



**DIRECT WONEN N.V.**  
**("Direct Wonen" the "Company" or the "Group")**

**Interim Results for the period ended 30 June 2009**

**"FOCUS ON CORE ACTIVITIES AND GROWTH"**

Direct Wonen N.V. (AIM, DIWO), the online Property and Financial Services provider based in the Netherlands, today announces its unaudited interim results for the period ended 30 June 2009.

**Key Results**

- Total revenue decreased by only 2% to EUR 13.9 million (H1 2008: 14.2 million);
- Revenue for Residential Letting Services increased 3% to EUR 6.7 million (H1 2008: EUR 6.5 million). Revenue for the Financial Services division decreased by 4% to EUR 7.0 million (H1 2008 EUR 7.3 million) due to the difficult market conditions for bank lending in mortgages;
- Expenses were reduced significantly by 21% to EUR 12.6 million (H1 2008 EUR 15.9 million) as a result of the restructuring that was completed in 2008;
- Net finance income of EUR 0.1 million (H1 2008: Net finance expense of EUR 0.2 million) improved as a result of a reduction of loans and a more effective deposit policy;
- Tax expenses resulted in a credit due to carry forward of previous losses;
- EBITDA amounted to EUR 2.1 million (H1 2008: EUR -1.1 million);
- The cash position remained strong at EUR 33.4 million (2008 EUR 59.7 million). The reduction is mainly due to the repayment of a loan EUR 19.8 million;
- The equity position further improved to EUR 74.7 million (2008: EUR 73.2 million).

Commenting on the results, CEO Yvonne Swaans said:

*"Direct Wonen has made a turnaround and is back on track. Residential Letting Services has performed in line with expectations with potential for substantial growth both in revenue and profit. Particularly the online labels showed a strong performance.*

*The Financial Services activities suffered from the difficult market circumstances but our broad product offering demonstrated a strong resilience in particular the Golden Handshake business and consumer lending activities.*

*Residential Sales activities remained low until new opportunities arise.*

*The restructuring that was completed in 2008, has brought the organisation "back to basics". Expenses have been reduced significantly and the focus of management is now fully devoted to the business and exploring new opportunities. I would like to thank the team for their continuous commitment and great effort they have made to the business."*

## **Business Overview**

### **Residential Letting Services**

- Revenue increased 3% to EUR 6.7 million (H1 2008: EUR 6.5 million) with strong sales in online labels;
- EBITDA was EUR 1.1 million (2008: EUR 0.2 million).

Residential Letting Services has continued to provide stable revenues. EBITDA was in line with expectations. The websites Direct Wonen.nl and Kamernet.nl have been improved and upgraded and continued to show increased traffic and growth of subscribers. Cost reductions and internal efficiency programmes have paid off and the planned roll out of a new internal operation system in Q3 will further improve efficiency and focus on sales.

### **Residential Sales Services**

- In line with expectation, revenues were low at EUR 0.1 million (H1 2008 EUR 0.3 million) due to the fact that no new projects were committed;
- EBITDA was marginally negative at EUR -0.1 million (H1 2008 EUR 0.1 million). The small variable project team generated only limited costs.

No new projects have been committed to date. Our continuous review of market opportunities and assessment of risk models have not yet resulted in the acquisition of new projects. Revenues in 2009 related to the sale of properties in the phase 7 of Funenpark (to be completed in H2 2009).

### **Financial Services**

- Revenue of Financial Services decreased by 4% to EUR 7.0 million (H1 2008 7.3 million) due to the difficult market circumstances in the mortgages market;
- EBITDA was EUR 1.1 million (H1 2008 EUR -1.4 million).

The Financial Services division faced difficult market conditions in the mortgages market, however reduction in revenue was limited to 4% only. Acadium Bastion faced lower volumes and prices but the Golden Handshake business provided stable revenues and results comparable to the 2008 figures.

The consumer lending business showed an increase in revenues. It benefitted from the new marketing campaign and the strong focus of the online team on the Geldshop.nl business model.

Further efforts are being made to achieve additional cost savings and synergy in this division.

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**About Direct Wonen**

Direct Wonen is an online residential property and financial services provider based in The Netherlands.

The Direct Wonen group of companies operates three complementary business lines:

- Residential Letting Services
- Residential Sales Services
- Financial Services

Direct Wonen was formed in 1990 and has been listed on the Alternative Investment Market (AIM) of the London Stock Exchange since 1 May 2007.

