ZETES
ANNUAL RESULTS 2013
CREATING TOMORROW BY INVESTING IN TODAY

zetes

All the same and yet all very unique:
getting the best out of people and goods into a smashing ID

30 YEARS, CHECK!

Regulated press release / Embargoed until 20 March 2014 - 17:50

CONTENTS

A strong second half of 2013, giving current EBITDA of € 13.5 million for the year as a whole.

- Goods ID: significant improvement in the second half.
- People ID slightly down, but strengthened by long-term contract signings

Sales amounted to € 211.5 million (vs. € 214.1 million in 2012) and current EBITDA to € 13.5 million (€ 14.1 million in 2012).

The Goods ID Division significantly improved its performance in 2013, particularly in the second half, thanks to good cost control, while pressing on with its flagship solutions strategy.

The People ID division saw its sales revenue decline slightly due to lower activity in short-term projects, which affected the second half performance. The concluding and the preparation in 2013 of several long-term contracts strengthen the company's confidence in the future of its division.

Cash flow from P&L was a solid € 10.3 million. Cash flow from investment activities (€ -10.7 million) related to the development work in Goods ID and to the preparation of the new long-term contracts in People ID, which produced a particularly high funding need. However, these investments and the underlying contracts reinforce the company's confidence in its ability to generate significant future cash flow. For this reason Zetes will be proposing to the General Meeting an ordinary dividend of € 0.55 per share, equal to that of 2012.

GROUP

Group sales of € 211.5 million (-1.2% vs. 2012)
Gross margin of € 91.4 million (-2.4%)
Current EBITDA of € 13.5 million (-4.1%)

GOODS ID

Strong growth in the second half

Sales of € 171.5 million (-0.2% vs. 2012, up 1.9% at constant exchange rates)
Gross margin of € 68.3 million (-1.4%)
Current EBITDA of € 9.1 million (+22.4%)

PEOPLE ID

Temporary decline in sales income, but good prospects based on orders taken

Sales of € 40.3 million (-5.5% vs. 2012)
Gross margin of € 23.1 million (-5.2%)
Current EBITDA of € 7.7 million (-22.3%)

+22,4 % EBITDA
in Goods ID

I. INCOME STATEMENT

SEPARATE INCOME STATEMENT	2012	2013	%
In '000 €			
Sales	**214.126**	**211.472**	*-1,2%*
Cogs	(120.427)	(120.026)	
Gross margin	**93.699**	**91.446**	*-2,4%*
Gross margin	*43,8%*	*43,2%*	
Employee expenses	(55.252)	(54.250)	
Other operating expenses	(24.331)	(23.661)	
Total Operating Expenses	**(79.583)**	**(77.911)**	
Current EBITDA [1]	**14.117**	**13.535**	*-4,1%*
Non-current costs	(1.207)	(820)	
EBITDA	**12.910**	**12.715**	*-1,5%*
Provisions	(189)	(60)	
Depreciation on fixed assets	(5.033)	(4.927)	
Write-downs on stock	(381)	(638)	
Write-downs trade receivables	(157)	(185)	
Write-downs on financial assets	(26)	(44)	
Amortisation of development costs	(1.686)	(1.748)	
Provisions, depreciation, amortisation, write-downs	**(7.472)**	**(7.604)**	
Operating profit (EBIT)	**5.438**	**5.111**	***-6,0%***
Result from the disposal of fixed assets	61	(3)	
Financial result excluding exchange differences	(367)	(503)	
Exchange differences risk	(175)	(273)	
Result before taxes	**4.956**	**4.333**	***-12,6%***
Income tax	(1.431)	(935)	
Profit of the period	**3.526**	**3.397**	***-3,6%***
Non-controlling interests	(152)	12	
Attributable to equity holders of the parent company	3.677	3.385	*-8,0%*
Current EBIT (REBIT) [1]	**6.645**	**5.931**	*-10,7%*
Net current result [1] [3]	**4.512**	**4.028**	***-10,7%***

(1) «Current» excludes restructuring expenses and other non-current items (badwill / other)

(3) Attributable to equity holders of the parent company

The Group's sales (-1.2%) and EBITDA (-1.5%) remained nearly stable over the past year. The contribution of each of the two divisions to these results differs significantly.

The Goods ID Division significantly improved its performance: although sales and gross margin were very similar to those of 2012, current EBITDA increased 22.4% due to good cost control (-4.3%). In the People ID division, the second half of the year produced lower «Build and Transfer» income, resulting in a contraction in sales of 13.5 % and in EBITDA of 31.1%. This evolution is, however, temporary, because in 2013 the division also signed major long-term contracts. These are at the development stage and will support good income growth in 2014.

Current EBITDA amounted in 2013 to € 13.5 million. That of the Goods ID division increased by 22.4% while the People ID division recorded a fall of -22.3%.

ZETES GROUP	1H 2013	2H 2013	2013
In '000 €			
Sales	103.013	108.460	211.472
Gross margin	44.237	47.209	91.446
% Gross Margin / Sales	*42,9%*	*43,5%*	*43,2%*
Total operating expenses	(38.771)	(39.140)	(77.911)
Current EBITDA	5.466	8.069	13.535
% Current EBITDA / Sales	*5,3%*	*7,4%*	*6,4%*
EBITDA	5.139	7.576	12.715

The good earnings growth in the second half is due entirely to Goods ID, which recorded a profit well above that of the first half of 2013, and also compared with the second half of 2012 (+15.8%). Only temporary weakness of People ID in the second half stood in the way of earnings growth.

Finally, the net current profit reached € 4.0 million, with a net profit of € 3.4 million (-3.6% compared with 2012).

