value of the options granted in 2010 amounts to EUR 1.1 million. In 2011 an amount of EUR 156 (2010: EUR 192) has been included in the income statement and the retained earnings.

Valuation assumptions
The fair value of the options granted 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.

8.9 Company Statement of Financial Position (in EUR x 1,000)

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

Assets

			2011		2010
Non-current assets					
Non-current intangible assets	(a)				
Goodwill		28,984		34,653	
Other non-current intangible assets		888		2,160	
			29,872		36,813
Property, plant and equipment	(b)		258		357
Non-current financial assets					
Participating interests in group companies	(c)	3,592		4,681	
Deferred tax asset		1,004		1,004	
			4,596		5,685
Current assets					
Trade receivables					
Amounts owed by group companies		4,595		4,001	
Other receivables		1,143		732	
			5,738		4,733
Cash and cash equivalents			395		0
Total Assets			**40,859**		**47,588**

Equity and Liabilities

			2011		2010
Shareholders' equity					
Issued share capital	(d)	15,975		13,613	
Share premium	(e)	70,339		68,726	
Legal reserve	(f)	3,650		2,438	
Other reserve	(g)	-51,727		-42,330	
Net result		-7,714		-8,161	
			30,523		34,286
Current liabilities					
Amounts owed to group companies		149		25	
Current portion of liabilities		9,500		12,372	
Other liabilities		687		905	
			10,336		13,302
Total equity and liabilities			**40,859**		**47,588**

8.10 Company Income Statement (in EUR x 1,000)

For the year ending 31 December

	2011	2010
Result of consolidated participating interests, after tax	-632	-5,420
Company result after tax	-7,082	-2,741
Net result	**-7,714**	**-8,161**

8.11 Notes to the Company Statement of Financial Position and Income Statement

As at 31 December and for the year ending on 31 December respectively

General information

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 Dutch 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 Dutch 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 page 44.

Non-current assets

(a) Non-current intangible assets	Goodwill	Development costs	Client portfolio	Total
1 January 2010				
Acquisition cost	48,599	602	4,269	53,470
Accumulated impairment and amortisation	-12,268	-187	-2,058	-14,513
Carrying value	**36,331**	**415**	**2,211**	**38,957**
Changes in 2010				
Derecognition of discontinued operations (net)	-1,677	0	-10	-1,687
Investments	0	308	0	308
Amortisation	0	-112	-652	-764
Total changes	**-1,677**	**196**	**-662**	**-2,143**
31 December 2010				
Acquisition cost	46,922	758	4,259	51,939
Accumulated impairment and amortisation	-12,268	-147	-2,710	-15,125
Carrying value	**34,654**	**611**	**1,549**	**36,814**
Changes in 2011				
Derecognition of discontinued operations (net)	-5,670	0	-296	-5,966
Disposals (net)	0	-535	0	-535
Amortisation	0	-76	-365	-441
Total changes	**-5,670**	**-611**	**-661**	**-6,942**
31 December 2011				
Acquisition cost	35,631	223	3,709	39,563
Accumulated impairment and amortisation	-6,647	-223	-2,821	-9,691
Carrying value	**28,984**	**0**	**888**	**29,872**

(b) Property, plant and equipment

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

	2011	2010
1 January		
Acquisition cost	1,689	1,361
Accumulated depreciation	-1,332	-814
Carrying value	**357**	**547**
Changes		
Net investments	408	328
Depreciation	-507	-518
Total changes	**-99**	**-190**
31 December		
Acquisition cost	2,097	1,689
Accumulated depreciation	-1,839	-1,332
Carrying value	**258**	**357**

Non-current financial assets

(c) Participating interests in group companies

In 2010, there were no transactions related to the participating interests of Qurius N.V.
In 2011, the following transactions included in the statement of financial position occurred:

- On 1 October, Qurius N.V. transferred its Belgian operations. Reference is made to note (20) Discontinued Operations.

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

	2011	2010
1 January	4,681	8,112
Result participation interests	-632	-5,420
Derecognition of operations	238	0
Received dividends	0	-235
Adjustments due to negative net assets value of participation interests	-683	2,230
Exchange rate differences	-12	-6
31 December	**3,592**	**4,681**

Shareholders' equity

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

(d) Authorised share capital

The authorised share capital of the company amounts to EUR 60,000,000 and is divided into:

- 200,000,000 ordinary A shares with a nominal value of EUR 0.12;
- 50,000,000 ordinary B shares with a nominal value of EUR 0.12;
- 250,000,000 preference shares with a nominal value EUR 0.12;

Changes in issued share capital were as follows:	2011	2010
1 January	13,613	12,964
Issued	2,362	649
31 December	15,975	13,613

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

	2011			2010		
	A Shares	B Shares	Preference shares	A Shares	B Shares	Preference shares
1 January	113,435,429	0	0	108,030,023	0	0
Issue	19,690,098	0	0	5,405,406	0	0
31 December	133,125,527	0	0	113,435,429	0	0

At 8 February 2011 Qurius issued 11,343,540 shares to Prodware in exchange for EUR 2,500. In 2011 an amount of EUR 1,475 has been drawn under the SEDA, in exchange for issuing of 8,346,558 shares.

