

*Structural changes at Nedap*

## Higher profit in 2014 due to exceptional income, financial position further reinforced

Groenlo, 12 February 2015

The executive board of N.V. Nederlandsche Apparatenfabriek "Nedap" took a number of decisions at the end of the 2014 financial year which on balance led to an extra profit of € 8.1 million (after tax). This was primarily caused by the adjustment of the organisation of the market group Energy Systems in line with the rapidly changing economic conditions, and the introduction of a new pension scheme. The solvency position consequently went up from 36.6% at the end of 2013 to 42.9% at the end of 2014. The revenue went up in 2014 by 2% to € 177.2 million (2013: €173.7 million). The profit on normal operating activities of € 9.8 million remained at the same level as in 2013. The total profit after taxes ended at € 17.9 million (2013: € 9.8 million). This resulted in earnings per share of € 2.67 compared to € 1.46 in 2013. Of the profit, € 8.4 million will be distributed as dividends. The dividend per share thus amounts to € 1.25. The dividend in 2013 was € 1.10.

€ x million	2014	2013	2012
Revenue	177.2	173.7	171.9
Revenue growth in %	2%	1%	13%
Operating profit in % of revenue	12.7%	6.8%	9.5%
Operating profit in % of revenue excluding exceptional items	7.0%	6.8%	9.5%
Profit after taxes	17.9	9.8	13.5
Profit after taxes excluding exceptional items	9.8	9.8	13.5
Profit after taxes in % of revenue excluding exceptional items	5.5%	5.6%	7.9%
Earnings per share	€ 2.67	€ 1.46	€ 2.01
Earnings per share excluding exceptional items	€ 1.46	€ 1.46	€ 2.01
Dividend per share	€ 1.25	€ 1.10	€ 1.51
Pay out ratio excluding exceptional	85%	75%	75%
Solvency*	42.9%	36.6%	38.9%

\*solvency means the equity excluding the dividend payable and non-controlling interests expressed as a percentage of total assets.

The exceptional items, on balance € 8.1 million after taxes, consisted of a one-off gain of € 15 million due to the conversion of the pension scheme from a Defined Benefit scheme into a Defined Contribution scheme as per 1 January 2015, and a loss of € 6.9 million, primarily due to the reorganisation of the market group Energy Systems to meet the rapidly changing circumstances in the market for distributed storage.

In the press release of 17 December 2014, it was assumed there would be a pension gain of about € 10 million. The difference with the actual gain of € 15 million was caused by a further sharp drop in the interest rates in the final weeks of 2014. In addition to this pension gain, resulting from the elimination of future liabilities, there were also actuarial results. These actuarial results, estimated in the aforementioned press release at around € 3 million negative, went up by € 4.6 million to € 7.6 million negative on account of the drop in interest rates. The actuarial results were charged directly against the equity. The market groups Healthcare, Light Controls, Livestock Management, and Security Management all finished the year with higher revenue. The revenue of the Retail market group was more or less the same as in 2013. The revenue of the market groups Energy Systems, Identification Systems, and Library Solutions were down on the previous year. The added value, expressed as a percentage of the revenue, went up in the year under review from 68.4% (2013) to 70.0%.

#### Developments in the various markets

In 2014, the revenue of the market group **Healthcare** (automation of administrative duties of healthcare professionals to create more time for care) rose once again. A record number of new care institutions switched to the software services of Nedap during the year. The care market is currently under pressure due to cuts in government spending and the decentralisation of responsibilities to local government. The numerous changes in statutory regulations have had a direct effect on the requirements that are set for the software used to support care processes. An increasing number of competitors are finding it extremely difficult to implement the necessary changes in their products, which could result in major problems. The inability to be ready in time for the imminent changes in data traffic between care centres, insurance companies, and local councils could, in a worst-case scenario, even lead to a loss of income flows for care institutions. Thanks to the considerable investment in the strengthening of the underlying architecture in recent years, Nedap is currently at an advanced stage in the implementation of the required modifications in its software. This means that despite the radical change in the way information will be exchanged between the different parties, the Nedap software services will be able to guarantee the continuity of uninterrupted operations. This is a decisive factor that is convincing more and more care organisations to switch to Nedap. The announced cuts in government spending on healthcare will have a moderating effect on the turnover developments of Nedap Healthcare. The continuous investment in product innovation, however, is expected to increase the market share of Nedap in the healthcare market even further. The market group therefore believes the growth in revenue will continue over the coming years. In the year under review, the number of hours registered by the Pep® suite (digital timesheet processing mainly for employment agencies and part of the Healthcare market group) also showed a healthy increase. This software service supports the administration processes of employment agencies, which frees up more time for the development of the interconnection between temporary workers and hiring organisations. The market group also expects a further growth in revenue in this area over the coming years.

