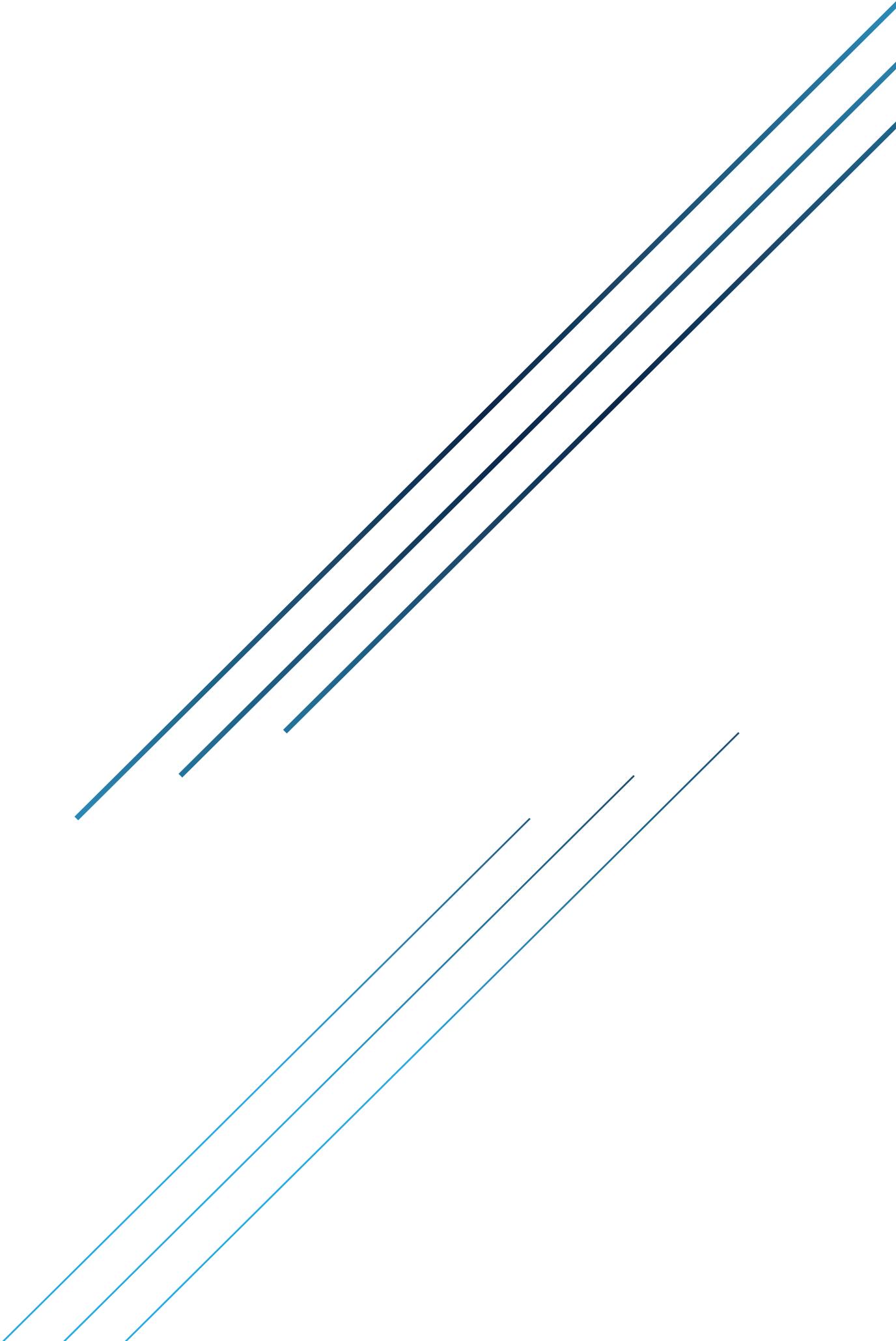


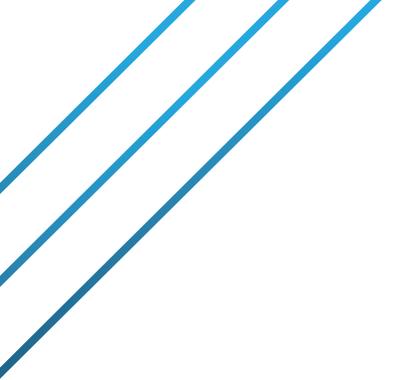
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Annual Report

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Annual Report





FOREWORD

Founded in 1996, INTRASOFT International is a leading European company with a broad portfolio of activities largely related to information and communication technologies. It is represented by four main operational branches in Belgium, Greece, Luxembourg and Romania, and has long-standing contracts in Germany, Spain, the UK, most other EU countries, and Asia.

INTRASOFT's portfolio boasts the provision of services to a wide range of European and international public and private organisations, including various Directorates-General of the European Commission.

These services encompass software application development, outsourced and managed services, information and communication services, SAP solutions, as well as research, innovation and policy support services.

INTRASOFT's commitment to the provision of high-quality services that meet the needs and priorities

of its clients is supported internally by dedicated departments such as process improvement and quality assurance, and IT operations. A strong sales and marketing department also ensures that INTRASOFT's business strategy and activities stay ahead of the competition.

Since it was established some 14 years ago, the company has achieved impressive organic growth. This publication provides a perspective of the activities undertaken during the calendar year of 2009 with an overview of the achievements to come in 2010 and beyond. It may also provide readers with the inspiration to recruit INTRASOFT's gamut of services to fulfil their business needs.

Further information is available from the INTRASOFT website (www.intrasoft-intl.com).

INTRASOFT is a subsidiary of INTRACOM S.A. Information Technology Services.

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MESSAGE FROM THE CEO



In 2009, companies the world over took a severe battering as a result of the prolonged financial crisis, economic instability, the flu pandemic, and the effects of climate change. Nonetheless, against all the odds, we at INTRASOFT International managed (yet again) to weather the storm, and even come out on top.

In fact 2009 marked a turning point for our company. In an environment charged with ever fiercer competition due to businesses being hit hard by the crisis, INTRASOFT International faced a unique challenge in the company's 13-year history: almost 50 % of our annual revenues (with a value of around EUR 40 million) were re-tendered. In addition to successfully renewing more than 85 % of our tendered business, we won a number of new contracts, raising our bookings volume for 2009 to close to EUR 100 million.

Our financial achievements for 2009 were once again remarkable. Our revenue for the year broke the EUR 80 million barrier, amounting to an impressive EUR 82.8 million. This represents 15.5% growth year-on-year, against the EUR 71.6 million posted in 2008. Meanwhile our EBIT (earnings before interest and taxes) reached EUR 5.7 million, up 15% from 2008, when our EBIT stood at EUR 4.9 million. Our human resources capacity exceeded 700 employees across Europe.

During 2009, INTRASOFT International maintained its high levels of product and service delivery in more than 20 countries, while adding new markets and clients to the company portfolio. For example, we expanded our customs activity into the ASEAN-region and Croatia, embarked on innovation projects with the governments of South Korea and China, won software development contracts with the European Aerospace Safety Agency in Cologne (Germany) and the European Chemical Agency in Helsinki (Finland), and started performing outsourcing activities for the European Parliament.

In addition, 2009 saw INTRASOFT International reach a significant milestone: we completed our first M&A (merger & acquisition) endeavour – the company's first non-organic growth expansion. We acquired the SAP activity of the Greek company Lavisoft S.A. with the objective of boosting our presence in the SAP market. Indeed, with more than 50 SAP consultants, revenues reaching EUR 4.8 million and the status (in Greece) of Golden SAP Partner, INTRASOFT International is emerging as an important SAP market player.

Our customs business continues to thrive and represents our most promising activity with contracts worldwide. In 2009, we further strengthened our foothold on the international market through a partnership agreement with IBM Corp for a strategic alliance addressing customs at the global level.

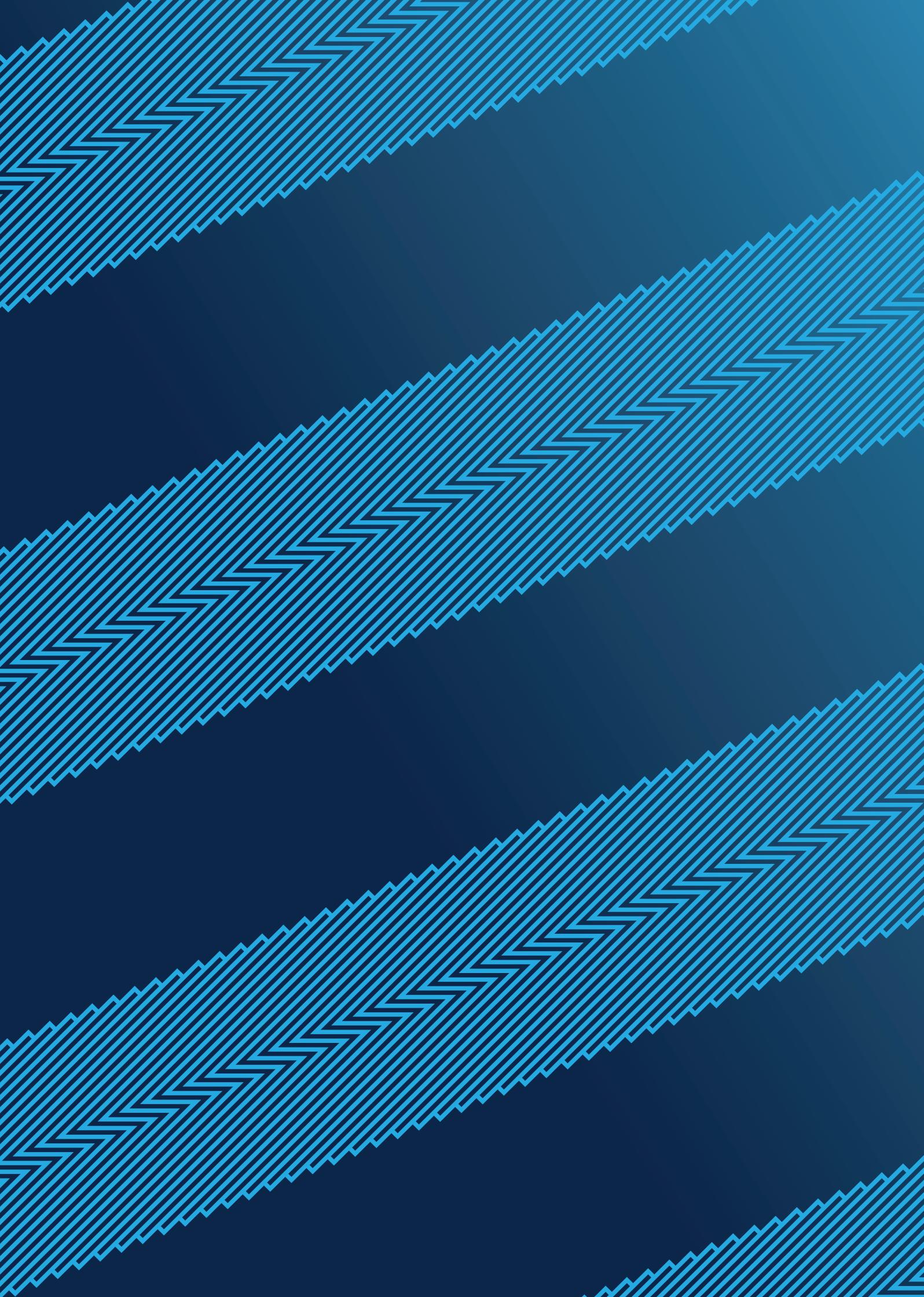
Social responsibility, environmental consciousness and well-being in the workplace are at the heart of our operations, and will remain there in 2010. Activities and initiatives launched and carried out during 2009 range from environmental consciousness measures to social events and charity donations all over Europe.

Quality has always been central to our businesses. Our Process Improvement and Quality Assurance (PIQA) department continued in 2009 to demonstrate to clients and stakeholders INTRASOFT International's commitment to constantly improving the quality of products and services provided, and to contributing to and promoting environmental responsibility and awareness. In 2009, we obtained the ISO 14001:2004 Environmental Management System for all our sites and services. Furthermore, we certified our Translation Services against EN 15038:2006 (the European Norm specifically for Translation Services). We also became one of only a very small number of companies to formulate a Certified Function Point Counting (FP) team; this move is expected to enhance software measurements and management decision-making.

I am confident that the present Annual Report gives an informative and comprehensive insight into our company and its activities and successes. Our outstanding achievements at all levels in 2009 can only be attributed to the exceptional performance of our team of INTRASOFT International colleagues. I have to express my congratulations and sincere thanks to them for their efforts throughout the year.

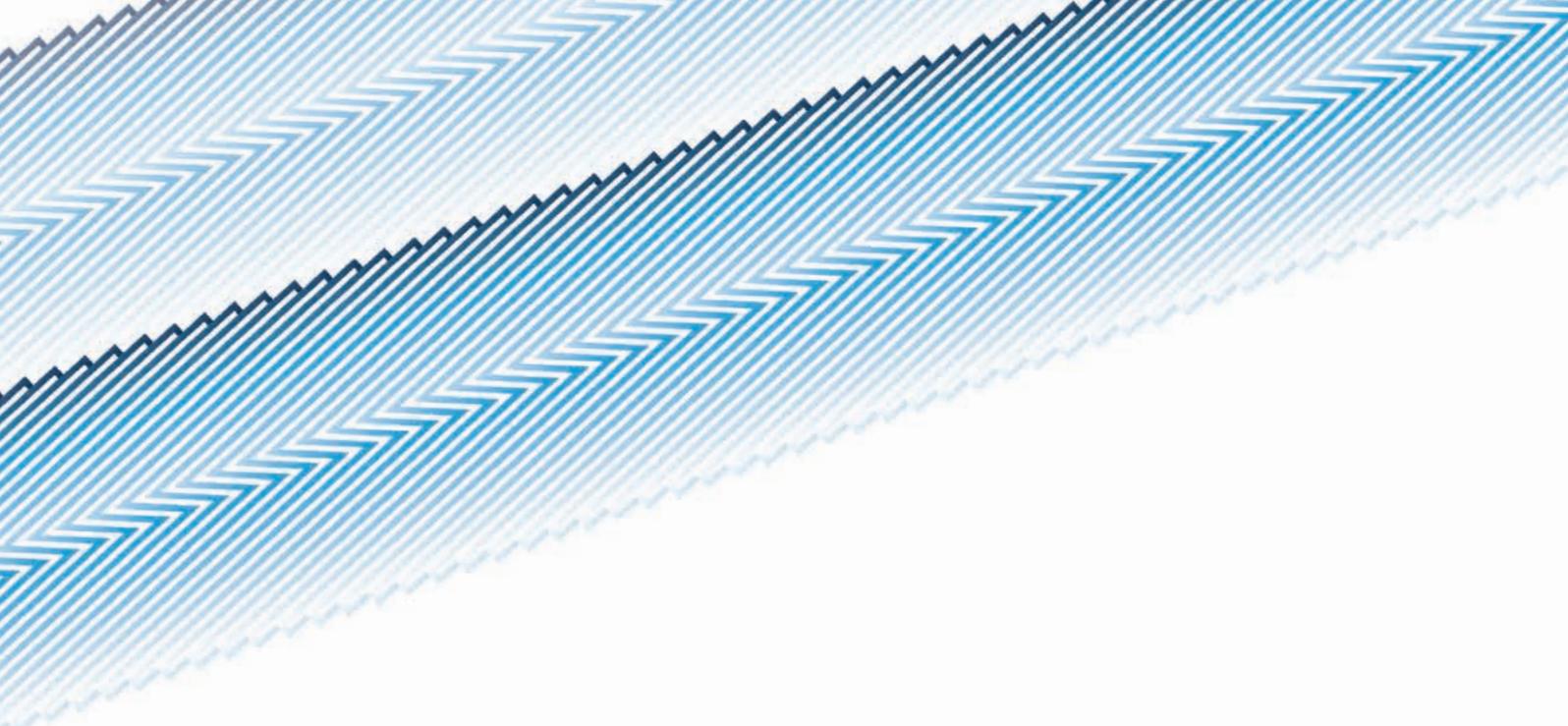



Athanasios Kotsis
Chief Executive Officer



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ACHIEVEMENTS,
TRENDS & FORECASTS



OPERATIONAL HIGHLIGHTS

In 2009, in spite of the ongoing economic crisis, INTRASOFT International added yet another year of growth to its 13-year history by gaining new customers and successfully retaining key contracts which were re-tendered during the year. In addition, the company's successful first M&A endeavour highlights INTRASOFT International's growing status in the SAP market. The following pages provide a snapshot of the company's greatest achievements in 2009.