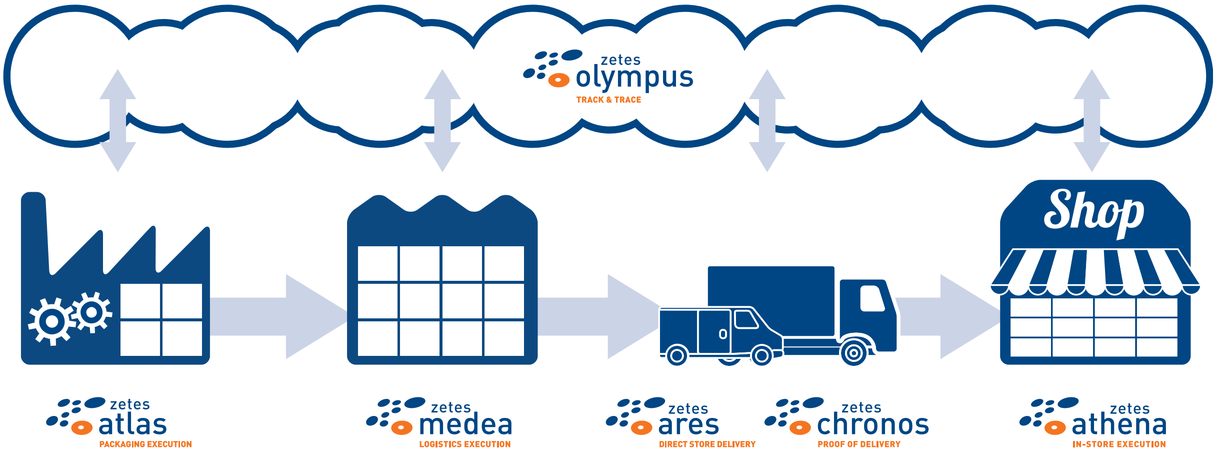
1. Goods ID

2013 ended much better than it had started: while in the beginning of the year order-taking was slow, from the summer onwards the situation improved, with the arrival of large projects. The impact of the increase in turnover is clearly reflected in current EBITDA, which nearly doubled between the first and second halves.

Goods ID	1H 2013	2H 2013	2013
In '000 €			
Sales	81.765	89.422	171.187
Gross margin	32.725	35.609	68.334
% Gross Margin / Sales	*40,0%*	*39,8%*	*39,9%*
Total operating expenses	(29.629)	(29.596)	(59.226)
Current EBITDA	3.096	6.012	9.108
% Current EBITDA / Sales	*3,8%*	*6,7%*	*5,3%*
EBITDA	2.769	5.646	8.415

The retail sector remains an important source of orders. This sector is constantly looking to increase its productivity through better supply chain traceability. Zetes' solutions (ZetesMedea and ZetesChronos in particular) provide an answer to the problem and can deliver a rapid return on investment.

Zetes has been selected for the personalisation of the Belgian and Gambian **PASSPORTS**



Competition between manufacturers continues to place pressure on the margins on mobile terminals and other equipment. The sale of services (life cycle management) and software (in the form of services and, increasingly, licences) allows Zetes to offset this pressure and maintain its margins. Good cost control linked to productivity gains enabled Zetes to improve its performance, even in the absence of income growth.

Goods ID	2012	2013	%
In '000 €			
Sales	171.518	171.187	-0,2%
Gross margin	69.323	68.334	-1,4%
% Gross Margin / Sales	*40,4%*	*39,9%*	
Total operating expenses	(61.884)	(59.226)	-4,3%
Current EBITDA	7.439	9.108	22,4%
% Current EBITDA / Sales	*4,3%*	*5,3%*	
EBITDA	6.285	8.415	33,9%

In this way the EBITDA/sales ratio increased by 1% from 4.3% in 2012 to 5.3% in 2013.

At the same time, the Division continued to invest in its six key solutions. The initial commercial successes in each of these solutions confirm Zetes' strategy. The MCL mobility platform is proving highly successful, giving customers much more effective management of their mobile devices. The first references are now installed in the non-food retail and transport sectors.

In the financial results 2013, the positive impact of the 6 key marketing solutions has countered the constant pressure on prices and margins of the hardware component. However, leading indicators, such as sales cycle tracking, point to clear progress. As previously announced, the first effects of the strategy are expected to be visible in the 2014 financial results.

Besides their impact on business in the countries concerned, changes in exchange rates, particularly between the South African rand and the euro, were unfavourable to the Goods ID division. At constant exchange rates, revenue would have increased by 1.9% and gross margin by 0.6%.

Goods ID Excluding currency impact	2012	2013	%
In '000 €			
Sales	171.518	174.699	1,9%
Gross margin	69.323	69.768	0,6%
% Gross Margin / Sales	*40,4%*	*39,9%*	
Total operating expenses	(61.884)	(60.631)	-2,0%
Current EBITDA	7.439	9.137	22,8%
% Current EBITDA / Sales	*4,3%*	*5,2%*	
EBITDA	6.285	8.421	34,0%

Finally, there was no significant change in consolidation scope in 2013. The only new acquisition was the absorption of the assets and the team of L4 Epsilon into our French subsidiary. This small team has brought in recognized know-how in the logistics processing of e-commerce orders. The software solution is gradually being integrated into the ZetesMedea solution. Currently, the full attention of the division is focused on market penetration of the 6 flagship solutions strategy. The concentration of Zetes' expertise in these 6 solutions will later enable it to return to the path of external growth by providing the acquired companies with a unique differentiating feature, valued by customers.

2. People ID

2013 was marked by an important number of new long-term contracts (Belgian passport, biometric visa in Senegal, Gambia passport ...). But with the exception of Senegal, where the system is in place and has been generating revenue since July 2013, other contracts have mobilized large amounts of resources for development and preparation and will begin generating revenue only in the course of 2014.

Major «Build and Transfer» contracts with a high hardware component are missing from the 2013 sales figure. These are generally contracts linked to the preparation of election cycles, for which electoral lists are prepared based on a biometric enrolment of the population. Both the concluding and the execution of the contract take place quickly. Only two «Build and Transfer» projects were completed in 2013, one for Togo and the other for Guinea-Conakry. Both consisted mainly of services, generating limited revenues but with a high margin.