The market group **Light Controls** (power electronics and control systems for the lighting industry) also managed to achieve a growth in revenue in 2014. It is becoming increasingly common for UV light to be used to accelerate the drying of industrial inks, coatings, and adhesives. Nedap has succeeded in building up an excellent position in this growing market segment over the past years, especially in high-power lighting. Our products not only deliver significant energy savings, they also provide a far more precise regulation of the amount of UV light at any particular time. In light of the expectations of our clients and our technological advantage over the competition, we expect a further growth in revenue in this segment. In the UV purification segment, a growth in turnover was likewise achieved with an increase in the number water purification projects. In the absence of a ratification of the international treaty on the control and the management of ballast water and sediments on ships (regulations of the International Maritime Organisation), the demand for our solutions for ballast water purification in the shipping sector remained stable. Once this treaty has been converted into statutory obligations, seagoing vessels around the world will have to purify the ballast water they are carrying before it is discharged. This will then immediately result in a strong growth in turnover in this segment. However, at this point it is still unclear when the ratification will take place. Due to the growing popularity of LED solutions for street lighting, the demand for QL products has declined. Although this trend had been expected, the rapidity of the decline in turnover in 2014 took us by surprise. This downward trend is also expected to continue over the coming years. The sharp drop in the price of oil meant that the demand for our explosion-proof lighting systems for industrial applications and the offshore sector also declined in the 2nd half of 2014.

During the past year, a lot of work went into expanding the competitive strength of the Luxon® product line. For example, the product line has been expanded with our own fittings for HID lighting. With the combination of power supplies and matching fittings, it will be a lot easier for our partners when making offers for projects. Furthermore, in 2014 the finishing touches were applied to the Luxon CQ, an automatic switching device suitable for ceramic HID lamps. A major positive development was the extension of the scope of application of the Luxon Live light management system from HID to LED technology. Now this can also be offered in combination with LED, the appeal of our light management system has been significantly enhanced. Because the lighting market is so broad, the market group is focusing on a limited number of segments where it can make a difference. With the investment in premium products and an effective sales organisation, the market group expects a further growth in revenue over the coming years.

The market group **Livestock Management** (automation of livestock management processes based on individual animal identification, which help livestock farmers to optimise their business processes and to improve the well-being of humans and animals) managed to achieve a growth in revenue once more in 2014. The activities in both the dairy farming segment and the pig breeding segment have contributed to this growth.

The economic conditions in the dairy farming segment worldwide were favourable during virtually all of 2014, which increased the willingness of dairy farmers to invest. The demand for dairy produce went up above all in Asian countries, although the production of dairy produce mainly takes place in Western countries. The abolition of the milk quota in Europe in 2015 has already persuaded many dairy farmers to undertake consolidation in order to be able to compete on the global market with competitive prices over the coming years.

Following the intensive marketing activities of recent years, the number of Nedap group housing systems for the pig-breeding sector that were sold and installed in the North American pig farming industry went

up significantly in 2014. This growth was partly driven by the growing public concern about animal-friendly practices in the pig-breeding sector. But especially now that we have also achieved excellent production results with Nedap devices in North America as well, the demand for our solutions is growing rapidly. Because animal feed is a significant cost factor for pig-breeding businesses, the efficient use of animal feed is essential in order to maintain a healthy commercial position. In recent years, a lot of work has also been put into expanding the product range for the pig-breeding segment. For example, we now offer breeding organisations an easy and automated way of registering the results of their new genetic lines with our "Pig Performance Test". Pig farmers can also quickly evaluate the feed intake relative to the weight increase. After a successful start in China, various companies in Europe have also been equipped with these systems over the past year. The continuous upgrading and expansion of our product assortment for both the dairy farming sector and the pig-breeding sector has resulted in a further improvement of our competitive strength. In combination with the continued expansion of our sales channels, the market group is excellently positioned to take advantage of the expected growth in the agrarian sector over the coming years. Although the unpredictability of yield and animal feed prices can lead to volatility in turnover in the short term, the market group nonetheless expects to see a further growth in revenue in 2015.

