

Logistics

Healthcare

Automotive

Industrial Automation

Machine & Systems

Energy



# Presentation H1 results 2013

*Amsterdam, August 19, 2013*

# Agenda

- Key results H1 2013
- Operational developments
- Financial developments
- Strategy and outlook



## Key results H1 2013 (1/2)

- Revenue decreased slightly to € 39.6 million (H1 2012: € 40.2)
  - Adjusted revenue increased with 4.8% taking into account
    - Correction for less workable days in first half 2013,
    - Divestment Neustadt
    - Special project results in H1 2012
  - Corrected result driven by improved operational results in Verticals
- The total operating profit before exceptional items increased to € 1.9 million (2012: € 1.4 million)
  - Increase with € 1.8 million when corrections applied

## Key results H1 2013 (2/2)

- Operating margin H1 2013 is 4.7% (H1 2012: 3.5%)
- Cash position increased with € 0.8 million to € 6.7 million
- Net result € 1.3 million (H1 2012: € 0.3 million neg.)
- Portfolio: steady shift to more project ownerships for ICT



# Operational developments

# General developments ICT

## GENERAL

- Slight revenue decrease of 1.6%
- Revenue added value stable
- Adjusted basis for comparison: revenue H1 2013 of € 39.6 million compared with revenue H1 2012 € 37.8 million (+4.8%)
- Positive influence on revenue on H1 2012
  - 2 extra working days compared with 2013, impact is € 0.5 million on revenue and result
  - Revenue recognized in 2012 of € 1.1 million but executed prior to 2012
  - Divestment Neustadt per 1 December 2012, € 0.8 million in revenue and - € 0.3 million in result

# Automotive

## FOCUS

- Infotainment, Telematics, body and chassis electronics
- Mixed customer base: German, Dutch
- OEM, System integrators in Tier1 and Tier2 markets

## RESULTS

- Overall H1 2013 has strong turnaround compared to H1 2012
- Netherlands: revenue added value increased with 12.1% due to sharp increase of productivity esp. Q1
- Germany: revenue added value increased with 1.8% limited increase of productivity – level still too low
- Market: volatile budgets per clients, change sourcing strategies change

# Logistics

## FOCUS

- Managed services, supply chain management, web portals
- Mixed customer base: transport, harbor logistics, mail services

## RESULTS

- H1 2013 positive developments: higher backlog drives better utilization level
- Overall H1 2013 has strong turnaround compared to H1 2012
- Revenue added value increased with 11.5% due to improved deployment of professionals
- Increase in projects with primary process Cloud optimization



# Industrial Automation

## FOCUS

- Software implementation in primary processes such as water management and factory automation
- Semi-government, food/feed and chemical industry

## RESULTS

- H1 2013 performed satisfactory
- Despite a volatile market, ongoing good performance
- Substantial new business booked, water segment still strong
- Revenue added value increased with 2.5% due to modest improvement in productivity

# Machine & Systems – *(incl. Healthcare, Energy)*

## FOCUS

- Software and hardware development in sector machinery, primary embedded software engineering services, Calibration, Performance and Diagnostics (CPD) and Machine Control Platform (MCP), Connected Devices (to the cloud)
- Healthcare and Energy verticals developing in line with expectations

## RESULTS

- H1 2013 satisfactory result
- Despite a volatile market, ongoing good performance
- New business booked in Healthcare
- Revenue added value lower with 2%, despite small increase in productivity

# Improve Quality Services

## DEVELOPMENTS

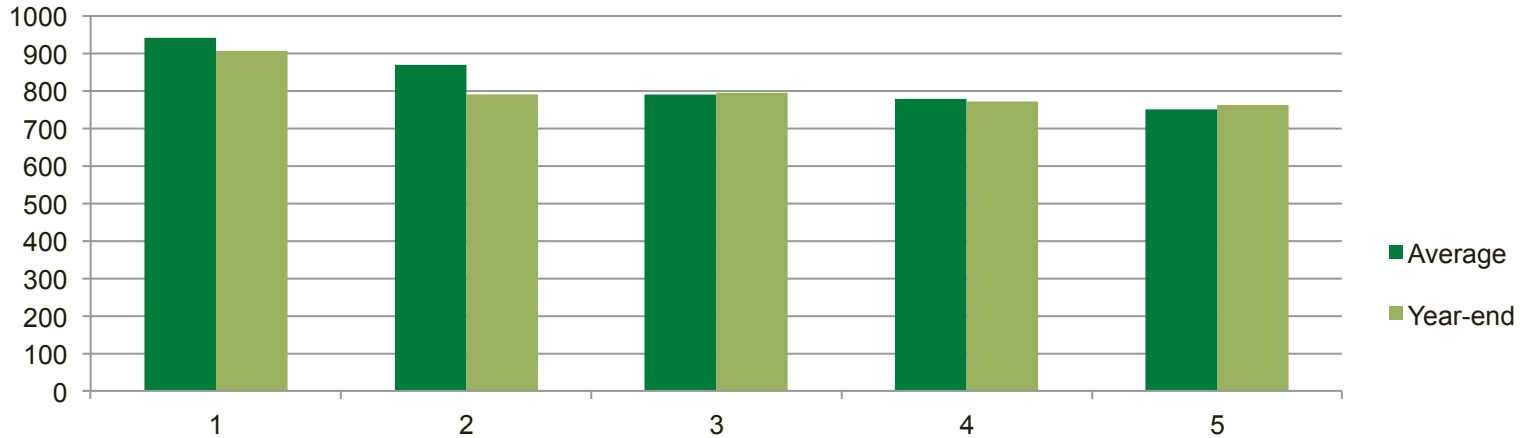
- Active in testing services
- Customer reluctance in investments in training
- Revenue and result development lagging behind
- Utilization level of professionals and consultants low