People ID	2012	2013	%
In '000 €			
Sales	42.608	40.285	-5,5%
Gross margin	24.377	23.112	-5,2%
% Gross Margin / Sales	*57,2%*	*57,4%*	
Total operating expenses	(14.490)	(15.433)	6,5%
Current EBITDA	9.887	7.679	-22,3%
% Current EBITDA / Sales	*23,2%*	*19,1%*	
EBITDA	9.879	7.552	-23,6%

In 2013, 80% of revenue came from «Build and Operate» contracts, giving a gross margin of 57.4%, reflecting the division's value-added strategy.

These long-term contracts are often concluded with governments that entrust Zetes with creating a population database and issuing the related identity documents or travel documents. Zetes is taking care of the electronic ID card systems in Belgium, Israel and Portugal, as well as driver's licences in Belgium. For a number of years Zetes has also managed for the Côte d'Ivoire the comprehensive biographical and biometric registration of its citizens and the issuance (personalization) of their electronic passports.

In 2013, the Gambian government awarded Zetes the concession for a similar passport system («Build and Operate» model) in Gambia. And in August 2013, the Belgian Government tasked Zetes with the issuance of passports for Belgian citizens. The past months have been spent preparing these contracts. Document issuance under both contracts will begin in the second quarter of 2014.

47,23 %
solvency ratio

People ID	H1 2013	H2 2013	2013
In '000 €			
Sales	21.247	19.038	40.285
Gross margin	11.512	11.601	23.112
% Gross Margin / Sales	*54,2%*	*60,9%*	*57,4%*
Total operating expenses	(7.519)	(7.915)	(15.433)
Current EBITDA	3.993	3.686	7.679
% Current EBITDA / Sales	*18,8%*	*19,4%*	*19,1%*
EBITDA	3.993	3.559	7.552

The breakdown of sales by half year clearly reflects the lack of «Build and Transfer» income in the second half. In addition, from July 2013, the division has internalized the secure distribution of identity documents to the Belgian municipalities. Until then, the distribution was provided by a security transportation company, the costs of which were reflected in purchases. This has had the effect of increasing the gross margin in the second half, with, as a corollary, an increase in operating expenses.

3. Group

The costs of the Corporate Division amounted to € 3.3 million (+ 1.3% compared with 2012). The corporate structure remains light. The main tasks of Corporate are strategy definition, financial control and external growth.

Group sales revenue amounted to over €211 million. Recurring revenue consists of income from long-term contracts («Build and Operate») in People ID and from maintenance and consumables in Goods ID. Together, they cover more than 40% of consolidated sales revenue.

Non-recurring charges amounted to a net € 0.8 million These relate mainly to the restructuring in Goods ID to align the division with its more software-oriented strategy.

Depreciation on non-current assets amounted to € 5.0 million, very similar to the figures of 2011 and 2012. Write-downs on inventory (€ 0.6 million) and receivables (€ 0.2 million) are in line with the 2012 figures. Depreciation and R&D amortization totalled € 1.7 million.

EBIT reached € 5.9 million in 2013, 71% of which was generated in the second half.

The net financial result is composed of bank charges (€ 0.274 million, cross-border payments and various guarantees such as bid or performance bonds, along with bank charges linked to investment finance), the foreign exchange result (€ 0.273 million negative) and finally interest expense (€ 0.229 million).

The effective tax rate was 21.6%, giving a total tax charge of € 0.94 million. Finally, net profit was € 3.4 million, down 3.6% on 2012.

Earnings per share (€ per share)	2012	2013	%
Number of shares outstanding (2)	5.247.116	5.156.750	
Net result (3)	0,70	0,66	-6,3%
Net current result (1) (3)	0,86	0,78	-9,2%
Number of shares, fully diluted (2)	5.247.116	5.156.750	
Net result; diluted (3)	0,70	0,66	-6,3%

(1) «Current» means excluding restructuring charges and non-current income/ costs

(2) Weighted average number of outstanding shares

(3) Attributable to equity holders of the parent company

The net current result per share is € 0.78.

II. BALANCE SHEET, INVESTMENTS AND CASH FLOW STATEMENT

Key figures from the Financial Situation	2012	2013
ASSETS		
Tangible fixed assets	13.625	15.873
Intangible fixed assets	5.433	6.659
Goodwill	39.878	39.924
Deferred taxes	3.204	4.385
Total non-current assets	**62.697**	**69.545**
Inventories	15.631	14.302
Trade and other current receivables	57.724	57.986
Current advance payments	9.900	10.588
Cash, cash equivalents and investments	12.797	10.585
TOTAL ASSETS	**158.964**	**163.187**
EQUITY AND LIABILITIES		
Group equity	76.461	76.109
Non-controlling interests	1.039	963
Total equity	**77.501**	**77.072**
Non-current interest-bearing liabilities	798	2.921
Deferred tax liabilities	1.854	2.550
Current interest-bearing liabilities	4.921	10.983
Trade and other payables	68.168	65.858
Current tax payable	2.617	1.288
Other current liabilities	1.715	1.450
TOTAL EQUITY AND LIABILITIES	**158.964**	**163.187**

The significant investments in Goods ID (development of solutions, equipment leased to customers) and in People ID (eVisa infrastructure in Senegal and Côte d'Ivoire, production site and backup for the Belgian driving licence, production infrastructure for the Belgian passport, and others) have significantly impacted the Group's balance sheet.

Besides the increase of fixed assets (net increase of € 7 million compared to December 2012), the company has also devoted a significant amount of resources to preparing for the execution of the People ID contracts. This explains the evolution of the deferred charges account (advance payments) and of the one containing construction contracts, together up more than € 1.9 million compared with 2012, these two accounts making it possible to spread the costs of a project over its life, thus ensuring consistent profitability over time.

These efforts have obviously impacted the Group's indebtedness, with «net debt» moving from a positive cash position of € 7.5 million at the end of 2012 to a net debt position of € 3.0 million at the end of 2013. This increase is structural in nature insofar as the increase in funding is linked to specific investments, available liquidity has decreased slightly to € 10.6 million (against € 12.8 million in 2012).