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	2011	2010
1 January	4,664	4,664
Shares delivered	0	0
31 December	4,664	4,664

(e) Share premium

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

	2011	2010
1 January	68,726	67,775
Issued	1,613	951
31 December	70,339	68,726

(f) Legal reserves

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

	2011	2010
1 January	2,438	2,003
Derecognition of discontinued operations	-407	0
Capitalised development costs during the year	2,326	1,327
Amortisation	-694	-883
Currency translation reserve	-13	-9
31 December	3,650	2,438

The legal reserves consist of EUR 3,850 (2010: EUR 2,625) for capitalised development costs and EUR -200 (2010: EUR -187) for exchange rate differences.

(g) Other reserves

This concerns a reserve mainly created as a result of accumulated results. Changes are as follows:

	2011	2010
1 January	-42,330	-33,044
Appropriation result of last financial year	-8,161	-9,036
Movement in legal reserves	-1,225	-443
Value of employee options	277	372
Reversal of cancelled employee options	-121	-179
Other movements	-167	0
31 December	-51,727	-42,330

Other operating expenses
Expenses for audit services provided by BDO Audit & Assurance B.V. amounted to EUR 96 (2010: EUR 101 and non-audit services amounted to EUR 44 (2010: EUR 36). For the remuneration of the members of the Executive Board and the Supervisory Board, please see pages 66 and 67.

Zaltbommel, 12 April 2012

Executive Board
Leen Zevenbergen
Michiel Wolfswinkel

Supervisory Board
Lucas Brentjens
Fred Geerts
Evert Smid

Events after balance sheet date

Standby Equity Distribution Agreement (SEDA) with Yorkville

After balance sheet date an amount of EUR 300 has been drawn under the SEDA, in exchange for issuing 2,006,998 shares. Up until 12 April 2012 an amount of EUR 1,775 has been drawn under the SEDA, in exchange for issuing of 10,353,555 shares. The total number of outstanding shares as of today amounts to 135,132,525.

Three executive appointments at Qurius Netherlands

27 January 2012 - Mark Cockings, Country Manager Qurius UK, has also been appointed Managing Director Qurius Netherlands. Adrie van Kampen has been appointed Director Sales of Qurius Netherlands. He will succeed Robert Lagas, who has been appointed Director Group Business Development.

9 Other information

9.1 Independent Auditor’s Report

To: the General Meeting of Shareholders and the Management of Qurius N.V.

Report on the financial statements

We have audited the accompanying financial statements 2011 of Qurius N.V., Zaltbommel, as set out on pages 38 to 76. The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2011, the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements comprise the company balance sheet as at 31 December 2011 the company income statement for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management’s responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 2011 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 Dutch 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 2011 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Emphasis of uncertainty with respect to the going concern assumption

We draw attention to note 10 and the notes to liquidity risk and financing risk, which describe the breach of the covenants by Qurius N.V.. Qurius N.V. has received a waiver from the lender for the period until 30 April 2012. Qurius plans to further develop and implement strategic funding initiatives. If adverse developments occur, this may cast significant doubt about the company's ability to continue as a going concern.

Our opinion is not qualified in respect of this matter.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed.

Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Amstelveen, 12 April 2012

BDO Audit & Assurance B.V.

on its behalf,

J.A. de Rooij RA

9.2 Articles of Association Rules concerning Profit Appropriation

With respect to the profit appropriation, the following is provided in Articles 32 and 33 of the company's Articles of Association: 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.

9.3 Result 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 debit of the other reserves.

10 CSR Appendices

10.1 Appendix 1: Employee composition

2011 is the second year of collecting data especially to support the CSR policy in the field of Human Relations. All Qurius operations joined this effort, except the smallest, the near-shore development centre in the Czech Republic. This is the ‘factory’ of Qurius that develops software for the other branch offices. Although the near-shore development centre in the Czech Republic has a number of local clients, it has no marketing or sales function like the other operations which are full service, high-end solutions providers.
In all countries, Qurius employs highly educated software engineers and other experienced IT professionals. Wherever they work, such people are predominantly males aged between 30 and 50 years. Given the composition of our recruitment target group, it will be hard to achieve hundred per cent diversity. Qurius nevertheless addresses the composition of its work force in line with the communities where it operates. In order to achieve that, Qurius has a designated policy that came into force in 2011 (see 3.2.3).

