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

Ctac books 51% rise in net profit in 2014

Ctac strategy is paying off

's-Hertogenbosch, (the Netherlands), 11 March 2015 – ICT Solution Provider Ctac N.V. (Ctac)(Euronext Amsterdam: CTAC) today announces its full-year results for 2014.

Key figures

In € million (unless otherwise stated)	2014	2013	%	Q4 2014	Q4 2013	%
Net turnover	83.4	77.0	+8.3	21.6	20.8	+3.7
Operating result	2.6	2.2	+22.1	1.0	1.3	+3.0
Net result	1.7	1.2	+51.0	0.8	0.6	+50.9
Net earnings per share	0.14	0.09				
Employees at year-end (hc)	470	464				

Highlights

- Strategy has positive impact on full-year performance
- Net turnover 8% higher at EUR 83.4 million
- Operating result up 22% at EUR 2.6 million
- Net result 51% higher at EUR 1.7 million
- Reduction of (net) bank debt by EUR 0.2 million to EUR 3.2 million at year-end 2014, from EUR 3.4 million at end-2013
- Earn-out obligations reduced to EUR 1.4 million at year-end 2014, from EUR 4.1 million at year-end 2013
- Solvency ratio improved to 31.1% at year-end 2014, from 24.9% at year-end 2013

Henny Hilgerdenaar, Chief Executive Officer of Ctac:

"Ctac successfully continued its earlier upward trend in 2014, despite the persistently difficult ICT services market. Thanks to a strong focus on margins and cost controls, the operating result improved by more than EUR 0.4 million to EUR 2.6 million. We continued to expand our market know-how and specific expertise and as a result managed to further optimise our solutions and templates, in line with our strategy. The continued integration of various Ctac operations also had a positive impact on our results.

The continued improvement of our operational performance was visible in all four quarters of 2014. The progress we booked last year is an excellent basis to continue on our upward path in 2015. For the full year 2015, we therefore expect to book a higher profit than in 2014."

FINANCIAL DEVELOPMENTS

Turnover and gross margin

Ctac booked net turnover of EUR 83.4 million in 2014, an increase of 8.3% from EUR 77.0 million recorded in 2013.

Turnover in consultancy, hosting and management rose by 8.1% to EUR 69.8 million in 2014, from EUR 64.6 million in 2013. Due to the fact that the cost of external hiring increased by 47.1% to EUR 17.5 million in 2014, from EUR 11.9 million in 2013, the gross margin on this activity remained unchanged at EUR 51.7 million.

Turnover in software also increased by 18.8% to EUR 6.1 million in 2014, from EUR 5.1 million in 2013. The gross margin on this turnover came in at EUR 2.4 million in 2014, compared with EUR 2.2 million in 2013.

Turnover from maintenance contracts also saw a slight increase of 2.1% to EUR 7.5 million in 2014, compared with EUR 7.3 million in 2013. The gross margin on these activities declined by EUR 0.2 million to EUR 2.7 million in 2014.

Turnover per employee (based on the average number of FTEs on an annual basis) came in 7.8% higher at EUR 188,900 in 2014, from EUR 175,300 in 2013.

Operating costs

In 2014 staff costs declined on balance by EUR 1.2 million, or 3.0%, compared with the previous year. The average number of FTEs increased slightly to 441 in 2014, from 439 in 2013.

Other operating costs increased by EUR 0.8 million, or 6.1%, to EUR 13.4 million, from EUR 12.6 million in 2013.

Depreciations were virtually unchanged at EUR 1.3 million. In 2014, this post includes a non-cash goodwill impairment of EUR 0.8 million, as well as a positive non-cash valuation difference of EUR 0.8 million related to a capitalised earn-out commitment from the past.

Operating result

The operating result for the full year 2014 came in at EUR 2.6 million, up from EUR 2.2 million in 2013. This 22.1% increase compared to 2013 was almost entirely due to the EUR 0.5 million drop in operating costs in 2014.

The operating result in the fourth quarter of 2014 was EUR 1.0 million. The decline compared to the fourth quarter of 2013 (EUR 1.3 million) was due to the higher costs of hiring external staff.

Financial income and expenses

At year-end 2014, Ctac's net bank debt stood at EUR 3.2 million, down from EUR 3.4 million at year-end 2013. The related interest costs declined by some EUR 0.1 million in 2014, while other financial expenses (including the interest on earn-out obligations) came in EUR 0.2 million lower. This resulted in a charge of EUR 0.2 million in 2014 (2013: EUR 0.5 million).

Taxes

In 2014, the tax rate was 27.3%, down from 30.8% in 2013. The tax rate was higher than the nominal rate largely due to the non-deductibility or limited deductibility of certain items in the Netherlands and Belgium.

