



## **Successful strategy DOCDATA N.V. leads to good results in 2009**

- **Strategy successful for both lines of business**
- **Revenue and margins increased through growth of transactions by e-commerce services Docdata and record deliveries IAI industrial systems**
- **Profit doubled through impact of non-recurring tax profit in the Netherlands**
- **Proposal to increase the dividend once to €0.55 per share**

DOCDATA N.V. had an exceedingly successful year. Both lines of business, technology company IAI industrial systems and e-commerce service company Docdata, have performed excellently in 2009.

Technology company IAI industrial systems secured a record number of orders and enlarged its market share in the highest quality segment of the market for document security. In addition, in 2009 further investment was done in the development of new production systems for the various markets in which IAI is active, extending the product portfolio of IAI.

The e-commerce service company Docdata has seen the number of transactions continuously rise in 2009. This is both due to the success of our customers in the Netherlands including bol.com, De Bijenkorf and V&D, as the success of our customers in Germany including brands4friends.de and Zalando.de. In the United Kingdom we recently entered into a partnership with eBay.co.uk to realise outlet shops. At the moment, the first shops are operational.

Michiel Alting von Geusau, CEO of DOCDATA N.V.: "The strategy 'Vision 2010: Gear to Growth' has been implemented successfully both for technology company IAI industrial systems and e-commerce service company Docdata, despite the current economic crisis. Our focus for technology company IAI industrial systems remains for the coming years on security orders for the delivery of high-quality systems. For the e-commerce service company Docdata the focus will be on further growth of the number of realised transactions. A more active acquisition policy in the coming years will be crucial for the further development of DOCDATA."

## Results and Financial position for the financial year 2009

(in millions, except percentage figures and per share data)

	2009		2008	
	€	%	€	%
<b>Revenue</b>				
E-commerce service company Docdata	62.9	78.1	67.2	85.6
Technology company IAI industrial systems	17.6	21.9	11.4	14.4
<b>Total</b>	<b>80.5</b>	<b>100.0</b>	<b>78.6</b>	<b>100.0</b>
<b>Gross profit</b>				
E-commerce service company Docdata	18.2	28.9	18.5	27.5
Technology company IAI industrial systems	7.3	41.9	4.3	37.9
<b>Total</b>	<b>25.5</b>	<b>31.7</b>	<b>22.8</b>	<b>29.0</b>
<b>Operating profit (EBIT)</b>				
E-commerce service company Docdata	1.0	1.2	2.7	3.4
Technology company IAI industrial systems	4.9	6.1	2.7	3.4
<b>Total</b>	<b>5.9</b>	<b>7.3</b>	<b>5.4</b>	<b>6.9</b>
<b>Profit for the year</b>	<b>7.7</b>	<b>9.6</b>	<b>3.7</b>	<b>4.7</b>
<b>Basic earnings per share</b>	<b>1.16</b>		<b>0.55</b>	
<b>Diluted earnings per share</b>	<b>1.11</b>		<b>0.53</b>	
<b>Balance sheet total</b>	<b>49.0</b>		<b>40.9</b>	
<b>Equity</b>	<b>27.4</b>		<b>21.2</b>	
<b>Solvency ratio (Equity / Balance sheet total)</b>	<b>55.9%</b>		<b>51.8%</b>	

Technology company IAI industrial systems delivered in 2009 a record number of high quality personalisation systems. As a result the revenue of IAI industrial systems increased with € 6.2 million (+55%). The order book as per year-end 2009 includes orders with a turnover value of € 13.7 million (2008: € 10.8 million).

In the document security market IAI industrial systems is seen as the highest quality supplier of production systems to personalise and/or secure documents issued by governments. IAI has expanded the product range considerably in the document security market through the development of new systems in the last years.

As earlier announced, IAI entered the market of solar energy. In this market, IAI offers production systems for solar cells or solar panels. In 2009, IAI has further strengthened its network and established its name in this market. As a result of the current economic crisis we do not expect to deliver substantial production systems before 2011.

Michiel Alting van Geusau, CEO of DOCDATA N.V.: "We remain ideally positioned in the document security market to compete with the major players because of our high quality, reliable and customised systems. We expect that governments will continue to give a high priority to investments in document security. That is why we will increase our investments in new developments in 2010."

E-commerce service company Docdata realised a strong increase of the number of unique transactions handled compared to 2009. In 2009 more than 20 million unique transactions were processed. As a result the combined turnover of the commerce, payments and fulfilment activities increased with € 8.2 million (+21%).

The strong growth is for a large part realised by the success of existing clients. We offer clients specific and full e-commerce solutions. In the Benelux we are known as the most progressive e-commerce service company and we are part of the secret behind the success of our clients. In Germany and the United Kingdom we are not on this level yet but we will work hard to achieve this. We will keep investing in people and systems to stay in first position.

Michiel Alting von Geusau, CEO of DOCDATA N.V.: "The competition on the market for e-commerce services has clearly increased in 2009, partly as companies from other market areas have entered this market. This results in price pressure, also because new players are 'buying in' on this market."

## **Major features of the financial results for the 2009 year-end**

The revenue of DOCDATA N.V. increased in 2009 with € 1.8 million to € 80.5 million (+2.4%). The combined increase in revenue of the commerce, payments and fulfilment activities of the e-commerce service company Docdata and the increase in revenue of technology company IAI industrial systems totalling € 14.4 million, fully absorbed the further decrease in revenue of the media production activities of € 12.6 million (-/- 43%) in 2009. This decline is the result of the sale of the activities of Docdata media in the United Kingdom and the sale of 4D upgrade GmbH in Germany (total effect: -/- € 8.5 million), and the further reduction of revenue of the remaining media production activities in the Netherlands and Germany (total effect: -/- € 4.1 million).

In 2009 DOCDATA N.V. realised a gross profit of € 25.5 million compared to € 22.8 million in 2008 (+12%), resulting in a combined gross profit margin of 31,7% for 2009. The upward trend of recent years has continued (2008: 29.0%; 2007: 25.2%; 2006: 23.7%), underlining that the new strategy is working. Both lines of business contributed to this improved gross profit margin; the gross profit margin of the e-commerce service company Docdata increased to 28.9% (2008: 27,5%) in 2009, while the technology company IAI industrial systems reached a gross profit margin of 41.9% (2008: 37.9%).