The **Security Management** market group (systems for access control, registration, payment, fire and intrusion alarms, surveillance, locker management, and biometrics) managed - despite the challenging market conditions in Europe - to achieve a further growth in revenue once more in 2014. The European market for physical security management is characterised by a large number of providers with their own products. The average turnover per product platform is consequently often rather limited. Because of the combination of increasing competition on pricing and the more stringent demands being placed on products, many competitors have seen a sharp decline in their profit potential. More and more companies are therefore being forced to scale down their research and development activities. This reduces their competitive strength and creates new commercial opportunities for Nedap. Our strategy to increase our market share is based on three cornerstones. The first strategic cornerstone is our Global Client Programme (GCP), which meets the demand of a growing number of multinationals for a single standard solution for their security needs worldwide. The methodology developed by Nedap provides a global blueprint that can then be used for the implementation of individual projects in countries throughout the entire world. Certified installation partners in all parts of the world are used for this. This Global Client Programme is increasing our ability to bind major organisations to Nedap. The second cornerstone is aimed at increasing the turnover per project, by offering additional security functionality, such as intrusion alarms and video surveillance, in addition to access control and locker management. The security platform AEOS offers a unique alternative in this area. Whereas most competitors realise the integration of the different security functions centrally at service level, with the AEOS platform, software is used to link different types of security sensors with each other at controller level. The scalability and simplicity of this integrated solution means it is growing in popularity with more and more clients. Over the coming years, we will be expanding the security functionalities on the AEOS platform even further. The third cornerstone of our strategy takes advantage of the recognition within the European security market that Nedap AEOS offers the most advanced security management platform. That is why at the end of 2014 a new hardware line was launched with AEOS Blue, whereby the renowned functional strength of AEOS is combined with competitive pricing and an improved ease of installation. Furthermore, a greatly simplified licensing model and the new Channel Partner Programme have made it even more attractive for installation companies to offer Nedap

systems. The market group therefore expects a significant increase in the number of partners over the coming years, as well as a sharp rise in the number of AEOS projects.

Despite the difficult conditions in the retail trade sector, the market group **Retail** (security, management and information systems for retail) managed to consolidate the growth in revenue. A growing number of supermarket and hypermarket chains are putting the !Sense product line on their list of approved anti-shoplifting systems for their stores, which is a precondition for acceptance as a supplier. Another major, positive development is that the hard-discounters are also becoming convinced about the added value of anti-shoplifting systems. This had a positive impact on turnover in various countries during the year under review. This compensated for the sharp drop in turnover caused by the geopolitical unrest in Russia and Ukraine, as well as the decline in retail investment due to the negative economic sentiment in France. Over the last year the market group carried out pilot projects with a diverse group of fashion retailers in order to demonstrate the added value of RFID for the retail trade sector. The baseline measurements in the pilot stores, for example, showed that the accuracy of the stock inventory was often lower than 70%. If accurate information is not available about what is being held in stock in the store, and if articles in the desired colour or size are not in stock or still in the warehouse, then this increases the risk of clients not being able to find what they are looking for. This means valuable sales opportunities will be lost. With StoreID, Nedap offers retailers a combination of readers and software services for the simple daily tracking of stock inventories. With the information that is read in the store, in combination with smart software, accurate details of the stock actually held in the store can be generated quickly and easily. The practical trials consistently showed that within two weeks the stock accuracy had risen to over 98%. By knowing exactly what is being held in stock, the right articles can be reordered and more sales opportunities can be turned into actual sales. This has a direct positive effect on turnover of several per cent. A growing number of retailers are already experiencing the significant impact of RFID on the profitability of a store. With the expansion of the product portfolio and the geographical areas where it is active, the market group sees excellent growth opportunities. It is still nonetheless difficult to predict exactly when these opportunities will be converted into turnover. Although the project-based character of its activities will lead to turnover volatility in the short term, the market group expects to see a further growth in revenue in the long term.