SATISFIED CLIENTS

2009 saw INTRASOFT International face a major business challenge, as 50% of its annual revenues (worth some EUR 40 million) came up for re-tender. Despite strong competition, the company succeeded in retaining 85% of these tenders, including

- European Medicines Agency, with a potential value of EUR 15 million for the next 3 years;
- IT service provision contract with the European Parliament with a potential value of EUR 55 million for the next 4 years;
- contracts with the EU's Office of Publications with a potential value of EUR 10 million over the next 4 years for the CORDIS projects Lot B and Lot D.

In addition, INTRASOFT secured a number of new contracts, including:

- a new contract with the European Commission's Directorate-General for Education and Culture with a potential value EUR 7 million;
- a new contract with the European Aerospace Safety Agency in Cologne worth EUR 2.5 million.

INTRASOFT'S FIRST MERGER AND ACQUISITION

In 2009, INTRASOFT International completed its first M&A when it acquired the SAP activity of the Greek company Lavisoft S.A.. INTRASOFT is now running all of Lavisoft's commercial agreements relating to SAP. INTRASOFT has had a thriving SAP Solutions Delivery Group for a decade now, and the acquisition of Lavisoft's SAP activity means that the company is now one of the most powerful players in the Greek SAP market. Crucially, the move also enhances INTRASOFT's reputation on the international SAP scene and lays the foundations for future expansion both in Western Europe and in developing markets.

CUSTOMS – REACHING OUT TO NEW MARKETS WORLDWIDE

Customs has long represented a core business area for INTRASOFT International. Highlights in this area in 2009 include the award of the FITSDEV2 (Fiscalis Information Technology Systems) framework contract by the European Commission. This vital, highly sensitive project concerns the stabilisation of EU Member States' tax revenues and contributes to the smooth functioning of the internal market. INTRASOFT's expertise in the customs fields has led to contracts with most national customs administrations in Europe.

Further afield, INTRASOFT now boasts the Association of Southeast Asian Nations (ASEAN) among its clients – the company provides technical and business consulting services related to the customs and transit systems of ASEAN member countries.

WORLD LEADERSHIP IN CUSTOMS AND EXCISE

In 2009, we successfully delivered a large number of customs and excise projects in more than 15 countries in Europe and Asia worth some EUR 20 million. Our world lead in this area was sealed with a global agreement with IBM Corp to jointly market and develop solutions in this area.

GOING GREEN

2009 saw INTRASOFT International achieve recognition for its environmental values as all sites and services were certified under ISO 14001:2004. Under INTRASOFT's environmental policy, the company has pledged to minimise the environmental impacts of its activities in a number of ways. The certification also requires INTRASOFT International to encourage its own suppliers to take measures to protect the environment.

“ IN 2009, INTRASOFT INTERNATIONAL COMPLETED ITS FIRST M&A WHEN IT ACQUIRED THE SAP ACTIVITY OF THE GREEK COMPANY LAVISOFT S.A.”

A SEAL OF APPROVAL

INTRASOFT International's information and communication services were certified as being in compliance with ISO 9001; this recognises the quality of the team's procedures and helps to ensure that work produced is of the highest standards.

QUALITY ASSURANCE FOR TRANSLATIONS

In 2009, INTRASOFT International was accredited the EN 15038 standard for translations. The award makes INTRASOFT one of the very few IT companies to achieve this distinction, which is a demonstration of its unique understanding of the business requirements of its multinational clients.

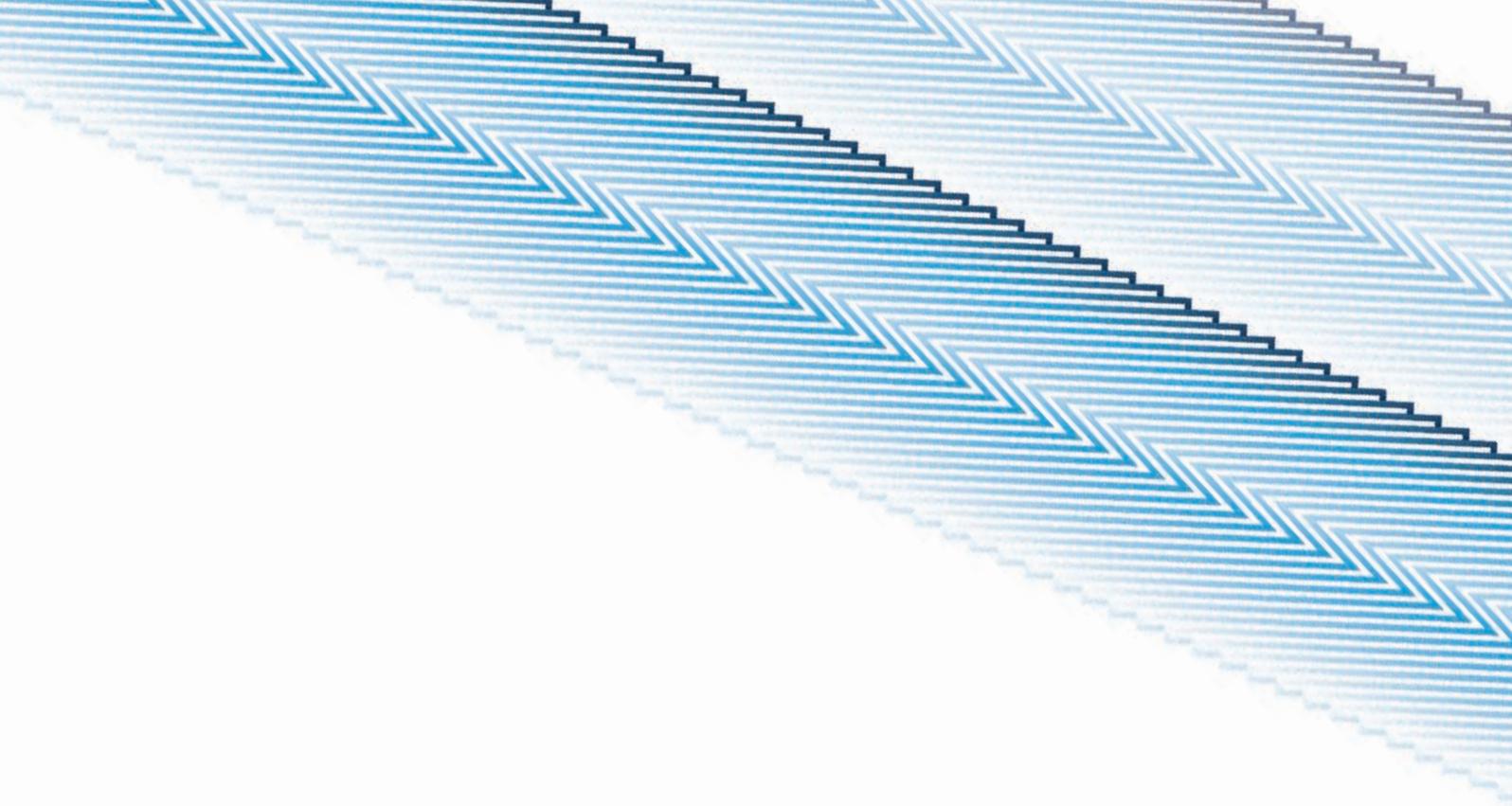
NETWORK SUPPORT

IT services are at the heart of INTRASOFT International's business, and in 2009 the company's teams provided IT infrastructure support to more than 40 000 users Europe-wide. Clients benefit from a round-the-clock service, while a team of experts is on hand to run disaster management and contingency plans if necessary. INTRASOFT International also provides the software support services used by many European Commission departments for the financial management of projects.

RESEARCH FOR SAFER TRANSPORT NETWORKS

The company's strong research and innovation (R&I) department continued to win funding from the EU for new projects in a broad range of areas. New projects in 2009 include STAR-TRANS, which is developing systems to support the performance of risk assessments and contingency planning in transport networks in the case of emergencies such as fires, floods and terrorist attacks. INTRASOFT's partners in STAR-TRANS include London's Metropolitan Police and the Center for Security Studies of the Greek Ministry of Interior.

2009 also saw the start of a project in the e-learning field called OSR2L. The aim of the three-year project is to create a shared digital repository for science education that will substantially enhance access to and the delivery of digital science education content.



MARKET TRENDS

In 2009, INTRASOFT International celebrated its 13th year of operations with yet another record-breaking year in terms of revenue and profit growth. Considering that this took place in a period where information technologies (IT) spending in western Europe fell by 7% amidst the repercussions of the major global economic crises that started in 2008, this is quite remarkable.

Overall, the forecast is that worldwide IT spending will reach USD 1.48 trillion in 2010, below the USD 1.5 trillion recorded in 2008. Recovery is expected sometime in 2011. It must be stated, however, that there might be unexpected swings in the market as a result of transient side effects of the 2008 global economic crisis.

Forecasts put worldwide IT spending growth at 3% over the next 12 months. On a global basis, hardware spending is set to increase by 5% in 2010, while software spending and IT services spending will rise by 2% and 3%, respectively. The Asia/Pacific region and Latin America are expected to be the highest growth regions with anticipated growth of 6% and 5%, respectively, while IT spending in North America and western Europe is forecast to be effectively flat in 2010.



“THE YEAR 2009 WAS ALSO SIGNIFICANT AS WE SUCCEEDED IN RENEWING MORE THAN 85% OF RE-TENDERED CONTRACTS AS WELL AS WINNING NEW FRAMEWORK CONTRACTS WITH EXISTING CUSTOMERS.”

With regard to our core market, public sector IT spending in western Europe has proven to be more resilient than some other sectors. Although the effects of the economic downturn are expected to continue through 2010 in western Europe, these will ease as the impact of economic stimulus packages becomes more evident. In particular, in our main service segment, that of IT Services, a small increase is anticipated as governments make every effort to move the majority of citizen services to an online delivery model; this will require investments across a wide variety of departments, functions and systems.

In 2009, we enhanced our portfolio in regions where growth continues unabated such as Asia/Pacific with the ASEAN Transit project and, in the area of innovation management, in Korea and China. We have also acquired new customers in Europe, including the European Chemicals Agency in Helsinki (Finland) and the European Aerospace Safety Agency in Cologne (Germany).

The year 2009 was also significant as we succeeded in renewing more than 85% of retendered contracts as well as winning new framework contracts with existing customers such as the European Parliament and the European Commission.

We further strengthened our customs activity with the acquisition of new contracts and by signing a global agreement with IBM Corp during the year. We also undertook significant research and development (R&D) work in this sector for the development of innovative solutions in the area of Single Window and Excise Movement Control.

Finally, our SAP activity was strengthened through the acquisition of Lavisoft and the successful merger of the teams that followed.

FUTURE OUTLOOK

Worldwide spending on information technologies (IT) will continue to feel the effects of the global recession throughout 2010. According to a new forecast from market research firm International Data Corporation (IDC), worldwide IT spending will increase by just 3% in 2010.

Following a record fall of 7% in 2009, IT spending in western Europe is forecast to be effectively flat in 2010. A few market segments are expected to return to positive growth, but the market sentiment across the region remains weak.

Our core market lies in the government sector in western Europe. Here, although the recession is causing concern vis-à-vis increases in government social costs and decreases in tax revenues, spending on IT remains relatively stable. In some western European countries, such as the UK, the pressure to downsize government is likely to become a political issue, and this could result in increased interest in IT as a way to compensate for fewer staff. A compound annual growth rate of 3.9% is expected for the government IT sector in western Europe in 2010.

With the government sector remaining relatively resilient to global recession, we expect to see a further increase in competition and pressure on profit

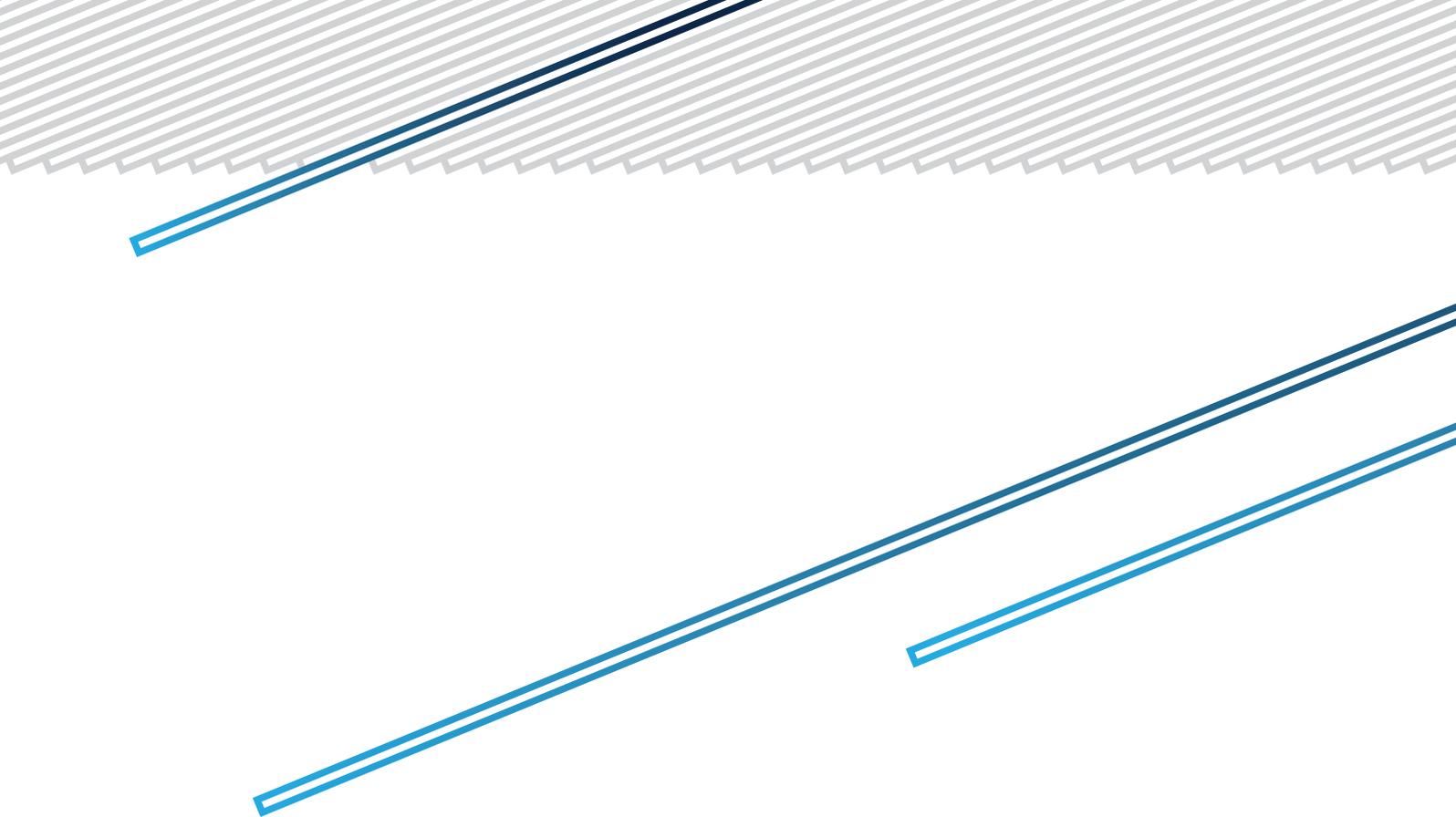
margins. Thus our focus in 2010 will be to enhance our sales and delivery capacity in areas where profit margins can be maximised. To sustain growth for the next few years, investments are also envisaged in expanding business in new sectors and possibly new regions.

Throughout 2009, a good deal of effort has been devoted to ISO 27000, and we expect to achieve this very important quality certification in 2010. Still in the area of quality and process improvement, much of 2010 will be devoted to preparations for CMMI (Capability Maturity Model Integration) L3, which is expected to be accredited in 2011. In this economic setting and in conjunction with the long procurement cycles associated with the public sector, we anticipate that 2010 will be a year of no or very moderate revenue growth.



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CORPORATE OVERVIEW



INTRASOFT INTERNATIONAL'S ORGANISATIONAL STRUCTURE REFLECTS ITS CUSTOMER-ORIENTED PHILOSOPHY. THERE ARE SIX STRATEGIC DELIVERY GROUPS, AS FOLLOWS:

- (1)** APPLICATION DEVELOPMENT AND INTEGRATION SERVICES.
- (2)** OUTSOURCING AND MANAGED SERVICES.
- (3)** INFORMATION AND COMMUNICATION SERVICES.
- (4)** PROFESSIONAL SERVICES.
- (5)** SAP SOLUTIONS.
- (6)** RESEARCH AND INNOVATION.

ABOUT US

A clear and comprehensive overview of each of the delivery groups is provided in this chapter, with specific reference to activities and achievements made by each in 2009.

Information follows directly below on some of the company's horizontal activities, specifically concerning the Human Resources (HR), and Process Improvement and Quality Assurance (PIQA) departments.

INTRASOFT STAFF IN 2009

More than 700 expert staff in 4 European cities (in addition to contracted personnel in Europe and beyond) work towards the provision of high-quality services to European and international public and private organisations.