DOCDATA N.V. realised an operating profit before financing result (EBIT) of € 5.9 million in 2009 after recognition of non-recurring expenses by the e-commerce service company Docdata amounting to € 2.9 million. These expenses relate to a number of impairments of goodwill and other intangible assets, the full depreciation of the remaining media production activities in Germany and recognition of provisions. Excluding these non-recurring expenses the operating result of the e-commerce service company Docdata is € 3.9 million, which means an increase of € 1.2 million (+43%). The operating result of the e-commerce service company Docdata, after deduction of the non-recurring costs and including the operating result of the media production activities, decreased with € 1.7 million (-/- 64%) to € 1.0 million in 2009. The operating profit of the technology company IAI industrial systems increased with € 2.2 million (+83%) to € 4.9 million as a result of the higher number of systems delivered in 2009, mainly in the second half year of 2009. In total the operating result of DOCDATA N.V. increased with € 0.5 million compared to 2008 (+9%).

The financing result in 2009 improved with € 0.6 million compared to 2008, mainly as a result of the mix of lower interest expenses due to improved liquidity and improvement of the exchange result due to an increased British pound rate in 2009. In 2009 an income tax profit was realised of € 1.7 million resulting in a higher profit of € 3.0 million compared to 2008. This income tax profit includes the earlier announced incidental tax gain of about € 4 million as a result of the recognition in the corporate income tax return of 2009 by the Dutch fiscal entity of the liquidation loss of over € 15 million for the completed liquidation of docdata media Limited in the United Kingdom.

The profit for the year 2009 amounts to € 7.7 million, which is € 4.0 million (+109%) higher than in 2008. In summary, this profit improvement is predominantly caused by:

- increase of 'recurring' profit of both lines of business (+ € 2.9 million);
- non-recurring expenses (-/- € 2.9 million);
- incidental tax profit (+ € 4.0 million).

DOCDATA N.V. further strengthened its financial position with a solvency ratio of 55.9% (31 December 2008: 51.8%) on a significantly increased balance sheet total. The balance sheet total increased in 2009 with € 8.1 million (+20%) mainly due to the higher balance sheet position of IAI industrial systems for work in progress and trade debtors.

DOCDATA N.V. realised in 2009 cash flow from operating activities of € 7.4 million with an expenditure of € 5.7 million. The most important items spent are the payment of dividend over 2008 of € 2.0 million to shareholders, the investments in property, plant and equipment and intangible assets (€ 2.8 million) and the acquisition of (minority interests) in subsidiaries and investments in associated companies and other investments (€ 0.9 million). The remaining € 1.7 million of cash improved the net cash position of DOCDATA N.V. in 2009, from € 4.4 million at 31 December 2008 to € 6.1 million at 31 December 2009.

## **Strategy:**

**'Vision 2010: Gear to Growth' becomes 'Vision 2012: Flywheel to Growth'**

### **E-commerce service company Docdata**

*We are the e-commerce service company*

*We develop customer-focused and integrated solutions*

*We process unique transactions*

The major strategic goals for the coming years are:

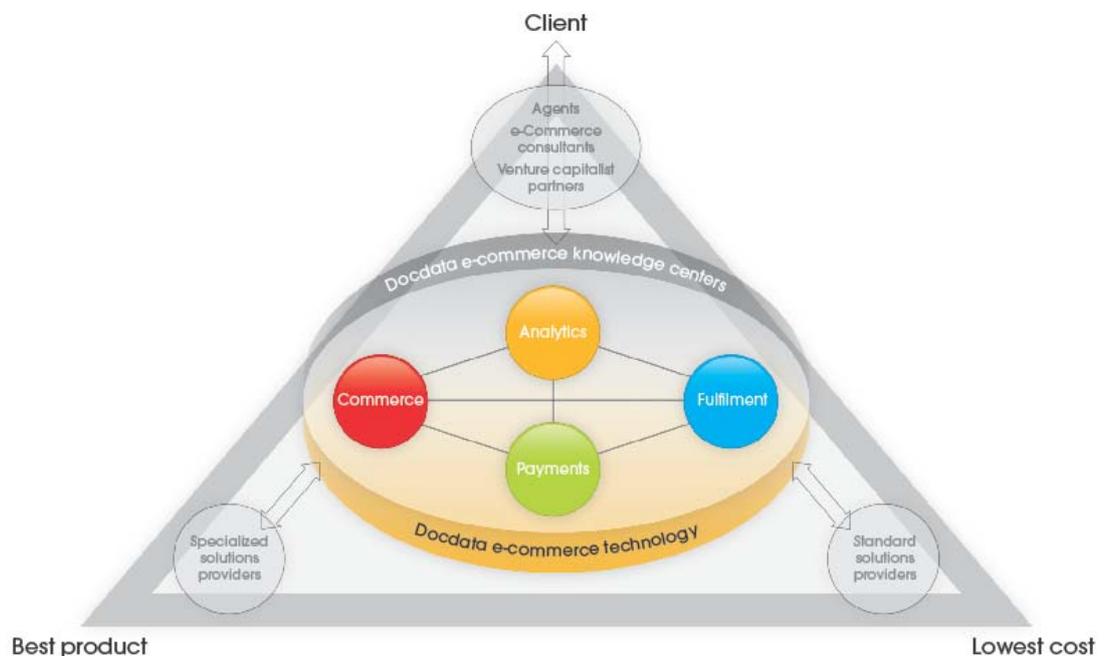
- autonomous growth through customer retention and winning new customers;
- expanding the service portfolio to existing customers;
- development of a new service called 'Docdata analytics';
- more prominent route for acquisitions;
- acting as one company that offers various services.

In addition to the geographical focus, we will continue to invest in new services for our customers. In 2010, a completely integrated 'Docdata analytics tool' will be developed and implemented, both for internal use as well as for our clients. The goal is to offer clients a better reporting tool for their realised transactions, so they can optimise their processes and realise a competitive advantage. Docdata analytics should become a catalyst for e-success.

Michiel Alting von Geusau, CEO of DOCDATA N.V.: “The coming year we will search for suitable acquisition candidates to accelerate our growth and strengthen our market position. An important trend is that more people order online more frequently. We have the impression that this trend is supported by the current economic recession and as a result we expect a further growth also for the coming year. However, we see that the average amount per order and the conversion rates decrease, the number of transactions keep growing.”

The current risks are mainly in terms of the financial position of our customers and the strategic choice of (potential) customers to purchase certain services from external suppliers. One of our customers in Münster (Germany) has not renewed the distribution contract in 2010. We also see that client acquisition takes much longer in the current economic crisis. Customers clearly need more time to take these decisions.

