

Seventh report pursuant to article 73A of the bankruptcy act in the bankruptcies of

- Landis Group N.V. (bankruptcy number 02/238F)
- Landis Group B.V. (bankruptcy number 02/239F)
- Landis Group International B.V. (bankruptcy number 02/146F)
- Landis ICT Group B.V. (bankruptcy number 02/145F)
- Detron Zakelijke Netwerken B.V. (bankruptcy number 02/154F)
- Detron Group B.V. (bankruptcy number 02/333F)
all having their registered offices in Utrecht
- Detron Metaal B.V., having its registered office in Zaltbommel (bankruptcy number 209/2002 MB)
- ICT.com B.V., having its registered office in Nieuw Venneep (bankruptcy number F132/2002)

Bankruptcy judge: W.W. de Nijs Bik

**Receivers: W.J.M. van Andel, Postbus 354, 3500 AJ, Utrecht
H. Dulack, Postbus 85005, 3508 AA, Utrecht**

Utrecht, 8 April 2004

Introduction

The receivers have decided to record their findings with regard to the above companies in one report in view of the relationship between the various companies. Where necessary, the companies will be discussed separately.

The activities of the receivers as of 24 December 2003 have concentrated on the winding up of foreign subsidiaries, inventory of creditors and assessment of claims presented, preparation of tax returns and the collection of remaining receivables. The investigation into Landis' past also started in this period. Where relevant, this report must be read in conjunction with the previous reports.

A Dutch and an English version of this report are available. In the event of a difference in interpretation, the Dutch version will prevail.

This report is intended to provide information to interested parties pursuant to Article 73a of the Bankruptcy Act. No rights may be derived from this report.

1. Bank consortium

Negotiations are ongoing with the bank consortium regarding the position vis-à-vis the foreign subsidiaries. The receivers have proposed that the bank consortium take over the claims of the banks against the Landis subsidiaries in England, France and Germany on certain conditions. An agreement in principle hereon was reached with the bank consortium; this agreement must still be worked out in detail. The receivers expect to be able to reach a definitive agreement in the short term. This scheme will positively affect the actual winding up of the liquidation of the foreign subsidiaries in England, France and Germany.

2. Description per company

The following is a description of relevant developments per (bankrupt) company, which supplements previous reports.

2.1. Landis UK Plc / Landis ICT Services Ltd.

The English and Dutch receivers frequently consult with one another about the winding up of the various bankruptcies. At the beginning of 2004, the receivers concerned held a progress meeting in London. Meanwhile, a formal claim of € 33.5 million in the liquidation of Landis UK Plc. was presented on behalf of Landis ICT Group B.V. This claim has not yet been acknowledged by the English receivers. Landis UK Plc's expected available assets for ordinary creditors are between 2 and 3 million euros. After the intended takeover by Landis ICT Group B.V. of the bank consortium's claim against Landis UK Plc (see Point 1), Landis ICT Group B.V.'s share in the total ordinary debt position of Landis UK Plc. is expected to be approx. 95%. It is as yet uncertain when the liquidation of Landis

UK Plc. can be concluded.

2.2. Landis ICT Group S.A. (France)

The consultation with the French receiver has been suspended in expectation of the agreement with the banks.

2.3. Denmark, Norway and Sweden

The liquidation of the subsidiaries in Norway and Sweden has been completed and resulted in a total benefit of € 3.1 million for the estate of Landis ICT Group B.V. The winding up of the liquidation in Denmark has not yet been completed. The estimated proceeds of this liquidation for Landis ICT Group B.V. is € 1.7 million.

2.4. Landis ICT Group SA (Spain)

No relevant developments.

2.5. Landis ICT Group GmbH (Germany)

No relevant developments.

2.6. Landis ICT Group N.V. (Belgium)

Legal action in one case was terminated after a composition had been reached. The legal adviser was asked to prepare a liquidation resolution for this company.

2.7. Landis ICT Group GmbH (Austria)

The investigation of the Austrian fiscal authorities is now completed. No conclusions can be reported yet. The annual accounts over 2002 have been finalised. Annual accounts in respect of 2003 and afterwards are not expected to cause any problems, as activities were ceased in 2002. Otherwise, there have been no new developments with regard to this company.

2.8. Landis ICT Group B.V.

2.8.1. Assets

a. Movable property

Reference is made to previous reports. The discussion with Compaq has not yet been completed.

b. Claims against debtors and work in progress

Between 23 April 2002 and 10 March 2004, an amount of € 16.1 million was collected from debtors and for work in progress.

Outstanding claims against debtors currently amount to, rounded off, € 2 million. The receivers do not deem it appropriate at this point to give an opinion on the value of the remaining debt portfolio. Collection proceedings against various debtors are pending.

c. Shares in subsidiaries

The receivers have taken a decision on the fate of a number of empty subsidiaries. This decision will be effected in the coming period.

2.8.2. Realised takeovers

The winding up of realised take-overs also required the necessary attention after 19 May 2003.

- *Datatech/Westcon*

The negotiations on a composition with Westcon have in the meantime led to agreement on a number of conditions. The agreement on juristic relations will be formalised within a few weeks. Expectations are that it will become clear in the course of the second quarter if the conditions of the agreement have been fulfilled. Further details hereon will be provided in the next report.

