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

### **Ctac sees continued upward trend in result Net result up more than 40% in first half of the year**

**'s-Hertogenbosch (the Netherlands), 20 August 2015 – ICT Solution Provider Ctac N.V. (Ctac) (Euronext Amsterdam: CTAC) today announces its results for the first half of 2015.**

#### **Key figures**

In € million (unless otherwise stated)	<b>H1 15</b>	<b>H1 14</b>	<b>Q2 15</b>	<b>Q2 14</b>	<b>Q1 15</b>	<b>Q1 14</b>
Turnover	41.1	42.2	20.4	21.1	20.7	21.1
Operating result	1.1	0.9	0.6	0.3	0.5	0.6
Net result (attributable to group shareholders)	0.7	0.5	0.3	0.1	0.4	0.4

Net earnings per share (€)	0.05	0.04
Employees at end June (headcount)	472	475

#### **Key developments**

- Turnover down 2.5% at € 41.1 million
- Strong growth in turnover share Cloud Services
- Operating result up 13.5% at € 1.1 million
- Net result increases by 40.7% to € 0.7 million, from € 0.5 million
- Outlook 2015 reiterated: Barring unforeseen exogenous circumstances, Ctac expects to realise a higher result in 2015 than in 2014

#### **Henny Hilgerdenaar, CEO of Ctac:**

*"After the previously reported slow start of the year, which was a result of the lower number of worked and workable days, business improved in the second quarter of the year. Over the past few months, we have deliberately focused more on the composition and the quality of turnover and tight management of related costs. Due in part to this focus, we saw a slight decline in turnover. At the same time, the contribution to turnover from Cloud Services increased sharply in the first half of the year, to more than 44%. We expect this growth to continue.*

*The so far slightly negative result of Ctac Belgium is largely due to the very weak start in January. We expect Ctac Belgium to record a positive result for the full year 2015.*

*The setbacks in a single project had a significant negative impact on the results of Ctac France. We have taken measures to bolster the project management and prevent a repeat of the situation.*

*On balance, these developments led to a considerable improvement in the operating result, which increased by 13.5% to € 1.1 million, from € 0.9 million, while net result increased by more than 40%.*

*On the basis of the volume and quality of the order portfolio, stronger project management and continued growth of the turnover contribution from Cloud Services, we reiterate our previously announced outlook to the effect that, barring unforeseen exogenous circumstances, we will book a higher result in 2015 than in 2014."*

## **Financial developments**

### **INCOME STATEMENT**

#### Turnover and gross margin

Turnover in the first half of 2015 declined by € 1.1 million, or 2.5%, to € 41.1 million, from € 42.2 million in the first half of 2014. Since the decline in turnover was largely offset by a decline in external hiring, the gross margin dropped by a mere € 0.2 million, or 0.6%, to € 28.8 million.

#### Turnover per division and segment

(amounts in € million)

	<b>2015 HY1</b>	<b>2014 HY1</b>
Netherlands		
Ctac Cloud Services	18.3	13.3
Ctac Consulting	19.2	21.8
Ctac Resourcing	8.3	8.2
Belgium	7.5	8.7
Other activities /eliminations	-12.2	-9.8
<b>Total</b>	<b>41.1</b>	<b>42.2</b>

#### Operating expenses

Operating expenses fell by € 0.3 million, or 1.0%, to € 27.7 million in the first half of 2015, from € 28.0 million. The personnel costs, included in that figure, declined by € 0.6 million to € 20.3 million, from € 20.9 million. Other operating expenses came in € 0.1 million higher at € 6.7 million, compared with € 6.6 million.

#### Operating result

The operating result came in 13.5% higher at € 1.1 million in the first half of 2015, compared with € 0.9 million. This increase was still impacted somewhat by a slightly negative result from the Belgian activities, which experienced a weak start in January. We expect the Belgian activities to make a positive contribution to the results for the full year 2015. The result from Other countries also remained negative. This was related to setbacks in a single project in France, where the bolstering of the project management is having a positive impact.

#### Net result

Financial income and expenses remained stable at € 0.1 million. Due to a slightly lower tax rate, taxes once again came in at € 0.3 million. As a result, net result (attributable to the group shareholders) came in at € 0.7 million, an increase of € 0.2 million, or 40.7%, on the € 0.5 million recorded in the first half of 2014. Based on an average weighted number of outstanding shares of 12,515,497, this implies net earnings per issued ordinary share of € 0.05.

## **BALANCE SHEET**

The balance sheet total rose by € 2.2 million to € 38.3 million as per 30 June 2015, from € 36.1 million at year-end 2014. On the asset side of the balance sheet, this increase is largely due to a seasonal increase in trade and other receivables.

Net bank debt increased by € 1.4 million to € 4.6 million as per 30 June 2015, from € 3.2 million at year-end 2014. Earn-out commitments declined to € 0.9 million as per 30 June 2015, from € 1.4 million at year-end 2014. Solvency was unchanged from year-end 2014 at 31.1%.

## **CASH FLOW**

Net cash flow in the first half of 2015 came in at a negative € 1.4 million (first half 2014: negative € 1.3 million) as a result of regular seasonal patterns (holiday and other bonus payments in May) and investments. We expect the net cash flow for the full year 2015 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, 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 June 2015, Ctac employs a staff of 472. The head office is located in 's-Hertogenbosch, the Netherlands. Ctac is also active in Belgium and France. For more information: [www.ctac.nl](http://www.ctac.nl).