Illustration with a visual impression of the strategy for the e-commerce service company Docdata:



### **Technology company IAI industrial systems**

*We offer high quality production systems and reliability*  
*We offer flexible, fast and accurate technological solutions*  
*We offer the most innovative laser and optical solutions*

The major strategic goals for the coming years are:

- autonomous growth in the document security market by expanding the sales activities and development of new systems;
- gain a position in the solar market by developing unique laser applications;
- exploit opportunities in other market segments that are driven by innovative laser applications;
- increase of R&D and product development in the coming years.

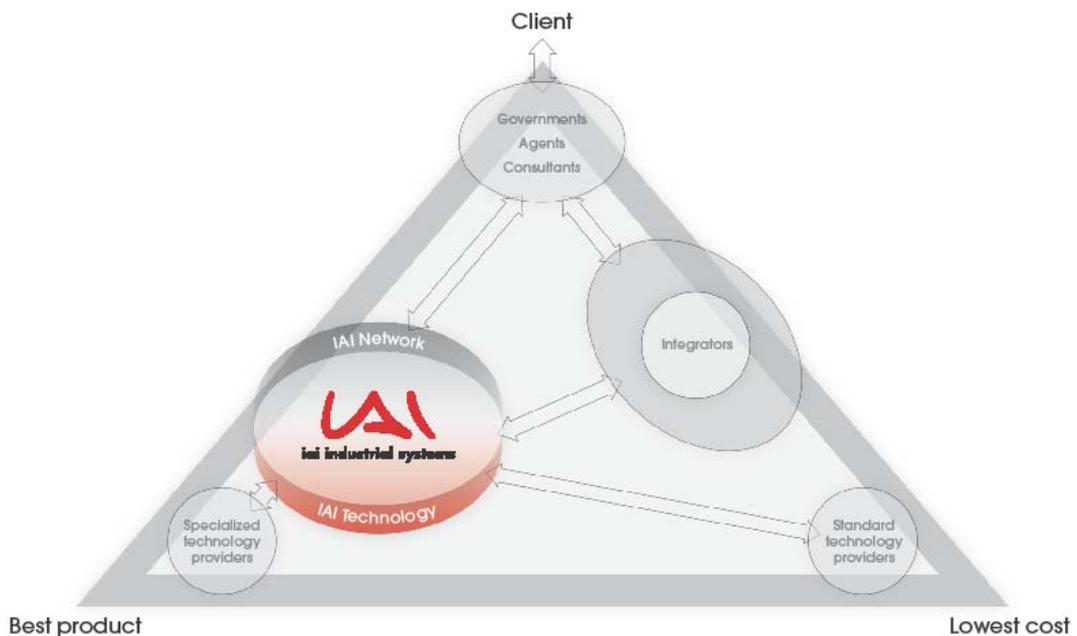
Worldwide, we see that many countries hold on to paper holder pages. For this extensive market segment IAI industrial systems has developed BookMasterOne systems which process personal data by means of inkjet printing, followed by the application of a protective laminate on the holder page. Although such systems do not embed the laser inscription application, these systems can, depending on customer's request, include the ImagePerf® and/or NumberPerf® laser-functionality. With the development of these BMOOne systems IAI industrial systems has entered a large market segment of the known document security market.

Another new development is demonstrated by the SheetMaster and WebMaster systems that can process documents printed in sheets or in web. There is a large variety of documents that can be processed, for example: birth certificates, registration certificates, diplomas, passport pages, documents for levying direct taxes, etc. There is no standardisation of such documents yet. For this reason these systems are equipped with many different options to cover the demands in this market as much as possible. Also here IAI industrial systems entered a new segment in a known market. These systems have been sold and partly delivered to a number of countries, including South Africa, India and Poland.

For the order from Bulgaria, IAI industrial systems developed in 2009 new systems for the decentralised personalisation market. For that purpose the technology of the highly integrated systems, such as the BMOOne, has been made available in small(er) standalone solutions. With this IAI industrial systems again enters a new market. The above examples illustrate the significant expansion of the product range of IAI industrial systems for the document security market.

We will also invest in R&D to exploit opportunities in other markets where innovative laser applications can offer unique solutions. Here we limit ourselves to a maximum of two applications beyond the two already entered markets for document security and solar energy.

Illustration with a visual impression of the strategy for technology company IAI industrial systems:



## Outlook

The focus in 2010 will be on growth, both autonomous and through acquisitions.

The focus for the e-commerce service company Docdata is on the further development of the service model in Germany and the United Kingdom. The goal is to become a top 5 player there as well in the coming years. Furthermore, the development of the new service 'Docdata analytics' is of great importance. For 2010, we expect further growth, despite the economical market situation; with the exception of the media production activities.

In the document security market, technology company IAI industrial systems has realised outstanding results in 2009. The focus for 2010 is on the expansion of the organisation and the accelerated development of new systems for which there is a market demand. In the solar market, we do not yet expect appreciable revenue for 2010.

## Dividend

Management of DOCDATA N.V. will propose to the shareholders at this year's annual General Meeting of Shareholders, in accordance with Article 28 of the Articles of Association of DOCDATA N.V., to decide to distribute to all shareholders of ordinary shares a dividend amount of € 0.55 per ordinary share out of the profit for the year 2009. The distribution will be subject to dividend withholding taxes, unless the shareholder can prove that substantial holding exemption can be claimed.

At 31 December 2009, the issued share capital of DOCDATA N.V. consists of 7,000,000 ordinary shares with a nominal value of € 0.10 each. DOCDATA N.V. currently holds 351,482 (5.02%) of these issued ordinary shares, which are kept in order to fund the personnel options scheme and to finance future acquisitions. Ordinary shares owned by the Company are not entitled to any distribution of profit. When the General Meeting of Shareholders decides to accept this proposal, an amount of € 3.7 million will be distributed in May 2010 as dividend out of the profit for the year 2009 on the ordinary shares, which are held by other shareholders than the Company. The General Meeting of Shareholders shall be held on Wednesday 12 May 2010 in Waalwijk. The dividend distribution will lead to a decrease of the solvency ratio with some percent-points.

