

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

Ctac records 42% rise in net profit in 2015, resumes dividend (EUR 0.06 per share)

's-Hertogenbosch (the Netherlands), 10 March 2016 – ICT Solution Provider Ctac N.V. (Ctac)(Euronext Amsterdam: CTAC) today announces its 2015 full-year results.

Key figures

	2015	2014	%	Q4 2015	Q4 2014	%
€ million (unless otherwise stated)						
Net turnover	86.1	83.4	3.2	24.1	21.6	11.7
Operating result	3.4	2.6	26.7	1.4	1.0	36.0
Net result	2.4	1.7	42.4	1.1	0.8	43.6
Net earnings per share	0.19	0.14				
Employees at year-end (headcount)	479	470				

Highlights

- Net turnover up 3% at EUR 86.1 million
- Operating result up 27% at EUR 3.4 million
- Net profit up 42% at EUR 2.4 million
- Reduction of (net) bank debt by EUR 0.5 million to EUR 2.7 million at year-end 2015, from EUR 3.2 million at year-end 2014
- Earn-out obligations reduced to EUR 1.0 million at year-end 2015, from EUR 1.4 million at year-end 2014
- Solvency ratio improved to 33.7% at year-end 2015 compared with 31.1% at year-end 2014
- Resumption of dividend payments, with a proposal of EUR 0.06 per ordinary share
- Continuing upward trend in 2016 and further increase in results expected

Henny Hilgerdenaar, Chief Executive Officer of Ctac:

"The upward trend continued in 2015, despite the persistently difficult ICT services market. A strong focus on margins and costs controls has resulted in an increase in the operating result of more than EUR 0.7 million to EUR 3.4 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.

Ctac Netherlands, by far our largest business unit, did well in 2015. The contribution from Cloud Services increased significantly. The Consultancy activities in fields such as SAP and

Microsoft expertise booked improved results. In addition, the outplacement activities under Consultancy also made a positive contribution to the results. The positive development of the abovementioned activities offers a healthy perspective for 2016.

The results of Ctac Belgium were virtually breakeven. We are satisfied with the progress made since the management was replaced in February of 2015. The weak start to the first two months was offset by the results recorded in the remainder of 2015. We expect the progress to continue in 2016.

Ctac France booked a negative result. Some of the losses were due to our deliberate choice to relaunch Ctac France, which resulted in extra costs. The majority of the losses were due to a single project. In the course of this project, it emerged that the legal scope of various agreements reached was not worded clearly enough in the contract. Despite the fact that the contract was not closed under his responsibility, the director of Ctac France, Thierry Ouillon, has decided to continue his career outside the company. Ctac is grateful for his efforts. He is being replaced (ad interim) by Mr. Eric Mahieux.

In response to the results we realised and the improvement in the balance sheet, we will ask the General Meeting of Shareholders to approve a dividend payment of EUR 0.06 per (ordinary) share for 2015, in line with our dividend policy.

The continued improvement of our operational performance was visible in all four quarters of 2015. The progress we booked last year is a solid basis to continue on our upward path in 2016. For the full year 2016, we therefore expect to book a higher result than in 2015."

FINANCIAL DEVELOPMENTS

Turnover and gross margin

Ctac booked net turnover of EUR 86.1 million in 2015, an increase of 3.2% from the EUR 83.4 million recorded in 2014. The increase was entirely organic.

Turnover in consultancy, hosting and management rose by 3.5% to EUR 72.2 million in 2015, from EUR 69.8 million in 2014. Due to the fact that the cost of external hiring declined by 4.3% to EUR 16.7 million in 2015, from EUR 17.5 million in 2014, the gross margin on this activity increased to EUR 54.2 million in 2015, from EUR 51.7 million in 2014.

Turnover from software declined by 6.0% to EUR 5.7 million in 2015, from EUR 6.0 million in 2014. The gross margin on this turnover came in at EUR 2.2 million in 2015, compared with EUR 2.4 million in 2014.

Turnover from maintenance contracts came in 9.9% higher at EUR 8.2 million in 2015, from EUR 7.5 million in 2014. The gross margin on these activities increased by EUR 0.2 million to EUR 2.9 million.

Turnover per employee (based on the average number of FTEs on an annual basis) came in 1.6% higher at EUR 192,000 in 2015, from EUR 188,900 in 2014.

Operating costs

In 2015, staff costs increased on balance by EUR 0.7 million, or 1.7%, compared with the previous year. The average number of FTEs increased slightly to 449 in 2015, from 441 in 2014.

Other operating costs increased by EUR 0.9 million, or 6.8%, to EUR 14.3 million, from EUR 13.4 million in 2014.

Depreciations were up EUR 0.1 million at EUR 1.4 million.

