



**AND International Publishers NV
Half year report 2010**

Contents

Report on the first six months of 2010	3
Consolidated profit and loss account.....	7
Consolidated statement of recognised and unrecognised income and expenses	8
Consolidated balance sheet	9
Consolidated summary of changes in shareholders' equity	10
Consolidated cash flow statement.....	11
Selected explanatory notes	12

Report on the first six months of 2010

Turnover and profits increased significantly in first half of 2010

AND expects strong growth in turnover and profits for the full year 2010

- Turnover for first half year of 2010 € 3.3 million compared to € 2.9 million in first half of 2009
- After-tax profits for first half of 2010 €1.2 million compared to € 0.9 million in first half of 2009
- Earnings per share for first half of 2010 € 0.32 compared to € 0.28 in first half of 2009
- AND expects turnover in 2010 at least € 6.7 million compared to € 5.0 million in 2009
- AND expects after-tax profit in 2010 at least € 2.3 million compared to € 1.5 million in 2009

Rotterdam, 31 August 2010 - AND International Publishers NV has realized strong growth in turnover in the first half of 2010. The company realized an increase in net profit in the first half of the year. Thanks to a good second quarter and commercial successes at the beginning of the second half of 2010 the company expects turnover in 2010 to increase with at least 34% to a minimum of € 6.7 million. At that level of turnover AND expects an after-tax profit of at least € 2.3 million.

AND CEO Maarten Oldenhof: "We are very pleased that the growth of more than 30% in 2009 will continue in 2010. In May we have shaken up the market for mobile navigation together with Geolife. Under the Navmii GPS Live label we offer turn-by-turn navigation for a very low price for the iPhone. Furthermore, we are very pleased with the start of the second half of 2010, as we closed new contracts for our navigation maps of Western Europe. For that reason we expect that turnover this year will amount to at least € 6.7 million compared to a turnover of € 5.0 million in 2009."

Course of events for the first half of 2010

Western Europe is now almost covered with high quality navigation maps. In the second quarter of 2010 two countries were added to the map database, namely the maps of Italy and Norway. Next to the maps for Western Europe AND released a map for the United States, this digital map is optimized for geocoding.

This year AND prepared for a lawsuit because of a dispute for the delivery of maps of the United Kingdom. However a settlement has been arranged. Turnover includes a material amount for this settlement.

As reported in the trading update on May 18 AND will reduce its cost base in 2010. This reduction of costs already has been realized in the first half of 2010. Personnel costs have been decreased to € 1.5 million during the first half of 2010 compared to € 3.2 million in the first half year of 2009. AND expects a decrease in total operating expenses of € 2.5 million for 2010. Total operating expenses will decrease from € 7.4 million to € 4.9 million.

This year AND closed a contract with the British Navmii for navigation on the iPhone and iPad. By now, maps for Italy, Denmark and Sweden have been added for the iPhone meaning that this mobile app is now available for ten countries. Further, three countries optimized for the iPad are meanwhile available.

Shortly after the earthquake in Haiti AND released a digital map of the island which is freely available to all parties who assist in relief efforts, recovery and rebuilding. This map is available as raw data in Shape format, via the Internet (Map 2.0) and as an app for the iPhone.

The free iPhone application AND launched last year for viewing football scores in the Dutch Eredivisie remains popular. Overall, this app has been downloaded more than 75,000 times. For the new football season AND updated iVoetbalstanden and this program is available through the iTunes store.

Financial position

As was the case at the end of 2009, AND has no bank debts. Equity amounted to 84.5% of total assets at the end of June 2010. In the first half of 2010 total operating expenses decreased by € 2.1 million. This is mainly explained by the previously announced reduction of the personnel costs. Most of these costs relate to the development of the database and consequently these costs are capitalized. Therefore, the capitalized development costs in the first half of 2010 are € 1.8 million lower than in the first half of 2009. Savings to the net operating expenses amounts € 0.3 million.