The dividend policy of DOCDATA N.V., adopted by the General Meeting of Shareholders, is aimed at realising a high dividend return, for which a payout ratio of at least 50% is the target. The liquidity and solvency required for the execution of the strategy, will also be taken into consideration. Management of DOCDATA N.V. holds the opinion that the very strong liquidity and solvency of the Company enable the proposed dividend distribution of € 0.55 per share. As a result, the shareholders will directly benefit from the tax profit realised by the Company in 2009 through the one-time higher dividend distribution as proposed.

The dividend proposed by DOCDATA N.V. of € 0.55 per share (in total: € 3.7 million), to be distributed out of the profit for the year 2009, increases with 83% compared to the dividend of € 0.30 per share (in total: € 2.0 million) that was distributed out of the profit for the year 2008. In 2008, a dividend of € 0.25 per share (in total: € 1.7 million) was distributed out of the profit for the year 2007. In 2007, a dividend of € 0.20 per share (in total: € 1.4 million) was distributed out of the profit for the year 2006.

## Accounting principles

The consolidated financial statements of DOCDATA N.V. are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (hereafter IFRS). For an overview of the significant accounting policies under IFRS, please refer to the 2008 Annual Report that is available at the Company and can also be downloaded from the Company's corporate website, [www.docdatanv.com](http://www.docdatanv.com).

## Enclosure with financial information

For a detailed review of the 2009 year-end results, please refer to the attached enclosure 'Financial Information for the year ended 31 December 2009' with Appendix.

## Meeting for financial press and analysts

This morning, 18 February 2010, management of DOCDATA N.V. will discuss the 2009 year-end results in a meeting for which both financial press and analysts have been invited, to be held at 10.30AM Amsterdam time in the Mercurius room of the Financieel Nieuwscentrum Beursplein 5 of NYSE Euronext Amsterdam (Beursplein 5, 1012 JW Amsterdam, telephone +31-20-5505505).

## Presentation for shareholders

For shareholders that appreciate an explanation by management of DOCDATA N.V. of the 2009 year-end results, a separate (private) meeting will be held this afternoon, 18 February 2010, at 3.00PM Amsterdam time in the Mercurius room of the Financieel Nieuwscentrum Beursplein 5 of NYSE Euronext Amsterdam (Beursplein 5, 1012 JW Amsterdam, telephone +31-20-5505505). Management will provide this explanation based on the same presentation as provided this morning to both financial press and analysts. After the meeting with the shareholders, this presentation will be made available for downloading from the Company's corporate website, [www.docdatanv.com](http://www.docdatanv.com). Should you wish to attend this informal shareholders' meeting, please notify the Company. Registration for attendance of the meeting will be possible till the starting time of the meeting.

## Important dates

23 April 2010	Publication of 2009 Annual Report
5 May 2010	Record date (voting rights)
12 May 2010 (*)	Annual General Meeting of Shareholders in Waalwijk
13 May 2010	Cum-date
14 May 2010	Ex date
18 May 2010	Record date (dividend rights)
21 May 2010	Dividend payment date
22 July 2010	Publication of 2010 half-year results

(\*) Note: new date; the 2008 Annual Report referred to 20 May 2010 as preliminary date

The listed DOCDATA N.V. exists of two lines of business:

**Technology company IAI industrial systems** ([www.iai-industrial-systems.com](http://www.iai-industrial-systems.com)) is a high tech engineering company specialised in developing and building systems for very accurate and high speed processing of all kinds of products and materials. IAI delivers clients globally in the following sectors:

- securing and personalising of security documents
- processing of solar cells and modules
- processing of other materials and products

**E-commerce service company Docdata** ([www.docdata.com](http://www.docdata.com)) is a European market leader with a strong basis in The Netherlands, Germany and the United Kingdom, and exists of four services:

- Docdata commerce
- Docdata payments
- Docdata fulfilment
- Docdata media

Waalwijk, The Netherlands, 18 February 2010

Further information: DOCDATA N.V., **M.F.P.M. Alting von Geusau**, CEO, Tel. +31 416 631 100  
Corporate website: [www.docdatanv.com](http://www.docdatanv.com)



## Financial Information

The financial information is prepared in accordance with International Financial Reporting Standards as adopted by the European Union (hereafter “IFRS”) and its interpretations adopted by the International Accounting Standards Board (IASB).

### Revenue

*(in thousands, except percentage figures)*

Revenue by line of business	2009		2008	
	€	%	€	%
E-commerce service company Docdata	62,875	78.1	67,269	85.6
Technology company IAI industrial systems	17,594	21.9	11,351	14.4
Total	80,469	100.0	78,620	100.0

- The combined revenue of the Docdata commerce, payments and fulfilment services increased with € 8.2 million (21%), including a negative foreign exchange effect of € 0.6 million. This revenue increase is the result of autonomous growth (€ 7.4 million, including the negative FX £ effect of € 0.6 million) and through the acquisition of Pegasus Mail GmbH per 1<sup>st</sup> of January 2009 (€ 0.8 million). One client realised slightly more than 10% of the total revenue. The revenue of the Docdata media service decreased with € 12.6 million (43%) in total, of which € 8.5 million as a combined result of the sale of the UK media business by docdata media Ltd. on 30 January 2009 and the sale of all shares of 4DU upgrade GmbH on 20 November 2008; the other € 4.1 million of this revenue decrease was due to declining revenue from replication activities in Tilburg and Berlin.
- The increase in IAI industrial systems’ revenue is realised through the delivery of systems for (amongst others) Rumania, Bulgaria and Sweden. Deliveries consisted of BMOne’s, a CMOne and ImagePerf<sup>®</sup> systems.

### Gross profit

*(in thousands, except percentage figures)*

Gross profit (margin) by line of business (margin as % of revenue by line of business)	2009		2008	
	€	%	€	%
E-commerce service company Docdata	18,184	28.9	18,487	27.5
Technology company IAI industrial systems	7,365	41.9	4,307	37.9
Total	25,549	31.7	22,794	29.0

- The Docdata commerce, payments and fulfilment services contributed € 14.9 million to the gross profit in 2009 compared to € 13.6 million in 2008, mainly due to growth in the number of transactions. The higher Docdata gross profit margin was mainly the result of lower (relative) transport costs recharged. The Docdata media service contributed € 3.3 million to the gross profit in 2009 compared to € 4.9 million in 2008.
- Both the gross profit and gross profit margin of IAI industrial systems increased due to the delivery of a higher number of security systems in 2009, predominantly during the second half-year 2009.