Total assets increased by € 4.2 million from € 159.0 million to € 163.2 million. The net working capital requirement also increased to € 15.9 million against € 12.7 million at end 2012, mainly due to the impact of construction contracts. Inventory was slightly lower at € 14.3 million, which is a good performance in a stable sales situation.

2,6 millions €
development costs in Goods ID

With equity of € 77.1 million on total assets of € 163.2 million, the solvency ratio remains at a very high 47.23% (48.8% in 2012 and 47.9% in 2011). This ratio remains very high although the company decided, given its confidence in the prospects of the Group, to distribute in 2013 a dividend of € 2.9 million. Zetes attaches great importance to having a strong balance sheet structure as this allows it to bid for and, where appropriate, absorb very large deals.

Cash flow statement - key figures	2012	2013
In '000 €		
CASH AND CASH EQUIVALENTS, OPENING BALANCE	**14.306**	**12.797**
CASH FLOWS FROM OPERATIONS of which:	**12.381**	**4.026**
Cash flows from the income statement	10.541	10.337
Variation in working capital needs	1.840	(6.311)
CASH FLOWS RELATING TO INVESTMENT ACTIVITIES of which:	**(7.662)**	**(10.696)**
Fixed assets	(5.361)	(7.986)
Acquisitions, net of cash acquired	(740)	(343)
Development expenses	(1.834)	(2.756)
CASH FLOWS RELATING TO FINANCING ACTIVITIES of which:	**(6.199)**	**4.672**
Increased financing	105	3.948
Repayment of bank loans and leasing	(2.080)	(2.108)
Increase (decrease) in bank overdrafts	588	6.185
Dividends paid	(2.895)	(2.875)
Sale (purchase) of own shares	(1.685)	(250)
CASH AND CASH EQUIVALENTS, CLOSING BALANCE	**12.797**	**10.585**

The cash flow from operations is € 4.0 million, consisting of € 10.3 million generated in the income statement offset by the € 6.3 million increase in working capital. This significant increase is linked in particular to:

- The increase in construction contracts and prepaid expenses for the People ID projects (€ 1.9 million)
- Equipment leased out (€ 2.1 million of LT receivables, included in the working capital need)
- Faster payment of suppliers (€ 2.3 million).

Investments by Goods ID reached € 5.8 million, again up from previous years (€ 4.1 million in 2012). These investments break down into equipment for internal use (€ 2.4 million), assets related to operating leases (€ 0.6 million) and financial acquisitions (€ 0.3 million). Development costs were also capitalized in an amount of € 2.6 million (against 1.8 million in 2012). These are linked to the Group's 6 flagship solutions. In People ID, investments are of course related to the preparation of the implementation of the various long-term contracts. They are up significantly to € 4.8 million against € 1.2 million in 2012.

In total, investments total € 10.7 million, a historically high level. They have been funded partly by bank borrowing, with the balance being funded from equity. Management's confidence in the Group's ability to generate significant cash flows has led it to propose to the General Meeting to maintain the current dividend policy.

In 2013, the Group acquired own shares worth € 0.2 million. At 31 December 2013 it held 234,322 treasury shares (4.35%).

III. ACQUISITION

The priority for the year was the preparation of the Build and Operate contracts in People ID and the development of specialized solutions in Goods ID. External growth was therefore temporarily placed on hold. In the first half, Zetes made an asset deal, taking over a team of 10 specialists in logistics processes related to e-commerce, along with the intellectual property and customer base of the company L4 Epsilon in France (€ 0.2 million). Zetes also purchased 15% of the shares of Zetes Industries Israel for an amount of € 0.2 million. The shares were acquired from the partner who launched the Goods ID activity in Israel and who, after the operation, still holds 15% of the shares.

IV. OUTLOOK

Goods ID Division has started 2014 with a stronger first quarter than in the previous two years. The macroeconomic indicators are improving and customers seem more ready to invest. All sectors are involved, even if the retail sector continues to drive investment. The strategy is in place in all countries and Zetes is looking for the first fruits, as planned, this year already. Market interest for the various solutions remains substantial, and Zetes will continue to invest in new functionalities in order to make them as attractive as possible.

Zetes can also rely on its recurring business (25 to 30% of income depending on the degree of maturity of subsidiaries). Based until now on maintenance and repair, as well as the sale of consumables (labels, ribbons, etc.), it is already, in some countries, reinforced by the rental income from solutions (managed services).

In People ID, visibility remains very good on all long-term contracts («Build and Operate»). Production of the Gambian and Belgian passports is scheduled to start in the second quarter of 2014. All the other contracts are expected to contribute to the good performance of the division.

At the start of this year, Zetes is executing a contract to deliver biometric kits («Build and Transfer») for the Republic of Uganda. Other smaller projects are also running. Together, they contribute to the achievement of the budgetary targets for 2014.

In summary, the good performance of Goods ID combined with a combination of short and long-term contracts in People ID should produce noticeably better results in 2014 than in 2013.

V. RISKS AND UNCERTAINTIES

Investing in Zetes shares has risks attached. These were described in the 2012 annual report and remain valid.

VI. DIVIDEND

The Board of Directors will be proposing to the Ordinary General Meeting that it declare a gross ordinary dividend of € 0.55 per share. This is unchanged from the previous year.

VII. DRAWING UP OF ACCOUNTS

The financial statements presented below are a summary of the annual report which will be available on 28 April 2014. They are drawn up in euros and are in conformity with IFRS standards as adopted by the European Union.

VIII. WORK OF THE STATUTORY AUDITOR

The audit of the annual accounts is under way. The Statutory Auditor has confirmed that his audit procedures, which are substantially completed, have not revealed the need for any material correction to the accounting information contained in the press release.

