


ZETES ANNUAL REPORT 2015

IN TRUST FOR THE FUTURE

A close-up, black and white photograph of a woman's eye, looking slightly to the right. The eye is framed by a blue line graphic that starts as a vertical line, then turns right at a right angle, then down at another right angle, ending in a small orange circle. The background is a soft, out-of-focus grey.

THE WAY TO THE FUTURE IS
BUILT STEP BY STEP.
IDEA BY IDEA. SOLUTION BY
SOLUTION. SMILE BY SMILE.

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Zetes is an international Group highly specialised in identification & mobility solutions. Connecting what matters is at the heart of our business: physical movements and digital flows, our customers and their critical data, but also consumers and corporations, citizens and governments. By using the most innovative technologies, we help our customers to improve speed, quality and accuracy in order to be on the leading edge of their industry. This has made us a pioneering leader on our market.

ZETES GROUP - KEY FIGURES

In € '000

OPERATING SITUATION	2010	2011	2012	2013	2014	2015
Sales	216,738	220,562	214,126	211,472	245,270	258,225
Gross Margin	88,711	95,477	93,699	91,446	103,579	115,579
% Sales	40.9%	43.3%	43.8%	43.2%	42.2%	44.8%
Operating Expenses	(69,614)	(76,837)	(79,583)	(77,911)	(84,374)	(88,888)
Current Ebitda ⁽¹⁾	19,096	18,640	14,117	13,535	19,205	26,691
% Sales	8.8%	8.5%	6.6%	6.4%	7.8%	10.3%
Depreciation on fixed assets	(4,631)	(4,944)	(5,033)	(4,927)	(5,501)	(6,213)
Depreciation on development costs	(1,472)	(1,498)	(1,686)	(1,748)	(2,324)	(2,378)
Write-downs on stock and receivables	(1,123)	(790)	(538)	(824)	(416)	(945)
Current Ebit ⁽²⁾	11,824	11,041	6,645	5,931	10,798	17,105
EBIT	11,416	10,055	5,438	5,111	9,783	16,666
Net current result	8,694	7,005	4,512	4,028	6,917	11,342
Net Result	8,210	6,244	3,526	3,397	6,196	10,728
CASH FLOW STATEMENT (KEY FIGURES)	2010	2011	2012	2013	2014	2015
CASH AND CASH EQUIVALENTS, BEGINNING BALANCE	18,140	14,599	14,306	12,797	10,585	16,290
CASH FLOWS FROM OPERATIONS OF WHICH:	11,117	18,174	12,381	4,026	17,070	19,965
Cash flows from the P&L	14,681	14,499	10,541	10,337	14,369	20,180
Working capital	(3,564)	3,675	1,840	(6,311)	2,701	(215)
CASH FLOWS RELATING TO INVESTING ACTIVITIES OF WHICH:	(10,010)	(13,424)	(7,662)	(10,696)	(8,497)	(7,951)
Fixed Assets	(6,715)	(4,701)	(5,361)	(7,986)	(5,851)	(4,558)
Subsidiaries, net of cash acquired	(1,278)	(6,550)	(740)	(343)	(322)	(1,113)
Developments	(2,147)	(2,473)	(1,834)	(2,756)	(2,582)	(2,602)
CASH FLOWS RELATING TO FINANCING ACTIVITIES OF WHICH:	(4,870)	(5,065)	(6,199)	4,672	(3,009)	(6,504)
Proceeds from finance lease/bank loans	113	4,614	0	3,947	3,160	2,250
Repayments of finance lease liabilities/bank loans	(2,837)	(2,018)	(2,080)	(2,108)	(2,186)	(3,908)
Bank overdrafts increase (decrease)	(49)	(966)	588	6,185	116	(3,769)
Dividends paid	(1,911)	(5,336)	(2,895)	(2,875)	(2,857)	(3,264)
Own shares	466	(1,267)	(1,685)	(250)	(931)	2,336
CASH AND CASH EQUIVALENTS, CLOSING BALANCE	14,599	14,306	12,797	10,585	16,290	22,267
FINANCIAL POSITION (KEY FIGURES)	2010	2011	2012	2013	2014	2015
ASSETS INCLUDING:						
Tangible assets	12,548	13,020	13,625	15,873	16,386	19,716
Intangible assets	4,690	5,636	5,433	6,659	6,489	6,354
Goodwill	34,970	40,125	39,878	39,924	40,033	40,602
Deferred tax assets	2,749	3,028	3,204	4,385	4,885	4,769
Inventories	15,155	15,351	15,631	14,302	17,146	17,821
Current trade and other receivables	65,593	62,345	57,724	57,986	67,623	62,260
Current prepayments	7,161	8,696	9,900	10,588	13,116	13,743
Cash and cash equivalents	14,599	14,306	12,797	10,585	16,290	22,267
TOTAL ASSETS	158,346	163,523	158,964	163,187	184,474	188,680
EQUITY AND LIABILITIES INCLUDING:						
Total equity	77,930	78,385	77,501	77,072	79,539	89,673
Non current interests bearing borrowings	963	2,548	798	2,921	792	4,194
Deferred tax liabilities	1,686	1,994	1,854	2,550	2,698	2,960
Current interests bearing borrowings	4,021	4,345	4,921	10,983	14,208	8,841
Current trade and other payables	70,333	71,316	68,168	65,858	81,346	75,053
Current tax liabilities	1,403	1,609	2,617	1,288	3,727	5,274
Other current liabilities	1,280	953	1,715	1,450	1,040	1,149
TOTAL EQUITY AND LIABILITIES	158,346	163,523	158,964	163,187	184,474	188,680
Solvency ratio (Equity/Total assets)	49.2%	47.9%	48.8%	47.2%	43.1%	47.5%
Working capital requirement ⁽³⁾	16,427	13,676	12,685	15,910	13,171	14,098
Working capital requirement/Sales	7.6%	6.2%	5.9%	7.5%	5.4%	5.5%
Short term net cash position ⁽⁴⁾	10,577	9,961	7,877	(397)	2,083	13,426
Net cash position	10,076	8,024	7,471	(2,968)	1,680	9,552
TOTAL HEADCOUNT	2010	2011	2012	2013	2014	2015
Headcount on December 31 st	902	1,097	1,070	1,118	1,173	1,187