Operating result

The operating result for the full year 2015 came in at EUR 3.4 million, up from EUR 2.6 million in 2014. This 26.7% increase on the previous year was almost entirely due to the gross margin, which saw a relatively greater increase than the operating costs due to more profitable turnover.

The operating result in the fourth quarter of 2015 was EUR 1.4 million, compared to EUR 1.0 million in the same period of 2014.

Financial income and expenses

At year-end 2015, Ctac's net bank debt stood at EUR 2.7 million, compared with EUR 3.2 million at year-end 2014. The related interest costs remained unchanged at around EUR 0.1 million. Other financial expenses (including the interest on earn-out obligations) came in also at around the same level as in 2014. This resulted in an unchanged charge of EUR 0.2 million in 2015 (2014: EUR 0.2 million).

Taxes

In 2015, the tax rate was 23.8%, down from 27.3% in 2014.

Net result and earnings per share

Ctac booked a net result of EUR 2.4 million in 2015, compared with EUR 1.7 million in the previous year. This translated into earnings per share of EUR 0.19 based on the weighted average number of 12,515,497 outstanding ordinary shares. The total number of outstanding ordinary shares was unchanged at 12,515,497 at 31 December 2015.

Balance sheet

The shareholders' equity had increased by EUR 2.4 million to EUR 13.6 million at year-end 2015, as a result of the addition of net result of EUR 2.4 million for 2015. In line with reporting standards, the shareholders' equity was calculated without taking into account the proposal for profit appropriation.

Trade receivables and other receivables increased by around EUR 3.1 million to EUR 20.6 million at year-end 2015. The balance sheet total had increased by EUR 4.3 million to EUR 40.4 million at year-end 2015, from EUR 36.1 million at year-end 2014.

The solvency ratio (shareholders' equity / total assets) improved to 33.7% at year-end 2015, from 31.1% at year-end 2014.

Ctac's net bank debt dropped to EUR 2.7 million by the end of 2015, from EUR 3.2 million at year-end 2014. The facility agreed with ABN AMRO stood at EUR 7.3 million at the end of 2015. Ctac issued a right of lien on receivables, operating equipment and IP rights as surety.

Cash flow and investments

The cash flow from operations came in at EUR 2.9 million positive in 2015 (2014: EUR 4.4 million positive). The cash flow from operating activities amounted to EUR 2.2 million positive in 2015 (2014: EUR 3.8 million positive).

In 2015, Ctac invested EUR 1.2 million in (in)tangible fixed assets (2014: EUR 1.7 million). The investments were largely spent on the replacement of the IT infrastructure and new computers.

The cash flow from financing activities pertained largely to the payment of EUR 0.5 million in earn out obligations (2014: EUR 1.4 million); unlike in 2014 (EUR 0.4 million) the payments related to the share of third parties were negligible in 2015. In 2014, Ctac also paid off EUR 0.2 million of the long-term borrowings.

The net cash flow came in at EUR 0.5 million positive in 2015 (2014: EUR 0.1 million).

Proposal appropriation of results

After careful consideration of the impact of a dividend payment on the net cash flow in 2016, the shareholders' equity, the composition of same and the other balance sheet components, Ctac will ask to the General Meeting of Shareholders to approve the payment of a dividend of EUR 0.06 per ordinary share from the net profit. The aforesaid proposal is in line with the previously formulated dividend policy. The remaining part of the net profit will be added in its entirety to the (still negative) other reserves, which are recognised under shareholders' equity.

Events after the balance sheet date

In the context of the further tightening of its strategy, Ctac reported on 5 January 2016 that it had sold its entire stake in IFS Probitry (59.8%) to the minority shareholders at the intrinsic value.

In accordance with reporting standards (International Financial Reporting Standards), the sale of the IFS stake has already been accounted for in the balance sheet as at 31 December 2015 in the separate lines Assets 'Held for Sale' and Liabilities 'Held For Sale'.

STRATEGY AND MANAGEMENT ORGANISATION

Ctac sees it as its mission to enable its clients to realise their ambitions by converting the advantages of information technology into actual business value. This also challenges our employees to be ambitious.

Ctac has divided this mission into the following goals:

- unburdening (international) clients in the medium-sized and larger business segment by providing suitable and reliable ICT solutions at acceptable costs. These solutions should make a contribution to the sustainable profitability and the competitive strength of these clients to safeguard the continuity of their businesses;
- the continued transition from ERP services provider into a distinctive provider of combined ICT solutions as a Total Solution Provider;
- continued development of the Ctac organisation in line with the market potential and providing continuity for all stakeholders.

In recent years, Ctac has adapted its organisation and tightened its strategy in such a way that it has transformed the company into a prominent Total Solution Provider. In 2016 and the years ahead, Ctac will focus on the formation of integrated – in terms of market and/or expertise – business units that are optimally equipped to provide clients with high-grade specialist solutions.