**Operating profit before financing result (EBIT)**  
**Selling & Administrative expenses**  
**Other operating income and expenses**

*(in thousands, except percentage figures)*

	2009		2008	
	€	%	€	%
<b>Operating profit (margin) by line of business</b> <b>(margin as % of revenue by line of business)</b>				
E-commerce service company Docdata	973	1.6	2,726	4.1
Technology company IAI industrial systems	4,913	27.9	2,691	23.7
<b>Total</b>	<b>5,886</b>	<b>7.3</b>	<b>5,417</b>	<b>6.9</b>
<b>Selling &amp; Administrative expenses (as % of revenue)</b>				
Selling expenses	4,530	5.6	5,501	7.0
Administrative expenses	12,073	15.0	11,699	14.9
<b>Total</b>	<b>16,603</b>	<b>20.6</b>	<b>17,200</b>	<b>21.9</b>
<b>Selling &amp; Administrative expenses by line of business (as % of revenue by line of business)</b>				
E-commerce service company Docdata	14,151	22.5	15,585	23.2
Technology company IAI industrial systems	2,452	14.0	1,615	14.2
<b>Total</b>	<b>16,603</b>	<b>20.6</b>	<b>17,200</b>	<b>21.9</b>
<b>Other operating income and expenses (as % of revenue)</b>				
Other operating income	160	0.2	82	0.1
Other operating expenses	3,220	4.0	259	0.3
<b>Net other operating expenses</b>	<b>3,060</b>	<b>3.8</b>	<b>177</b>	<b>0.2</b>

- The operating profit of the Docdata commerce, payments and fulfilment services in 2009 amounts to € 3.6 million (excluding € 2.0 million operating expenses in 2009) compared to € 2.7 million in 2008 and this 33% increase reflects the higher economies of scale and lower selling and administrative expenses. The Docdata media service realised a loss of € 0.6 million in 2009 (2008: close to nil) resulting from the write-off of the German replication activities for around € 0.9 million.
- The increase in operating profit of IAI industrial systems in 2009 is the result of the sale of a higher number of security systems. The selling and administrative expenses of IAI industrial systems increased with € 0.8 million (52%) mainly due to the higher activity level, resulting in higher costs for the organisation including higher personnel costs as a result of the expansion in number of employees. This enabled IAI industrial systems to realise further growth, as well as an entry in the solar market.
- In 2009, net other operating expenses were recorded by Docdata for a total amount of € 3.1 million. These net other operating expenses mainly consist of non-recurring expenses in 2009 for an amount of € 2.9 million, including impairment charges for IT platforms in the UK (€ 0.7 million), impairment charges for goodwill paid on acquisition of docdata e-business GmbH in Münster, Germany (€ 0.7 million), the full write-off of the remaining media production activities in Germany (€ 0.9 million) and creation of provisions (€ 0.6 million in total).

## **Net financing income / (expenses)**

Net financing income in 2009 amounted to € 0.1 million compared to net financing expenses of € 0.5 million in 2008. This increase of € 0.6 million is the combined effect of lower net bank interest expenses resulting from a better liquidity in 2009 (effect: € 0.2 million) and higher foreign currency exchange result in 2009 compared to 2008 (effect: € 0.4 million) due to the British pound recovering against the euro since January 2009.

## **Income tax expense**

DOCDATA's effective tax rate in 2009 was negative 27.5% (representing a tax credit) with an income tax profit of € 1.7 million on a profit before income tax of € 6.0 million. In 2008, the profit before income tax amounted to € 5.0 million and the income tax expense amounted to € 1.3 million (effective tax rate: 26.7%).

The income tax profit of € 1.7 million in 2009 is the combined result of the following tax treatments of the results per country:

- In the Netherlands, a tax charge has been recorded at a corporate income tax rate of 25.5% on the taxable income for the Dutch fiscal entity as well as for the Dutch subsidiaries that are not part of this fiscal entity. As the liquidation of docdata media Ltd. in the UK has been completed, the Dutch fiscal entity has recorded an income tax credit of around € 4 million on the liquidation loss of over € 15 million. Furthermore, a deferred tax provision of € 0.2 million was recorded for non-recognised net operating losses, given uncertainty about the timely consummation of these losses before the 2011 year-end by one of the Dutch subsidiaries that are not part of the fiscal entity.
- In the United Kingdom, income taxes are recorded against a corporate income tax rate of 28% (2008: 28.0%). As a consequence of the sale on 30 January 2009 of the UK media business and tangible fixed assets to Sound Performance Manufacturing Ltd., no deferred tax assets on the remaining net operating losses and capital allowances of docdata media Ltd. have been recognised in the consolidated balance sheets at 31 December 2009 and at 31 December 2008. No income tax has been recorded in 2009 on non-tax deductible expenses for a total value of € 0.4 million, consisting of impairment of intangible assets and the release of the remaining balance of the provision for the sale of the UK media business and tangible fixed assets.
- In Germany, a tax charge has been recorded at a corporate income tax rate of in general around 30% on taxable income for the German entities, taking into account lower income tax rates for some regions in Germany when and where applicable. No income tax has been recorded in 2009 on non-tax deductible expenses for a total value of € 1.6 million, consisting of impairment of goodwill and the full write-off of the remaining media production activities.

## **Liquidity and capital resources**

The General Annual Meeting of Shareholders held on 13 May 2009 approved the proposal to distribute a dividend of € 0.30 per ordinary share outstanding (excluding own shares held by the Company), which had a decreasing impact of € 2.0 million on retained earnings within the equity of the Company in 2009.

In 2009 31,420 personnel options were exercised from the 2004 series at a price of € 4.48 per share. The underlying shares have been delivered by the Company from the own shares in possession of the Company. The proceeds of € 141 thousand have been credited to equity under reserves, as the purchase of own shares has been charged to reserves in the past. Per 31 December 2009, the Company owned 351,482 own shares (5.02%), which number is the same as the number of own shares currently owned by the Company per today, 18 February 2010.

## **DOCDATA N.V. – Financial Information for the year ended 31 December 2009**

In 2009, the Group realised net cash from operating activities of € 7.4 million (2008: € 8.9 million). Of these total available funds, € 5.7 million was spent and the remaining € 1.7 million resulted in an increase of the net cash position to € 6.1 million from € 4.4 million at 31 December 2008. The € 5.7 million were for a large part spent on the € 2.0 million dividend payment. In addition, the Group has invested a total amount of € 3.6 million in 2009: € 2.7 million in property, plant and equipment (mainly warehousing equipment and investment in IT infrastructure); € 0.8 million for the acquisition of the remaining minority interests in Braywood Holding Ltd. (14.40% of shares), docdata commerce Ltd. (29.10% of shares; formerly named Hitura Ltd.), and docdata e-business GmbH (30.0% of shares; formerly named Pegasus Dienstleistungen GmbH), and € 0.1 million in intangibles (predominantly IT development costs) and in associates.