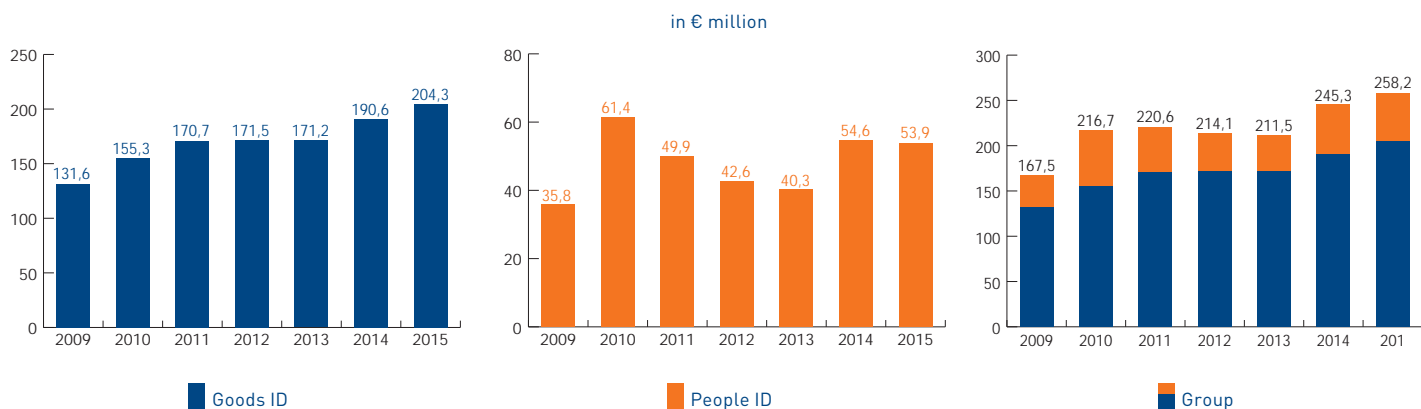
⁽¹⁾ Current EBITDA = current EBIT before amortizations, depreciations and impairment losses