The current organisational structure is such that the management team is responsible for the centralised and integrated management of all sales and delivery activities in all countries. In the Netherlands, our services are divided into three sectors: Consulting (including SAP and Microsoft), Cloud Services and Ctac Resourcing. The company's sales activities are managed centrally.

OUTLOOK

Ctac's improved financial position, the operational progress realised in 2015 and especially the improved results, have all put Ctac in a solid starting position for 2016. Although no full recovery in the ICT services market in 2016 is expected, there is good reason to believe that the upward line can be continued this year.

Barring unforeseen external circumstances, Ctac expects to record a higher profit in 2016 than it did in 2015.

OTHER

For the purposes of the Transparency Directive of the European Union (Directive 2004/109/EC, revised), Ctac N.V.'s member state of origin is the Netherlands.

About Ctac

As an innovative Total 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 2016, Ctac employs a staff of 479. 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 2016:

10 March 2016	:	Publication annual results 2015
11 May 2016	:	Publication trading update first quarter 2016
11 May 2016	:	General Meeting of Shareholders
12 August 2016	:	Publication half year results 2016
3 November 2016	:	Publication trading update third quarter 2016

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Addenda

Key figures 2015

Consolidated balance sheet 2015

Consolidated profit and loss account / Consolidated statement of total result 2015

Consolidated cash flow statement 2015

Consolidated statement of changes in shareholders' equity 2015 and 2014

Information per segment 2015 and 2014

CTAC N.V.
KEY FIGURES
2015
2014
PROFIT & LOSS ACCOUNT

Net turnover	86.1 m	83.4 m
Gross margin	59.3 m	56.9 m
Operating result	3.4 m	2.6 m
Result from ordinary activities before taxes	3.2 m	2.4 m
Net result	2.4 m	1.7 m

EMPLOYEES (FTE)

At 31 december	453	444
On average during the year	449	441
Turnover per employee	192 k	189 k
Turnover per direct employee	225 k	209 k

RATIOS

Operating result / net turnover	3.9 %	3.2 %
Net result / net turnover	2.8 %	2.1 %
Net result / average shareholders' equity	19.5 %	17.4 %
Shareholders' equity / total assets	33.7 %	31.1 %

FIGURES PER SHARE (EUR 0.24 NOMINAL)

Weighted average number of outstanding ordinary shares	12,515,497	12,222,164
Net result	€ 0.19	€ 0.14
Cash flow	€ 0.30	€ 0.25
Shareholders' equity	€ 1.09	€ 0.92

CTAC N.V.
CONSOLIDATED BALANCE SHEET AS PER 31 DECEMBER

(amounts in EUR 1,000)

	<u>2015</u>	<u>2014</u>
ASSETS		
FIXED ASSETS		
Intangible fixed assets	14,791	14,493
Tangible fixed assets	2,633	3,069
Deferred tax assets	<u>596</u>	<u>405</u>
	18,020	17,967
CURRENT ASSETS		
Trade receivables and other receivables	20,647	17,540
Assets 'Held for Sale'	1,616	-
Cash and cash equivalents	<u>84</u>	<u>570</u>
	22,347	18,110
	-----	-----
	40,367	36,077
	=====	=====
LIABILITIES		
Paid and called up capital	3,004	3,004
Share premium reserve	11,795	11,795
Other reserves	- 3,572	- 5,229
Result financial year	<u>2,359</u>	<u>1,657</u>
SHAREHOLDERS' EQUITY	13,586	11,227
Third party share	438	386
LONG-TERM LIABILITIES		
Bank liabilities	-	31
Other liabilities	769	828
Deferred tax liabilities	<u>102</u>	<u>201</u>
	871	1,060
SHORT-TERM LIABILITIES		
Bank liabilities	2,777	3,714
Provisions	371	410
Trade creditors and other liabilities	20,925	18,727
Corporate tax payable	971	553
Liabilities 'Held for Sale'	<u>428</u>	<u>-</u>
	25,472	23,404
	-----	-----
	40,367	36,077
	=====	=====

CTAC N.V.

	<u>2015</u>	<u>2014</u>
CONSOLIDATED PROFIT AND LOSS ACCOUNT		
(amounts in EUR 1,000)		
Net turnover	86,092	83,395
Purchase value hardware and software	10,111	9,029
Outsourced work	<u>16,715</u>	<u>17,463</u>
TOTAL COSTS OF SALES	<u>26,826</u>	<u>26,492</u>
Gross margin	59,266	56,903
Personnel costs	40,307	39,629
Depreciation and amortisation	1,352	1,283
Other operating costs	<u>14,255</u>	<u>13,346</u>
Total operating expenses	55,914	54,258
OPERATING RESULT	3,352	2,645
Interest income and similar income	111	7
Interest expenses and similar expenses	- 212	- 141
Other financial expenses	<u>- 83</u>	<u>- 103</u>
FINANCIAL INCOME AND EXPENSES	- 184	- 237
RESULT FROM ORDINARY ACTIVITIES BEFORE TAXES	3,168	2,408
Taxes	<u>- 754</u>	<u>- 658</u>
NET RESULT	2,414	1,750
Third party share	- 55	- 93
ATTRIBUTABLE TO GROUP SHAREHOLDERS	2,359	1,657
Number of shares outstanding at year-end	12,515,497	12,515,497
Number of outstanding weighted shares	12,515,497	12,222,164
Average number of outstanding weighted shares for the calculation of the diluted earnings per share	12,515,497	12,373,130

CTAC N.V.