INTRASOFT's staff profile represents the diversity of expert skills and talent necessary for it to continue to maintain its position as one of Europe's leading information and communication technology (ICT) service providers. The average number of employees in 2009 was 685, a marked increase from the 2008 figure of 611.

HUMAN RESOURCES

In 2009, within the area of finance and administration, HR management continued to consolidate standard and corporate procedures across all company sites to improve the effectiveness of processes within individual and national legal frameworks.

With the company's continued growth, the role of HR management at INTRASOFT is to provide direct support to delivery operations without impeding line management responsibilities for recruitment and staff development. This is accomplished by ensuring that a framework of company standards is in place together with the appropriate business process support applications.

Holiday management and a Check-in / Check-out (CICO) system that provides online support for the business processes involved with the arrival of new personnel in the company, and also for departures. The objectives of the system are to ensure that the right people are informed about personnel movements, that the correct preparations are made, that all necessary tasks are carried out, and that an audit trail for these tasks is maintained.

HR management provides a point of coordination for legal, contractual and financial issues and assumes the responsibility for coordinating and administering the devolved actions that are part of career planning, assessment and training, and for ensuring a consistent approach to resource management across the company.

“ THE PIQA DEPARTMENT CONTINUES TO DEMONSTRATE TO CLIENTS AND STAKEHOLDERS ITS COMMITMENT TO CONSTANTLY IMPROVING THE MANAGEMENT OF INTRASOFT’S PROJECTS AND THE PROVISION OF ITS PRODUCTS AND SERVICES”

PROCESS IMPROVEMENT & QUALITY ASSURANCE (PIQA)

It is INTRASOFT International’s mission to provide business value and outstanding delivery performance in a cost-effective manner, and with the best possible support, in order to meet and exceed our customers’ expectations. With this in mind, quality has become a key, strategic ongoing challenge for the company.

While applying the latest technologies, methods and practices, as well as our clients’ own methodologies, INTRASOFT International’s core processes and methodologies are firmly rooted in our new ‘Integrated Management System’. Here, quality of services and products, information security awareness and environmental responsibility lie at the heart of our approach towards total quality management.

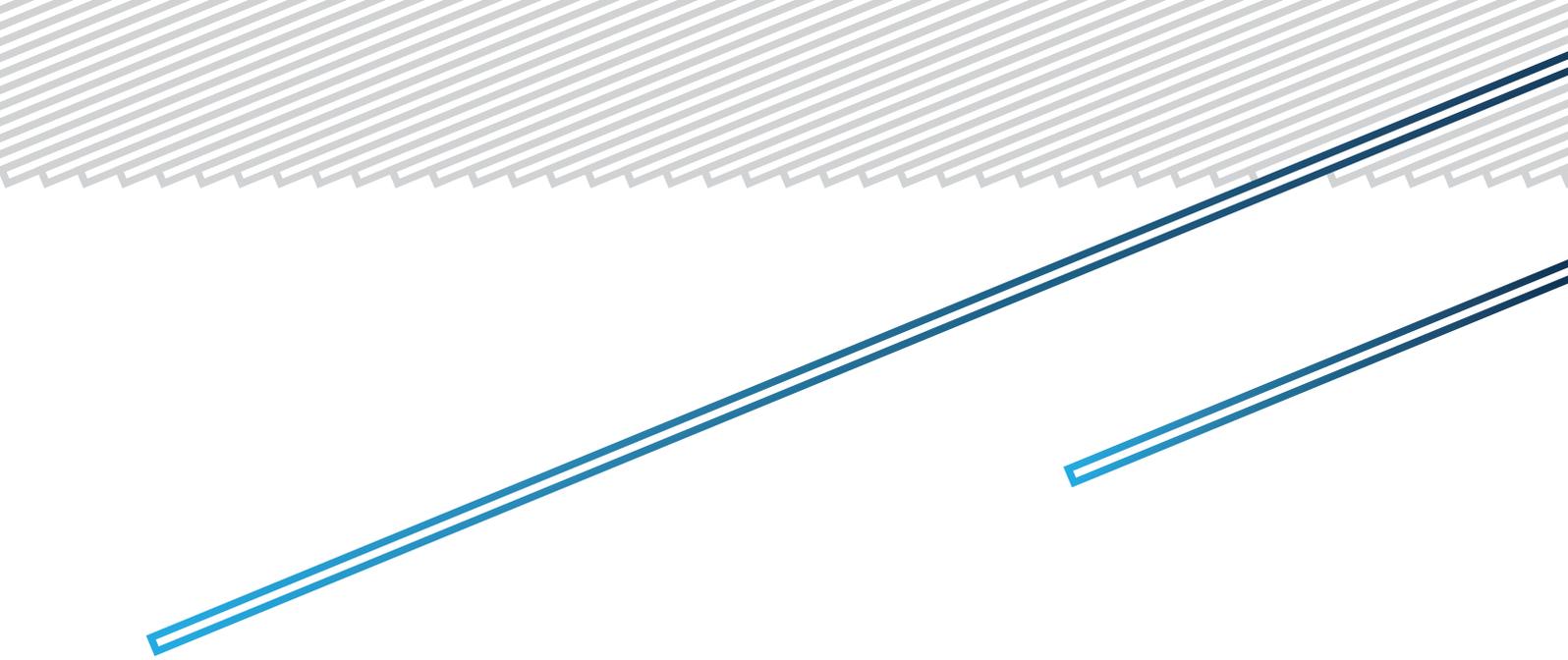
A MULTI-FACETED FRAMEWORK

The PIQA department runs both horizontally and vertically to ensure that quality, models, standards and techniques such as those developed by the International Organization for Standardization (ISO), the Software Engineering Institute (SEI), the Rational Unified Process (RUP), CMMI® (Capability

Maturity Model Integration), the Institute of Electrical and Electronics Engineers (IEEE), Information Technology Infrastructure Library (ITIL) and the European Committee for Standardization (CEN), are applied throughout INTRASOFT.

The department works under a multi-faceted framework to provide the following core services:

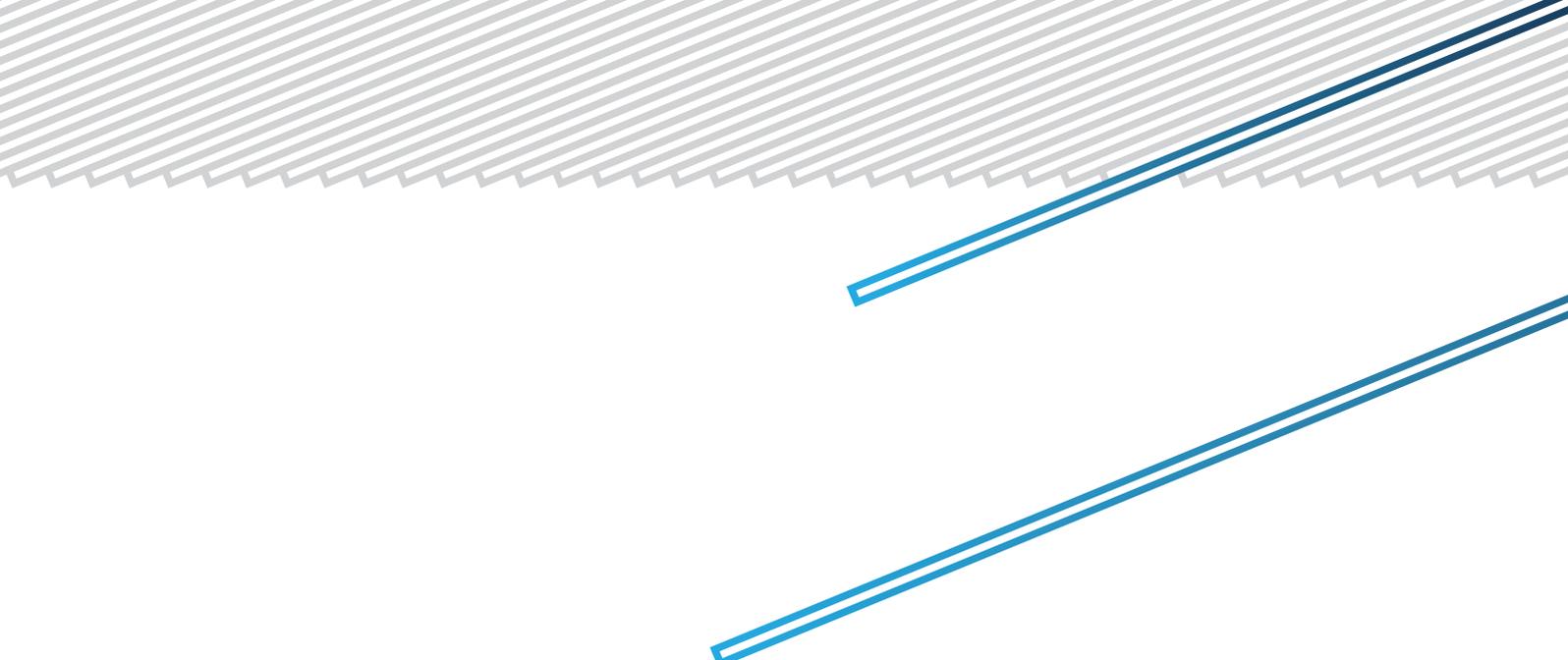
- calculating function points according to IFPUG (International Function Point Users Group) and COSMIC (Common Software Measurement International Consortium) methodologies by certified counters;
- measuring, analysing and suggesting improvements based on measurable data and statistics via quality methods and tools;
- providing quality consulting services during the project initiation phase and throughout project execution, based on best practices and models;
- setting, monitoring and verifying project quality objectives;
- auditing, assessing, organising and coordinating process improvement programmes;



PIQA SIGNIFICANT MILESTONES

The PIQA department continues to demonstrate to clients and stakeholders its commitment to constantly improving the management of INTRASOFT's projects and the provision of its products and services. In 2009, the department achieved the following:

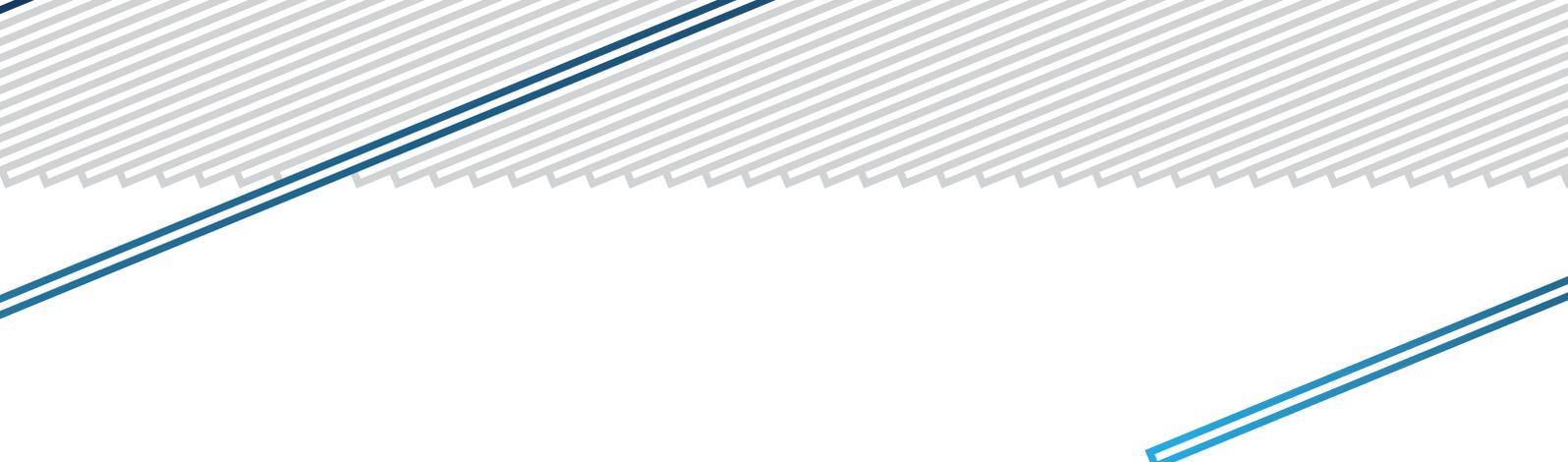
- obtaining and maintaining organisation certifications and process performance-related credentials;
- establishing, at organisational or project level, management systems according to ISO 9001, ISO 20000-1, ISO 14001 and EN 15038 as well as ISO 27001 and CMMI Lev2 for software development;
- coordinating the recording and implementation of the company and projects' procedures;
- verifying the operation and maintenance of the company management systems;
- acting as a repository of best practices and disseminating them across the company via internal awareness sessions, and setting up internal mechanisms for knowledge management;
- conducting supplier and sub-contractor evaluations.
- certified its Environmental Management System according to ISO 14001:2004 for all its sites and services in order to contribute to and promote environmental responsibility and awareness;
- certified its Translation Services against EN 15038:2006, the only specific standard for Translation Services;
- formulated a Certified Function Point (FP) team with a view to enhancing software measurements and management decision making;
- was successfully re-certified according to the new ISO 9001:2008 Quality Management Standard;
- implemented an Information Security Management System covering all company activities and sites in order to manage information security risks in the most effective and efficient way (INTRASOFT plans to certify its compliance according to ISO 27001:2005 in 2010);
- performed successfully in an ISO 20000-1:2005 surveillance audit covering all its IT (information technology) service activities and geographical establishments.



APPLICATION DEVELOPMENT AND INTEGRATION SERVICES

INTRASOFT International's Application Development and Integration Services delivery group provides customised software systems, solutions and services to clients across the globe. It caters for all application-related needs from start to finish, including:

- process modelling and business process engineering;
- requirements analysis;
- systems construction (e.g. design, development and testing) based on the Rational Unified Process (RUP) software methodology;
- after-sales services (e.g. maintenance, helpdesk, training, and on-site missions for change management support).



The Application Development and Integration Services delivery group is one of the largest of INTRASOFT's six delivery groups. It comprises some 260 experts located in 4 European cities, delivering quality products and services related to all facets of the software production lifecycle. In 2009, the Application Development and Integration Services delivery group, which was successfully appraised for CMMI® (Capability Maturity Model Integration) Level 2 v1.2, continued to build on a decade of phenomenal success in the customs area, secured contract renewals, and received favourable project assessments at various monitoring stages.

A recognised leader in customs business and information technology (IT) systems

INTRASOFT has gained the competitive edge in the area of customs business and IT systems in Europe. The Application Development and Integration Services delivery group has collaborated with the European Commission to develop and implement Europe's vision in the customs and taxation area. Approximately half of the staff in the Application Development and Integration Services delivery group are involved in customs projects and possess significant knowledge of the relevant legislation and experience in the implementation of the European Commission's Multi-Annual Strategic Plan (MASP).

In 2009, part of the SIA (Sword, INTRASOFT International, Atos Origin) consortium, we continued the provision of services concerning the specification, development, maintenance and support of customs IT systems related to IT projects of the Directorate-General for Taxation and Customs Union (DG TAXUD) of the European Commission. A number of new systems were specified and/or implemented during the period, an example being the COPIS (anti-Counterfeit anti-Piracy Information System) IT system. COPIS is designed to improve cooperation and the sharing of information in the area of Intellectual Property Rights (IPR) protection between IPR owners and Member States' Customs Administrations and amongst all the customs offices of Member States.

In 2009, INTRASOFT, as part of the A2i Consortium (ArHs developments, IBM, INTRASOFT International), was awarded the FITSDEV2 (Fiscalis Information Technology Systems) framework contract by DG TAXUD. The project is a continuation of the EMCS (Excise Movement and Control System) and FITSDEV framework contracts, and INTRASOFT is responsible for the support and implementation services under the EMCS domain. EMCS is a highly visible and most critical project for the EU since it involves the sensitive areas of the stabilisation of the Member States' tax revenues, and enables the smooth functioning and development of the internal market.

INTRASOFT's expertise in the customs area has led to new projects, such as the development of National Customs Administrations. The various teams have delivered projects for the majority of the Customs Administrations, ranging from the Baltic countries to Ireland and from Norway to Cyprus. In 2009, INTRASOFT was selected by the Customs Service and Tax Administration of Kosovo to provide technical assistance, support and development services.

Today, due largely to its significant involvement in the New Computerized Transit Systems (NCTS), the Application Development and Integration Services delivery group boasts contracts with more than 15 countries for NCTS. In 2009, INTRASOFT was awarded the NCTS-Moldavia project based on DG TAXUD's NCTS specifications and comprising various software components that provide better management and control of both Community and Common Transit. In addition, a workshop involving customs officials from Moldova and Ukraine was held under a separate contract.

Beyond Europe, the team successfully executes the contract awarded by the Association of Southeast Asian Nations (ASEAN) for technical and business consulting services related to the customs and transit systems of member countries, such as Singapore, Malaysia, the Philippines and Thailand.