**Condensed consolidated interim income statements**  
for the six month period ended 30 June 2009

*In thousands of euros*

	<b>30 June 2009</b>	<b>30 June 2008</b>
<b>Revenue</b>	13,865	14,156
Cost of sales	(201)	(239)
<b>Gross profit</b>	<b>13,664</b>	<b>13,917</b>
Other income	-	16
Administrative expenses	(7,142)	(9,091)
Other expenses	(5,444)	(6,783)
<b>Result from operations</b>	<b>1,078</b>	<b>(1,941)</b>
Finance income	634	905
Finance expenses	(562)	(1,159)
<b>Result before tax</b>	<b>1,150</b>	<b>(2,195)</b>
Tax	370	307
<b>Result for the period</b>	<b>1,520</b>	<b>(1,888)</b>
<b>Earnings per share after tax (€)</b>		
- Basic earnings per share	<b>0,01</b>	<b>(0,01)</b>
Other comprehensive income		
Cash flow hedges, net of tax	(82)	-
Currency translation differences	-	-
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>1,438</b>	<b>(1,888)</b>
Profit attributable to:		
Equity holders of the company	1,520	(1,888)
Minority interest	-	-
	<b>1,520</b>	<b>(1,888)</b>

**Condensed consolidated balance sheet**  
as at 30 June 2009 in thousands of euros

	<b>30 June 2009</b>	<b>31 December 2008</b>
<b>ASSETS</b>		
Property, plant and equipment	2,868	3,376
Intangible assets	42,192	42,126
Financial fixed assets	842	885
Deffered tax asset	4,204	4,204
Other financial assets	4,934	5,362
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<b>Total non-current assets</b>	<b>55,040</b>	<b>55,953</b>
	<hr/>	<hr/>
Inventories and work in progress	3,661	3,474
Current tax asset	991	428
Trade and other receivables	20,004	15,169
Cash and cash equivalents	33,391	59,702
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<b>Total current assets</b>	<b>58,047</b>	<b>78,773</b>
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<b>Total assets</b>	<b>113,087</b>	<b>134,726</b>
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<b>EQUITY</b>		
Share capital	3,148	3,148
Share premium	50,727	50,727
Hedging reserve	(668)	(586)
Retained earnings	21,451	19,931
	<hr/>	<hr/>
<b>Total equity</b>	<b>74,658</b>	<b>73,220</b>
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<b>LIABILITIES</b>		
Loans and borrowings	13,323	11,344
Cash flow hedge	669	586
Provisions	9,671	10,427
Deferred tax liability	474	474
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<b>Total non-current liabilities</b>	<b>24,137</b>	<b>22,831</b>
	<hr/>	<hr/>
Loans and borrowings	3,500	25,687
Trade and other payables	10,792	12,988
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<b>Total current liabilities</b>	<b>14,292</b>	<b>38,675</b>
	<hr/>	<hr/>
<b>Total liabilities</b>	<b>38,429</b>	<b>61,506</b>
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<b>Total equity and liabilities</b>	<b>113,087</b>	<b>134,726</b>
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## Condensed consolidated interim statements of changes in equity

for the six month period ended 30 June 2009

<i>In thousands of euros</i>	<i>Share capital</i>	<i>Share premium</i>	<i>Hedging Reserve</i>	<i>Retained earnings</i>	<i>Total</i>
<b>Position on 1 January 2008</b>	<b>3,148</b>	<b>53,468</b>	-	<b>22,987</b>	<b>79,603</b>
Profit (loss) of the period	-	-	-	(1,888)	(1,888)
<b>Gross profit</b>	-	-	-	(1,888)	(1,888)
<b>At 30 June 2008</b>	<b>3,148</b>	<b>53,468</b>	-	<b>21,099</b>	<b>77,715</b>
<b>At 1 January 2009</b>	<b>3,148</b>	<b>50,727</b>	<b>(586)</b>	<b>19,931</b>	<b>73,220</b>
Profit (loss) of the period	-	-	-	1,520	1,520
<b>Gross profit</b>	-	-	-	1,520	1,520
<b>Other equity changes</b>					
Change hedging reserve	-	-	(82)	-	(82)
<b>Total changes</b>	-	-	<b>(82)</b>	-	<b>(82)</b>
<b>At 30 June 2009</b>	<b>3,148</b>	<b>50,727</b>	<b>(668)</b>	<b>21,451</b>	<b>74,658</b>