- *Future Telecom B.V. and Westminster Capital B.V. (now Detron Corporation B.V.)*

The receivers have definitively fixed the amount of the claim with Detron Corporation B.V. at € 1,216,332. This amount does not include a limited number of set-off items. The summons will soon be issued. In line with this, the security provided by Detron Corporation B.V. on the basis of the previous claim presented by the receivers has been adjusted. The cash deposit of € 300,000 will be released in exchange for which the receivers will obtain an increase in the mortgage security up to an amount of € 1,440,000. The receivers have also reached agreement with Future Telecom on payment of the first tranche of the subordinated loan of € 500,000 on the basis of the 2002 annual accounts. On the basis thereof, Future Telecom is obliged to pay an amount of € 79,883.10, which amount will be set off against the payment of the deposit of € 300,000.

- *Foundation*

No agreement has been reached with Foundation on lump-sum payment of the purchase price (not yet due as of today) of the goodwill of € 300,000. Whether this purchase price is due depends on Foundation's future results. Developments will have to be awaited.

3. Status of the bankruptcy estates

The receivers have drawn up interim financial reports per bankruptcy of the status as of 5 April 2004, which are attached as **Appendix 1** to this report.

As of 10 March 2004 the total realised assets were € 30.8 million (rounded off), with on the other hand € 5.6 million in bankruptcy costs and bankruptcy debts already paid to, inter alia, lessors and lease companies. The total realised assets decreased compared to the preceding reporting period. This is because - in connection with the application of the cash system - as of 24 December 2003 the assets also included the proceeds from Norway and Sweden which were intended for the subsidiaries in England and Denmark; the receivers have in the meantime paid these amounts. After deduction of the € 4 million of the proceeds of the securities to which the bank consortium is entitled pursuant to the composition made, remaining free assets are now € 21.2 million.

The financial reports are preliminary and no rights may be derived from those reports. In particular in certain cases, it is still necessary to take final decisions with regard to the charging on of the bankruptcy costs to the various bankrupt companies. It is also still unclear to what extent Compaq is rightly claiming the position of secured creditor. The rights of third parties with respect to the assets concerned are therefore included in the reports as memorandum items.

3.1. Liabilities

The final amount of the preferred claims has not yet been established (see 4.1).

Ordinary creditors have presented the following claims thus far:

• Landis Group N.V.	€ 157,742,667.84
• Landis Group B.V.	€ 147,822,799.05
• Landis ICT Group B.V.	€ 183,049,640.31
• Detron Zakelijke Netwerken B.V.	€ 145,822,809.56
• Detron Metaal B.V.	€ 19,665.35
• ICT.com B.V.	€ 36,291.44
• Detron Group B.V.	€ 156,373,813.94

N.B. The above claims include the following claims of the bank consortium:

- Landis Group N.V., Landis Group B.V. and Landis ICT Group B.V. each	€ 145,045,983.57
- Detron Group B.V.	€ 147,471,105.31
- Detron Zakelijke Netwerken B.V.	€ 145,452,900.94

The receivers have started the further inventory and verification of the claims presented. Where possible, the receivers intend to reach amicable settlements with regard to disputes with creditors amicably, in order to minimise the number of claim validation proceedings. All this is done with a view to the planned creditors meeting.

4. Other activities of the receivers

1. Fiscal position

There is still uncertainty with regard to the fiscal position of various Landis companies, as a large number of relevant tax returns have not yet been decided. Following is a summary of the most important tax returns which have not yet been decided.

Company	Nature of tax	Description
Landis Group N.V.	Corporation tax 1999	expected rebate approx. € 3,500,000

Detron Group B.V.	Corporation tax 1999	expected rebate € 3,000,000
Landis ICT Group B.V.	Additional income tax assessment 1997 of € 1,200,000 (relating to option schemes)	*
Landis ICT Group B.V.	Additional income tax assessment 1998, 1999 of ap-prox. € 2,200,000 (relating to option schemes)	*
Exa-It B.V.	Additional income tax assessment 2000 of NLG 1,800,859	*
Exa-It B.V.	Additional income tax assessment 2001 of NLG 1,613,493	*
Unicorn B.V.	Income tax assessment 2001 of € 229,361	*
Detron Business Networks	Income tax assessment 2000 of € 751,508	*
Detron Huizen B.V.	Corporation tax return 2000	expected rebate € 500,000

**the receivers are lodging objections to these demands.

These returns are being supervised by Ernst & Young Belasting advisers.

2. *Investigation into backgrounds and causes of bankruptcies*
The investigation committee has started its investigation. The receivers were recently given a verbal report on the preliminary results.
3. *Enquiry*
No new developments since the last report.
4. *Ongoing proceedings*
Reference is made to the previous report.
5. *Organisation of the bankruptcy estate*
One employee still works for the bankruptcy estate, who carries out all work which arises. Insofar as necessary, other employees are hired in per day.
6. *Pension fund*
The receivers have established that within the Landis Pension Fund there is probably lack of cover as not all employees have registered their pension claim (over 2002) with the UWV GAK. This could mean that the Pension Funds will have to lower the claims for employees.

5. Perspective

The perspective outlined in the sixth report still applies.

H. Dulack, receiver

W.J.M. van Andel, receiver