IX. CALENDAR

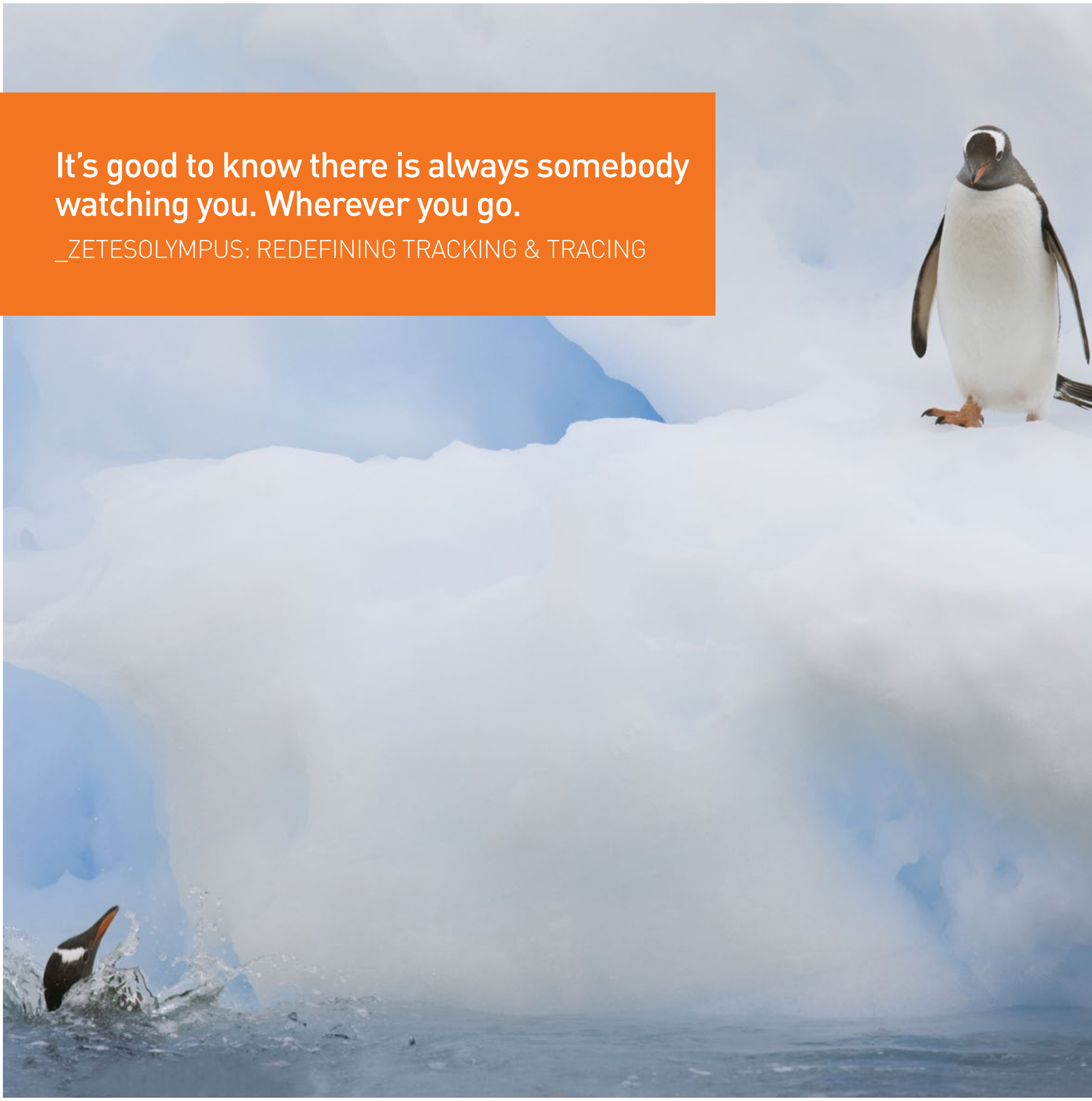
Publication of the Annual Report: 28 April 2014

Ordinary General Meeting: 28 May 2014

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

It's good to know there is always somebody watching you. Wherever you go.

_ZETESOLYMPUS: REDEFINING TRACKING & TRACING



X. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPARATE INCOME STATEMENT	2011	2012	2013	%
In '000 €				
Sales	**220.562**	**214.126**	**211.472**	**-1,2%**
Cogs	(125.085)	(120.427)	(120.026)	
Gross Margin	**95.477**	**93.699**	**91.446**	**-2,4%**
Gross Margin %	43,3%	43,8%	43,2%	
Employee Expenses	(53.062)	(55.252)	(54.250)	
Other operating expenses	(23.774)	(24.331)	(23.661)	
Total Operating expenses	**(76.837)**	**(79.583)**	**(77.911)**	
Current EBITDA [1]	**18.640**	**14.117**	**13.535**	**-4,1%**
Non current costs	(987)	(1.207)	(820)	
EBITDA	**17.653**	**12.910**	**12.715**	**-1,5%**
Provisions	(301)	(189)	(60)	
Depreciation on fixed assets	(4.944)	(5.033)	(4.927)	
Write-downs on stock	(496)	(381)	(638)	
Write-downs on receivables	(295)	(157)	(185)	
Write-downs on financial assets	(65)	(26)	(44)	
Depreciation on development costs	(1.498)	(1.686)	(1.748)	
Provisions, depreciation, amortisation, impairment losses	**(7.599)**	**(7.472)**	**(7.604)**	
Operating profit (EBIT)	**10.055**	**5.438**	**5.111**	**-6,0%**
Result from the disposal of fixed assets	(1)	61	(3)	
Financial result excluding exchange differences	(506)	(367)	(503)	
Exchange differences	(706)	(175)	(273)	
Result before taxes	**8.841**	**4.956**	**4.333**	**-12,6%**
Income tax	(2.597)	(1.431)	(935)	
Profit of the period	**6.244**	**3.526**	**3.397**	**-3,6%**
Non controlling interests	(65)	(152)	12	
Net profit of the Group	6.308	3.677	3.385	-8,0%
Current EBIT (REBIT) [1]	**11.041**	**6.645**	**5.931**	**-10,7%**
Net current result [1] [3]	**7.005**	**4.512**	**4.028**	**-10,7%**