10.1.1 Employees by Age, Gender and Contract

Please note that the tables from this appendix deal with headcount instead of FTE (Full Time Equivalents) as is the case with other sections from this report. Figures from this appendix do not comprise the near-shore development centre in the Czech Republic.

Range	Headcount year-end 2011				Totals					
Gender	Male		Female							
Contract	Permanent	Temp.	Permanent	Temp.	Male	Female	Permanent	Temp.	Total	%total
< 30	54	6	21	4	60	25	75	10	85	16%
30 – 50	298	8	63	3	306	66	361	11	372	71%
> 50	55	0	9	0	55	9	64	0	64	13%
Total	**407**	**14**	**93**	**7**	**421**	**100**	**500**	**21**	**521**	**100%**
Total Per/Tem	500	21	96%	4%						
Total M/F	421	81%	100	19%						

10.1.2 Employees: Leavers and Joiners

2011 was the first full year of restructuring. In all countries, this resulted in a number of employees leaving the company and new coming in.

Range	Employee turnover by age *(number of people who left the company in 2011)*		Total	By staff segment
Gender:	Male	Female		
< 30	14	4	18	21%
30 – 50	74	13	87	23%
> 50	15	1	16	25%
Total	**103**	**18**	**121**	**23%**

Range	New hires by age *(number of people who received employee contracts with Qurius in 2011)*		Total	By staff segment
Gender:	Male	Female		
< 30	18	10	28	33%
30 – 50	43	9	52	14%
> 50	7	1	8	13%
Total	**68**	**20**	**88**	**17%**

10.1.3 Employee members from minorities and by contract

Qurius does not keep a record of its employee composition in terms of minorities, sexual orientation, disabilities, etc. In order to meet the respective GRI requirements, the HR departments made an estimation based on their personal knowledge.

Including	**Headcount**			
Gender	*Male*	*Female*	*Total*	*By total staff*
Employees from minorities	15	6	21	4%
Disabled Employees	6	-	6	1%
Part-time Employees	NA	NA	79	15%
Full-time Employees	NA	NA	442	85%

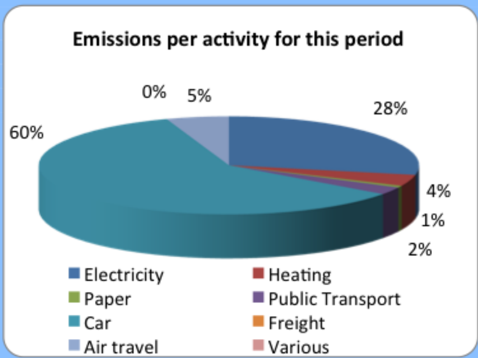
10.2 Appendix 2: Carbon emission footprints in detail

For CO_2 footprint assessments, Qurius relies upon the Climate Neutral Group who entered our data into their system, to produce a reliable measure of Qurius' current carbon footprint. This appendix gives a detailed overview of the CO_2 emissions as calculated by the Climate Neutral Group.

Climate Neutral Group

Carbon footprint — Qurius Netherlands

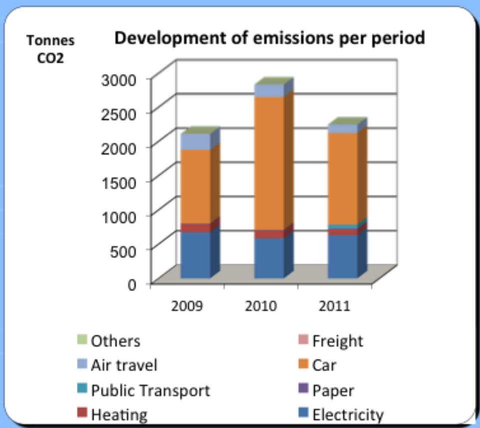
Period:	2011
Emissions per activity (ton CO_2 eq.)	
Total emissions	**2245,07**
Electricity	632,12
Heating	83,99
Paper	13,67
Public Transport	55,94
Car	1339,86
Freight	0,00
Air travel	119,51
Various	0,00