Net profit and earnings per share

Ctac booked a net result of EUR 1.7 million in 2014, compared with EUR 1.2 million in the previous year. This translated into earnings per share of EUR 0.14 based on a weighted average number of 12,222,164 outstanding ordinary shares. The total number of outstanding ordinary shares stood at 12,515,497 at 31 December 2014.

Balance sheet

The shareholders' equity had increased by EUR 2.3 million to EUR 11.2 million at year-end 2014, as a result of the addition of net profit of EUR 1.7 million for 2014 and the issuance of shares related to earn-out commitments of EUR 0.6 million.

Intangible fixed assets declined to EUR 14.5 million, partly due to a goodwill impairment of EUR 0.8 million.

Trade receivables and other receivables stood around EUR 0.2 million higher at year-end 2014 and came in at EUR 17.5 million. The balance sheet total showed a small increase of EUR 0.2 million to EUR 36.1 million at year-end 2014, from EUR 35.9 million at year-end 2013.

The solvency ratio (shareholders' equity / total assets) had improved to 31.1% at year-end 2014, from 24.9% at end-2013.

Ctac's net bank debt had dropped slightly to EUR 3.2 million by the end of 2014, from EUR 3.4 million at year-end 2013. The facility agreed with ABN AMRO stood at EUR 7.5 million at the end of 2014. Ctac issued a right of lien on receivables, operating equipment and IP rights as surety.

Cash flow and investments

Ctac recorded a positive cash flow from ordinary operations of EUR 4.4 million in 2014, compared with a positive EUR 4.1 million in 2013. The cash flow from operating activities was a positive EUR 3.8 million in 2014 (2013: EUR 3.5 million positive).

In 2014, EUR 1.7 million was invested in (in)tangible fixed assets, compared with EUR 1.0 million in 2013. These investments were primarily in the replacement of ICT infrastructure and new computers.

The cash flow from financing activities was primarily related to the payment of earn-out commitments of EUR 1.4 million in 2014, compared with EUR 1.1 million in 2013, a payment on third party shares of EUR 0.4 million (2013: 0.4 million) and repayment of long-term debt of EUR 0.2 million (2013: EUR 0.2 million).

The net cash flow came in at a positive EUR 0.1 million in 2014, compared with a EUR 0.9 million positive in 2013.

Proposal profit distribution

After considering the impact of any dividend payment on net cash flow, shareholders' equity, the composition of same and the other balance sheet components, Ctac proposes to the General Meeting of Shareholders not to pay out a dividend over the 2014 financial year and to add the entire result to the (negative) other reserves, included under shareholders' equity.

STRATEGY AND MANAGEMENT OF THE ORGANISATION

Ctac believes its mission is to make its client's ambitions possible by translating every possible information technology option into business value for its clients, while also taking into account the ambitions of its employees.

Ctac has defined the following targets in this respect:

- unburdening (international) customers in the (larger) small and medium-sized enterprise sector by providing suitable and reliable ICT solutions at acceptable costs. These solutions should also make a substantial contribution to customers' profitability and the continuity of their operations;
- continued transformation from an ERP services provider into a distinctive and recognisable provider of combined ICT solutions (solution provider);
- to align the Ctac organisation with market opportunities and safeguard continuity for all stakeholders.

In recent years, Ctac has realigned its organisation and increased the focus of its strategy in such a way that the company has been able to transform itself into a leading ICT Solution Provider. In 2015 and subsequent years, the company will continue to focus on - market and/or know-how focused - integrated business units optimally designed to provide customers with advanced specialist solutions. Ctac has structured its organisation to give the management team in the Netherlands direct control of the organisation and its operations.

The structure of the organisation is such that the management team provides central, integrated management for all sales and delivery activities in all countries. In the Netherlands, services are divided into two sectors: Consultancy (including SAP and Microsoft) and Cloud Services. Ctac manages all sales activities across these sectors centrally.

OUTLOOK

Ctac's improved financial position, the operational progress booked in 2014 and in particular the results improvement, have put the company in a solid starting position for 2015. While the company does not expect to see a full recovery in ICT-services markets in 2015, there is good reason to believe that the upward trend can be continued in the current financial year.

Barring unforeseen circumstances beyond its control, Ctac expects to achieve a higher result for the full year 2015 than in 2014.

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, manufacturing, real estate and professional services 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 cloud services and software development, mobility and in-memory computing. 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 December 2014, Ctac employs a staff of 470. 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 2015

1 April 2015	Publication annual report
13 May 2015	Publication trading update first quarter 2015
13 May 2015	General Meeting of Shareholders
20 August 2015	Publication half year results 2015
5 November 2015	Publication trading update third quarter 2015

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Addenda:

Key figures 2014
Consolidated balance sheet 2014
Consolidated statement of income 2014 / Consolidated statement of total income 2014
Consolidated cash flow statement 2014
Consolidated statement of changes in shareholders' equity 2014 and 2013
Information per segment 2014 and 2013



CTAC N.V.