“INTRASOFT HAS GAINED THE COMPETITIVE EDGE IN THE AREA OF CUSTOMS BUSINESS AND IT SYSTEMS IN EUROPE”

OTHER CONTRACTS

Outside the customs area, in 2009 INTRASOFT was awarded the European Qualifications Framework Contract (EQF). The EQF is a common European reference framework which links countries' qualification systems together, acting as a translation device to make qualifications more understandable across the different countries and systems in Europe. INTRASOFT is responsible for the development of a portal that will disseminate EQF information to the public. Additionally, the Application Development and Integration Services delivery group was assigned the task of maintaining the PLOTEUS (Portal on Learning Opportunities throughout the European Space) portal. The portal provides information to students, job seekers, counsellors and teachers about studying abroad. INTRASOFT performs system enhancements and integrates new national data sources into the portal.

Similarly, in the context of the new Framework Contract FP7 (Seventh Framework Programme) of the European Commission's Research Directorate-General (DG RTD), INTRASOFT was awarded the new tender for development, studies and support services to DG RTD. The contract involves intranet applications supported by DG RTD's IT application suite which enable DG RTD personnel to manage all information surrounding the process.

Successful continuation of the existing contracts and contract renewals

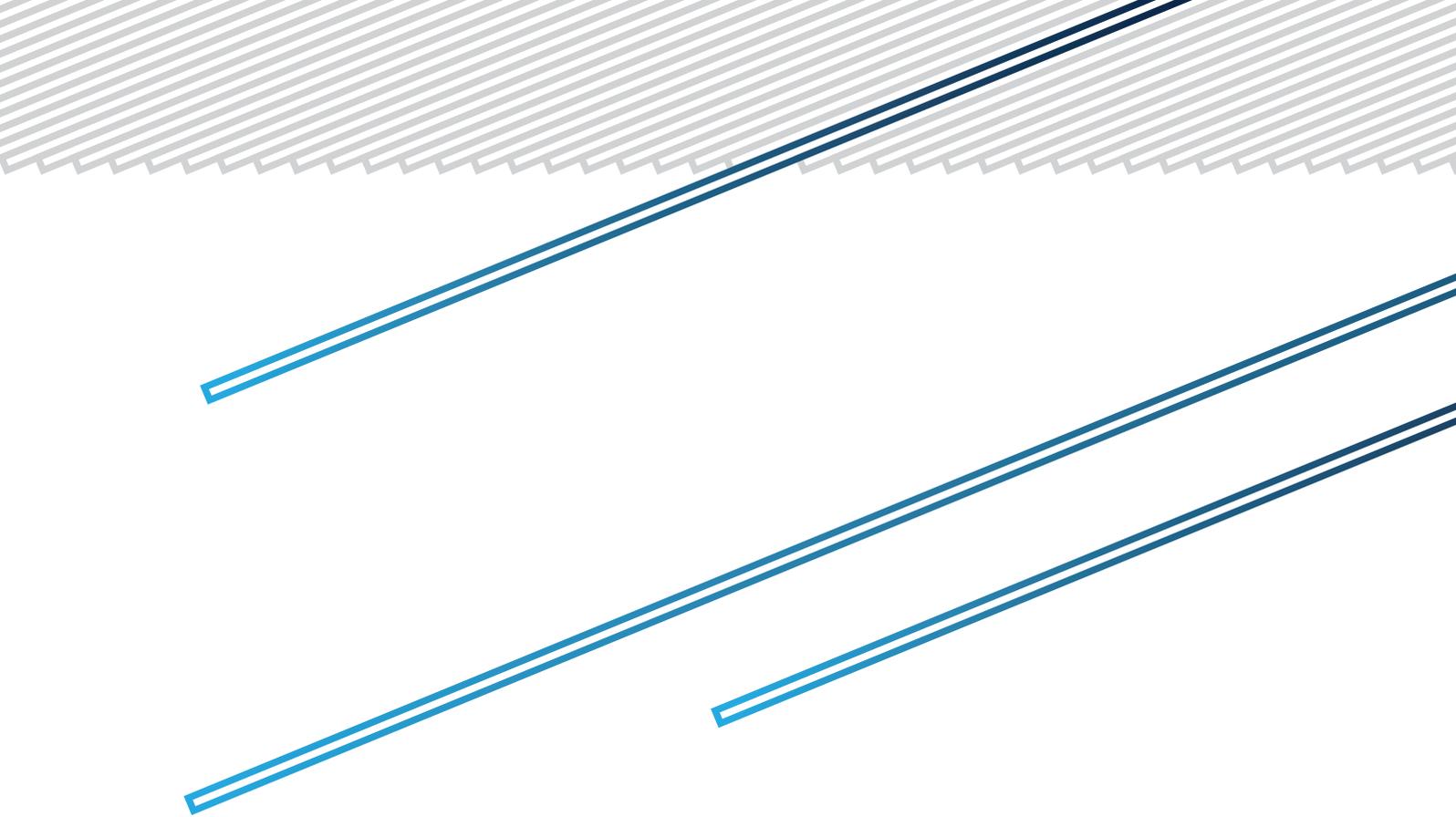
In 2009, INTRASOFT completed successfully the second year of service provision to OHIM, the Office

for Harmonization in the Internal Market (Trademarks and Designs), based in Alicante, Spain. With a budget totalling EUR 21 million, the 7-year project relates to the successful takeover of maintenance services for OHIM and for almost all of the office's systems (of which there are more than 70). In the same year, the migration of the services from Alicante to INTRASOFT's sites in Athens and Bucharest has started and this process is expected to be completed within 2010.

With this contract, INTRASOFT strengthens its position in the provision of IT services for the European institutions and agencies. Furthermore, in early 2009, INTRASOFT was awarded the new tender for the maintenance and evolution of services for SYMMETRY, a system developed in the past for the Directorate-General for Education and Culture (DG EAC).

Finally, INTRASOFT received a contract renewal for the provision of services to the Directorate-General for Maritime Affairs and Fisheries (DG MARE). The services to be provided include the analysis and development of a number of maritime-related applications. The project is executed in Brussels and at the INTRASOFT premises in Bucharest.

In conclusion, the Application Development and Integration Systems delivery group has successfully contributed to the company's leading standing among large pan-European suppliers having the capacity to cover a wide range of technical domains, profiles and physical locations around Europe.



OUTSOURCING AND MANAGED SERVICES

Outsourcing and Managed Services is one of INTRASOFT International's most successful activity areas. Based on the concept that the service desk is the kernel around which additional services rotate, the delivery group operates on ITIL (Information Technology Infrastructure Library) best practices and has accumulated extensive experience in diverse IT-support-related areas.

MULTI-SKILLED TEAM

INTRASOFT's Outsourcing and Managed Services delivery group provides the following core services:

- management consultancy in the area of ITIL-based services (e.g. the design of service support and service delivery structures);
- the implementation of support services;
- IT support, including application support, training, network support, e-mail systems (e.g. design, implementation and management), as well as PC support and maintenance.

All activities are based on service level agreements (SLAs), implemented by a team of 140 professionals with many different skill sets. A characteristic of this delivery group is its stable activity base that grows steadily year by year. In addition to existing operations, some of which are highlighted below, INTRASOFT's Outsourcing and Managed Services team expects some new operations to commence in 2010. These will still be in the area of service outsourcing and they will include enhanced services for the European Commission's Directorate-General for Informatics (DG DIGIT) and for the European Parliament.

CORE SERVICES

Management consultancy: INTRASOFT provides advice and designs and implements ITIL-based support services for more than 30 000 users worldwide.

IT support: In the area of application support, INTRASOFT assists users with regard to technical and business questions. Within its training capacity, the company has, during the last few years, trained more than 4 000 personnel in the usage of different business critical applications, achieving high satisfaction rates from the trainees: more than 85 % of the participants rate INTRASOFT's service as very good or excellent.

Through its Outsourcing and Managed Services delivery group, the company also provides service team management support, such as system administration, technical support for specific products, and local or central IT logistic services.

Network support: INTRASOFT currently manages the IT infrastructure for more than 40 000 users in different European countries. In addition to undertaking troubleshooting operations on a daily basis, INTRASOFT carries out all installations and maintains network cables and active network equipment. These activities are based on strict SLAs, thereby assuring preventative measures.

Furthermore, clients are offered a fully operational service (7 days a week, 365 days a year), with response times of less than 1 hour for interventions. In addition, disaster recovery and contingency plans are administered by experienced teams (including cabling technicians and data and telephony engineers).

INDICATIVE PROJECTS

Network Infrastructure Services for DG DIGIT

The objective of this operation is to support data and telephony in cooperation with other European Commission bodies. Some 40 members of the Outsourcing and Managed Services team work on this project, which is a large and complex implementation of logistics (stock management), field operations, planning and management. Around 300 actions must be executed daily by 30 technicians, who are also responsible for updating project databases (e.g. cabling, devices and stock). Additionally, a service desk is available 24 hours a day, 7 days a week to receive calls, plan actions, support field technicians, and answer critical calls outside normal working hours.

“A CHARACTERISTIC OF THIS DELIVERY GROUP IS ITS STABLE ACTIVITY BASE THAT GROWS STEADILY YEAR BY YEAR”

IT Support Services for DG DIGIT

The objective of this operation is to provide IT support to the European Commission's end users (approximately 30 000). The support is categorised by different services, such as:

- local service desk — acting as the single point of contact for end users and resolving as many calls as possible remotely;
- desk site support — giving physical support to end users when the intervention of the local service desk is not enough;
- local logistic support — in charge of installations and moves as well as changes to and the retirement of end-user IT equipment;
- application and extended application support — two different levels of supporting business specific applications: (1) first-line support, and (2) providing business logic support, such as how to use an application;
- workstation and system administration — making sure that both workstations and local servers are kept up to date in regard to the operating system, system software, anti-virus software, and so forth.

IT Applications Support and Training for the European Commission's Directorate-General for Research (DG RTD)

The delivery group also provides IT support and training relating to the EU's FP7 for DG RTD. This operation consists of two activities:

- training on the use of business-specific applications regarding the financing of research projects across the globe under FP7;

- extended application support, supporting end users in the usage of applications and reporting eventual issues to the developers.

Electronic Proposal Submission System (EPSS) for DG RTD

This operation entails managing the mission-critical infrastructure and applications through which entities across the world (e.g. universities and large industrial corporations) can submit proposals to receive funding for their research projects. It also supports proposal submitters in the usage of the systems, offering assistance during the proposal preparation and submission phases, for instance.

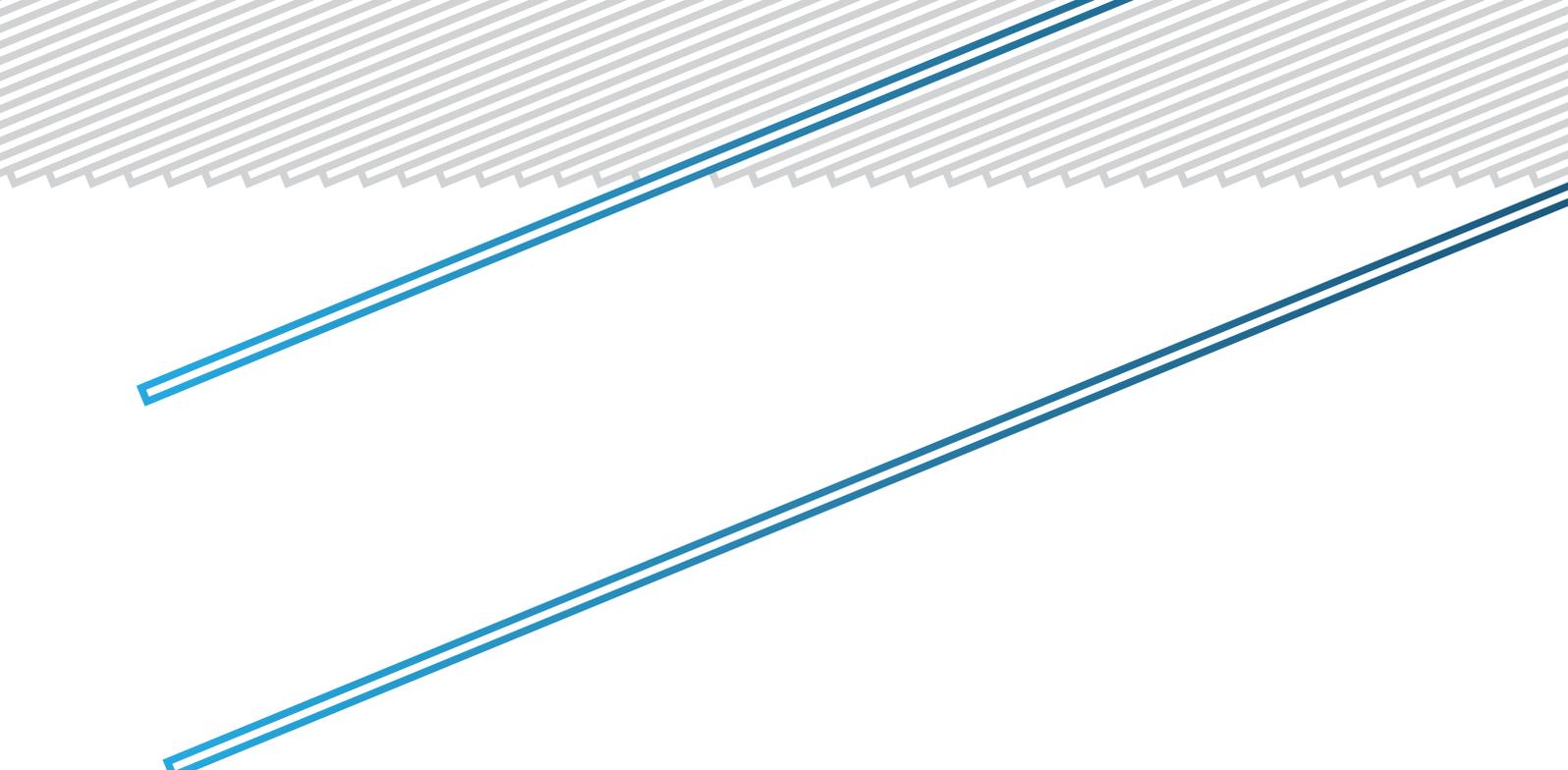
Application Support for the Office for Official Publications of the European Communities

This operation gives end users support in the use of a series of applications employed to communicate messages and information from the European Commission to stakeholders around the world. For example, one of the applications supported by this operation includes the calls for tenders published under the European Union's Framework Programmes.

IT Support for the European Parliament

This operation involves providing IT support to the users of the European Parliament. It consists of the following main tasks:

- overall management of the support;
- support to VIPs;
- support to all end users;
- logistics planning and operations.



INFORMATION AND COMMUNICATION SERVICES

INTRASOFT International's Information and Communication Services delivery group works with the European Commission and its institutions to produce information campaigns on diverse issues that affect the lives of every European citizen: election monitoring, health, consumer affairs and research. A team of dedicated communication professionals ensures that INTRASOFT's clients secure key policy objectives by achieving broad, effective communication combined with great value for money.

BROAD SERVICE RANGE

The team is a centre of excellence for marketing and communication for public enterprises. Some 90 staff, in cooperation with a network of 40 freelancers and 10 partner companies, provide a wide range of communication services.

“ FOR INTRASOFT’S INFORMATION AND COMMUNICATION SERVICES TEAM, 2009 WAS MARKED BY THE CONSOLIDATION OF EXISTING SERVICES; IMPROVEMENTS IN PRODUCTIVITY; AND SALES TO NEW MARKETS”

- **Interactive services** use the latest online tools to allow clients to better meet the needs of all Europeans, particularly those who interact directly with the European Commission for information, help and advice.
- **Creative services** deliver high-quality multimedia and print material. Services are delivered by experienced communication product managers in cooperation with writers, graphic designers and multimedia experts.
- **News services** (daily, weekly and monthly) enable clients to continually inform and support their stakeholders.
- **Translation services** ensure that messages can be communicated in all 23 official languages of the EU, as well as Arabic and Chinese.
- **SME (small and medium-sized enterprise) support services** enhance EU policy initiatives relating to competitiveness by providing assistance to SMEs in the areas of technology transfer and new enterprise creation.
- **Communication strategy and planning** ensures the right mix of communication approaches to achieve client objectives.

COMMUNICATION HIGHLIGHTS IN 2009

For INTRASOFT’s Information and Communication Services team, 2009 was marked by the consolidation of existing services; improvements in productivity; and sales to new markets. In January 2009, all information and communication

services were certified as compliant with ISO 9001 and aligned with the corporate QMS (quality management system). Year-on-year earnings for the delivery group grew by 11.5% on flat revenues, reflecting improved productivity. The delivery group continued to break new ground across each of its main service offerings. Examples of some of the projects undertaken in 2009 are provided below.