TOTAL COMPREHENSIVE INCOME	2011	2012	2013	%
In '000 €				
Net profit of the Group	**6.308**	**3.677**	**3.385**	**-8,0%**
Currency translation differences	(10)	106	(480)	
Net reevaluation of hedging instruments	4	(13)	(22)	
Other comprehensive income, net of related tax effects	**(7)**	**94**	**(502)**	
Total comprehensive income of the Group	**6.302**	**3.771**	**2.883**	**-23,5%**

EARNINGS PER SHARE (€ per share)	2010	2011	2012	%
Number of shares outstanding [2]	5.331.111	5.247.116	5.156.750	
Net result [3]	1,18	0,70	0,66	-6,3%
Net current result [1] [3]	1,31	0,86	0,78	-9,2%
Number of shares fully diluted [2]	5.331.111	5.247.116	5.156.750	
Net diluted result [3]	1,18	0,70	0,66	-6,3%

(1) «Current» excludes restructuring expenses and non current income/costs

(2) Weighted average number of outstanding shares

(3) Attributable to equity holders of the parent company

FINANCIAL POSITION	2011	2012	2013
In '000 €			
ASSETS			
Tangible assets	**13.020**	**13.625**	**15.873**
Intangible assets	**5.636**	**5.433**	**6.659**
Goodwill	**40.125**	**39.878**	**39.924**
Deferred tax assets	**3.028**	**3.204**	**4.385**
Financial assets and other non current assets	**808**	**556**	**2.705**
Non-current assets	**62.616**	**62.697**	**69.545**
Inventories	**15.351**	**15.631**	**14.302**
Current trade and other receivables	**62.345**	**57.724**	**57.986**
Trade receivables	58.232	53.852	54.183
Construction contracts	1.881	1.556	2.356
Other receivables	2.232	2.317	1.446
Current tax assets	**209**	**216**	**181**
Current prepayments	**8.696**	**9.900**	**10.588**
Cash and cash equivalents	**14.306**	**12.797**	**10.585**
Current assets	**100.907**	**96.268**	**93.642**
TOTAL ASSETS	**163.523**	**158.964**	**163.187**

EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent	**77.270**	**76.461**	**76.109**
Issued capital	54.311	54.311	49.895
Reserves	18.218	21.725	26.332
Own shares	(1.568)	(3.253)	(3.502)
Profit of the period	6.308	3.677	3.385
Non controlling interests	**1.115**	**1.039**	**963**
Total equity	**78.385**	**77.501**	**77.072**
Non current interests bearing borrowings	**2.548**	**798**	**2.921**
Non current non-interests bearing borrowings	**1.067**	**214**	**0**
Non current provisions	**696**	**771**	**800**
Non current obligations	**192**	**241**	**192**
Deferred tax liabilities	**1.994**	**1.854**	**2.550**
Non current liabilities	**6.497**	**3.878**	**6.464**
Current interests bearing borrowings	**4.345**	**4.921**	**10.983**
Current provisions	**387**	**114**	**0**
Current obligations	**31**	**33**	**24**
Current hedging instruments	**0**	**17**	**47**
Current trade and other payables	**71.316**	**68.168**	**65.858**
Trade payables	33.128	31.524	28.957
Advances received	23.541	23.006	22.758
Other payables	14.646	13.638	14.144
Current tax liabilities	**1.609**	**2.617**	**1.288**
Other current liabilities	**953**	**1.715**	**1.450**
Current liabilities	**78.641**	**77.586**	**79.651**
TOTAL EQUITY AND LIABILITIES	**163.523**	**158.964**	**163.187**

CASH FLOW STATEMENT	2011	2012	2013
In '000 €			
CASH AND CASH EQUIVALENTS, BEGINNING BALANCE (I)	**14.599**	**14.306**	**12.797**
Cash flows from the P&L	**14.499**	**10.541**	**10.337**
Result before tax	8.841	4.956	4.333
Depreciation on fixed assets	4.944	5.033	4.927
Depreciation on development costs	1.498	1.686	1.748
Write-downs on stock & receivables	790	538	824
Write-downs on financial assets	65	26	44
Provisions	409	(19)	(200)
Net Financial charges	184	153	232
Income tax paid	(2.418)	(1.694)	(1.504)
Other increase (decrease)	186	(138)	(68)
Working capital	**3.675**	**1.840**	**(6.311)**
Decrease (increase) in assets	6.545	3.235	(2.796)
Increase (decrease) in liabilities	(2.870)	(1.395)	(3.514)
CASH FLOWS FROM OPERATIONS (II)	**18.174**	**12.381**	**4.026**
Acquisitions	**(13.724)**	**(7.934)**	**(11.086)**
Fixed Assets	(4.701)	(5.361)	(7.986)
Subsidiaries, net of cash acquired	(6.550)	(740)	(343)
Developments	(2.473)	(1.834)	(2.756)
Disposals	**186**	**201**	**366**
Fixed Assets	186	201	366
Interests received (+)	**114**	**71**	**24**
CASH FLOWS RELATING TO INVESTING ACTIVITIES (III)	**(13.424)**	**(7.662)**	**(10.696)**
Increase (decrease) of cash flows from financing	**1.835**	**(1.395)**	**8.053**
Capital	276	105	2
Proceeds from finance lease/bank loans	3.544	0	3.947
Other loans	1.070	0	0
Repayments of finance lease liabilities/bank loans	(2.018)	(2.080)	(2.108)
Bank overdrafts increase (decrease)	(966)	588	6.185
Cash restricted or pledged	(71)	(8)	28
Financial charges	**(298)**	**(224)**	**(256)**
Shareholders payments	**(6.603)**	**(4.580)**	**(3.125)**
Dividends paid	(5.336)	(2.895)	(2.875)
Own shares	(1.267)	(1.685)	(250)
CASH FLOWS RELATING TO FINANCING ACTIVITIES (IV)	**(5.065)**	**(6.199)**	**4.672**
NET INCREASE IN CASH AND CASH EQUIVALENTS (V)= (II)+(III)+(IV)	**(316)**	**(1.481)**	**(1.998)**
OTHER VARIATIONS (incl. effect of exchange rate) (VI)	**23**	**(28)**	**(214)**
CASH AND CASH EQUIVALENTS, CLOSING BALANCE (VII)=(I)+(V)+(VI)	**14.306**	**12.797**	**10.585**