KEY FIGURES	<u>2014</u>	<u>2013</u>
<u>PROFIT & LOSS ACCOUNT</u>		
Net turnover	83.4 m	77.0 m
Gross margin	56.9 m	56.9 m
Operating result	2.6 m	2.2 m
Result from ordinary activities before taxes	2.4 m	1.7 m
Net result	1.7 m	1.2 m
<u>EMPLOYEES (FTE)</u>		
At 31 december	444	438
On average during the year	441	439
Turnover per employee	189 k	175 k
Turnover per direct employee	209 k	193 k
<u>RATIOS</u>		
Operating result / net turnover	3.2 %	2.8 %
Net result / net turnover	2.1 %	1.5 %
Net result / shareholders' equity	17.4 %	14.6 %
Shareholders' equity / total assets	31.1 %	24.9 %
<u>FIGURES PER SHARE (EUR 0.24 NOMINAL)</u>		
Weighted average number of outstanding ordinary shares	12,222,164	12,089,519
Net result	€ 0.14	€ 0.09
Turnover	€ 0.25	€ 0.20
Shareholders' equity	€ 0.92	€ 0.74

CTAC N.V.

CONSOLIDATED BALANCE SHEET AS PER 31 DECEMBER

(amounts in EUR 1,000)

	<u>2014</u>	<u>2013</u>
ASSETS		
FIXED ASSETS		
Intangible fixed assets	14,493	15,516
Tangible fixed assets	3,069	2,385
Deferred tax assets	<u>405</u>	<u>558</u>
	17,967	18,459
CURRENT ASSETS		
Trade receivables and other receivables	17,540	17,299
Cash and cash equivalents	<u>570</u>	<u>95</u>
	18,110	17,394
	-----	-----
	36,077	35,853
	=====	=====
LIABILITIES		
Paid and called up capital	3,004	2,927
Share premium reserve	11,795	11,232
Other reserves	- 5,229	- 6,327
Result financial year	<u>1,657</u>	<u>1,098</u>
SHAREHOLDERS' EQUITY	11,227	8,930
Third party share	386	737
LONG-TERM LIABILITIES		
Bank liabilities	31	215
Other liabilities	828	1,028
Deferred tax liabilities	<u>201</u>	<u>325</u>
	1,060	1,568
SHORT-TERM LIABILITIES		
Bank liabilities	3,714	3,297
Provisions	410	681
Trade creditors and other liabilities	18,727	20,237
Corporate tax payable	<u>553</u>	<u>403</u>
	23,404	24,618
	-----	-----
	36,077	35,853
	=====	=====



CTAC N.V.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
(amounts in EUR 1,000)

	<u>2014</u>	<u>2013</u>
Net turnover	83,395	77,028
Purchase value hardware and software	9,029	8,267
Outsourced work	<u>17,463</u>	<u>11,871</u>
TOTAL COSTS OF SALES	26,492	20,138
Gross margin	56,903	56,890
Personnel costs	39,629	40,840
Depreciation and amortisation	1,283	1,304
Other operating costs	<u>13,346</u>	<u>12,579</u>
Total operating expenses	54,258	54,723
OPERATING RESULT	2,645	2,167
Interest income and similar income	7	48
Interest expenses and similar expenses	- 141	- 254
Result from participations	-	-
Other financial expenses	- 103	- 284
FINANCIAL INCOME AND EXPENSES	237	490
RESULT FROM ORDINARY ACTIVITIES	2,408	1,677
BEFORE TAXES	-	-
Taxes	<u>658</u>	<u>517</u>
NET RESULT	1,750	1,160
Third party share	- 93	- 62
ATTRIBUTABLE TO GROUP SHAREHOLDERS	<u>1,657</u>	<u>1,098</u>
Number of shares outstanding at year-end	12,515,497	12,195,698
Number of outstanding weighted shares	12,222,164	12,089,519
Average number of outstanding weighted shares for the calculation of the diluted earnings per share	12,373,130	14,905,761

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CONSOLIDATED STATEMENT OF TOTAL RESULT
(amounts in EUR 1,000)

	<u>2014</u>	<u>2013</u>
Net result directly accounted for in the shareholders' equity	0	0
Net result for the financial year	<u>1,750</u>	<u>1,160</u>
TOTAL RESULT FOR THE FINANCIAL YEAR	1,750	1,160
	=====	=====

CTAC N.V.
CONSOLIDATED CASH FLOW STATEMENT

(amounts in EUR 1,000)