INTERACTIVE

In 2009 we demonstrated our expertise and leadership in all aspects of the operation of European institution websites with the award of two contracts related to the support of the CORDIS website. CORDIS is the research portal of the European institutions. The Information and Communications delivery group has been running CORDIS on behalf of the European institutions since 1998.

The CORDIS Unit at the Publications Office has contracted INTRASOFT’s expertise in interactive, creative and hosting services. Specific responsibilities include editorial services (e.g. content production, translations and proofreading), graphic design, development, the redesign and maintenance of its various websites, tools and services management (e.g. search functionalities and interactive tools), database management and print and communication support, as well as the provision of the hardware, software, networking, and applications which ensure the site is fully accessible for all service stakeholders.

CREATIVE

The International Organization for Migration (IOM) is the European Commission service provider for election monitoring. Election observation and monitoring

is a vital EU activity that forms part of its efforts to promote democracy, human rights and the rule of law worldwide. It helps to strengthen democratic institutions and builds public confidence in electoral processes. A team from the delivery group has worked with the IOM and the European Commission to promote and communicate the EU's role in election monitoring. The promotion tools include a multi-media website, <http://www.eueom.eu>, describing monitoring policy and missions, and printed promotional publications. The tools were unveiled at a major development conference in Stockholm in October 2009.

In 2009, communication materials (such as annual reports, brochures, flyers and specialised books) were also provided to several departments of the European Commission's Directorate-General for Research, including the Science, economy and society, Health, and Transport directorates.

NEWS

More effective, better targeted and more relevant communication is highlighted as a key objective for the European Commission to engage citizens in the European project. The content management specialists at the EUROPA online media centre manage the timely publication and dispatch of press releases, the writing and publishing of news articles and the promotion of events on behalf of the European Commissioners in all policy areas. As the service provider of EUROPA since 2008, INTRASOFT's journalists contribute almost 150 news stories to these services annually.

TRANSLATION

In January 2009, INTRASOFT's list of Quality Management Standards expanded to cover the requirements of EN 15038:2006 for translation services. Compliance with this standard marks a maturing of the service. The turnover from translation services increased by 80%. The team continued to gain work from the European institutions and started to work with clients in Belgium, France, and the Netherlands including the Belgian government, Deutsche Bank and Altor.

SME SUPPORT

A beneficial result of the establishment of the 'us-eu-match' service, which provides links for American companies to transfer technology via the Enterprise Europe Network (EEN), is that in 2009 a number of other countries worked with the delivery group to establish links with the EEN network. The team worked closely with Korea, China, Tunisia and Morocco to access the EEN network and support the efforts of those countries to develop technology transfer networks.

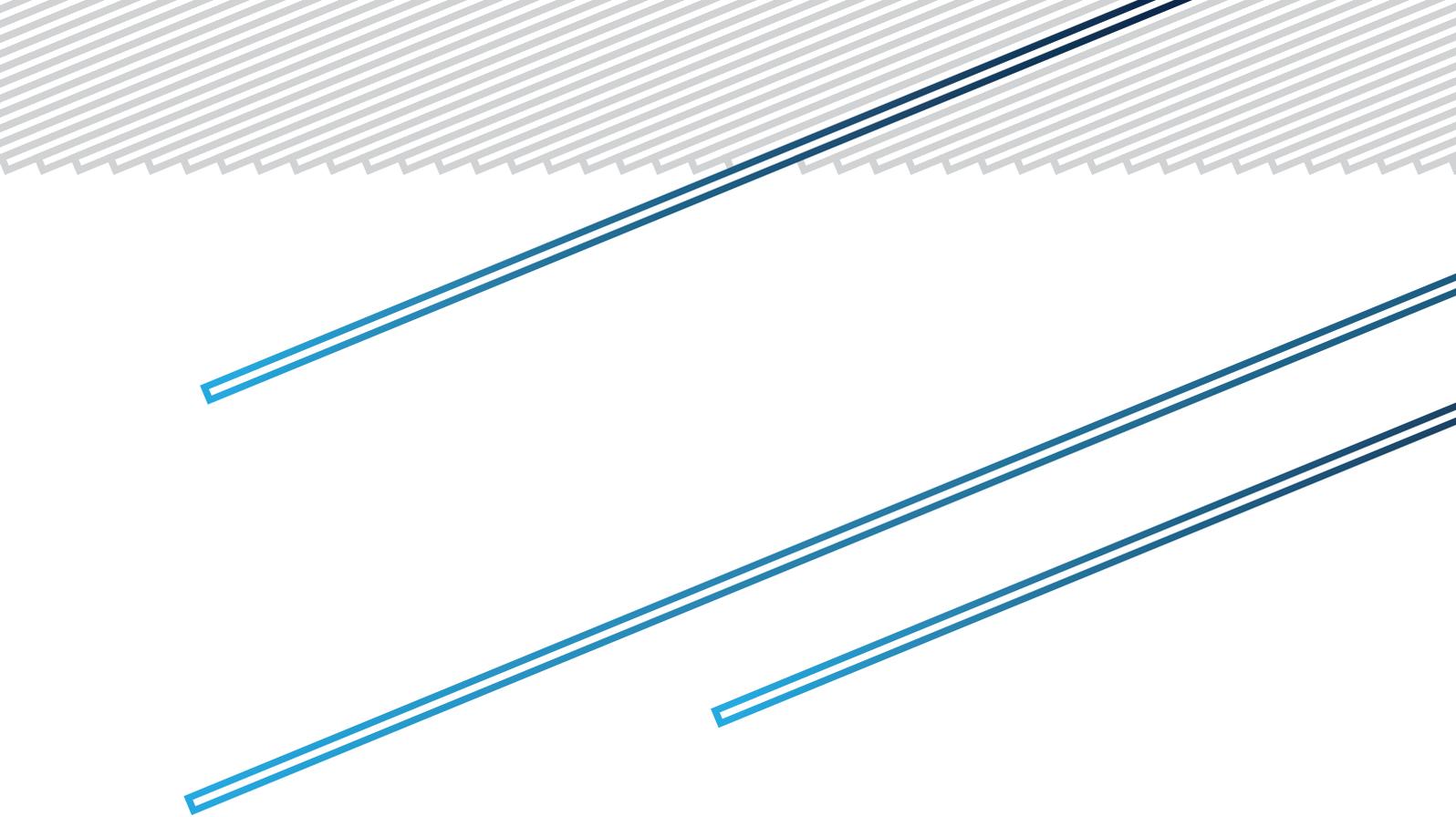
COMMUNICATION STRATEGY AND PLANNING

Another of the Information and Communication Services delivery group's key contracts, PubliResearch, has raised awareness of the EU's research policy as well as key projects funded under FP7. INTRASOFT has used multiple communication channels including newsletters, posters, brochures and websites in the course of this contract. A major success was the production of a daily newspaper at the Research Connections 2009 conference in Prague. The newspaper featured interviews with keynote speakers and reports on various conference sessions and the technology developments and innovations presented at the event.

2010 AND BEYOND

During 2010, INTRASOFT's Information and Communication Services delivery group will continue to deliver expert communication services to meet its clients' needs. As competition intensifies in our marketplace, we will concentrate on customising the services we offer to better meet the needs of the customer and set us apart from our competitors. A full review of the business will be completed to identify the next areas in which we should develop communication expertise. In collaboration with INTRASOFT's Sales and Marketing department, the delivery group expects to raise business development to extend its range of clients in the EU institutions, and to look at new prospects with potential clients at international level, such as the World Bank and the United Nations.

For more information and samples of our work please visit: www.intrasoft-intl.com/infocom



PROFESSIONAL SERVICES

The mission of INTRASOFT International's Professional Services delivery group is to place highly skilled IT consultants with clients on site to develop software applications, implement new and upgraded software, provide application support, manage projects, and perform a full range of infrastructure-related tasks. The team's objective is to deliver the best available specialist skills and solutions that are tailored to each individual client's needs. The team works intensively with a diverse portfolio of clients before each assignment and during execution to ensure best fit-to-purpose and ongoing customer satisfaction.

“THE COMPANY’S CONSULTANTS INCLUDE SPECIALISTS IN PROJECT MANAGEMENT, BUSINESS IT INFRASTRUCTURE AND SOFTWARE DEVELOPMENT. THEIR EXPERTISE HAS PROVEN INVALUABLE TO CUSTOMERS SEEKING TO IMPROVE THEIR WORK PROCEDURES AND SYSTEMS”

TECHNOLOGY SPECIALISTS

INTRASOFT’s Professional Services delivery group provides clients with consultants who specialise in software application development, systems and application administration, application testing, and application implementation and maintenance. Importantly, the consultants maintain a high level of communication and service delivery with each customer ensuring that their needs are being both met and anticipated.

Technology implementation under Professional Services comprises a wide range of activities, namely:

- project management;
- developing and testing software applications;
- setting up ‘solution architectures’;
- performing routine quality assurance;
- implementing software applications;
- providing IT maintenance and support.

The company’s consultants include specialists in project management, business IT infrastructure and software development. Their expertise has proven invaluable to customers seeking to improve their work procedures and systems, and who require business IT consulting and work-process design services. The consultants regularly adapt and create technologies that enable better business

performance. They offer certified expertise spanning the entire ‘infrastructure’ area as well as the full application development life cycle. They include specialists in ITIL (Information Technology Infrastructure Library) procedures, which help IT organisations to manage their infrastructures by defining the skills and management resources they need.

The Professional Services delivery group also offers expertise in:

- information system (IS) end-user support;
- IT infrastructure;
- training;
- software development;
- programme analysis;
- business analysis;
- user-interface design;
- test management;
- quality assurance;
- senior level information architecture;
- project management;
- PC and server system software.

SERVICING MAJOR EUROPEAN INSTITUTIONS

The delivery group covered six major contracts in 2009 providing support and development services for the European Commission, the European Parliament, the European Medicines Agency (EMA) and other institutions of pan-European relevance.

Part of the EU, the EMA is headquartered in London and is responsible for protecting and promoting public and animal health by evaluating and supervising medicines. Services provided under the framework contract between INTRASOFT and the EMA relate to the development and maintenance of the EMA's 'mission-critical' information systems. One of these systems is the agency's pharmacovigilance network, which allows it to monitor the safety of medicines.

INTRASOFT's Professional Services team also worked on DIMOS Lot 1, a contract with the European Commission's Directorate-General for Justice, Freedom and Security (JLS). The delivery group provided onsite SAP experts to work on the creation, integration and maintenance of JLS's 'Budget and Control' policy unit's IT systems (which are SAP based), focusing on the management of sponsorships received from public organisations.

Many Directorates-General (DGs) of the European Commission have other systems in addition to SAP for which INTRASOFT provided services in 2009 under the DIMOS Lot 2 contract. Specifically, the delivery group provided onsite IT experts to develop applications for various DGs' financial projects. For example, INTRASOFT worked on the new Accrual-Based Accounting (ABAC) system, which helped to bring the European Commission in line with International Public Sector Accounting Standards (IPSAS).

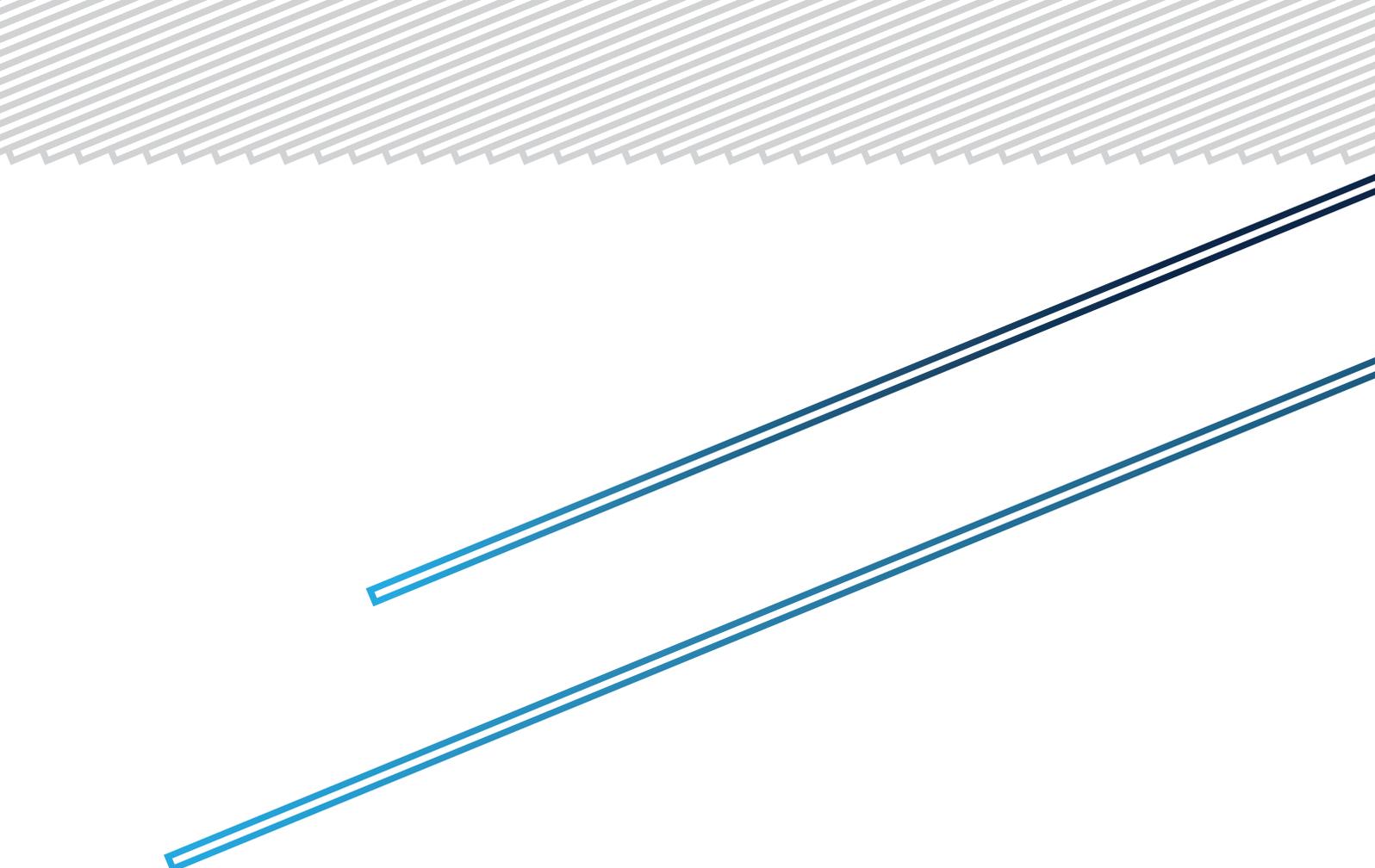
IT infrastructure support services (ITSS) are among the biggest and most visible IT contracts of the European Commission. Under the ITSS contracts, INTRASOFT provided IT experts to several DGs to support users' workstations and departmental servers. In particular, the Professional Services delivery group provided central help desk services, first- and second-level IT user support, and full logistics support. The services delivered also involved incident management, problem management, change management, release management and IT logistics support.

Under ITSS Lot 1, onsite services were provided for infrastructure and software-support expertise to the European Commission's decentralised data centres, as along with implementation support for its centres in Belgium and Luxembourg. The ITSS Lot 2 contract is related to the European Commission's Data Centre, based in Luxembourg. INTRASOFT provided a large number of specialists in infrastructure and software support within the Data Centre.

INTRASOFT also helped the European Commission's Informatics DG (DG DIGIT) with the development, studies and support of information systems (DESIS). Under the DESIS Lot 4 contract, the Professional Services team provided end-user and application-support specialists within this DG's sites in Belgium and Luxembourg.

The European Commission's Research DG (DG RTD) provided financial support for countless research projects under FP7; management of this funding is ongoing and requires a high level of support. INTRASOFT continued to support DG RTD's IT systems as part of this effort in 2009.