Waalwijk, 18 February 2010

## DOCDATA N.V. – Financial Information for the year ended 31 December 2009

## Consolidated Financial Statements

## 1. Consolidated Balance Sheets

Balance sheets before appropriation of profit.

	31 December 2009	31 December 2008
<i>(in thousands)</i>	€	€
<b>Assets</b>		
Property, plant and equipment	6,221	6,275
Intangible assets	8,633	9,979
Investments in associates	62	174
Other investments	100	100
Trade and other receivables	200	108
Deferred tax assets	1,130	752
<b>Total non-current assets</b>	<b>16,346</b>	<b>17,388</b>
Inventories	6,861	3,593
Income tax receivables	3,038	468
Trade and other receivables	15,566	12,868
Cash and cash equivalents	6,147	6,034
Assets classified as held for sale	1,054	549
<b>Total current assets</b>	<b>32,666</b>	<b>23,512</b>
<b>Total assets</b>	<b>49,012</b>	<b>40,900</b>
<b>Equity</b>		
Share capital	700	700
Share premium	16,854	16,854
Translation reserves	(1,030)	(1,313)
Reserve for own shares	(2,940)	(3,218)
Retained earnings	13,720	7,882
<b>Total equity attributable to equity holders of the parent</b>	<b>27,304</b>	<b>20,905</b>
Minority interest	107	292
<b>Total equity</b>	<b>27,411</b>	<b>21,197</b>
<b>Liabilities</b>		
Interest-bearing loans and other borrowings	313	628
Employee benefits	-	100
Deferred tax liabilities	288	437
<b>Total non-current liabilities</b>	<b>601</b>	<b>1,165</b>
Bank overdrafts	-	1,675
Interest-bearing loans and other borrowings	-	94
Income tax payable	340	323
Trade and other payables	18,668	16,054
Provisions	1,039	93
Liabilities classified as held for sale	953	299
<b>Total current liabilities</b>	<b>21,000</b>	<b>18,538</b>
<b>Total liabilities</b>	<b>21,601</b>	<b>19,703</b>
<b>Total equity and liabilities</b>	<b>49,012</b>	<b>40,900</b>

## DOCDATA N.V. – Financial Information for the year ended 31 December 2009

## 2. Consolidated Income Statements

<i>(in thousands, except earnings per share and average shares outstanding)</i>	2009		2008	
	€	%	€	%
Revenue	80,469	100.0	78,620	100.0
Cost of sales	(54,920)	(68.3)	(55,826)	(71.0)
<b>Gross profit</b>	<b>25,549</b>	<b>31.7</b>	<b>22,794</b>	<b>29.0</b>
Other operating income	160	0.2	82	0.1
Selling expenses	(4,530)	(5.6)	(5,501)	(7.0)
Administrative expenses	(12,073)	(15.0)	(11,699)	(14.9)
Other operating expenses	(3,220)	(4.0)	(259)	(0.3)
<b>Operating profit before financing result</b>	<b>5,886</b>	<b>7.3</b>	<b>5,417</b>	<b>6.9</b>
Financial income	301	0.4	550	0.7
Financial expenses	(195)	(0.2)	(1,012)	(1.3)
<b>Net financing income / (expenses)</b>	<b>106</b>	<b>0.2</b>	<b>(462)</b>	<b>(0.6)</b>
Share of profits of associates	37	-	58	0.1
<b>Profit before income tax</b>	<b>6,029</b>	<b>7.5</b>	<b>5,013</b>	<b>6.4</b>
Income tax profit / (expense)	1,660	2.1	(1,337)	(1.7)
<b>Profit for the period</b>	<b>7,689</b>	<b>9.6</b>	<b>3,676</b>	<b>4.7</b>
<b>Attributable to:</b>				
Equity holders of the parent	7,831	9.7	3,606	4.6
Minority interest	(142)	0.1	70	0.1
<b>Profit for the period</b>	<b>7,689</b>	<b>9.6</b>	<b>3,676</b>	<b>4.7</b>
Weighted average number of shares outstanding	6,649,000		6,668,000	
Weighted average number of shares (diluted)	6,946,000		6,921,000	
<b>Earnings per share</b>				
Basic earnings per share	1.16		0.55	
Diluted earnings per share	1.11		0.53	

## DOCDATA N.V. – Financial Information for the year ended 31 December 2009

## 3. Consolidated Statements of Cash Flows

<i>(in thousands)</i>	2009 €	2008 €
<b>Cash flows from operating activities</b>		
Profit for the period	7,689	3,676
<i>Adjustments for:</i>		
Depreciation and amortisation	5,223	3,749
Costs share options and delivered shares	137	244
Financial expenses	195	1,012
Financial income	(301)	(550)
Share of profits of associates	(37)	(58)
Income tax expense	(1,660)	1,337
<b>Cash flows from operating activities before changes in working capital and provisions</b>	11,246	9,410
(Increase) / Decrease in trade and other receivables and assets held for sale	(3,003)	642
(Increase) / Decrease in inventories	(3,268)	158
Increase / (Decrease) in trade and other payables and liabilities held for sale	3,048	(3)
Increase / (Decrease) in provisions and employee benefits	846	(272)
<b>Cash generated from the operations</b>	8,869	9,935
Interest paid	(266)	(714)
Interest received	209	541
Income taxes paid	(1,452)	(846)
<b>Net cash from operating activities</b>	7,360	8,916
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(2,703)	(2,156)
Acquisition of subsidiaries	(806)	(1,353)
Acquisition of associates and other investments	(62)	(985)
Acquisition of intangible assets	(67)	(49)
Proceeds from sale of property, plant and equipment	118	28
<b>Net cash from investing activities</b>	(3,520)	(4,515)
<b>Cash flows from financing activities</b>		
Dividends paid	(2,031)	(1,890)
(Repayment of) / Proceeds from bank overdrafts	(325)	25
Repayment of interest-bearing loans and other borrowings	(60)	(117)
Loans provided to associates	(200)	-
Proceeds from exercise of share options	141	48
Proceeds from interest-bearing loans and other borrowings	-	110
Own shares bought	-	(1,916)
<b>Net cash from financing activities</b>	(2,475)	(3,740)
Net (decrease) increase in cash and cash equivalents	1,365	661
Cash and cash equivalents at the beginning of the period	6,034	5,586
Bank overdrafts balanced with cash and cash equivalents	(1,350)	-
Effect of exchange rate fluctuations on cash held	98	(213)
<b>Cash and cash equivalents at the end of the period</b>	6,147	6,034