# InTraffic

## DEVELOPMENTS

- Active in public transport sector
- Both revenue and result development are positive in H1 2013
- Utilization Q1 is positive, utilization Q2 slightly weakened

# Staff development



		2009	2010	2011	2012	H1 2013
FTE	Average	940	868	790	776	749
FTE	Year- end	906	790	794	780	761
Staff turnover %	Yearly based	9%	23%	18%	14%	14%



# Financial developments

# Consolidated profit and loss

	1st Half year 2013			1st Half year 2012		
	Excluding exceptional items	Exceptional items	HY1	Excluding exceptional items	Exceptional items	HY1
(x € 1,000)						
<b>Revenue</b>	<b>39.596</b>		<b>39.596</b>	<b>40.230</b>		<b>40.230</b>
Cost of Materials and subcontractors	4.385		4.385	5.003		5.003
Employee benefit expenses	25.500		25.500	25.527	0	25.527
Depreciation and amortization	300		300	356		356
Other operating expenses	7.535	290	7.825	7.930	1.347	9.277
Total operating expenses	37.720	290	38.010	38.816	1.347	40.163
<b>Operating (loss) profit</b>	<b>1876</b>	<b>(290)</b>	<b>1.586</b>	<b>1.414</b>	<b>(1.347)</b>	<b>67</b>
Financial expenses	(16)		(16)	0		0
Financial income	0			36		36
<b>PROFIT BEFORE TAXATION</b>	<b>1.860</b>	<b>(290)</b>	<b>1.570</b>	<b>1.450</b>	<b>(1.347)</b>	<b>103</b>
Income tax expense	295		295	410		410
<b>NET PROFIT (LOSS)</b>	<b>1.565</b>	<b>(290)</b>	<b>1.275</b>	<b>1.040</b>	<b>(1.347)</b>	<b>(307)</b>

# Profit and loss per segment

(X € 1,000)

	Auto	Log.	Ind. Aut	Machine & Systems*	Improve QS	Other	Consolidated
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HY1 -2013

## Revenue:

External	9.643	4.542	7.220	12.985	1.643	3.563	39.596
Intra-segment	83			969		(1.052)	0
<b>Total Revenue</b>	<b>9.726</b>	<b>4.542</b>	<b>7.220</b>	<b>13.954</b>	<b>1.643</b>	<b>2.511</b>	<b>39.596</b>
Material and Subcontractors	1.354	335	878	665	232	921	4.385
<b>Added Value Revenue</b>	<b>8.372</b>	<b>4.207</b>	<b>6.342</b>	<b>13.289</b>	<b>1.411</b>	<b>1.590</b>	<b>35.211</b>
Other operating expenses directly attributable to the operating segments	6,246	2.968	4.324	9.293	879	1.012	24.722
<b>Segment Gross profit</b>	<b>2.126</b>	<b>1.239</b>	<b>2.018</b>	<b>3.996</b>	<b>532</b>	<b>578</b>	<b>10.489</b>
Amortization and depreciation	101	28	39	87	4	41	300
Indirect operating expenses	2.671	844	1.313	2.617	407	461	8.313
<b>Operating (loss) profit (excl. exceptional items)</b>	<b>(646)</b>	<b>367</b>	<b>666</b>	<b>1.292</b>	<b>121</b>	<b>76</b>	<b>1.876</b>
Financial expenses						(16)	(16)
Financial income							0
<b>Profit before taxation (excl. exceptional items)</b>							<b>1.860</b>
Exceptional items*						(290)	(290)
<b>Profit before taxation (incl. exceptional items)</b>	<b>(646)</b>	<b>367</b>	<b>666</b>	<b>1.292</b>	<b>121</b>	<b>(230)</b>	<b>1.570</b>
Income tax expense							295
<b>Net Profit (loss)</b>							<b>1.275</b>



# Condensed consolidated balance sheet

(x € 1.000)

30 June 2013

31 December 2012

## Assets

### NON-CURRENT ASSETS

Tangible assets	1.294		1.396	
Goodwill	<u>16.441</u>		<u>16.441</u>	
		17.735		17.837

### CURRENT ASSETS

Trade and other receivables	22.790		22.822	
Corporate taxes	-		1.305	
Cash and cash equivalents	<u>6.676</u>		<u>5.877</u>	
		29.466		30.004
		<u>47.201</u>		<u>47.841</u>