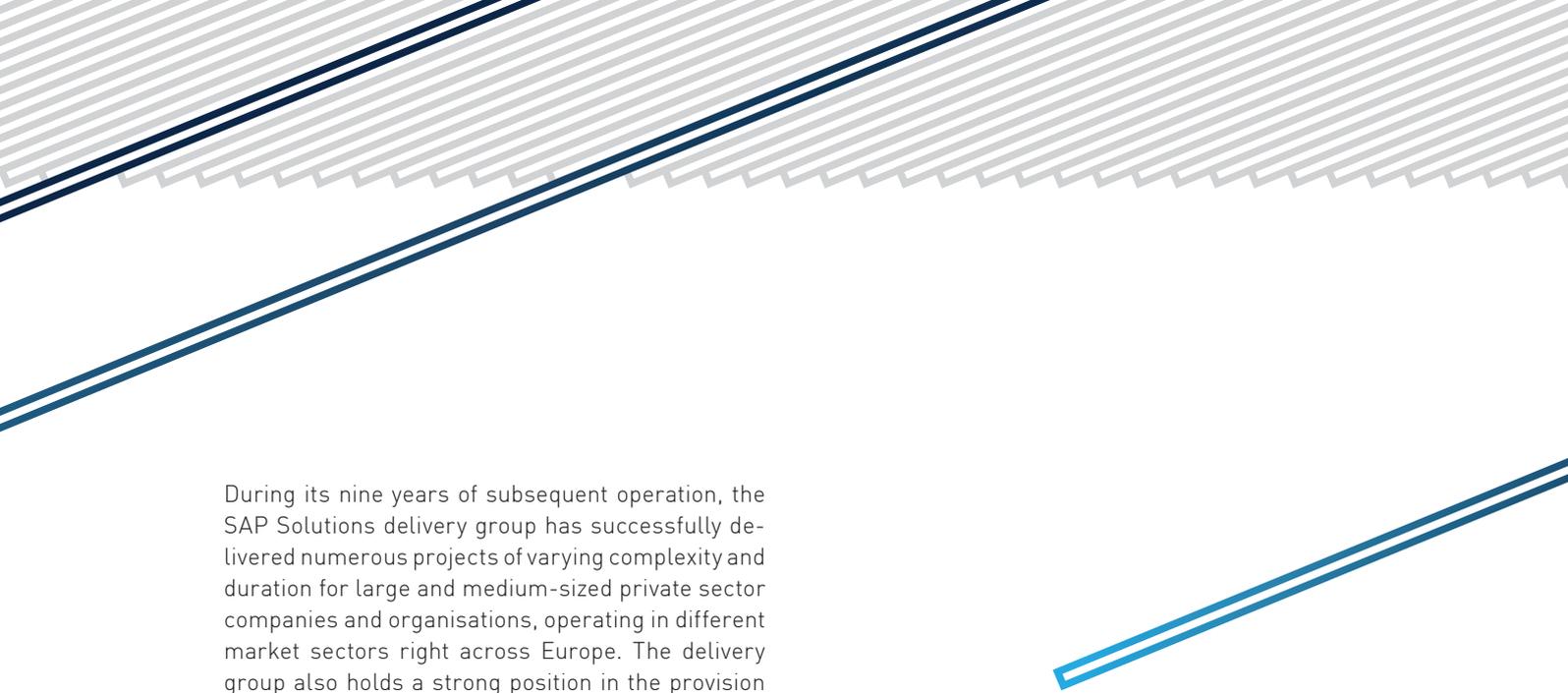
INTRASOFT's Professional Services delivery group anticipates the continuation of its existing contracts as well as the commencement of new projects for the year 2010. The group will maintain its positive relationships with existing clients and continue to monitor the market for new opportunities. In view of the ever-increasing need for IT support within the expanding European institutions, and in light of the high quality and efficiency of INTRASOFT's IT experts, the outlook for 2010 is promising.



SAP SOLUTIONS

In 2000, INTRASOFT International invested in the establishment of an SAP (Systems Applications and Products) Solutions delivery group. The aim then was to provide high-quality SAP services through a team of certified professionals with extensive experience in application and business consulting and in the management of complex information technology projects.





During its nine years of subsequent operation, the SAP Solutions delivery group has successfully delivered numerous projects of varying complexity and duration for large and medium-sized private sector companies and organisations, operating in different market sectors right across Europe. The delivery group also holds a strong position in the provision of integrated solutions for the public sector.

Today, the SAP Solutions delivery group employs over 50 experts and provides services and SAP solutions to more than 70 enterprises. Its clientele consists of Greek SMEs and large companies, as well as major multinational organisations active in a wide range of market segments.

INTRASOFT GAINS DOMINANT POSITION IN THE GREEK SAP MARKET

In 2009, within the framework of its strategy for dynamic expansion in the SAP market, INTRASOFT International acquired the respective clientele of LAVISOFT S.A., thus becoming one of the most powerful and dynamic partners in the Greek SAP market.

RESPONDING TO THE BUSINESS NEEDS OF THE SME MARKET

As an SAP Gold Channel Partner for Small and Medium Sized Businesses, INTRASOFT International offers turnkey solutions, comprising the necessary hardware equipment, SAP Licenses, our preconfigured SAP solutions, as well as services for solution installation and customisation to customer needs.

The company's SAP expertise, coupled with its efficient small and mid-sized business implementation approach, ensures fast and cost-effective projects, customer satisfaction, and guaranteed, premium-quality results.

PRECONFIGURED SOLUTIONS

INTRASOFT's preconfigured solutions are based on SAP Best Business Practices, which have been incorporated into SAP solutions during the last 37 years of their worldwide implementation, as well as on the company's own experience of SAP implementations in the Greek and international business environment. These preconfigured solutions are designed to cover specialised business requirements for vertical markets such as:

- wholesale/retail (e.g. sanitary ware, digital equipment, hi-tech & electronics, etc.);
- healthcare;
- universities;
- construction;
- professional services.

The solutions provide complete functionality for all relevant business processes in the areas of sales management, purchasing management, inventory management, project management, production planning, customer service and financial management.

“ THE COMPANY’S SAP EXPERTISE, COUPLED WITH ITS EFFICIENT SMALL AND MID-SIZED BUSINESS IMPLEMENTATION APPROACH, ENSURES FAST AND COST-EFFECTIVE PROJECTS, CUSTOMER SATISFACTION, AND GUARANTEED, PREMIUM-QUALITY RESULTS.”

OFFERING BEYOND ERP

Furthermore, INTRASOFT International provides high-quality implementation services for a wide range of SAP solutions, such as:

- SAP Business Objects business intelligence;
- SAP Customer Relationship Management;
- SAP Netweaver Portal.
- The successful completion of SAP CRM implementation and integration with other SAP solutions such as Advanced Planner & Optimizer (APO), Business Warehouse (BW) and Customer Relationship Management Interaction Center (CRM IC) Web Client, for MIELE HELLAS.

ACHIEVEMENTS IN 2009

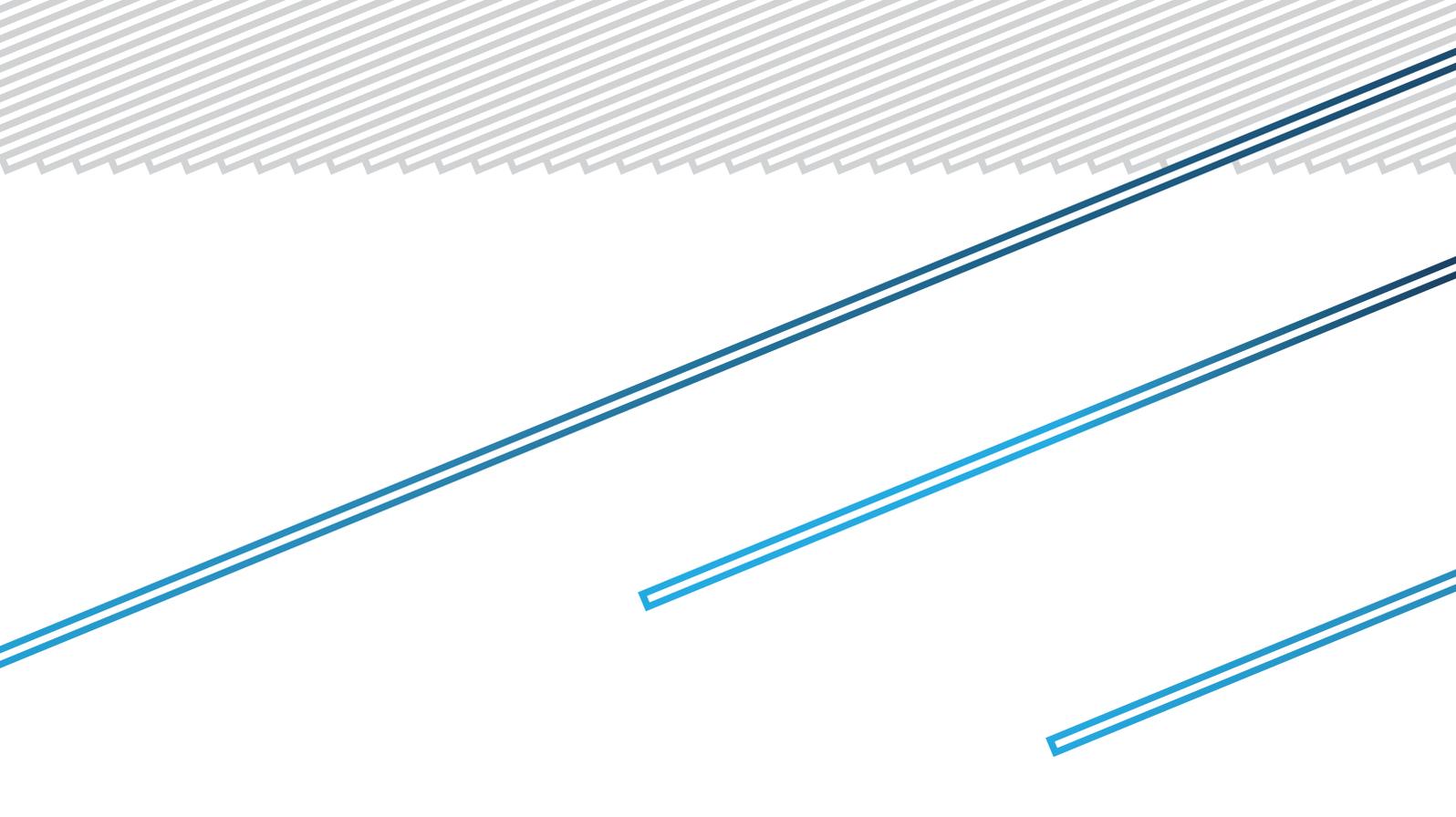
The following represents a summary of the SAP Solutions delivery group’s successes in 2009.

- The successful completion of an SAP project for ION S.A., the leading Greek chocolate manufacturer, as well as for the trading company ‘I. Kotsiopoulos Bros S.A.’.
- HELLENIC FUELS, a subsidiary of the largest Greek petroleum group HELLENIC PETROLEUM S.A., awarded SAP Hellas and INTRASOFT International as a subcontractor, an SAP roll-out project. The project is expected to go live in early January 2010.
- The successful completion of an SAP Business All-in-One for Professional Services implementation for EUROPEAN PROFILES S.A., one of Greece’s leading management consultancy companies.

EVENTS AND VISIBILITY

INTRASOFT International was the proud sponsor of the annual Greek SAP Forum, which took place on 5 May 2009, with an audience of over 500 participants.

Furthermore, the company sponsored an SAP Infoday for the healthcare industry that took place on 19 November 2009 and was organised by SAP Hellas.



RESEARCH AND INNOVATION

INTRASOFT International recognises that innovation is one of the critical factors behind a company's growth since it drives the transformation of knowledge and ideas into marketable services and products.

Through its Research and Innovation delivery group, INTRASOFT contributes to the production of new knowledge and ideas at European level by participating in R&D projects, most of which are co-funded by the European Commission's Research and other Framework Programmes. Over the years, the group has worked in a range of research topics and domains such as service and software engineering, e-government, e-business, security, knowledge and content management and other innovation-generating areas. Market validation studies for R&D projects' results are also selectively conducted.

Furthermore, the Research and Innovation delivery group capitalises on its extensive and 'hands-on' experience in the conception and implementation of R&D projects, as well as its well-established network of policy experts, to provide research and innovation policy support services and undertake research and innovation policy evaluation and impact assessment studies.

R&D HIGHLIGHTS IN 2009

In 2009, INTRASOFT continued its focused approach to undertaking and completing R&D projects.

New R&D projects in 2009:

An INTRASOFT-led international consortium started a new security research project called STAR-TRANS in November 2009. In cooperation with London's Metropolitan Police and the Center for Security Studies of the Greek Ministry of Interior, the project aims to develop an information and communication technology (ICT) environment to support strategic risk assessment and contingency planning in interconnected transport networks in the case of incidents such as fire, flood, terrorist attacks, and so forth. The project will run for three years and it will benefit from the expertise of many highly regarded organisations, including QinetiQ SA, the Fraunhofer Institute for Transportation and Infrastructure Systems, and the Environmental Research Laboratory of the National Centre for Scientific Research 'Demokritos'.

INTRASOFT is also the main technological partner in a new research project (OSR2L) in the area of e-learning that started in June 2009. The project partners include prestigious European science museums such as the Deutsches Museum, HEUREKA, the Evgenides Foundation, the National Museum of Science and Technology Leonardo Da Vinci, the Cité des Sciences et de l'Industrie, the Palace of Miracles, and Ciência Viva. The goal of the initiative is to create a shared digital repository for formal and informal science education that will substantially enhance access to and the delivery of digital science education content. The project will run for three years and will capitalise on INTRASOFT's expertise in the area of e-learning.

Ongoing R&D projects in 2009 include:

- the development of technology that will allow European news agencies to conveniently annotate multimedia content including images, videos, and so forth, in order to facilitate their intelligent storage and retrieval (CASAM);

- the development of a risk assessment platform that uses data-mining techniques to assess the risks involved in customs procedures (e.g. import, export and transit) during the daily operation of the European customs offices (RAC-WeB).

R&D projects successfully completed in 2009 include:

- an ECLIPSE-based knowledge sharing environment to support geographically distributed software development communities with regard to error handling and component reuse (TEAM);
- the implementation of innovative consumer services, such as dynamic product pricing and promotion management, enabled by the intelligent integration of supply chain processes and based on unique product identification and radio frequency identification (RFID) technology (SMART);

In 2009, INTRASOFT's Research and Innovation delivery group completed market validation studies on innovative services in the area of e-government and e-learning. Innovative services studied include:

- eMARKS, which allows intellectual property rights (IPR) professionals, lawyers, SMEs, and public services such as customs and the police that combat counterfeiting crime to conduct image-based searches and, hence, to optimise the identification of trademarks or industrial designs of interest registered with EU Intellectual Property Offices.
- EXPLOAR, which offers unique learning opportunities to the science museum and the science centre visitor by employing augmented reality (AR) technology to update, innovate and develop new exhibits, exhibitions and educational material.

“ THE RESEARCH AND INNOVATION DELIVERY GROUP’S OUTLOOK FOR THE R&D ACTIVITY IN 2010 IS VERY PROMISING ”

POLICY SUPPORT SERVICES AND STUDIES HIGHLIGHTS IN 2009

The Research and Innovation delivery group continued to successfully provide the INNO-Policy TrendChart service, one of the most important innovation policy support tools that monitors and appraises innovation policy developments in Europe. The project (supervised by DG ENTR, the European Commission’s Directorate-General for Enterprise and Industry) drew on the expertise of 39 innovation policy experts from across Europe and beyond to compile the *Annual European Innovation Progress Report* for 2009.

INTRASOFT also participated in POLICY MIX project, which was set up to help policymakers build more efficient policy mixes with a view to increasing R&D investments in their country. The underlying idea of the project is that impacts on R&D should be viewed as the result of a combination of interacting policies, rather than the product of policies acting in isolation. INTRASOFT’s role in the project was to develop a sophisticated Web-based tool that enables policymakers in EU Member States to easily determine the optimal policy mixes for making R&D investments more effective. The project ended successfully in June 2009.