For the year 2010 AND expects to save approximately € 2.5 million on total operating expenses compared to 2009. Savings on operating expenses are mainly visible in the first half of 2010 as the costs of accelerating investments in the maps of Western Europe took particularly place in the first half of 2009. Since the development of the database of Western Europe is nearly complete, the costs of maintenance will increase slightly. For 2010 AND expects this will result in an increase in net operating expenses by € 0.3 million as maintenance cannot be capitalized.

Market developments

AND has recently achieved commercial success thanks to the opportunities seen in the market for digital maps. Besides a strong continuing growth of smartphones with GPS, players in the online market try to capture a position on the mobile internet through location-based services. These developments have turned navigation and location based services into a commodity and created a mass market for them. This offers great opportunities for AND.

Strategy

AND is the third largest supplier in its market, but the only independent one. Strengthened by its success to date, the company will continue to focus on creating long-term value for shareholders by providing digital maps for location-based services. The company focuses on the further development of its advanced database to position itself even more effectively in the market. The company joined forces with EMG (China) and Orion (Dubai). The companies carry out a feasibility study to create a Global Digital Mapping Alliance (GDMA).

Outlook for 2010

AND expects a turnover for the full year 2010 of at least € 6.7 million as compared to € 5 million in 2009, with an after-tax profit of at least € 2.3 million.

Risks

For a detailed description of the risk factors that apply to AND International Publishers NV and its subsidiaries, you are referred to page 12 of the annual report for 2009.

Declaration from the Board of Directors

The Board of Directors hereby declares that, to the best of their knowledge:

- the consolidated, interim financial report, which have been prepared on the basis of IAS 34, Interim financial reporting, give a true and fair view of the assets, liabilities, financial position and the result of AND International Publishers NV and the companies included in the consolidation as a whole; and
- the half year report from the Board of Directors includes a fair review of the information required pursuant to section 5:25d, subsection 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht)

Rotterdam, 31 August 2010

CEO
M.P. Oldenhof

Note for editor, not for publication:

For further information please contact Maarten Oldenhof on 0031-10-8851200 or go to www.and.com

Consolidated interim financial statements

Consolidated profit and loss account

<i>in thousands of euro</i>	2010 H1	2009 H1
Net sales	3,262	2,869
Maps and sources	(179)	(310)
Personnel expenses	(1,477)	(3,177)
Share-based compensation	55	(290)
Other operating expenses	(766)	(632)
Depreciation	(40)	(51)
Total operating expenses	(2,407)	(4,460)
Capitalized development costs	830	2,592
Net operating expenses	(1,577)	(1,868)
Operating result	1,685	1,001
Financing income	4	4
Result before taxes	1,689	1,005
Taxes	(478)	(108)
Net profit	1,211	897
Weighted average number of shares issued	3,727,137	3,249,050
Weighted average number of shares issued after dilution	3,729,875	3,249,348
Basic earnings per share	0.32	0.28
Diluted earnings per share	0.32	0.28

Consolidated statement of recognised and unrecognised income and expenses

<i>in thousands of euro</i>	2010 H1	2009 H1
Net profit	1,211	897
Unrecognised income and expenses		
Foreign currency translation differences on foreign operations	146	(4)
Total recognised and unrecognised income and expenses (after taxes)	1,357	893

Consolidated balance sheet

<i>in thousands of euro</i>	30-Jun-10	31-Dec-09	30-Jun-09
Intangible fixed assets	16,699	15,869	14,358
Tangible fixed assets	101	116	129
Deferred tax receivables	4,399	4,699	4,756
Total non-current assets	21,199	20,684	19,243
Trade and other receivables	2,894	720	885
Cash and cash equivalents	320	1,691	469
Total current assets	3,214	2,412	1,354
Total assets	24,413	23,096	20,597
Shareholders' equity	20,634	19,277	15,579
Non-current liabilities	2,047	1,901	1,764
Current liabilities	1,732	1,918	3,254
Total shareholders' equity and liabilities	24,413	23,096	20,597