## Equity and Liabilities

SHAREHOLDERS' EQUITY		32.715		31.546
NON-CURRENT LIABILITIES		769		773
CURRENT LIABILITIES		13.717		15.522
		<u>47.201</u>		<u>47.841</u>

# Ratio's

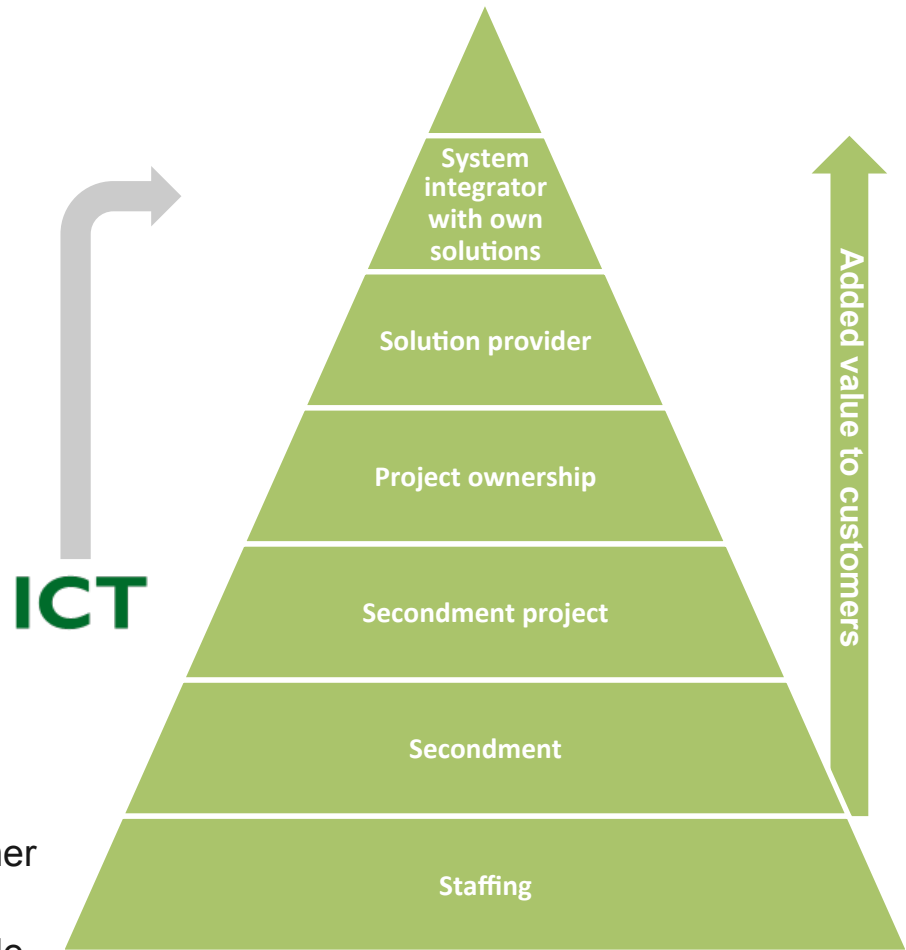
	<b>HY 2013</b>	<b>HY 2012</b>
<b>Ratio's in %</b>		
Operating profit (loss) excl. exceptionals / net revenue	5.30%	4.00%
Net profit (loss) / net revenue	3.60%	(0.9)%
Net profit (loss) / average shareholders' equity	3.90%	(1.0)%
Shareholders' equity / total assets	69.30%	65.90%
<b>Ratio's in €</b>		
Net revenue / average number of employees	46.269	45.163
Operating profit (loss) excl. exceptionals / average number of employees	2.465	1.813



# Strategy & outlook

# Strategy focused on providing more added value to customers

- Growth
  - Growth strategy by expanding position in selected markets
- Market specific solutions
  - Product Market Combinations (PMC) from defined verticals
  - Domain specific fields of expertise
  - International orientation
- Solution provider
  - Main contractor role in projects
  - Repeatable and scalable solutions
  - Solutions cover the entire lifecycle
  - Position higher in the value chain
  - Higher added value per employee and higher retention
  - System integrator with a recognisable profile



# Management agenda

- Prime focus is profitability
- Bring Automotive Germany to break-even
- Effectuate new steering model and set responsibility and accountability at Vertical level
- Develop further expertise areas within each Vertical to be better placed withstanding tariff pressure and to execute customer engagements profitability
- Establish basis for more intensive use of near-shoring and develop off-shoring capabilities, with priority for the Automotive Vertical
- Focus and invest in business development on growth areas in H2 and prepare further for extension in 2014
- Brandfort

# Brandfort update

- Next steps
  - Due diligence (mutual)
  - Finalization transaction documentation (signing)
  - Preparation prospectus
  - EGM (shareholders approval)
  - Closing
- Timing: closing anticipated by before year-end

# Outlook 2013

- Economic climate remains challenging
- Labor market in skilled staff stays very tight – continued attention to recruit candidates of high caliber
- Opportunities in various segments such as water management, Calibration, Performance & Diagnostics (CPD)
- Material improvement in operational result compared to 2012

# Q&A