During the year under review, the market group **Energy Systems** (systems for the independent and effective generation, storage and consumption of electricity) was confronted by a significant reduction in the subsidisation schemes across Europe. With the budget crisis that is currently unfolding in various countries and the stricter European policy on national subsidisation schemes, certain commitments that have already been made are being reversed. Whereas only last year schemes were being introduced to encourage the purchase of batteries for domestic use, the introduction of an energy tax on the consumption of self-generated electricity is now being considered. These developments have led to a sharp decline in the willingness to invest in solar energy installations. Although the market group managed to consolidate its market share with the PowerRouter, there was nonetheless a drop in turnover in 2014. It is also expected that the market for 'distributed storage', which we are targeting with the PowerRouter, will develop in a less favourable way over the coming years than previously thought. A decision was therefore taken at the end of 2014 to adjust the size of the activities of the Energy Systems market group in line with the new market reality. This meant that some of the staff in Energy Systems were reassigned to other market groups,

where they currently have more added value for Nedap at this point in time. In addition, investments that had already been made in research and development, testing equipment, and stock were written off more rapidly. Despite the current downturn in the market, as general expected, distributed storage of energy will remain an essential component of the smart electricity grids of the future. Only in this way will it be possible to handle the growth of alternative energy sources and the sharp fluctuations in revenue. At this point in time, however, it is still not possible to predict exactly when this market growth in storage systems will emerge. Following the adjustments to the organisation of Energy Systems, a robust core team now remains, with structurally lower costs, but which still has the operational strength to serve the various markets in Europe. Furthermore, the possibility of collaborating with strategic partners is also being actively investigated. At the time of writing of this press release, there was still not any certainty about whether or not a partnership will actually be formed. Despite the downscaling of the growth ambitions for distributed storage in the various countries, there are still market opportunities for the PowerRouter. With a proven solution, collaboration agreements with all the major battery suppliers, and an extensive partner network, the market group is well positioned as the market leader in this field to convert these opportunities into concrete sales.

The revenue of the market group **Identification Systems** (systems for vehicle and driver identification as well as wireless parking systems) in 2014 finished at almost the same level as the previous year. The biggest reason for the slight drop was the decline in the number of large-scale projects in the various regions of the international market where this market group is active. With the SENSIT proposition, the market group offers a solution that maximises the use of available parking spaces on streets, and reduces traffic congestion because drivers are directed straight to the available parking spaces. Various projects around the world have demonstrated that a sizeable return on investment can be achieved with wireless parking sensors. Project-based turnover will also influence the short-term development of revenue over the coming years. However, with its solid and growing product range and its increasingly more effective marketing strategy, the market group expects to see a further growth in revenue over the coming years.

With the phasing out of the project-based activities and the focus on becoming a technology provider, the turnover of the market group **Library Solutions** (RFID self-service systems for libraries) declined further in 2014. The revenue from technological core components for automated libraries will, however, have a significantly higher added value than the revenue from project-based activities. In 2014 we focused a great deal of attention on the strengthening of our commercial activities. In addition to the opening up of new sales channels, extra attention was also given to increasing turnover with existing business partners. These efforts are expected to generate additional revenue growth in 2015.

#### Financial

The total revenue for 2014 ended at € 177.2 million, 2% higher than in 2013 (€ 173.7 million). The revenue from services (subscriptions and maintenance contracts) rose further in the year under review to € 23.6 million (2013: € 21.0 million). This now amounts to 13.3% of the total revenue (2013: 12.1%). The added value as a percentage of revenue (revenue plus or minus movements in inventories minus cost of material) went up from 68.4% (2013) to 70.0%.

Expenditure on "Subcontracting and other external costs" was up by € 1.1 million compared to 2013.

This increase was due to the higher expenditure on the improvement of the scalability of the organisation. During the year under review, the number of employees went up by 17 to 761 at the end of the year. On average, there were 15 more employees than in 2013. Above all the increase in the number of employees, but also the increases under the collective bargaining agreement and higher pension liabilities, meant the expenditure on salaries and social security contributions went up by € 2.0 million. The normal amortisation and depreciation in the year under review was up on 2013 by € 0.5 million.