Consolidated summary of changes in shareholders' equity

	Issued and paid-up capital	Share premium reserve	Legal reserve	Translation reserve	Stock compen- sation reserve	Other reserves	Total
As at 1 January 2009	16,245	20,042	11,766	(139)	29	(33,262)	14,681
Total recognised and unrecognised income and expenses				(4)		897	893
Addition to legal reserve			2,592			(2,592)	0
Share-based compensation					5		5
As at 30 June 2009	16,245	20,042	14,358	(143)	34	(34,957)	15,579
As at 1 January 2010	18,636	20,759	15,869	(135)	48	(35,900)	19,277
Total recognised and unrecognised income and expenses				146		1,211	1,357
Addition to legal reserve			830			(830)	0
As at 30 June 2010	18,636	20,759	16,699	11	48	(35,519)	20,634

Consolidated cash flow statement

<i>in thousands of euro</i>	30-Jun-10	30-Jun-09
Operating result	1,685	1,001
Adjustments for:		
Depreciations	40	51
Stock compensation reserve	-	5
Financing income	4	4
Changes in working capital and provisions	(2,355)	1,253
Cash flow from operating activities	(626)	2,314
Income tax paid	(36)	-
Net cash flow from operating activities	(662)	2,314
Capitalized development costs	(830)	(2,592)
Investments in tangible fixed assets	(25)	(14)
Cash flow from investment activities	(855)	(2,606)
Share issue	(0)	0
Cash flow from financing activities	(0)	0
Net increase / (decrease) in cash and cash equivalents	(1,517)	(293)
Opening balance cash and cash equivalents	1,691	765
	174	473
Effect of exchange rate differences in foreign currencies	145	(4)
Closing balance cash and cash equivalents	320	469

Selected explanatory notes

Reporting entity

AND International Publishers NV ('AND') is a company based in the Netherlands. The consolidated financial statements from the company comprise AND and its subsidiaries and entities over which collective control is exercised.

Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) for interim financial statements (IAS 34). The condensed consolidated interim statements do not contain all the information that is required for a full annual report and should be read in conjunction with AND's consolidated financial statements as at and for the year ended 31 December 2009.

Accounting principles for financial reporting

The accounting principles for financial reporting that are applied in the consolidated interim financial statements are the same as the accounting principles applied in the consolidated financial statements for financial year 2009.

Turnover

Turnover includes an amount of € 2 million with respect to the settlement which has been taken because of a dispute for the delivery of maps of the United Kingdom.

Personnel expenses

Personnel expenses amounted to € 1.5 million for the first half of 2010. (first half of 2009: € 3.2 million). The decrease of these costs is related to the increased development of digital maps of Western Europe in the first half of 2009. A substantial amount has been expensed for outsourced work in the first half of 2009, while during the first half of 2010 these expenses are nearly nil.

Share-based compensation

The gain for share-based compensation amounts to € 55,000 (first half of 2009: € 290,000 expense). This gain can be explained by a decrease of the share price from € 7.00 at the end of 2009 to € 4.06 at the end of June 2010.

Taxes

Tax expenses for the first half of 2010 amounts to € 478,000 (first half of 2009: € 108,000).

These expenses consist of an addition to the deferred tax liability and corporate income tax on the results of the Dutch and Indian branch. The deferred tax liability concerns the difference between the fiscal and commercial valuation of the database.

Contingent liabilities

The contingent liabilities as included in the 2009 annual report, have not significantly altered during the first half of 2010. For a summary of the contingent liabilities, you are referred to section 6.42 on page 37 of the 2009 annual report.

Related parties

For a definition of related parties, you are referred to section 6.43 on page 37 of the 2009 annual report. During the first half of the year no major changes have taken place.

Events after balance sheet date

No events have taken place after balance sheet date.