KPI's	
Emissions per employee (fte)	7,46
Emissions per 1 mio euro turnover	48,20

Change in annual emissions	
Compared to 2010	-20,77%

In order to offset these emissions:	
a wind turbine (2.3MW) needs to be operational for this number of hrs	5.613
This number of trees to grow for one year	112.254



Climate Neutral Group is proud partner of:

ICROA INTERNATIONAL CARBON REDUCTION AND OFFSET ALLIANCE

WWF

Climate Neutral Group

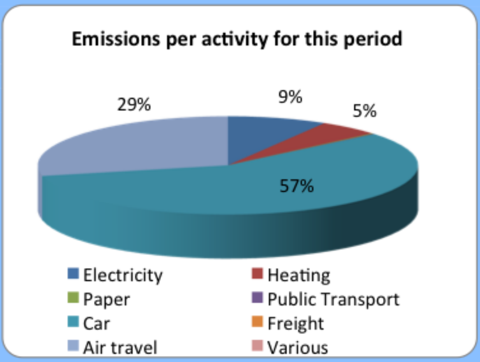
Carbon footprint — Qurius Germany

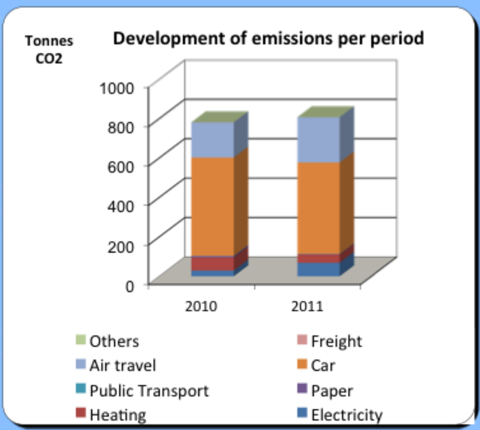
Period:	2011
Emissions per activity (ton CO_2 eq.)	
Total emissions	**806,90**
Electricity	68,66
Heating	41,93
Paper	1,55
Public Transport	1,20
Car	463,62
Freight	0,00
Air travel	230,00
Various	0,00

KPI's	
Emissions per employee (fte)	5,45
Emissions per 1 mio euro turnover	35,80

Change in annual emissions	
Compared to 2010	3,33%

In order to offset these emissions:	
a wind turbine (2.3MW) needs to be operational for this number of hrs	2.017
This number of trees to grow for one year	40.345





Climate Neutral Group is proud partner of:

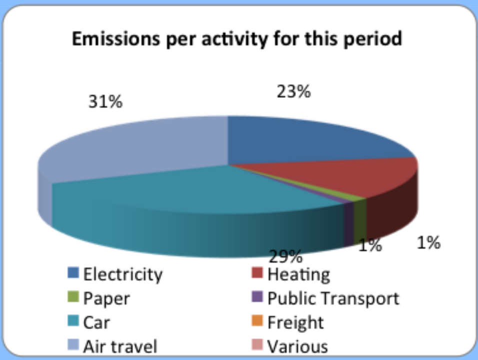
ICROA INTERNATIONAL CARBON REDUCTION AND OFFSET ALLIANCE

WWF

Climate Neutral Group

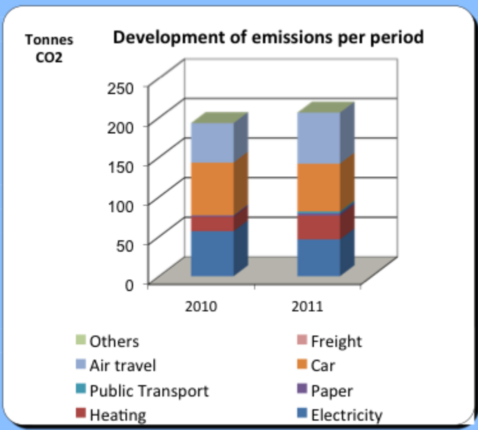
Carbon footprint — Qurius UK

Period:	2011
Emissions per activity (ton CO_2 eq.)	
Total emissions	**206,30**
Electricity	46,45
Heating	29,90
Paper	3,07
Public Transport	2,25
Car	60,23
Freight	0,00
Air travel	64,45
Various	0,00



KPI's	
Emissions per employee (fte)	5,58
Emissions per 1 mio euro turnover	34,6

Change in annual emissions	
Compared to 2010	6,80%



In order to offset these emissions:	
a wind turbine (2.3MW) needs to be operational for this number of hrs	516
This number of trees to grow for one year	10.315

Climate Neutral Group is proud partner of:

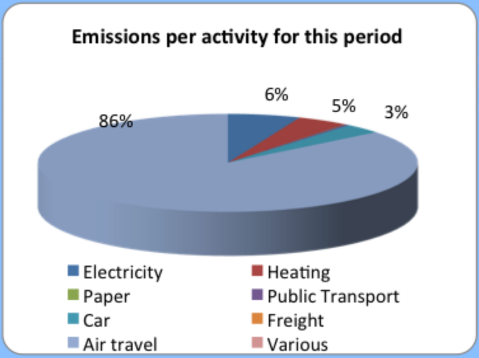
ICROA INTERNATIONAL CARBON REDUCTION AND OFFSET ALLIANCE

WWF

Climate Neutral Group

Carbon footprint — Qurius Czech Republic

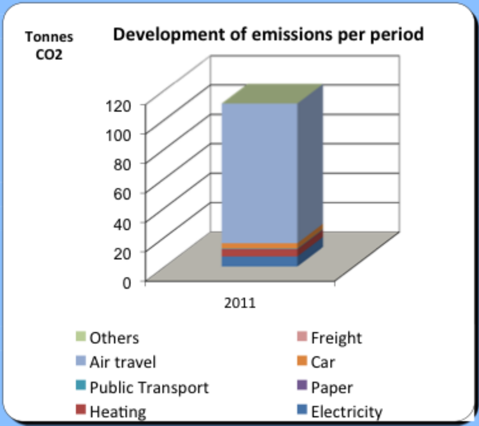
Period:	2011
Emissions per activity (ton CO_2 eq.)	
Total emissions	**110,80**
Electricity	6,87
Heating	4,89
Paper	0,06
Public Transport	0,40
Car	3,59
Freight	0,00
Air travel	95,00
Various	0,00



KPI's	
Emissions per employee (fte)	5,54
Emissions per 1 mio euro turnover	238,80

Change in annual emissions	
Compared to	na

In order to offset these emissions:	
a wind turbine (2.3MW) needs to be operational for this number of hrs	277
This number of trees to grow for one year	5.540



Climate Neutral Group is proud partner of:

ICROA INTERNATIONAL CARBON REDUCTION AND OFFSET ALLIANCE

WWF

10.3 G3 Content Index 2011 – GRI Application Level C

STANDARD DISCLOSURES PART I: Profile Disclosures

1. Strategy and Analysis

Profile Disclosure	Description	Reported	Cross reference	Reason for omission	Explanation
1.1	Statement from the most senior decision maker of the organisation.		Letter from the CEO		

2. Organisational Profile

Profile Disclosure	Description	Reported	Cross reference	Reason for omission	Explanation
2.1	Name of the organisation.	Qurius N.V.			
2.2	Primary brands, products, and/or services.	ICT solutions			
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.		How we have organised ourselves		
2.4	Location of organisation's headquarters.		Contact Information and List of Addresses		
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.		Contact Information and List of Addresses		
2.6	Nature of ownership and legal form.	N.V., Stock listed			
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).		Annual Accounts		
2.8	Scale of the reporting organisation.		Five year Financial Summary		
2.9	Significant changes during the reporting period regarding size, structure, or ownership.		Performance		
2.10	Awards received in the reporting period.		Business Awards		

3. Report Parameters

Profile Disclosure	Description	Reported	Cross reference	Reason for omission	Explanation
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	2011			
3.2	Date of most recent previous report (if any).	14 April 2011			
3.3	Reporting cycle (annual, biennial, etc.)	Annual.			
3.4	Contact point for questions regarding the report or its contents.		Contact Investor Relations		
3.5	Process for defining report content.		Scope of this report		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.		Scope of this report		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).		Scope of this report		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.		Scope of this report		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).		Scope of this report		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Disinvested operations, notably Belgium and Spain, do no longer make part of the report			No further major changes, only refinements
3.12	Table identifying the location of the Standard Disclosures in the report.		Scope of this report		

4. Governance, Commitments and Engagement

Profile Disclosure	Description	Reported	Cross reference	Reason for omission	Explanation
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.		Supervisory Board Report		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	No, this is not the case for any of the Supervisory Board members.	Supervisory Board Report		
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Not Appli-cable.		Qurius N.V. has a two-tier board structure consisting of a Supervisory Board and an Executive Board that reports to the Supervisory Board.	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	AGM, Workers Council.	Corporate governance		
4.14	List of stakeholder groups engaged by the organisation.		Stakeholder Dialogue		
4.15	Basis for identification and selection of stakeholders with whom to engage.		Stakeholder Dialogue		

STANDARD DISCLOSURES PART III: Performance Indicators
(Part II is omitted on Level C)