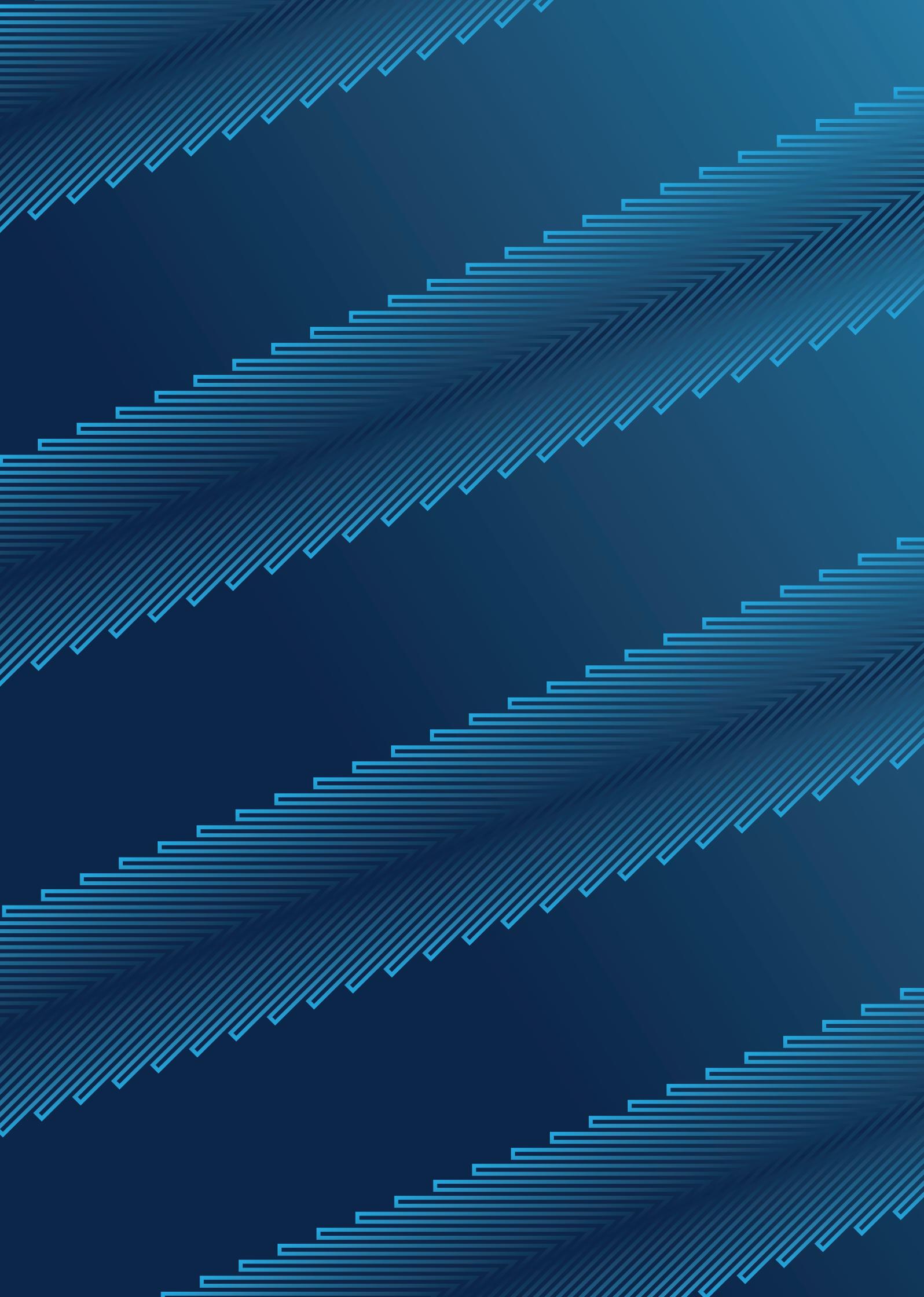
In the area of evaluation and impact assessment studies, the delivery group continued in 2009 to deliver high-quality studies concerning the design, implementation, monitoring and evaluation of research and innovation policies and strategies at both European and international level. The INTRASOFT-led ‘ERA Scale and Scope’ impact assessment study is ongoing and intends to assess whether economies of scale exist at research project level, putting emphasis on collaborative research projects of the type supported by the European Commission’s Framework Programmes.

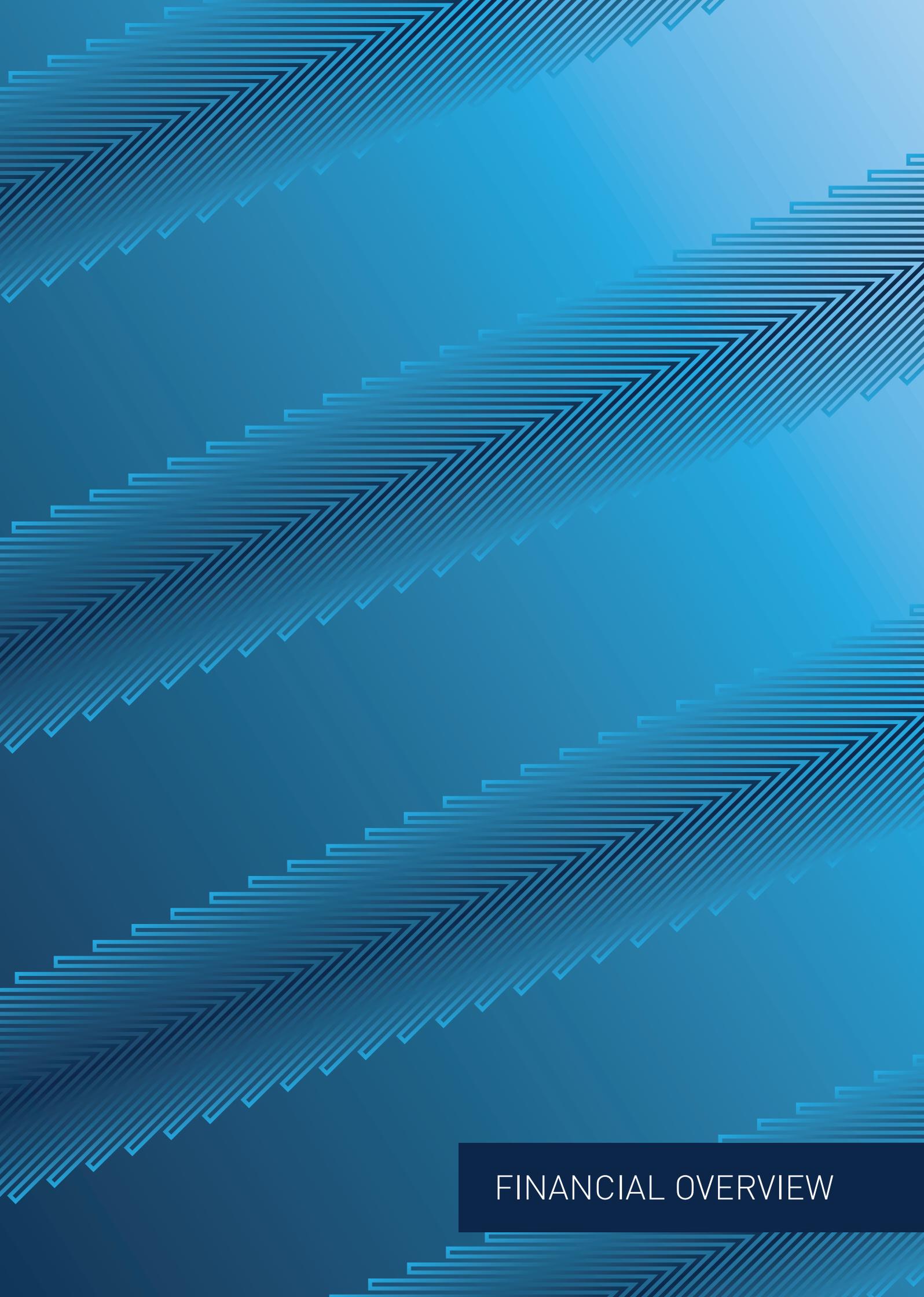
OUTLOOK FOR 2010

The Research and Innovation delivery group’s outlook for the R&D activity in 2010 is very promising. Its prime concern is to lead existing projects into successful completion and ensure the sustainability of the results.

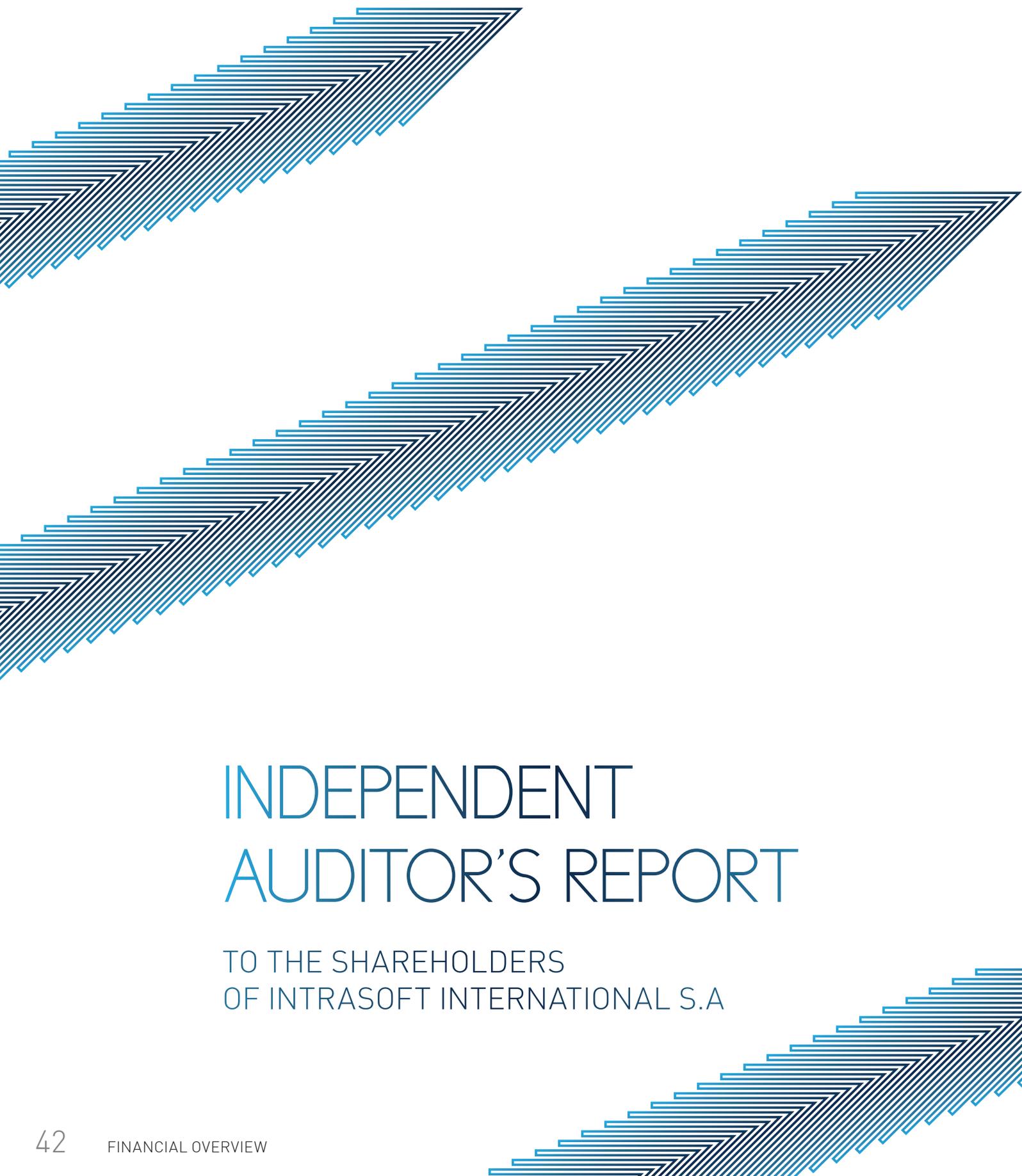
The team also expects to continue its involvement in developing innovative technology that accelerates the adoption of e-government in the EU by leading a new project which is currently under contract negotiations. The project will capitalise on Web 2.0 mass collaboration applications as the emerging platform for the innovative creation, sharing and tracking of citizens’ needs and preferences for the design and delivery of public services in a disciplined way. Calls for proposals under the EU’s FP7 will also be carefully monitored to identify areas of interest for new research opportunities.

Similarly, policy support activities are expected to be expanded in 2010, and the team is looking forward to carrying out interesting studies for the European Commission’s Directorate-General for Information Society and Media (DG INFSO) under an already-awarded framework contract. In addition, the delivery group will continue to monitor the announcements of calls for tenders and prepare proposals that match its interests and capacity in the area of research and innovation evaluation and impact assessment studies.





FINANCIAL OVERVIEW



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
OF INTRASOFT INTERNATIONAL S.A

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **INTRASOFT INTERNATIONAL S.A.** Company and its subsidiaries, which comprise the consolidated balance sheet as at 31 December 2009, and the consolidated income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and for such internal control as management determines necessary to enable the preparation of consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries as at 31 December 2009, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Other matter

This report, including the opinion, has been prepared for and only for the use of the Company's members as a body and should not be used for any other purposes. We do not, in giving this opinion, accept or assume responsibility for any other purposes or to any other person to whose knowledge this report may come to.

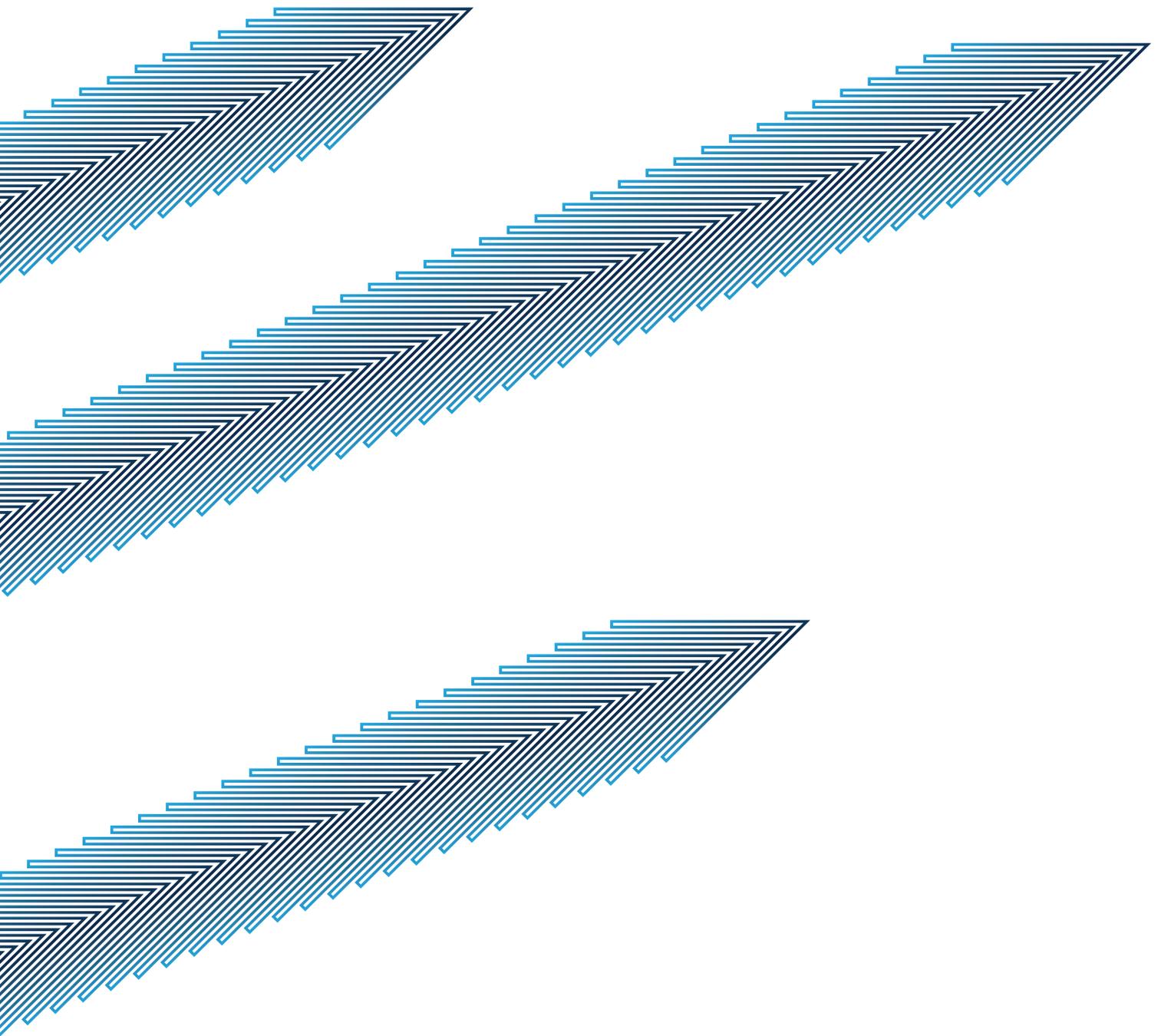
Athens , 26 March 2010

Mrs ANASTASIA PAVLATOU

Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No 14441



Associated Certified Public Accountants s.a.
member of Crowe Horwath International
3, Fok. Negri Street – 112 57 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125



STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS IN EURO 01/01-31/12/2009 01/01-31/12/2008

Continuing operations:		
Sales	82,770,448.99	71,639,667.50
Cost of sales	(70,838,368.73)	(60,164,974.48)
Gross profit	11,932,080.26	11,474,693.02
Selling and marketing costs	(2,943,453.00)	(2,248,653.22)
Administrative expenses	(3,789,084.73)	(4,592,494.25)
Other income	477,905.48	280,460.14
Other gains / (losses) - net	11,361.19	30,414.02
Operating profit	5,688,809.20	4,944,419.71
Finance income	40,383.04	78,551.67
Finance cost	(713,931.36)	(824,544.13)
Finance costs - net	(673,548.32)	(745,992.46)
Profit before income tax	5,015,260.88	4,198,427.25
Income tax expense	(1,586,407.61)	(1,697,294.75)
Profit after tax for the period from continuing operations	3,428,853.27	2,501,132.50
Discontinued operations:		
Profit/ (loss) after tax for the period from discontinued operations	82,842.36	(9,478.63)
Profit/ (loss) after tax for the year (from continuing and discontinued operations)	3,511,695.63	2,491,653.87
Profit/ (loss) after tax attributable to:		
Equity holders of the Company	3,511,695.63	2,491,653.87
Minority interest	3,511,695.63	2,491,653.87
Other comprehensive income:		
Available-for-sale financial assets - Fair value gains	(921,185.14)	0.00
Currency translation differences	0.00	14,632.00
Other comprehensive income, net of tax:	(921,185.14)	14,632.00
Total other comprehensive income for the period	2,590,510.49	2,506,285.87
Total other comprehensive income attributable to:		
Equity holders of the Company	2,590,510.49	2,506,285.87
	<u>2,590,510.49</u>	<u>2,506,285.87</u>