### **For more information:**

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**Financial agenda:**

5 November 2015 : Publication trading update third quarter 2015  
10 March 2016 : Publication annual results 2015  
11 May 2016 : Annual General Meeting of Shareholders

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**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

**CONDENSED CONSOLIDATED PROFIT & LOSS ACCOUNT**

(\* EURO 000)

	<b>1st half 2015</b>	<b>1st half 2014</b>
Net turnover	41,145	42,220
Purchase value of turnover	- 12,337	- 13,249
Gross margin	28,808	28,971
Personnel costs	20,295	20,865
Depreciation and amortization	749	603
Other operating costs	6,687	6,554
	27,731	28,022
OPERATING RESULT	1,077	949
FINANCIAL INCOME AND EXPENSE	- 102	- 106
RESULT FROM ORDINARY OPERATIONS BEFORE TAXES	975	843
Taxes	- 293	- 290
NET RESULT	682	553
Third party share	- 1	- 69
Net result attributable to shareholders	681	484
	=====	=====

**CONDENSED CONSOLIDATED BALANCE SHEET**

(\* EURO 000)

	30-Jun 2015	31-Dec 2014
<b>ASSETS</b>	-----	-----
<b>FIXED ASSETS</b>		
Intangible fixed assets	14,567	14,493
Tangible fixed assets	3,023	3,069
Deferred tax assets	<u>373</u>	<u>405</u>
	17,963	17,967
<b>CURRENT ASSETS</b>		
Trade receivables and other receivables	20,223	17,540
Cash and cash equivalents	<u>104</u>	<u>570</u>
	20,327	18,110
	-----	-----
	38,290	36,077
	=====	=====
<b>LIABILITIES</b>		
<b>GROUP EQUITY</b>		
Third party share	384	386
<b>LONG-TERM LIABILITIES</b>		
Bank debt	-	31
Other liabilities	948	828
Deferred tax liabilities	<u>132</u>	<u>201</u>
	1,080	1,060
<b>SHORT-TERM LIABILITIES</b>		
Bank debt	4,696	3,714
Provisions	497	410
Trade creditors and other liabilities	18,947	18,727
Corporate income tax to be paid	<u>778</u>	<u>553</u>
	24,918	23,404
	-----	-----
	38,290	36,077
	=====	=====

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT (1st HALF)**
**According to the indirect method**

(\* EURO 000)

	1st half 2015	1st half 2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	-----	-----
Investments in tangible fixed assets	- 777	- 807
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	-----	-----
Paid earn-out obligations	- 467	- 454
Pay-out third party share	- 3	- 243
Withdrawals/repayments of long term financing	- 31	- 92
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	-----	-----
<b>NET CASH FLOW</b>	-----	-----
Liquid assets per 1 January	- 3,144	- 3,202
Liquid assets per 30 June	- 4,592	- 4,530
	-----	-----
	- 1,448	- 1,328
	=====	=====

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

	<b>Issued share capital</b>	<b>Share premium</b>	<b>Other reserves</b>	<b>Undivided profit</b>	<b>Total</b>
<b>Balance per 1 January 2015</b>	<b>3,004</b>	<b>11,795</b>	-	3,572	-
Net result				681	681
Issue of shares	-	-			-
<b>Balance per 30 June 2015</b>	<b>3,004</b>	<b>11,795</b>	-	<b>3,572</b>	<b>681</b>
					<b>11,908</b>
	<b>Issued share capital</b>	<b>Share premium</b>	<b>Other reserves</b>	<b>Undivided profit</b>	<b>Total</b>
<b>Balance per 1 January 2014</b>	<b>2,927</b>	<b>11,232</b>	-	5,229	-
Net result				484	484
Issue of shares	-	-			-
<b>Balance per 30 June 2014</b>	<b>2,927</b>	<b>11,232</b>	-	<b>5,229</b>	<b>484</b>
					<b>9,414</b>

**SEGMENTED RESULTS PER COUNTRY**  
(\* EURO 000)

<b>1st half 2015</b>	<b>NETHERLANDS</b>	<b>BELGIUM</b>	<b>OTHER</b>	<b>Elimination</b>	<b>CONSOLIDATED</b>
Turnover	35,681	7,151	964	- 2,651	41,145
Operating result	1,481	- 163	- 241		1,077
Financial income and expense	- 55	- 10	- 37		- 102
Result before taxes	1,426	- 173	- 278		975
 <b>1st half 2014</b>	 <b>NETHERLANDS</b>	 <b>BELGIUM</b>	 <b>OTHER</b>	 <b>Elimination</b>	 <b>CONSOLIDATED</b>
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

**SEGMENTED RESULTS PER PRODUCT GROUP**

(\* EURO 000)

	1st half 2015			1st half 2014				
	Purchase	Gross	%	Purchase	Gross	%		
	Turnover	value	Margin	Turnover	value	Margin		
Consultancy & Hosting	35,544	- 8,851	26,693	75.1	36,167	- 9,345	26,822	74.2
Software	1,598	- 940	658	41.2	2,495	- 1,720	775	31.1
Maintenance contracts	4,003	- 2,546	1,457	36.4	3,558	- 2,184	1,374	38.6
	-----	-----	-----	70.0	-----	-----	68.6	
	=====	=====	=====		=====	=====		

## 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 2015, were approved for publication by both the Executive Board and the Supervisory Board on 18 August 2015.

### *Statement of compliance*

This consolidated half year report regarding the first 6 months of the year, ending 30 June 2015, 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 2014, 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 2014 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 2014 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 statement"*

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 2015 and of the result of our consolidated activities in the first half of 2015 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 2015, of the course of events in the first half of 2015 within the company and in the businesses included in the consolidation, and of the expected risks and developments in the remaining months of 2015.'

's-Hertogenbosch (the Netherlands), 20 August 2015

Henny Hilgerdenaar - CEO  
Douwe van der Werf - CFO