ECONOMIC

Performance Indicator	Description	Reported	Cross-reference
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.		Consolidated Income Statement Notes to the consolidated financial statements
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Due to the nature of the organisation's activities, no risks or opportunities due to climate change are distinguished	Risk Management
EC3	Coverage of the organisation's defined benefit plan obligations.		Employee benefits
EC4	Significant financial assistance received from government.	No significant financial assistance has been received from any government.	
Market presence			
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Apart from office automation, this is at (local) management's discretion.	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	For any branch office, the policy is to hire, for any position – including (senior) management – only from the local community. At the end of 2011, only the management of the Czech operation consisted of two Dutch expats.	
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.		Community Support

ENVIRONMENTAL

Performance Indicator	Description	Reported	Cross-reference
Materials			
EN1	Materials used by weight or volume.	As a service company, Qurius hardly uses materials other than office supplies	
EN2	Percentage of materials used that are recycled input materials.	Wherever possible, Qurius uses recycled materials, such as pens, cups and office paper	
Energy			
EN3	Direct energy consumption by primary energy source.		Appendix 2: Carbon emission footprints in detail
EN4	Indirect energy consumption by primary source.		Appendix 2: Carbon emission footprints in detail
EN5	Energy saved due to conservation and efficiency improvements.		Carbon Emission Reductions
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.		Sustainable & Marketable Propositions
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.		Carbon Emission Reductions
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Qurius does not own, lease or manage land. It only rents existing office buildings.	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Qurius has no significant impact on biodiversity.	
EN13	Habitats protected or restored.	Qurius, being a provider of professional services, is not involved in occupying or managing habitats and has hence no opportunities to protect or restore them.	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Qurius, being a provider of professional services, is not affecting biodiversity and has hence no opportunities to manage its impact on biodiversity.	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Qurius, being a provider of professional services, has no operations that affect IUCN Red List and national conservation list species.	

Performance Indicator	Description	Reported	Cross-reference
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.		Appendix 2: Carbon emission footprints in detail
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.		Carbon Emission Reductions
EN22	Total weight of waste by type and disposal method.	Not significant for a services company like Qurius, waste is parted	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Qurius, being a provider of professional services, has no work processes that involve or generate hazardous waste.	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	Qurius, being a provider of professional services, only occupies offices that are connected to the regular sewage system.	
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.		Sustainable & Marketable Propositions
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not applicable to Qurius, being a service provider and selling software solutions.	
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Qurius has received no fines or any form of sanctions for non-compliance with environmental laws and regulations.	
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	Being an ICT consultancy, Qurius has no transported goods. Employees make their own commuting choices.	Mobility Policy

OVERALL

Social: Labour Practices and Decent Work

Performance Indicator	Description	Reported	Cross-reference
Employment			
LA1	Total workforce by employment type, employment contract, and region.		Employees by Age, Gender and Contract Notes to the Consolidated Income Statement
LA2	Total number and rate of employee turnover by age group, gender, and region.		Employees: Leavers and Joiners
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Across all operations, part-time employees receive exactly the same benefits as full-time employees. Temporary employees are excluded from the defined benefit scheme but for the rest; receive the same benefits as employees with a permanent contract.	Employees by Age, Gender and Contract
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advice on occupational health and safety programs.	Not applicable because working with Qurius as a services provider, does not involve specific occupational health and safety risks	
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Only partly applicable because working with Qurius as a services provider, does not involve specific occupational health and safety risks	Health & Wellbeing
Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.		Corporate Governance Report Employees by Age, Gender and Contract Recruitment for Diversity

Social: Human Rights

Performance Indicator	Description	Reported	Cross-reference
Diversity and equal opportunity			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Not applicable to Qurius as it operates only in the EU where human rights are firmly secured in laws and regulations.	
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Not applicable to Qurius as it operates only in the EU where human rights are firmly secured in laws and regulations.	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Not applicable to Qurius as it operates only in the EU where human rights are firmly secured in laws and regulations.	
Freedom of association and collective bargaining			
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Zero. All operations take place Europe and are compliant to EU rules & legislation.	
Child labour			
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Zero. All operations take place Europe and are compliant to EU rules & legislation.	
Forced and compulsory labour			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.	Zero. All operations take place Europe and are compliant to EU rules & legislation.	
Security practices			
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	All operations take place Europe and are compliant to EU rules & legislation, including those in the field of human rights.	
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Zero. All operations take place Europe and are compliant to EU rules & legislation.	

