

Seagull Holding N.V.
Consolidated Statement of Operations- Pro Forma

(in thousands of US Dollars except share data)

	FY 2006	FY 2005
REVENUES		
License revenue	11,665	9,663
Maintenance and service revenue	16,081	13,699
	27,746	23,362
COST OF REVENUES		
Cost of license revenue	84	45
Cost of maintenance and service revenue	5,451	5,309
	5,535	5,354
GROSS MARGIN	22,211	18,008
OPERATING EXPENSES		
Sales and marketing	13,483	11,312
Research and development	4,753	4,493
General and administrative	4,158	4,243
Restructuring expense	-	1,093
	22,394	21,141
PROFIT (LOSS) FROM OPERATIONS	(183)	(3,133)
Financial income and expense (net)	193	61
Exchange gain (loss)	12	(74)
PROFIT (LOSS) BEFORE INCOME TAX	22	(3,146)
Income tax (credit) expense	(99)	(2,238)
PROFIT (LOSS)	121	(908)
PROFIT (LOSS) PER SHARE		
Basic	0.01	(0.11)
Diluted	0.01	(0.10)
AVERAGE NUMBER OF SHARES		
Basic	8,843,534	8,234,591
Diluted	9,664,629	8,929,878

Consolidated Statement of Operations
Reconciliation of IFRS to Pro-forma Results

(in thousands of US Dollars)

	FY 2006	FY 2005
PROFIT(LOSS) as reported under IAS	(937)	(963)
ADJUSTMENTS		
Amortisation of intellectual property	855	-
Stock options expense	203	55
PROFIT(LOSS) - Pro Forma	121	(908)

Consolidated Balance Sheet- IFRS

(in thousands of US Dollars)

	30 April 2006	30 April 2005
ASSETS		
Non-current assets		
Property, plant and equipment	616	786
Intangible assets	6,682	4,956
Deferred tax	1,063	1,063
	8,361	6,805
Current assets		
Cash and cash equivalents	5,460	6,912
Trade receivables	4,951	3,676
Prepaid expenses	863	652
Other receivables	118	833
	11,392	12,073
TOTAL ASSETS	19,753	18,878
EQUITY AND LIABILITIES		
Equity attributable to shareholders		
Issued capital	338	337
Reserves	7,084	5,957
	7,422	6,294
Non-Current Liabilities		
Long-Term Liabilities	973	1,429
Current liabilities		
Accounts payable	909	1,053
Payroll accruals	1,342	1,334
Corporation taxes	-	18
Other current liabilities	1,670	2,014
Deferred revenues	7,437	6,736
	11,358	11,155
TOTAL EQUITY AND LIABILITIES	19,753	18,878

Consolidated Statement of Cash Flow - IFRS

(in thousands of US Dollars)

	FY2006	FY2005
CASH FLOW FROM OPERATIONS		
Net income (loss)	(937)	(963)
Adjustments to reconcile net income/loss to net cash provided by operating activities:		
Depreciation and amortisation	1,286	1,021
Stock options	203	55
Movement in working capital:		
Trade receivables	(1,351)	1,226
Prepaid expenses	(222)	(138)
Other receivables	696	(466)
Accounts payable	(131)	(54)
Payroll accruals	35	(119)
Corporation taxes	(18)	(1,383)
Deferred revenue	781	1,238
Other current liabilities	(291)	287
Deferred Tax	-	-
Translation difference	(93)	(125)
	(42)	579
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment	(248)	(351)
Intangible assets	(2,609)	(4,760)
Translation difference	(15)	42
	(2,872)	(5,069)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest (Net)	-	-
Long-term loan	(471)	1,429
Cash receipts on issue of shares (or to be issued)	2,011	1,950
	1,540	3,379
Effect of exchange rate on cash	(78)	313
Total net cash flow	(1,452)	(798)
Opening balance cash and cash equivalents	6,912	7,710
Closing balance cash and cash equivalents	5,460	6,912