

P R E S S R E L E A S E

's-Hertogenbosch (the Netherlands), 28 August 2014

Ctac continues upward trend in first half 2014 Net result up 54%

Key figures

€ million (unless otherwise stated)	H1 14	H1 13		Q2 14	Q2 13		Q1 14	Q1 13
Turnover	42.2	37.7		21.1	18.8		21.1	18.9
Operating result	0.9	0.3		0.3	0.0		0.6	0.3
Net result (attributable to group shareholders)	0.5	0.3		0.1	0.1		0.4	0.3

Net earnings per share (€)	0.04	0.03
Employees at end period (number)	475	476

Key developments first half 2014

- Turnover up 12.0% to € 42.2 million
- Operating result up at € 0.9 million from € 0.3 million
- Net result up 54% to € 0.5 million, from € 0.3 million

Outlook 2014

- Ctac maintains outlook 2014: Barring unforeseen circumstances, Ctac expects to book higher result in 2014 compared to 2013.

Henny Hilgerdenaar, CEO of Ctac:

"The upward trend we started to see already in the second half of 2013 continued as expected in the first half of 2014. This resulted in higher turnover and a 54% increase in net result. The higher turnover also led to a rise in gross margin of € 1.2 million to € 29.0 million, from € 27.8 million. Tight cost controls helped us to successfully limit the increase in costs which in turn led to an increase in operating result to € 0.9 million, from € 0.3 million.

I am satisfied with the results over the first six months of the year. All parts of the company made a positive contribution to the results. I see opportunities to further improve the profitability, especially at Consultancy.

We expect to continue on this upward path in the second half of the year, partly on the basis of various ongoing and recently completed commercial projects. In the second half of the year, we also expect to see the effects of our investments in innovative solutions and techniques. We have noted that our innovative approach increasingly allows us to offer our clients the solutions they need, especially in the fields of Cloud technology and Cloud software.

We maintain our forecast as announced at the 2013 annual results, to the effect that Ctac will realise a higher result in 2014 than in 2013."

INCOME STATEMENT

Turnover and gross margin

Turnover came in at € 42.2 million in the first half of 2014, up € 4.5 million or 12.0% from the € 37.7 million reported in the first half of 2013.

The limited rise in gross margin of € 1.2 million, or 4.3%, at € 29.0 million in the first half of 2014, from € 27.8 million in the same period of 2013, was partly due to an increase of the 'outsourced work' item.

Operating expenses

Operating expenses came in € 0.5 million higher at € 28.0 million, compared with € 27.5 million in the first half of 2013.

Personnel costs were slightly higher at € 20.9 million, up € 0.2 million or 1.0% from € 20.7 million. Other operating costs increased by € 0.4 million to € 6.6 million in the first half of 2014, from € 6.2 million.

Operating result

The operating result increased to € 0.9 million in the first half of 2014, from € 0.3 million a year earlier.

Net result (attributable to group shareholders)

Financial income and expenses increased on balance by over € 0.1 million. Taxes also increased, by € 0.3 million. As a consequence, net result for the first half year of 2014 came in at € 0.5 million, compared with € 0.3 million in the first half of 2013, a rise of € 0.2 million. Based on the average number of outstanding shares of 12,195,497, this implies net earnings per outstanding ordinary share of € 0.04.

BALANCE SHEET

The balance sheet total increased by € 3.3 million to € 39.2 million as per 30 June 2014, compared with € 35.9 million at year-end 2013. On the assets side of the balance sheet, this increase is largely due to an increase in trade and other receivables. The net bank debt increased by € 1.3 million compared with year-end 2013. The solvency ratio dropped slightly to 24.0%.

CASH FLOW

The cash flow in the first half of 2014 amounted to minus € 1.3 million, due to regular seasonal patterns (holiday pay and bonus payments in May) and investments. The net cash flow for the full year 2014 is expected to be positive.

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About Ctac

As an innovative ICT Solution Provider, Ctac helps customers realize their ambitions. We do so by developing and implementing industry-focused solutions that fully address customer's needs and business processes in various markets. With a passion for technology and a sharp eye for business processes, we work at the crossroads of business and ICT on a daily basis. Our industry-focused solutions for among others retail, wholesale, real estate and charity are being developed in close cooperation with our customers. We complement our industry-specific composed solutions with a comprehensive range of services, varying from business consultancy to managed services and software development, mobility, in-memory computing and cloud. For this, we always take a professional approach, with an innovative angle and a focus on transparent personal contact.

Ctac is listed at Euronext Amsterdam (ticker: CTAC). As per end of March 2014, Ctac employs a staff of 476. The head office is located in 's-Hertogenbosch, the Netherlands. Ctac is also active in Belgium and France. For more information: www.ctac.nl.