Social: Society

Performance Indicator	Description	Reported	Cross-reference
Community			
SO1	Nature, scope, and effectiveness of any programs and practices that asses and manage the impacts of operations on communities, including entering, operating, and exiting.		Community Support
Anti-competitive behaviour			
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	Zero. Qurius was not subject to any legal action for anti-competitive behaviour, anti-trust or monopoly practices.	
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Qurius received no fines or any form of sanctions for non-compliance with laws and regulations.	
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations.	Qurius received no fines or any form of sanctions for non-compliance with laws and regulations concerning the provision and use of products and services.	

11 List of publications

Day	Month	Publication
11	January	Qurius contracts German fast food chain for EUR 3 million
11	January	EZGOING Waste Management the perfect solution for Bruins & Kwast Biomass Management
14	January	Sustainable Management Contract with IBN
18	January	Qurius first EZGOING Partner
25	January	DS Smith Recycling commits to multimillion euro investment with IT specialists Qurius UK
3	February	Qurius nominated for 2 IBM Awards
8	February	Prodware and Qurius enter into exclusive discussions
10	February	Qurius UK Signs with Palm Recycling
17	February	Microsoft Dynamics CRM 2011 available
17	February	Qurius builds international software platform for Provimi Pet Food
1	March	Dieter Große-Kreul new CEO Qurius Germany
14	March	Van Gansewinkel Sign Framework Agreement
17	March	Annual Results 2010 - in line with earlier announcement
18	March	Launch iPad 2 at the Qurius Inspirience Center
28	March	Congratulations to Bruins and Kwast Biomass Management
31	March	CEO Leen Zevenbergen leads Qurius Netherlands
31	March	Qurius starts assignment at De Telefoongids
4	April	NYK Logistics Deutschland opts for Microsoft Dynamics AX
6	April	Qurius and Sitecore announce Partnership
12	April	First Qurius Innovation Challenge big success
13	April	Qurius publishes its first Corporate Social Responsibility Report
18	April	Microsoft Partners join forces in DynAcademy
22	April	iPad application demonstrates success at AutoRAI
27	April	Qurius back to profit in Q1 2011
10	May	Qurius participates in website OnzeEconomie.nu
20	May	Qurius launches online upgrade calculator
20	May	Qurius sponsors Social Venture Network Europe Conference
23	May	Publication trend research IT in the food industry 2011
23	May	Qurius migrates Lincoln Electric EMEA to an upgraded server architecture environment
27	May	Qurius AGM 2011
6	June	Qurius Motor Sports launches Green Karting
10	June	The experiences of Qurius in the book 'De Kunst van Het Nieuwe Werken | Ervaringen @dewerkpraktijk'
17	June	Qurius secures €10 million equity line
1	July	Qurius and Prodware take some more time
4	July	Qurius 2011 Sitecore Site of the Year
8	July	Microsoft welcomes Qurius as Inner Circle Member
8	July	Qurius Belgium and UK Member Microsoft Dynamics President's Club
11	July	Qurius and Prodware take the next step
18	July	Clear messages from Microsoft WPC
29	July	Qurius implements NAV 2009 at SWB Groep
29	July	Business Consultancy for Scholten Awater
15	August	Microsoft Dynamics to be Implemented at Kowa Optimed
23	August	Qurius starts assignment at Lectric Group and Lectric Education
25	August	Qurius publishes Interim Financial Report 2011
29	August	Qurius and Baas Plantenservice develop first software solution for complete logistics chain management
30	August	Follow Live the Launch of AX2012
30	August	Leen Zevenbergen comments on the three year transformation process of the company and the current strategic developments
1	September	Qurius supports Ben and Caroline on their way to the top of Mount Kilimanjaro
5	September	Ad van Geloven - Mora - chooses Qurius ERP-food solution
8	September	Leen Zevenbergen new Chairman of Supervisory Board Foundation AAP
12	September	Qurius Inspirience Center Zaltbommel celebrates first anniversary

Day	Month	Publication
20	September	Prodware Reports Strong Results
5	October	Prodware and Qurius joint International Enterprise Partner Tegos
20	October	Leen Zevenbergen to hold the Ray Anderson lecture
24	October	Qurius launches Rapid Customer Adoption for CRM Online
26	October	Qurius reports improvement financial results over Q3-2011
7	November	Qurius starts new round of ITraineeships
30	November	Qurius transfers Belgium and Spanish operations to Prodware

12 Glossary

Add-on – supplementary functionality to a business application

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

Augmented Reality (AR) –a live view on a computer or handheld device (e.g. a smart phone or iPad), of the real-world environment with the addition of computer-generated elements. Example: furniture that is not in the room, can now be projected as if it is there to help the user to make his choice.