	<u>2014</u>	<u>2013</u>
Operating result	2,645	2,167
Depreciations	<u>1,275</u>	<u>1,328</u>
	3,920	3,495
Changes in working capital		
Receivables	- 239	3,229
Short-term debts	<u>751</u>	<u>2,642</u>
	<u>512</u>	<u>587</u>
Cash flow from operations	4,432	4,082
Interest received	7	48
Interest paid	- 141	- 256
Profit tax paid	<u>- 497</u>	<u>- 349</u>
	<u>631</u>	<u>557</u>
Cash flow from operating activities	3,801	3,525
Investments in fixed assets	- 1,710	- 954
Repayments/withdrawals of long term bank debt	- 184	- 184
Paid earn out obligations	- 1,405	- 1,067
Dividend third parties	- 444	- 429
Divestment subsidiaries	<u>-</u>	<u>-</u>
Cash flow from financing activities	- 2,033	- 1,680
	58	891
	=====	=====
Cash and cash equivalents	95	111
Short-term bank debts	<u>- 3,297</u>	<u>- 4,204</u>
Net balance of cash and cash equivalents as per 1 January	- 3,202	- 4,093
Cash and cash equivalents	570	95
Short-term bank debts	<u>- 3,714</u>	<u>- 3,297</u>
Net balance of cash and cash equivalents as per 31 December	<u>- 3,144</u>	<u>- 3,202</u>
	58	891
	=====	=====

**CTAC N.V.****CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY FOR 2014**

(amounts in EUR 1,000)

	<u>Issued capital</u>	<u>Share premium reserves</u>	<u>Other reserves</u>	<u>Undistributed profit</u>	<u>Attributable to group shareholders</u>	<u>Third party share</u>	<u>Group equity</u>		
Balance as per 1 January 2014	2,927	11,232	-	5,229	-	8,930	737	9,667	
Share issue	77	563				640		640	
Transaction/dividend minority shareholders						- -	444	-	444
Net result	—	—	—	—	1,657	1,657	93	1,750	
Balance as per 31 December 2014	3,004	11,795	-	5,229	1,657	11,227	386	11,613	
	=====	=====	=====	=====	=====	=====	=====	=====	

CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY FOR 2013

(amounts in EUR 1,000)

	<u>Issued capital</u>	<u>Share premium reserves</u>	<u>Other reserves</u>	<u>Undistributed profit</u>	<u>Attributable to group shareholders</u>	<u>Third party share</u>	<u>Group equity</u>	
Balance as per 1 January 2013	2,825	10,986	-	6,822		6,989	52	7,041
Share issue	102	246				348		348
Transaction/dividend minority shareholders				495		495	623	1,118
Net result	—	—	—	—	1,098	1,098	62	1,160
Balance as per 31 December 2013	2,927	11,232	-	6,327	1,098	8,930	737	9,667
	=====	=====	=====	=====	=====	=====	=====	=====

CTAC N.V.
SEGMENTED INFORMATION 2014

(amounts in EUR 1,000)

	The Netherlands	Belgium	Other	Elimination	Consolidated
Turnover	68,550	16,274	2,859	- 4,288	83,395
Operating result	3,025	854	- 1,234		2,645
Financial income		73	95	- 161	7
Financial expenses	- 166	- 108	- 131	161	- 244
Results before tax	2,859	819	- 1,270		2,408
Taxes	- 732	- 346	420		- 658
Result after tax	2,127	473	- 850		1,750
DEPRECIATION 2014	=====	=====	=====		=====
Intangible fixed assets	279	120	53		452
Impairment			773		773
Tangible fixed assets	386	48	390		824
Total depreciation	665	168	1,216		2,049
INVESTMENTS 2014	=====	=====	=====		=====
Intangible fixed assets			202		202
Tangible fixed assets	897	172	439		1,508
Total investments	897	172	641		1,710

SEGMENTED INFORMATION 2013

(amounts in EUR 1,000)

	The Netherlands	Belgium	Other	Elimination	Consolidated
Turnover	62,852	15,006	1,260	- 2,090	77,028
Operating result	3,811	- 240	- 1,404		2,167
Financial income	-	81	144	- 177	48
Financial expenses	- 161	- 172	- 382	177	- 538
Results before tax	3,650	- 331	- 1,642		1,677
Taxes	- 931	11	403		- 517
Result after tax	2,719	- 320	- 1,239		1,160
DEPRECIATION 2013	=====	=====	=====		=====
Intangible fixed assets	421	120	-		541
Tangible fixed assets	353	34	400		787
Total depreciation	774	154	400		1,328
INVESTMENTS 2013	=====	=====	=====		=====
Intangible fixed assets	-	-	-		-
Tangible fixed assets	627	4	323		954
Total investments	627	4	323		954