At the end of the year under review, a decision was taken to adjust the organisation of the Energy Systems market group in line with the rapidly changing conditions in the market for distributed storage. Capitalised research and development costs, operating resources, and inventory were revalued. Furthermore, a reserve was formed for restructuring costs. In addition, the research and development costs for a measuring instrument for dairy farmers and certain operating resources were also revalued. The cost of such, mostly non-cash, amounted in total to € 8.7 million.

At year-end 2014 the Defined Benefit (DB) pension scheme with an insurance company came to an end. This scheme was replaced by a Defined Contribution (DC) scheme, which is being administered by a Pension Premium Institution (PPI). This conversion led to the elimination of future obligations, as a result of which a pension gain arose of € 18.7 million (before tax). In addition, the actuarial results, € 10.2 million (€ 7.6 million after taxes) were charged directly against the equity. This concerns non-cash amounts. As of 2015, due to the ending of the DB scheme, there is no longer an obligation to include the fair value of the pension fund investments and the present value of the pension obligations, and the movements in these items, in the annual financial statements.

In 2014 the capitalisation of non-current assets manufactured in-house was € 0.8 million lower than in 2013. This item primarily concerns research and development projects. The total expenditure on research and development in the year under review amounted to € 21.4 million (2013: € 20.7 million), € 1.1 million (2013: € 2.0 million) of which has been capitalised. The financing expenses of € 0.6 million remained at the same level as the previous year. The share in the profit of the associate was around € 0.1 million lower compared to 2013.

The effective tax rate for the Nedap Group (excluding the associate) during the year under review amounted to 21.1% (2013: 18.6%), partly due to the tax benefits offered under the Innovation box. (The nominal corporation income tax rate in the Netherlands is 25%.) The Innovation box allows companies to have revenue from innovation taxed at a lower rate via a lower tax threshold. The agreement with the tax department concerning the Innovation box will be applicable up until 31 December 2015.

The developments described above resulted in a profit after taxes for the year under review of € 17.9 million (2013: € 9.8 million). Adjusted for the abovementioned extraordinary pension income, revaluations, and restructuring costs, the profit after taxes amounted to € 9.8 million (2013: € 9.8 million). This was 5.5% of the revenue (2013: 5.6%).

A total of € 7.3 million was invested in property, plant and equipment in the year under review. The total amortisation amounted to € 10.1 million, of which € 1.2 million was related to revaluations. The total investment in intangible assets, primarily research and development projects, was € 1.4 million. The total amortisation associated with such amounted to € 6.1 million, of which € 4.0 million was related to revaluations. The inventory value decreased by € 2.4 million and amounted at the end of the year under

review to 13.2% of the revenue (year-end 2013: 14.9%). The trade and other receivables at the end of the year, amongst other things due to the reduction of the average credit period for trade receivables, were € 4.8 million lower. The average credit period for trade receivables, measured in weeks, fell from 7.9 in 2013 to 7.4 in 2014.

The revaluations of the non-current assets and the reduction of inventory and receivables lead to a fall in the balance sheet total of € 14.1 million. The drop in the balance sheet total and the addition of the profit, including exceptional items, to the reserve resulted in a strong increase in the solvency position.

The solvency position (equity excluding the dividend payable and non-controlling interests expressed as a percentage of total assets) thus went up from 36.6% to 42.9%.

The cash flow from operating activities in the year under review was more than sufficient to cover the financing of the investment in current and non-current assets, and also to cover the dividend paid over 2013. On balance, the bank debt went down by € 15.8 million. It should be pointed out, however, that at the end of 2014 a one-off amount of € 5.6 million was received from the old pension provider that will have to be paid to the participants in the new pension scheme at the beginning of 2015.

At the end of the year, a new credit agreement was concluded with the company's main bank, as a result of which the term of the Roll-Over Facility has been extended to 1 November 2019. No covenants have been agreed. The facilities have a flexible repayment schedule, and the financing takes into account seasonal trends. The total credit facilities at year-end 2014 amounted to € 45.6 million, of which € 21.2 million was utilised. The cash and cash equivalents amounted to € 3.8 million.