CHANGES IN SHAREHOLDERS' EQUITY 2013

In '000 €	Issued capital	Reserves	Own shares	Currency translation reserves	Hedging reserves	Total	Non controlling interests	Total equity
Balance at 31 December 2012	**54.311**	**25.649**	**(3.253)**	**(234)**	**(13)**	**76.461**	**1.039**	**77.501**
Net result of the period		3.385				3.385	12	3.397
Result directly allocated to equity				(480)	(22)	(502)		(502)
Total comprehensive income		**3.385**		**(480)**	**(22)**	**2.883**	**12**	**2.895**
Dividends		(2.875)				(2.875)		(2.875)
Acquisition / sales of own shares			(250)			(250)		(250)
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in change of control		(110)				(110)	(82)	(192)
Other variations	(4.416)	4.416				(0)	(7)	(7)
Balance at 31 December 2013	**49.895**	**30.465**	**(3.502)**	**(714)**	**(35)**	**76.109**	**963**	**77.072**

CHANGES IN SHAREHOLDERS' EQUITY 2012

In '000 €	Issued capital	Reserves	Own shares	Currency translation reserves	Hedging reserves	Total	Non controlling interests	Total equity
Balance at 31 December 2011	**54.311**	**24.812**	**(1.568)**	**(286)**	**(0)**	**77.270**	**1.115**	**78.385**
Net result of the period		3.677				3.677	(152)	3.526
Result directly allocated to equity				106	(13)	94		94
Total comprehensive income		**3.677**		**106**	**(13)**	**3.771**	**(152)**	**3.619**
Capital increase						0	105	105
Dividends		(2.895)				(2.895)		(2.895)
Acquisition / sales of own shares			(1.685)			(1.685)		(1.685)
Other variations		54		(54)		0	(29)	(29)
Balance at 31 December 2012	**54.311**	**25.649**	**(3.253)**	**(234)**	**(13)**	**76.461**	**1.039**	**77.501**

SEGMENT REPORTING (P&L)	2011	2012	2013	%
In '000 €				
Sales				
Goods ID	170.703	171.518	171.187	-0,2%
People ID	49.859	42.608	40.285	-5,5%
Corporate	(0)	(0)	(0)	
Total sales	**220.562**	**214.126**	**211.472**	**-1,2%**
Gross margin				
Goods ID	68.518	69.323	68.334	-1,4%
In % of sales	40,1%	40,4%	39,9%	
People ID	26.959	24.377	23.112	-5,2%
In % of sales	54,1%	57,2%	57,4%	
Corporate	(0)	0	0	
Total gross margin	**95.477**	**93.699**	**91.446**	**-2,4%**
Total gross margin in % of sales	**43,3%**	**43,8%**	**43,2%**	
Operating expenses				
Goods ID	(58.636)	(61.884)	(59.226)	-4,3%
People ID	(14.904)	(14.490)	(15.433)	6,5%
Corporate	(3.298)	(3.209)	(3.252)	1,3%
Total operating expenses	**(76.837)**	**(79.583)**	**(77.911)**	**-2,1%**
Current EBITDA				
Goods ID	9.882	7.439	9.108	22,4%
In % of sales	5,8%	4,3%	5,3%	
People ID	12.055	9.887	7.679	-22,3%
In % of sales	24,2%	23,2%	19,1%	
Corporate	(3.298)	(3.209)	(3.252)	1,3%
Total current EBITDA	**18.640**	**14.117**	**13.535**	**-4,1%**
Total current EBITDA in % of sales	**8,5%**	**6,6%**	**6,4%**	
EBITDA				
Goods ID	9.258	6.285	8.415	33,9%
People ID	11.693	9.879	7.552	-23,6%
Corporate	(3.298)	(3.254)	(3.251)	-0,1%
Total EBITDA	**17.653**	**12.910**	**12.715**	**-1,5%**
Total EBITA in % of sales	**8,0%**	**6,0%**	**6,0%**	
Current EBIT				
Goods ID	5.225	2.296	3.201	39,4%
In % of sales	3,1%	1,3%	1,9%	
People ID	9.131	7.641	6.159	-19,4%
In % of sales	18,3%	17,9%	15,3%	
Corporate	(3.315)	(3.292)	(3.429)	4,2%
Total current EBIT	**11.041**	**6.645**	**5.931**	**-10,7%**
Total current EBIT in % of sales	**5,0%**	**3,1%**	**2,8%**	
EBIT				
Goods ID	4.601	1.142	2.508	119,6%
People ID	8.769	7.634	6.033	-21,0%
Corporate	(3.315)	(3.337)	(3.429)	2,7%
Total EBIT	**10.055**	**5.438**	**5.111**	**-6,0%**

Comments

The Company is organized into two business units operating differently and, therefore, are reviewed separately: the Goods ID and the People ID.
For the Goods ID, the company has built an international structure with physical infrastructures all over Europe,in Israel and in South Africa (15 countries).
To the opposite, the People ID business is strongly centralized.
The internal reporting for each business units is limited to the analysis of the sales, the gross margin, the operating expenses, the EBITDA and the depreciation.
Zetes Group has also a «corporate» structure whose expenses are reviewed separately.