## DOCDATA N.V. – Financial Information for the year ended 31 December 2009

## 4. Consolidated Statements of Shareholders' Equity

<i>(in thousands)</i>	Share capital €	Share premium €	Reserves €	Retained earnings €	Total equity attributable to equity holders of the parent €	Minority interest €	Total equity €
<b>Equity Statement 2008</b>							
Balance at 1 January 2008	731	16,854	(1,674)	5,932	21,843	344	22,187
Dividend distribution	-	-	-	(1,656)	(1,656)	(234)	(1,890)
Cancellation of own shares	(31)	-	31	-	-	-	-
Shares bought	-	-	(1,916)	-	(1,916)	-	(1,916)
Exercised share options	-	-	48	-	48	-	48
Delivered shares for remuneration	-	-	135	-	135	-	135
Costs share options	-	-	109	-	109	-	109
Consolidation of former associate	-	-	-	-	-	112	112
Total recognised income and expense for the period	-	-	(1,264)	3,606	2,342	70	2,412
Balance at 31 December 2008	700	16,854	(4,531)	7,882	20,905	292	21,197
<b>Equity Statement 2009</b>							
Balance at 1 January 2009	700	16,854	(4,531)	7,882	20,905	292	21,197
Dividend distribution	-	-	-	(1,993)	(1,993)	(38)	(2,031)
Exercised share options	-	-	141	-	141	-	141
Delivered shares for remuneration	-	-	37	-	37	-	37
Costs share options	-	-	100	-	100	-	100
Consolidation of former associate	-	-	-	-	-	(5)	(5)
Total recognised income and expense for the period	-	-	283	7,831	8,114	(142)	7,972
Balance at 31 December 2009	700	16,854	(3,970)	13,720	27,304	107	27,411

## DOCDATA N.V. – Financial Information for the year ended 31 December 2009

## 5. Consolidated Statements of recognised Income and Expense

<i>(in thousands)</i>	2009	2008
	€	€
Foreign exchange translation differences, net of tax	283	(1,264)
Income / (Expense) recognised directly in equity	283	(1,264)
Profit for the period	7,689	3,676
<b>Total recognised income and expense for the period</b>	<b>7,972</b>	<b>2,412</b>
<b>Attributable to:</b>		
Equity holders of the parent	8,114	2,342
Minority interest	(142)	70
<b>Total recognised income and expense for the period</b>	<b>7,972</b>	<b>2,412</b>

## 6. Notes to the Consolidated Financial Statements

## 6.1 Reporting entity

DOCDATA N.V. (referred to as “DOCDATA” or the “Company”) is a company domiciled in Waalwijk, the Netherlands. The consolidated financial statements of DOCDATA N.V. as at and for the year ended 31 December 2009 comprise DOCDATA N.V. and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates and jointly controlled entities.

The consolidated financial statements of the Group as at and for the year ended 31 December 2008 are available upon request from the Company’s registered office at Energieweg 2, 5145 NW in Waalwijk, the Netherlands, or at the Company’s corporate website, [www.docdatanv.com](http://www.docdatanv.com).

## 6.2 Statement of compliance

These consolidated financial statements do not include all of the information required for full annual financial statements, and should therefore be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2008.

## 6.3 Significant accounting policies

The consolidated financial statements of the Group are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (“IFRS”). The accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2008. For a summary of the significant accounting policies under IFRS, please refer to the Group’s Annual Report for the financial year ended 31 December 2008.

## 6.4 Management representations

In the opinion of the management, these consolidated financial statements include all adjustments necessary for a fair presentation of the financial position, operating results and cash flows of all reporting periods herein. All such adjustments are of a normal recurring nature, except for recorded non-recurring adjustments for the following topics:

## DOCDATA N.V. – Financial Information for the year ended 31 December 2009

- impairments of goodwill and other intangibles;
- impairment of assets and liabilities reported as assets and liabilities classified as held for sale;
- valuation of corporate income tax assets and profits, resulting from the liquidation of former subsidiaries.

### 6.5 Organisation structure and segmentation

From 1 January 2008 onwards, DOCDATA has changed the organisation structure from a country organisation to a divisional structure. Starting the financial year 2008, DOCDATA identifies for the purpose of preparing financial statements the following two lines of business: Internet service company Docdata (consisting of the following four services: Docdata commerce, Docdata payments, Docdata fulfilment and Docdata media) and Technology company IAI industrial systems. Starting 1 January 2010, the names of the two lines of business are:

- E-commerce company Docdata;
- Technology company IAI industrial systems.

### 6.6 Consolidation

In the consolidated financial statements for the year ended 31 December 2009, the following treatment has been applied for the following incorporation and acquisition:

- **IAI industrial systems GmbH:** per 12 January 2009, IAI industrial systems B.V. has incorporated a new legal entity for its Germany subsidiary, IAI industrial systems GmbH in Berlin. The balance sheet and income statement of IAI industrial systems GmbH have been included in the DOCDATA consolidation starting per the date of incorporation;
- **Pegasus Mail GmbH:** on 9 January 2009, docdata e-business GmbH has acquired all issued shares of Pegasus Mail GmbH in Münster (Germany). This company operates fulfilment services related to print and mail. The balance sheet and income statement of Pegasus Mail GmbH have been included in the DOCDATA consolidation starting per the acquisition date.