#### Outlook

At Nedap, we are continually focused on moving markets with technology that matters. We achieve this by attracting talented people to our company, and by giving them the direction, space, and opportunities to translate market awareness and the use of technology into attractive and sustainable propositions. These propositions are our answer to the challenges facing the world today, such as how to provide enough food for the growing world population, how to increase the amount of time devoted to care, and how we can create safe working environments.

The development and market introduction of innovative propositions is not without risks. Technological obstacles, unforeseen changes in projected market behaviour, or a more pronounced price erosion than expected are just a few examples of the problems that we might have to deal with. To prevent these risks threatening the continuity of Nedap, it is essential to maintain the diversification of technologies and markets in our portfolio.

The Nedap-wide portfolio of knowledge and experience offers the market groups a solid foundation on which they can base their own market-specific propositions. The cross-fertilisation between the market groups generates a rapid acceleration of the translation of technological and market opportunities into concrete commercial successes and financial results, which is an essential component of our competitive strength.

Our continued investment in innovation and marketing has increased the distinctive capacity of our propositions in recent years, and enabled us to strengthen our positions in the various markets. With the greater robustness of our balance sheet due to the changes that have been made to the organisation and the pension scheme, as well as the new long-term financing arrangement, the company now has a solid financial foundation.



We are therefore confident about the future and expect to see long-term healthy growth. For 2015, we expect - notwithstanding unforeseen circumstances - a further growth in revenue.

The report for 2014 will be published on 18 February 2015, after trading hours. The report will only be made available in a digital format. The Annual General Meeting of Shareholders will be held on Thursday 2 April 2015, in the NHOW Hotel ("De Rotterdam" building), Wilhelminakade 137, 3072 AP Rotterdam.

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Nedap is a manufacturer of intelligent technology solutions for today's challenges. Enough food for a growing population, clean drinking water around the entire world, and smart networks for sustainable energy are just some of the goals Nedap is working towards. It has a continual focus on technology that matters.

The N.V. Nederlandsche Apparatenfabriek "Nedap" was founded in 1929, it has been listed on the stock exchange since 1947, and employs more than 750 staff worldwide.



	2014	2013
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	45,219	48,001
Intangible assets	5,805	10,530
Investment in associate	3,152	2,961
Loans	154	251
Deferred tax assets	177	871
	54,507	62,614
<b>Current assets</b>		
Inventories	23,437	25,811
Income tax receivable	973	4
Trade and other receivables	29,444	34,267
Cash and cash equivalents	3,768	3,486
	57,622	63,568
	112,129	126,182
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	669	669
Statutory reserves	5,578	10,701
Reserves	32,327	32,407
	38,574	43,777
Undistributed profit attributable to shareholders	17,877	9,792
	56,451	53,569
Non-controlling interests	145	130
Undistributed profit attributable to non-controlling interests	4	15
	149	145
	56,600	53,714
<b>Non-current liabilities</b>		
Borrowings	16,209	16,391
Derivative financial instruments	239	246
Employee benefits pensions	–	6,805
Deferred tax liabilities	1,874	2,212
	18,322	25,654
<b>Current liabilities</b>		
Borrowings	181	217
Bank overdrafts	4,830	20,531
Employee benefits other	–	285
Provisions	2,191	738
Income tax payable	407	1,552
Taxes and social security charges	3,213	2,757
Trade and other payables	26,385	20,734
	37,207	46,814
<b>Total liabilities</b>	55,529	72,468
	112,129	126,182

Consolidated income statement (€ x 1,000)

	2014	2013
<b>Revenue</b>	<b>177,193</b>	173,696
Cost of materials	52,903	54,518
Movement in inventories of finished goods and work in progress	310	320
Subcontracting and other external costs	48,758	47,704
Salaries	43,288	42,626
Social security charges	9,963	8,612
Depreciation, amortisation and impairment	10,557	10,016
Impairment of assets	7,164	-
Restructuring costs	1,422	-
Incidental settlement pensions	-/- 18,712	-
Non-current assets manufactured in-house	-/- 1,033	-/- 1,851
<b>Total operating expenses</b>	<b>154,620</b>	161,945
<b>Operating profit</b>	<b>22,573</b>	11,751
Financing income	45	70
Financing expenses	-/- 694	-/- 749
Value movements in derivative financial instruments	7	90
<b>Net financing expenses</b>	<b>-/- 642</b>	-/- 589
Share of profit of associate (after taxes)	585	723
<b>Profit before taxes</b>	<b>22,516</b>	11,885
Taxes	4,635	2,078
<b>Profit after taxes</b>	<b>17,881</b>	9,807
Profit attributable to shareholders of Nedap N.V.	17,877	9,792
Profit attributable to non-controlling interests	4	15
<b>Profit after taxes</b>	<b>17,881</b>	9,807
Average number of shares in issue	6,692,920	6,692,920
Earnings per ordinary share (in €)	2.67	1.46
Diluted earnings per ordinary share (in €)	2.67	1.46