	<u>2015</u>	<u>2014</u>
CONSOLIDATED STATEMENT OF TOTAL RESULT		
(amounts in EUR 1,000)		
Net result, not accounted for in the result	-	-
Net result for the financial year	<u>2,414</u>	<u>1,750</u>
TOTAL RESULT FOR THE FINANCIAL YEAR	2,414	1,750

CTAC N.V.
CONSOLIDATED CASH FLOW STATEMENT

(amounts in EUR 1,000)

	<u>2015</u>	<u>2014</u>
Operating profit	3,352	2,645
Depreciations and value differences earn out	<u>1,376</u>	<u>1,275</u>
	4,728	3,920
Changes in working capital		
Receivables	- 4,723	- 239
Short-term debt	<u>2,861</u>	<u>751</u>
	- <u>1,862</u>	- <u>512</u>
Cash flow from operations	2,866	4,432
Interest received	111	7
Interest paid	- 181	- 141
Profit tax paid	<u>- 630</u>	<u>- 497</u>
	- <u>700</u>	- <u>631</u>
Cash flow from operating activities	2,166	3,801
Investments in fixed assets	- 1,214	- 1,710
Repayments / withdrawals of long term bank debt	- 31	- 184
Paid earn out obligations	- 467	- 1,405
Dividend third parties	- 3	- 444
Divestment subsidiaries	<u>-</u>	<u>-</u>
Cash flow from financing activities	- <u>501</u>	- <u>2,033</u>
	<u>451</u>	<u>58</u>
	=====	=====
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 1 January	- 3,144	- 3,202
Cash and cash equivalents	84	570
Short-term bank debts	<u>- 2,777</u>	<u>- 3,714</u>
Net balance of cash and cash equivalents as per 31 December	- <u>2,693</u>	- <u>3,144</u>
	<u>451</u>	<u>58</u>
	=====	=====

CTAC N.V.

CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY FOR 2015

(amounts in EUR 1,000)

	Issued capital	Share premium reserve	Other reserves	Undistributed profit	Attributable to group shareholders	Third party share	Group equity	
Balance as per 1 January 2015	3,004	11,795	-	3,572	-	11,227	386	11,613
Share issue						-		-
Dividend minority shareholders						-	-3	3
Net result	-	-	-	2,359	2,359	55		2,414
Balance as per 31 December 2015	3,004	11,795	-	3,572	2,359	13,586	438	14,024

CONSOLIDATED STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY FOR 2014

(amounts in EUR 1,000)

	Issued capital	Share premium reserve	Other reserves	Undistributed profit	Attributable to group shareholders	Third party share	Group equity	
Balance as per 1 January 2014	2,927	11,232	-	5,229	8,930	737	9,667	
Share issue	77	563			640		640	
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

CTAC N.V.

SEGMENTED INFORMATION 2015

(amounts in EUR 1,000)

	the Netherlands	Belgium	Other	Elimination	Consolidated
Turnover	75,408	16,403	1,666	- 7,385	86,092
Operating result	4,828	- 137	- 1,339	-	3,352
Financial income	35	44	111	- 79	111
Financial expenses	- 149	- 60	- 165	79	- 295
Result before tax	4,714	- 153	- 1,393	-	3,168
Taxes	- 1,167	- 16	429	-	- 754
Result after tax	3,547	- 169	- 964		2,414
=====					
<u>DEPRECIATION 2015</u>					
Intangible fixed assets	148	120	53		321
Tangible fixed assets	570	31	430		1,031
Total depreciation	718	151	483		1,352
=====					
<u>INVESTMENTS 2015</u>					
Intangible fixed assets	-	-	619		619
Tangible fixed assets	257	12	326		595
Total investments	257	12	945		1,214
=====					

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
Result before tax	2,859	819	- 1,270	-	2,408
Taxes	- 732	- 346	420	-	- 658
2,127	473	- 850			1,750
=====					
<u>DEPRECIATION 2014</u>					
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
=====					
<u>INVESTMENTS 2014</u>					
Intangible fixed assets	-	-	202		202
Tangible fixed assets	897	172	439		1,508
Total investments	897	172	641		1,710
=====					