For more information:

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Financial agenda

6 November 2014 : Publication results third quarter 2014
11 March 2015 : Publication annual results 2014
13 May 2015 : Annual General Meeting of Shareholders

Addenda:

Condensed consolidated profit & loss account
Condensed consolidated balance sheet
Condensed consolidated cash flow statement
Condensed consolidated statement of changes in equity
Segmented results per country
Segmented results per product group
Notes to the consolidated half year report
Review report

CONDENSED CONSOLIDATED PROFIT & LOSS ACCOUNT
(* EURO 000)

	first half 2014	first half 2013
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Net turnover	42.220	37.704
Purchase value of turnover	- 13.249	- 9.917
Gross margin	28.971	27.787
Personnel costs	20.865	20.665
Depreciation and amortization	603	612
Other operating costs	6.554	6.202
	28.022	27.479
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OPERATING RESULT	949	308
FINANCIAL INCOME AND EXPENSE	- 106	44
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RESULT FROM ORDINARY OPERATIONS BEFORE TAXES	843	352
Taxes	- 290	- 3
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NET RESULT	553	349
Third party share	- 69	- 34
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Net result attributable to shareholders	484	315
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CONDENSED CONSOLIDATED BALANCE SHEET
(* EURO 000)

	30-jun 2014	31-dec 2013
ASSETS		
FIXED ASSETS		
Intangible fixed assets	15.290	15.516
Tangible fixed assets	2.814	2.385
Deferred tax assets	<u>711</u>	<u>558</u>
	18.815	18.459
CURRENT ASSETS		
Trade receivables and other receivables	20.279	17.299
Cash and cash equivalents	<u>112</u>	<u>95</u>
	20.391	17.394
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	39.206	35.853
	=====	=====
LIABILITIES		
GROUP EQUITY	9.414	8.930
Third party share	563	737
LONG-TERM LIABILITIES		
Bank debt	123	215
Other liabilities	1.080	1.028
Deferred tax liabilities	<u>254</u>	<u>325</u>
	1.457	1.568
SHORT-TERM LIABILITIES		
Bank debt	4.642	3.297
Provisions	890	681
Trade creditors and other liabilities	21.580	20.237
Corporate income tax to be paid	<u>660</u>	<u>403</u>
	27.772	24.618
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	39.206	35.853
	=====	=====

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
According to the indirect method
(* EURO 000)

	1st half 2014	1st half 2013
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CASH FLOW FROM OPERATING ACTIVITIES	268	1.079
Investments in tangible fixed assets	- 807	- 561
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CASH FLOW FROM INVESTING ACTIVITIES	- 807	- 561
Paid earn-out obligations	- 454	- 568
Pay-out third party share	- 243	- 426
Withdrawals / repayments of long term financing	- 92	- 92
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CASH FLOW FROM FINANCING ACTIVITIES	- 789	- 1.086
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NET CASH FLOW	- 1.328	- 568
	=====	=====
Liquid assets per 1 January	- 3.202	- 4.093
Liquid assets per 30 June	- 4.530	- 4.661
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	- 1.328	- 568
	=====	=====

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(* EURO 000)

	Issued share capital	Share premium	Other reserves	Undivided profit	Total
Balance per 1 January 2014	2.927	11.232	- 5.229	-	8.930
Net result				484	484
Issue of shares	-	-			-
Balance per 30 June 2014	2.927	11.232	- 5.229	484	9.414
	Issued share capital	Share premium	Other reserves	Undivided profit	Total
Balance per 1 January 2013	2.825	10.986	- 6.822		6.989
Net result				315	315
Issue of shares / transaction minority shareholders	102	246	495		843
Balance per 30 June 2013	2.927	11.232	- 6.327	315	8.147

SEGMENTED RESULTS PER COUNTRY
(* EURO 000)

1st half year 2014	NETHERLANDS	BELGIUM	OTHER	Elimination	CONSOLIDATED
Turnover	34.496	8.395	1.316	- 1.987	42.220
Operating result	1.737	609	- 1.397	-	949
Financial income and expense	- 92	- 22	8	-	- 106
Result before taxes	1.645	587	- 1.389	-	843

1st half year 2013	NETHERLANDS	BELGIUM	OTHER	Elimination	CONSOLIDATED
Turnover	30.984	7.319	426	- 1.025	37.704
Operating result	563	- 210	- 45	-	308
Financial income and expense	98	- 54	-	-	44
Result before taxes	661	- 264	- 45	-	352

SEGMENTED RESULTS PER PRODUCT GROUP
 (* EURO 000)