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

Chargeability – the utilisation as a % of the number of available hours per employee

Cloud Computing – the delivery of computing as a service rather than a product, whereby shared resources, software, and information are provided to computers and other devices as a utility (like the electricity grid) over a network (typically the Internet)

Corporate Social Responsibility – the company's responsibility for all of its impact on people (effects on all stakeholder groups), planet (all environmental effects) and prosperity (economic effects)

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

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

ERP – or Enterprise Resource Planning: a business-wide and integrated planning and business management concept that goes beyond business limitations

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

FTE – full-time equivalent: a calculation unit with which the size of a job or the personnel strength can be expressed. One FTE represents a full working week of 40 hours for one employee

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 financial statements

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

IP – Intellectual Property. IP is software whose ownership is not transferred to the customer for whom it has been developed. The ownership remains with the IT supplier, who can offer it to a much broader market, resulting in possible higher revenue.

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

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 expertise

Microsoft.NET – technologies to integrate software via XML web services: applications that, like building blocks, fit with 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 realised or unrealised ratio of money gained or lost on an investment relative to the amount of money invested

Software as a Service (SaaS) – offering licenses, services, maintenance and hosting in a subscription format

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

SMBs – small and medium-sized businesses (sometimes referred to as SMEs – small and medium-sized enterprises)

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's needs as efficiently as possible

Sustainability - creating results that contribute to stakeholders' needs without jeopardising the fulfilment of future generations' needs

TCO – Total Cost of Ownership, or the complete amount of costs a company annually spends on, for example, its IT system, including personnel, maintenance of systems and licenses, upgrades and services and depreciation / amortisation

VAR – Value Added Reseller— is a company that combines computer components to build complete systems. For example, a VAR might take hardware or software from different vendors, put it together, and package it as a system. A VAR is often the vendor of choice for designing, setting up and implementing customised computer systems.

13 Contact Information and List of Addresses

Qurius NV (Holding)
Van Voordenpark 1A
5301 KP Zaltbommel
P.O. Box 258
5300 AG Zaltbommel
The Netherlands

t +31 (0)418 68 35 00
f +31 (0)418 68 35 35
info.eu@qurius.com
www.qurius.com

Netherlands
Qurius Nederland B.V.
info.nl@qurius.com
www.qurius.nl
t: +31 (0)418 68 35 00

Zaltbommel (Dutch Head Office)
Van Voordenpark 1a
5301 KP Zaltbommel

PO Box 258
5300 AG Zaltbommel

Deventer
Munsterstraat 2G
7418 EV Deventer

Joure
Madame Curieweg 8
8501 XC Joure

Rijswijk
Lange Kleiweg 56b
2288 GK Rijswijk

Veenendaal
Traverse 3
3905 NL Veenendaal

Germany
Qurius Deutschland AG
www.qurius.de
info.de@qurius.com

Hamburg (German Head Office)
Notkestraße 7
D-22607 Hamburg
t +49(0)40 899 58-0
f +49(0)40 899 58-100

Bremen
Otto-Lilienthal-Straße 27
D-28199 Bremen
t +49 (0)421 80 96 53-0

Düsseldorf
Daniel-Goldbach-Str. 17-19
D-40880 Ratingen
t +49 (0)2102 996 98-0

Hannover
Karl-Wiechert-Allee 57
D-30625 Hannover
t +49 (0)511 955 743-0

Leipzig
Petersstraße 28
04109 Leipzig
t +49 (0)341 90037-30

Lübeck
Maria-Goeppert-straße 5
D-23562 Lübeck
t +49 (0)451 280 81-0

München
Karlstraße 35
D-80333 München
t +49 (0)40 899 58-0

Ravensburg
Neuhaldenstr. 32
D-88214 Ravensburg
t +49 (0)751 76901-0

Stuttgart
Industriestraße 4
D-70565 Stuttgart-Vaihingen
t +49 (0)711 490 47 601

Qurius Advanced Solutions AG
Hamburg
Notkestraße 7
D-22607 Hamburg
t +49 (0)40 883 025-0

Regensburg
Schikanederstraße. 2a
93053 Regensburg
+49 (941) 78 49 44-0

UK and Ireland
Qurius UK
info.uk@qurius.com
www.qurius.co.uk

Qurius House
Waterfold Business Park
Bury, Lancashire, BL9 7BR
Telephone: +44 (0) 161 705 6000
Fax: +44 (0) 161 705 6001

Czech Republic
Qurius Near Shore Development Centre
Vídeňská 4
77 900 Olomouc
t +420 585 242 854
info.cz@qurius.com
www.qurius.cz