## Condensed consolidated interim statements of cash flows

for the six month period ended 30 June 2009

In thousands of euros

	30 June 2009	30 June 2008
<b>Operating activities</b>		
Profit for the period	1,150	(2,195)
<b>Adjustments for:</b>		
Depreciation Property, plant and equipment	548	643
Amortisation Intangible assets	475	228
Finance income	(634)	(905)
Finance cost	562	1,159
	<b>2,101</b>	<b>(1,070)</b>
Change in inventories	(187)	673
Change in trade and other receivables	(4,835)	(5,416)
Change in trade and other payables	(1,766)	(6,968)
Change in provisions	(756)	5,258
	<b>(5,443)</b>	<b>(7,523)</b>
Income taxes paid	(191)	(212)
<b>Cash flows from operating activities</b>	<b>(5,634)</b>	<b>(7,736)</b>
<b>Investing activities</b>		
Acquisition of subsidiaries, net of cash acquired	-	(14,087)
Purchase of fixed assets	(40)	(1,048)
Development of websites	(501)	-
Divestments in equity accounted investees	-	33
Loan to accounted investees	-	114
Interest received	634	905
<b>Subtotal investing activities</b>	<b>93</b>	<b>(14,083)</b>
<b>Financing activities</b>		
Proceeds from the issue of share capital	-	-
Bank borrowing advances	-	35,078
Bank borrowing repayments	(20,208)	-
Interest paid	(562)	(721)
Repayment of share premium to shareholders	-	(9,912)
<b>Subtotal financing activities</b>	<b>(20,770)</b>	<b>24,445</b>
<b>Increase in cash and cash equivalents</b>	<b>(26,311)</b>	<b>2,626</b>
<b>Net foreign exchange gain/(loss)</b>	-	(438)
<b>Cash and cash equivalents at the the beginning of the period</b>	<b>59,702</b>	<b>56,203</b>
<b>Cash and cash equivalents at the the end of the period</b>	<b>33,391</b>	<b>58,391</b>

## Notes to the condensed consolidated interim financial statements for the six month period ended 30 June 2009

### 1. Basis of preparation

The condensed financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

### 2. Significant accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2008, as described in those annual financial statements.

### 3. Segment information

<i>In thousands of euros</i>	<i>Segment revenue</i>		<i>Segment result</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
Continuing operations				
Residential Letting Services	6,734	6,540	553	204
Residential Sales Services	100	304	(77)	43
Financial Services	7,031	7,312	602	(2,188)
	<u>13,865</u>	<u>14,156</u>	<u>1,078</u>	<u>(1,941)</u>
Unallocated			72	(254)
Result before tax			<b>1,150</b>	<b>(2,195)</b>
Tax			370	307
Result for the period			<u><b>1,520</b></u>	<u><b>(1,888)</b></u>

The Company recognises three business segments based on the products, environment and risks:

- Commissions from Residential Letting Services (lettings and property management);
- Commissions earned and proceeds from the sale of residential new build properties (as an agent or principal);
- Financial Services (insurance and mortgage commissions).

### 4. Seasonality

The Group's Residential Letting is subject to seasonal fluctuations as a result of several conditions. In particular, peak activity usually occurs between the months of May and October. This is based on historical figures.

### 5. Borrowings

During the period, the Group has repaid the loan agreement of € 18 million and € 2 million to the other loan and mortgage.

### 6. Earnings per share

Profit attributable to ordinary shareholders (€'000)	<u>1,520</u>
Weighted average number of shares in issue	<u>157,406,028</u>
Basic earnings per share (EPS) after tax (€)	<u>0,01</u>

## **7. Commitments and contingencies**

Under the terms of contracts to sell residential properties on behalf of developers, the Company has obligations to purchase any unsold properties at the end of that contract. At 30 June 2009, the maximum commitment to purchase unsold apartments amounts to € 3,661.

## **8. Approval of interim financial statements**

The interim financial statements were approved by the board of directors on 27 August 2009.

### **Disclaimer**

This press release may contain forward-looking statements with regard to the financial position and results of Direct Wonen's activities. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Direct Wonen's ability to control or estimate precisely, such as future market and economic conditions, the behaviour of other market participants, changes in consumer preferences, the ability to successfully integrate acquired businesses and achieve anticipated synergies, interest-rate fluctuations, changes in tax rates, changes in law, pension costs, the actions of government regulators and weather conditions. These and other risk factors are detailed in Direct Wonen's publicly available financial information as included in the admission document to the AIM dated 25 April 2007. You are cautioned not to place undue reliance on these forward-looking statements, which are only relevant as of the date of this press release. Direct Wonen does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these statements. Market share estimates contained in this press release are based on outside sources, such as specialised research institutes, in combination with management estimates.