BALANCE SHEET

AMOUNTS IN EURO	31/12/2009	31/12/2008
ASSETS		
Non-current assets		
Property, plant and equipment	1,175,751.21	950,893.70
Other intangible assets	1,786,950.80	206,085.04
Available for sale financial assets	1,230,961.70	0.00
Deferred income tax assets	299,787.35	292,629.48
Trade and other receivables	1,265,558.52	809,261.45
	5,759,009.58	2,258,869.67
Current assets		
Trade and other receivables	39,682,256.63	40,798,142.48
Current income tax receivables	1,273,688.72	471,843.00
Cash and cash equivalents	7,766,836.11	5,505,101.05
	48,722,781.46	46,775,086.53
Non-current assets classified as held for sale	57,697.57	73,927.82
Total assets	54,539,488.61	49,107,884.02
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	2,304,150.00	155,000.00
Fair value reserves	(921,185.14)	13,628.01
Other reserves	1,418,838.40	1,009,851.68
Retained earnings	12,326,879.77	11,533,911.67
	15,128,683.03	12,712,391.36
Total equity	15,128,683.03	12,712,391.36

BALANCE SHEET

AMOUNTS IN EURO

31/12/2009

31/12/2008

LIABILITIES

Non-current liabilities

Borrowings	143,601.70	265,984.41
Retirement benefit obligations	838,330.00	587,745.00
Long-term provisions for other liabilities and charges	2,562,713.48	1,599,200.72
	3,544,645.18	2,452,930.13

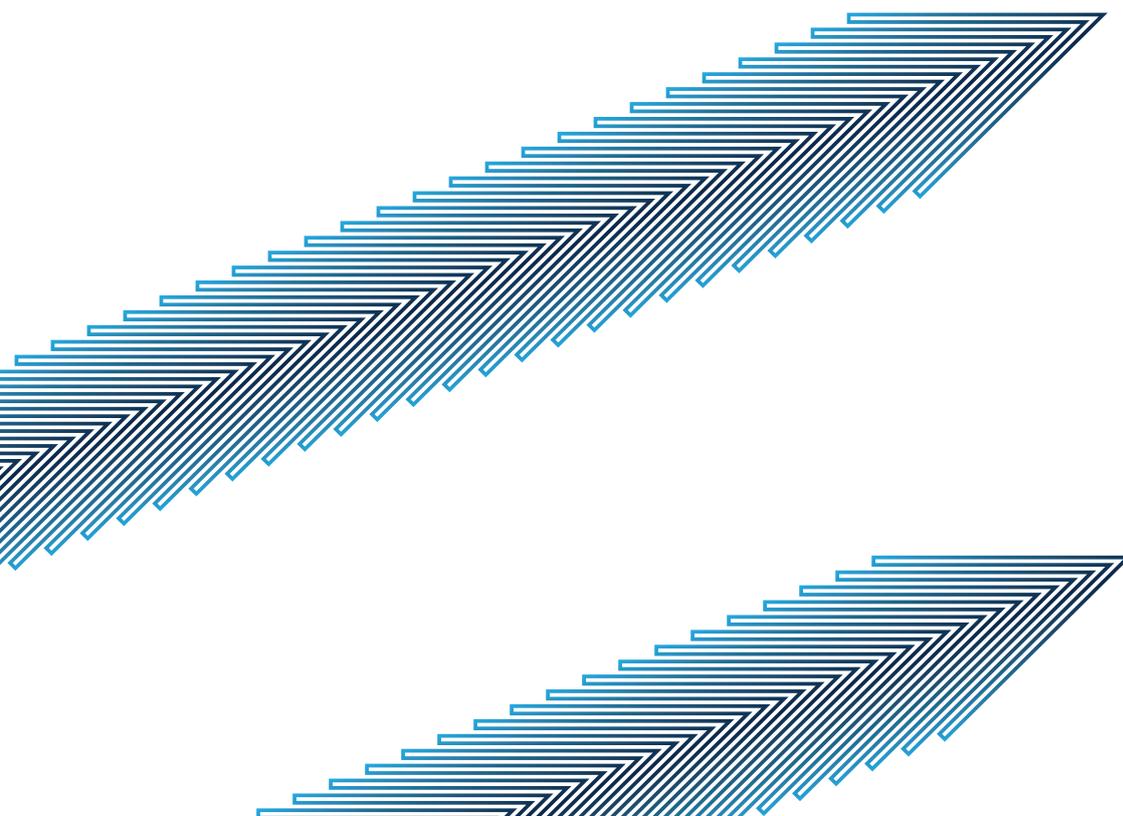
Current Liabilities

Trade and other payables	17,952,986.33	17,144,894.98
Current income tax liabilities	2,435,925.70	975,237.98
Borrowings	13,121,829.64	13,411,894.42
Short-term provisions for other liabilities and charges	2,355,096.51	2,311,140.32
	35,865,838.18	33,843,167.70

Liabilities directly associated with non-current assets classified as held for sale	322.22	99,394.83
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Total liabilities	39,410,805.58	36,395,492.66
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Total equity and liabilities	54,539,488.61	49,107,884.02
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STATEMENT OF CHANGES IN EQUITY

Attributable to equity holders of the Company

AMOUNTS IN EURO	SHARE CAPITAL	FAIR VALUE RESERVES	OTHER RESERVES	RETAINED EARNINGS	TOTAL EQUITY
Balance at 1 January 2008	155,000.00	(1,003.99)	655,612.76	9,366,610.04	10,176,218.81
Currency translation differences	-	14,632.00	-	0.00	14,632.00
Other comprehensive income	0.00	14,632.00	0.00	0.00	14,632.00
Net profit / (loss)				2,491,653.87	2,491,653.87
Total recognised income / (expense) for the year	0.00	14,632.00	0.00	2,491,653.87	2,506,285.87
Transfer from other reserves to retained earnings	-	-	174,352.24	(174,352.24)	0.00
Other movements in other reserves	-	-	179,886.68	0.00	179,886.68
Dividend	-	-	-	(150,000.00)	(150,000.00)
	0.00	0.00	354,238.92	(324,352.24)	29,886.68
Balance at 31 December 2008	155,000.00	13,628.01	1,009,851.68	11,533,911.67	12,712,391.36
Balance at 1 January 2009	155,000.00	13,628.01	1,009,851.68	11,533,911.67	12,712,391.36
Available-for-sale financial assets - Fair value gains	-	(921,185.14)	-	-	(921,185.14)
Currency translation differences	-	(13,628.01)	-	13,628.01	0.00
Other comprehensive income	0.00	(934,813.15)	0.00	13,628.01	(921,185.14)
Net profit / (loss)				3,511,695.63	3,511,695.63
Total recognised income / (expense) for the year	0.00	(934,813.15)	0.00	3,525,323.64	2,590,510.49
Issue of share capital	2,149,150.00	-	-	-	2,149,150.00
Other movements in other reserves	-	-	408,986.72	(229,100.00)	179,886.72
Dividend	-	-	-	(2,700,000.00)	(2,700,000.00)
Other	-	-	-	196,744.46	196,744.46
	2,149,150.00	0.00	408,986.72	(2,732,355.54)	(174,218.82)
Balance at 31 December 2009	2,304,150.00	(921,185.14)	1,418,838.40	12,326,879.77	15,128,683.03

NOTES TO THE FINANCIAL STATEMENTS

NOTE 34

Cash generated from operations

AMOUNTS IN EURO	01/01-31/12/2009	01/01-31/12/2008
Profit for the Period	3,511,695.63	2,491,653.87

Adjustments for:

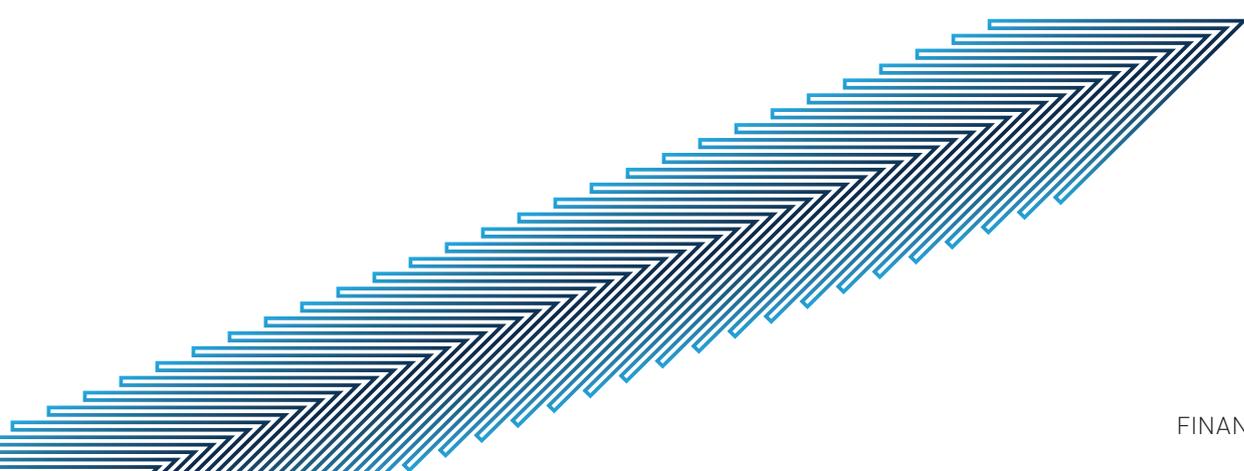
Tax	1,586,407.61	1,697,294.75
Depreciation of property, plant & equipment	546,052.84	512,259.74
Amortisation of intangible assets	508,619.25	147,626.74
(Profit)/loss on disposal of property, plant & equipment	11,005.81	(13,346.69)
Interest income	(40,383.04)	(78,551.67)
Interest expense	713,931.36	824,544.13
Other (specify) Exchange differences assets	0.00	(5,300.00)
Other (specify) Other reserves	376,631.18	179,886.68
Other (specify) Service cost management scheme	586,805.82	440,996.45
Other (specify) Vacation Bonus	1,182,957.98	908,469.59
Other (specify) Untaken Leave	16,888.83	1,349.33
Other (specify) Christmas Bonus Provision	647,716.31	0.00
Increase / (decrease) in pension & other benefits	250,585.00	131,110.26
Increase / (decrease) in bonus	1,487,034.28	1,034,400.00
Increase / (decrease) in Fiscal liability	376,706.94	329,374.77
Other (specify) Exchange differences	0.00	14,632.00
	11,762,655.80	8,616,399.95

Changes in working capital

(Increase) / decrease in trade and other receivables	1,115,885.85	(6,136,611.26)
Increase / (decrease) in payables	(1,881,001.93)	(2,539,474.99)
Increase / (decrease) in provisions	(3,290,641.21)	(1,672,428.42)
Other (specify)-Difference in 17 Note -Disc. Operations	(82,842.36)	9,478.63
	(4,138,599.65)	(10,339,036.04)

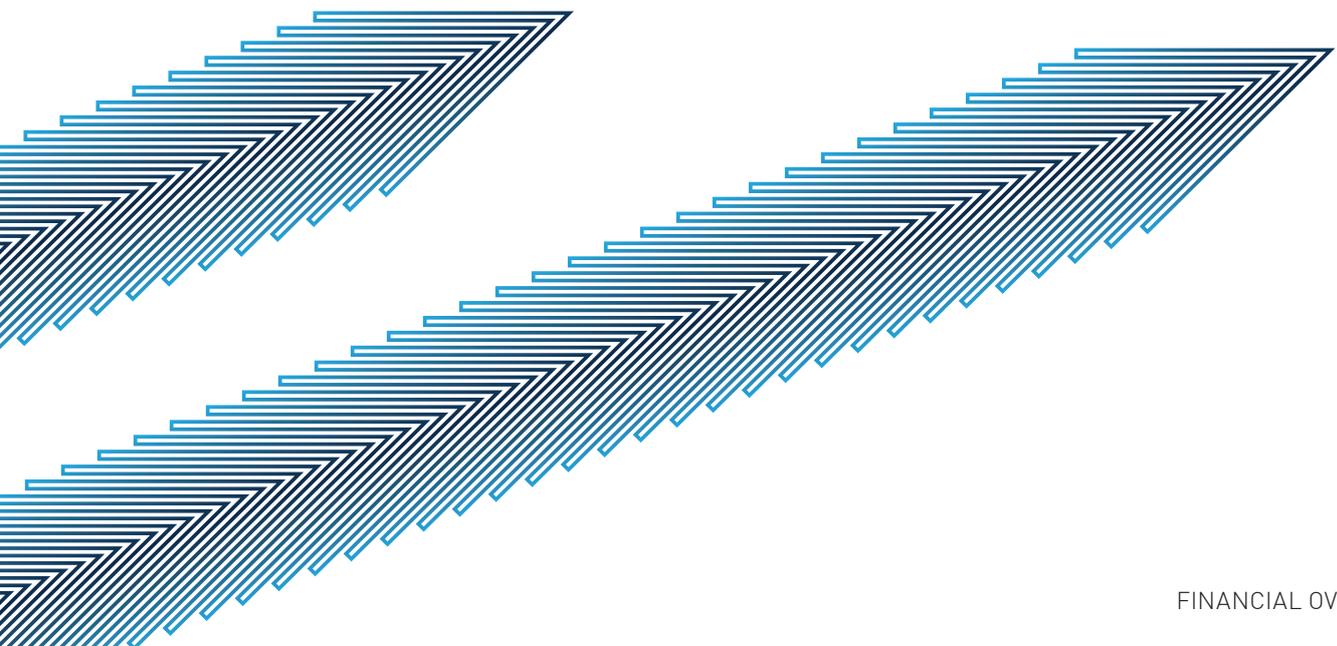
Net cash generated from / (used in) operating activities

7,624,056.15	(1,722,636.09)
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CASH FLOW STATEMENT

AMOUNTS IN EURO	01/01-31/12/2009	01/01-31/12/2008
Cash flows from operating activities		
Cash generated from operations	7,624,056.15	(1,722,636.09)
Interest paid	(687,926.02)	(824,544.13)
Income tax paid	(934,723.48)	(1,111,353.62)
Net cash from operating activities	6,001,406.65	(3,658,533.84)
Cash flows from investing activities		
Purchase of property, plant and equipment	(781,916.19)	(311,410.81)
Purchase of intangible assets	(1,634,484.98)	(127,649.83)
Purchase of available-for-sale financial assets	(2,996.84)	
Interest received	40,383.04	78,551.67
Other increase in long term receivables	(456,297.07)	(274,103.83)
Net cash used in investing activities	(2,835,312.04)	(634,612.80)
Cash flows from financing activities		
Dividends paid to group shareholders	(498,442.37)	(150,000.00)
Proceeds from borrowings	(290,064.78)	4,767,686.10
Finance lease payments	(115,852.40)	(107,404.07)
Net cash used in financing activities	(904,359.55)	4,510,282.03
Net (decrease) / increase in cash & cash equivalents	2,261,735.06	217,135.39
Cash and cash equivalents at beginning of the period	5,505,101.05	5,287,965.66
Cash and cash equivalents at end of the period	7,766,836.11	5,505,101.05
	7,766,836.11	5,505,101.05



INTRASOFT International has been a major provider of IT services to European Institutions and Member States since 1996, and has successfully expanded its portfolio to include research, policy support and communication services. This annual reports summarises the results of another successful and challenging year for the company.

In 2009, over 700 staff based in the company's four main sites of Belgium, Greece, Luxembourg and Romania provided products and services to an impressive list of clients, including several Directorates-General and Agencies of the European Commission.

In this year, INTRASOFT recorded 16% growth in revenue and 19% growth in profit. The company secured new and important contracts, and renewed

contracts on existing projects. It also adopted more quality management models and standards, including the ISO 14001:2004 Environmental Management System for all sites and services. Furthermore, it was certified for its Translation Services against EN 15038:2006 (the European Norm specifically for Translation Services) and performed successfully in all ISO re-certification and surveillance audits. In addition INTRASOFT International joined a select group when it put together a Certified Function Point Counting (FP) team, with an aim to bolster management decision and enhance software measurements.

A full copy of the auditor's report, an extract of which is included in this publication, is available online (www.intrasoft-intl.com).





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