SEGMENT REPORTING (BS)	2011	2012	2013	%
In '000 €				
Goodwill				
Goods ID	36.816	36.569	36.615	*0,1%*
People ID	3.309	3.309	3.309	*0,0%*
Total goodwill	**40.125**	**39.878**	**39.924**	***0,1%***
Fixed assets				
Goods ID	12.811	14.289	14.660	*2,6%*
People ID	5.601	4.552	7.667	*68,4%*
Corporate	244	218	205	
Total fixed assets	**18.655**	**19.058**	**22.531**	***18,2%***
Inventories				
Goods ID	12.045	11.619	10.032	*-13,7%*
People ID	3.306	4.012	4.269	*6,4%*
Total inventories	**15.351**	**15.631**	**14.302**	***-8,5%***
Current trade and other receivables				
Goods ID	59.406	56.588	56.975	*0,7%*
People ID	9.915	9.024	10.361	*14,8%*
Corporate	87	140	99	
Total current trade and other receivables	**69.408**	**65.752**	**67.434**	***2,6%***
Total ASSETS				
Goods ID	121.078	119.065	118.282	*-0,7%*
People ID	22.130	20.896	25.605	*22,5%*
Corporate and other non allocated assets	20.315	19.003	19.299	
Total ASSETS	**163.523**	**158.964**	**163.187**	***2,7%***
Current trade and other payables				
Goods ID	61.084	60.432	58.294	*-3,5%*
People ID	8.762	7.989	6.171	*-22,8%*
Corporate	952	729	769	
Total current trade and other payables	**70.798**	**69.150**	**65.234**	***-5,7%***
Total LIABILITIES				
Goods ID	61.084	60.432	58.294	*-3,5%*
People ID	8.762	7.989	6.171	*-22,8%*
Corporate and other non allocated liabilities	93.677	90.543	98.722	
Total LIABILITIES	**163.523**	**158.964**	**163.187**	***2,7%***
Capital expenditures				
Goods ID	5.254	5.929	5.827	
People ID	1.665	1.185	4.821	
Corporate	255	80	95	
Total Capital expenditures	**7.174**	**7.195**	**10.743**	

GOODS ID GROWTH

Goods ID	**2012**	**2013**	**%**
In '000 €			
Turnover	171.518	171.187	-0,2%
Gross Margin	69.323	68.334	-1,4%
% Gross Margin / Sales	*40,4%*	*39,9%*	
Total Operating expenses	(61.884)	(59.226)	-4,3%
Current EBITDA	7.439	9.108	22,4%
% Current EBITDA / Sales	*4,3%*	*5,3%*	
EBITDA	6.285	8.415	33,9%

Goods ID Excluding currency impact	**2012**	**2013**	**%**
In '000 €			
Turnover	171.518	174.699	1,9%
Gross Margin	69.323	69.768	0,6%
% Gross Margin / Sales	*40,4%*	*39,9%*	
Total Operating expenses	(61.884)	(60.631)	-2,0%
Current EBITDA	7.439	9.137	22,8%
% Current EBITDA / Sales	*4,3%*	*5,2%*	
EBITDA	6.285	8.421	34,0%

Goods ID Pro forma 2012 & 2013 (*)	**2012**	**2013**	**%**
In '000 €			
Turnover	171.518	169.470	-1,2%
Gross Margin	69.323	67.795	-2,2%
% Gross Margin / Sales	*40,4%*	*40,0%*	
Total Operating expenses	(61.884)	(58.920)	-4,8%
Current EBITDA	7.439	8.875	19,3%
% Current EBITDA / Sales	*4,3%*	*5,2%*	
EBITDA	6.285	8.182	30,2%

Goods ID Pro forma 2012 & 2013 (*) and excluding currency impact	**2012**	**2013**	**%**
In '000 €			
Turnover	171.518	172.982	0,9%
Gross Margin	69.323	69.229	-0,1%
% Gross Margin / Sales	*40,4%*	*40,0%*	
Total Operating expenses	(61.884)	(60.325)	-2,5%
Current EBITDA	7.439	8.904	19,7%
% Current EBITDA / Sales	*4,3%*	*5,1%*	
EBITDA	6.285	8.188	30,3%

(*): Acquisitions excluded

PEOPLE ID GROWTH

People ID	**2012**	**2013**	**%**
In '000 €			
Turnover	42.608	40.285	-5,5%
Gross Margin	24.377	23.112	-5,2%
% Gross Margin / Sales	*57,2%*	*57,4%*	
Total Operating expenses	(14.490)	(15.433)	6,5%
Current EBITDA	9.887	7.679	-22,3%
% Current EBITDA / Sales	*23,2%*	*19,1%*	
EBITDA	9.879	7.552	-23,6%

ZETES GROUP

Zetes Group	1H 2013	1H 2013	2013
In '000 €			
Turnover	103.013	108.460	211.472
Gross Margin	44.237	47.209	91.446
% Gross Margin / Sales	*42,9%*	*43,5%*	*43,2%*
Total Operating expenses	(38.771)	(39.140)	(77.911)
Current EBITDA	5.466	8.069	13.535
% Current EBITDA / Sales	*5,3%*	*7,4%*	*6,4%*
EBITDA	5.139	7.576	12.715

Goods ID	1H 2013	1H 2013	2013
In '000 €			
Turnover	81.765	89.422	171.187
Gross Margin	32.725	35.609	68.334
% Gross Margin / Sales	*40,0%*	*39,8%*	*39,9%*
Total Operating expenses	(29.629)	(29.596)	(59.226)
Current EBITDA	3.096	6.012	9.108
% Current EBITDA / Sales	*3,8%*	*6,7%*	*5,3%*
EBITDA	2.769	5.646	8.415

People ID	1H 2013	1H 2013	2013
In '000 €			
Turnover	21.247	19.038	40.285
Gross Margin	11.512	11.601	23.112
% Gross Margin / Sales	*54,2%*	*60,9%*	*57,4%*
Total Operating expenses	(7.519)	(7.915)	(15.433)
Current EBITDA	3.993	3.686	7.679
% Current EBITDA / Sales	*18,8%*	*19,4%*	*19,1%*
EBITDA	3.993	3.559	7.552

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