In the consolidated financial statements for the year ended 31 December 2008, the following treatment has been applied for the acquisitions and divestments mentioned:

- **docdata media Ltd.:** on 30 January 2009 docdata media Ltd. has sold its complete business activities for CD and DVD replication and Audio Cassette manufacturing to Sound Performance Manufacturing Ltd., a subsidiary of the UK based Sound Performance Ltd. This transaction includes the sale by docdata media Ltd. as per the transaction date of 30<sup>th</sup> of January 2009 of its business activities, tangible fixed assets, stocks, customer contracts, trade creditors, personnel and staff. The assets and liabilities part of this transaction have been accounted for at the lower of book value or net realisable value and have been recorded under assets classified as held for sale and liabilities classified as held for sale in the consolidated balance sheet at 31 December 2008.
- **docdata e-business GmbH** (formerly named '**Pegasus e-Business GmbH**'): DOCDATA has increased its share interest in Pegasus e-Business GmbH in Münster (Germany; formerly named 'Pegasus Dienstleistungen GmbH') from 30% to 70%, through the exercise of the call option on 40% of the issued share capital which was part of the original sale and purchase agreement from September 2006. The balance sheet and income statement of Pegasus e-Business GmbH has been included in the DOCDATA consolidation starting 1 January 2008;
- **docdata commerce Limited** (formerly named '**Hitura Limited**'): DOCDATA has acquired an interest of 61.2% in the issued share capital of Hitura Ltd. in London (England), with an agreement on the purchase of the remaining minority shares between 2008 and 2013. The balance sheet and income statement of Hitura Ltd. have been included in the DOCDATA consolidation starting 1 February 2008. On 2 July 2008, DOCDATA has acquired an additional 9.7% interest in the issued share capital of docdata commerce Ltd., bringing the total DOCDATA share to 70.9% as of that date.
- **4D upgrade GmbH:** on 20 November 2008, DOCDATA has sold its share interest of 85.0% in the issued share capital of 4D upgrade GmbH in Großbeeren (Germany) to the (third-party) minority shareholders, with 30 November 2008 as effective transaction date for the transfer of the share ownership. Therefore, the balance sheet at 31 December 2008 of 4D upgrade GmbH has not been included in the consolidated balance sheet at 31 December 2008, and the revenues and results of 4D upgrade GmbH are included in the 2008 consolidated income statement of DOCDATA for the 11-months' period from 1 January 2008 till 30 November 2008.

## DOCDATA N.V. – Financial Information for the year ended 31 December 2009

**6.7 Property, plant and equipment**

	31 December 2009	31 December 2008
<i>(in thousands)</i>	€	€
Land and buildings	1,349	1,449
Machinery and equipment	2,937	2,929
Other	1,879	1,855
	<u>6,165</u>	<u>6,233</u>
Under construction	56	42
<b>Total</b>	<u>6,221</u>	<u>6,275</u>

The book value of property, plant and equipment has remained at € 6.2 million over 2009 as a combined result from depreciation charges for € 2.8 million (including an additional depreciation of € 0.4 million for the write-off of the remaining book value at 31 December 2008 of the machinery and equipment of the German media production activities), currency exchange profits for € 0.1 million on the UK property, plant and equipment accounted for in British pounds, and capital expenditure for € 2.7 million.

**6.8 Intangible assets**

	31 December 2009	31 December 2008
<i>(in thousands)</i>	€	€
Goodwill	6,626	6,562
Customer contracts	468	627
IT platforms	1,539	2,790
<b>Total</b>	<u>8,633</u>	<u>9,979</u>

The book value for intangible assets has decreased with € 1.3 million in 2009, due to the following:

- goodwill paid (€ 0.6 million) for the acquisition of the remaining minority interests in Braywood Holding Ltd. (14.40% of shares), docdata commerce B.V. (20.0% of shares), docdata commerce Ltd. (29.10% of shares; formerly named Hitura Ltd.) and docdata e-business GmbH (30.0% of shares; formerly named Pegasus Dienstleistungen GmbH). At 31 December 2009, the Group owns the economical rights to all the shares in these subsidiaries going back to 1<sup>st</sup> of January 2009;
- capital expenditure for IT platforms (€ 0.1 million in total);
- amortisation charges for customer contracts and IT platforms (€ 0.8 million in total);
- impairments for IT platforms and goodwill paid on acquisition (€ 1.5 million in total);
- currency exchange profits (€ 0.3 million) on the valuation of the intangible assets with an original value in British pounds (i.e. related to the Braywood and Hitura acquisitions).

**6.9 Inventories**

	31 December 2009	31 December 2008
<i>(in thousands)</i>	€	€
Raw and auxiliary materials	720	1,050
Work in progress	6,066	2,375
Finished goods	75	168
<b>Total</b>	<u>6,861</u>	<u>3,593</u>

## DOCDATA N.V. – Financial Information for the year ended 31 December 2009

The book value of inventories increased € 3.3 million in 2009, which is only caused by increased work in progress at IAI industrial systems. The largest part of the systems being build, which are included in this work in progress, are scheduled for delivery in the first half-year 2010. IAI industrial systems' order book increased during 2009 from € 10.8 million at 31 December 2008 to € 13.7 million at 31 December 2009.

## 6.10 Segmented Consolidated Income Statement 2009

	E-commerce service company Docdata		Technology company IAI industrial systems	
	€	%	€	%
<i>(in thousands, except earnings per share and average shares outstanding)</i>				
Revenue	62,875	100.0	17,594	100.0
Cost of sales	(44,691)	(71.1)	(10,229)	(58.1)
<b>Gross profit</b>	<b>18,184</b>	<b>28.9</b>	<b>7,365</b>	<b>41.9</b>
Other operating income	160	0.3	-	-
Selling expenses	(3,797)	(6.0)	(733)	(4.2)
Administrative expenses	(10,354)	(16.5)	(1,719)	(9.8)
Other operating expenses	(3,220)	(5.1)	-	-
<b>Operating profit before financing result</b>	<b>973</b>	<b>1.6</b>	<b>4,913</b>	<b>27.9</b>
Financial income	220	0.3	81	0.5
Financial expenses	(140)	(0.2)	(55)	(0.3)
<b>Net financing income / (expenses)</b>	<b>80</b>	<b>0.1</b>	<b>26</b>	<b>0.2</b>
Share of profits of associates	37	-	-	-
<b>Profit before income tax</b>	<b>1,090</b>	<b>1.7</b>	<b>4,939</b>	<b>28.1</b>
Income tax profit / (expense)	2,996	4.8	(1,336)	(7.6)
<b>Profit for the period</b>	<b>4,086</b>	<b>6.5</b>	<b>3,603</b>	<b>20.5</b>
<b>Attributable to:</b>				
Equity holders of the parent	4,228	6.7	3,603	20.5
Minority interest	(142)	(0.2)	-	-
<b>Profit for the period</b>	<b>4,086</b>	<b>6.5</b>	<b>3,603</b>	<b>20.5</b>