	1st half 2014				1st half 2013			
	Turnover	Purchase Value	Gross Margin	%	Turnover	Purchase Value	Gross Margin	%
Consultancy & Hosting	36.167	- 9.345	26.822	74,2	32.023	- 6.458	25.565	79,8
Software	2.495	- 1.720	775	31,1	2.165	- 1.352	813	37,6
Maintenance contracts	3.558	- 2.184	1.374	38,6	3.516	- 2.107	1.409	40,1
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	42.220	- 13.249	28.971	68,6	37.704	- 9.917	27.787	73,7
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NOTES TO THE CONSOLIDATED HALF YEAR REPORT

General information about Ctac

Ctac N.V. is a limited company, established and situated in the Netherlands, with its head offices and statutory seat at Meerendonk 11 5216 TZ in 's Hertogenbosch (the Netherlands). The consolidated first-half year report comprises the company and all its subsidiaries (together referred to as "Ctac").

The group financial year follows the calendar year. The consolidated half year results for the first 6 months, ending 30 June 2014, were approved for publication by both the Executive Board and the Supervisory Board on 22 August 2014. The accountant has audited the figures. A review report drawn up by the accountant is included at the end of this report.

Statement of compliance

This consolidated half year report regarding the first 6 months of the year, ending 30 June 2014, was prepared in line with IAS 34 "Interim financial reporting" and does not comprise all information and explanatory notes required for drawing up full annual accounts. The consolidated half year report should be viewed in combination with the consolidated annual accounts for 2013, which were drawn up in accordance with IFRS as accepted within the European Union.

Accounting principles (condensed)

The accounting principles for financial reporting as applied in this half year report and the calculation methods used are the same as those in the consolidated accounts for the 2013 financial year.

The impact of the difference in numbers of working days between the quarters, means that the company's activities have a slightly seasonal character, which is mainly reflected in turnover from consultancy activities.

Impairment test

Ctac conducts an impairment test once a year in February. The realized results over the first half year and the expectations for the development of results do not give cause for a second impairment test within the year.

Risk profile

Ctac identifies various financial risks, such as market risk, credit risk and liquidity risk. The general risk management within Ctac, steered from the Executive Board, extends further to a broader field than financial risks. For a more detailed explanation of this subject, see the risk section of the 2013 annual accounts. Risk management focuses on identifying and cataloguing the most significant risks and the management of same on the basis of guidelines, procedures, systems, best practises, checks and audits.

The most important current risk is the impact of the general economic economy climate on opportunities and the willingness of our (potential) clients to invest in their IT environment. In this respect, a lot of attention is devoted to limiting the risk related to non-collectable receivables.

Related parties

Parties related to Ctac include the group companies, the members of the Supervisory Board and the members of the Executive Board. Transactions with related parties are conducted on a professional basis.

"Forward looking statements"

The half year report contains information, as required by articles 5:59 in juxtaposition with 5:53, 5:25d and 5:25w of the Act on Financial Supervision (Wet op Financieel Toezicht). Forward looking statements, which could form a part of this report refer to future events and can be expressed in a variety of ways.

Ctac has based these forward looking statements on its current expectations and projections with respect to future events. Ctac's expectations and projections could change and Ctac's actual results could differ from the results indicated or implied by these forward looking statements, as a result of the potential risks and uncertainties and other significant factors which Ctac can neither control, nor predict, and certain risks and uncertainties outside Ctac's sphere of influence.

Due to these uncertainties, Ctac cannot with any certainty predict its future results and/or financial position.

Statement by the Executive Board

The Executive Board of Ctac declares, in accordance with the requirements of article 5:25d of the Act on Financial Supervision, that to the best of its knowledge:

'the consolidated half year report gives a true picture of the assets, liabilities and the financial position as per 30 June 2014 and of the result of our consolidated activities in the first half of 2014 and those of the businesses included in the consolidation'; and 'that the consolidated half year report gives a true picture of the financial position as per 30 June 2014, of the course of events in the first half of 2014 within the company and in the businesses included in the consolidation, and of the expected risks and developments in the remaining months of 2014.

's-Hertogenbosch, 28 August 2014

Henny Hilgerdenaar - CEO
Douwe van der Werf - CFO

REVIEW REPORT

To: the general meeting of shareholders and the Management of Ctac N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial information of Ctac N.V., 's-Hertogenbosch, which comprises the statement of financial position as at 30 June 2014, the statements of comprehensive income, changes in equity, and cash flows for the six-month period then ended, and the notes.

Management is responsible for the preparation and presentation of this consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Dutch Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2014 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Eindhoven (the Netherlands), 28 August 2014

BDO Audit & Assurance B.V.
on behalf of it,

sgd. P.P.J.G. Saasen RA