## Consolidated statement of comprehensive income (€ x 1,000)

	2014	2013
<b>Profit after taxes</b>	<b>17,881</b>	<b>9,807</b>
<b>Other comprehensive income</b>		
Items that may not be reclassified to profit or loss		
Revaluation of defined-benefit pension obligation	-/- 7,644	-/- 5,487
Items that may be reclassified to profit or loss on subsequent recognition		
Exchange gains and losses	-/- 50	-/- 2
<b>Other comprehensive income for the period after tax</b>	<b>-/- 7,694</b>	<b>-/- 5,489</b>
<b>Total comprehensive income for the period</b>	<b>10,187</b>	<b>4,318</b>
Attributable to shareholders of Nedap N.V.	10,183	4,303
Attributable to non-controlling interests	4	15
<b>Total comprehensive income</b>	<b>10,187</b>	<b>4,318</b>

The annual figures are derived from the not yet adopted Financial Statements 2014. The Financial Statements will be presented for adoption to the General Meeting of Shareholders on April 2, 2015. The Financial Statement are not yet filed at the Trade Register Office.

Consolidated cash flow statement (€ x 1,000)

	2014		2013	
<b>Cash flow from operating activities</b>				
Profit after taxes		17,881		9,807
Adjustments for:				
Depreciation, amortisation and impairment		15,794		10,016
Book profit on sale of property, plant and equipment	-/-	156	-/-	37
Share of profit of associate	-/-	585	-/-	723
Exchange gains and losses on participating interests	-/-	243		20
Net financing expenses		642		589
Income taxes		4,635		2,078
Incidental settlement pensions	-/-	18,712		-
Non-cash items		8,888		-
		<b>10,263</b>		<b>11,943</b>
Movements in trade and other receivables		4,807		1,729
Movements in inventories		508		999
Movements in taxes and social security charges		456	-/-	227
Movements in trade and other payables	-/-	193		579
Movements in employee benefits		1,430	-/-	803
Movements in provisions		31	-/-	2,718
		<b>7,039</b>	-/-	<b>441</b>
Interest paid	-/-	703	-/-	741
Interest received		61		87
Income tax paid	-/-	3,845	-/-	1,493
		<b>-/- 4,487</b>	-/-	<b>2,147</b>
<b>Net cash from operating activities</b>		<b>30,696</b>		<b>19,162</b>
<b>Cash flow from investing activities</b>				
Acquisitions of property, plant and equipment	-/-	7,078	-/-	10,393
Acquisitions of intangible assets	-/-	1,173	-/-	1,971
Proceeds from sale of property, plant and equipment		373		491
Dividend received from associate		394		187
		<b>-/- 7,484</b>	-/-	<b>11,686</b>
<b>Cash flow from financing activities</b>				
Long-term borrowings drawn		-		-
Long-term borrowings repaid	-/-	218	-/-	269
Loans granted		97		90
Dividend paid to non-controlling interests		-	-/-	24
Dividend paid to shareholders of Nedap N.V.	-/-	7,362	-/-	10,106
Repurchase of shares		61		243
		<b>-/- 7,422</b>	-/-	<b>10,066</b>
<b>Movements in cash and cash equivalents and banks</b>		<b>15,790</b>	-/-	<b>2,590</b>
Cash and cash equivalents and banks at 1 January		-/- 17,045	-/-	14,433
Exchange gains and losses on cash and cash equivalents and banks		193	-/-	22
Cash and cash equivalents and banks at 31 December		<b>-/- 1,062</b>	-/-	<b>17,045</b>