⁽²⁾ Current EBIT = EBIT excluding restructuring costs and other non current elements (badwill/SOP/Other)

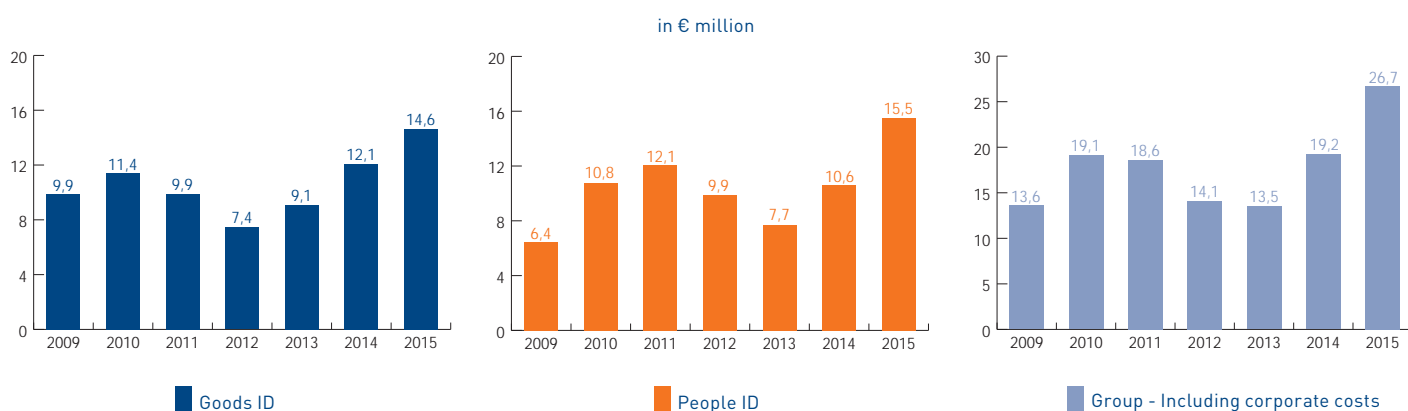
⁽³⁾ Working capital requirement: see glossary in "Financial Information"

⁽⁴⁾ Short term net cash position: see glossary in "Financial Information"

SALES: € 258,2 MILLION



CURRENT EBITDA: € 26,7 MILLION



GOODS ID GROWTH

	2010	2011	2012	2013	2014	2015	%
Turnover	155,290	170,703	171,518	171,187	190,639	204,306	7.2%
Gross Margin	63,047	68,518	69,323	68,334	74,760	80,563	7.8%
Operating expenses	(51,652)	(58,636)	(61,884)	(59,226)	(62,613)	(65,922)	5.3%
Current EBITDA	11,395	9,882	7,439	9,108	12,147	14,641	20.5%
% Sales	7.3%	5.8%	4.3%	5.3%	6.4%	7.2%	
EBITDA	11,002	9,258	6,285	8,415	11,186	14,203	27.0%
Current EBIT	7,054	5,225	2,296	3,201	6,217	8,232	32.4%
WCR	11,658	10,367	7,775	8,714	6,024	11,829	96.4%
WCR / Sales	7.5%	6.1%	4.5%	5.1%	3.2%	5.8%	
Headcount	697	889	862	874	907	924	1.9%

PEOPLE ID GROWTH

	2010	2011	2012	2013	2014	2015	%
Turnover	61,448	49,859	42,608	40,285	54,630	53,919	-1.3%
Gross Margin	25,663	26,959	24,377	23,112	28,819	35,016	21.5%
Operating expenses	(14,885)	(14,904)	(14,490)	(15,433)	(18,265)	(19,495)	6.7%
Current EBITDA	10,779	12,055	9,887	7,679	10,554	15,521	47.1%
% Sales	17.5%	24.2%	23.2%	19.1%	19.3%	28.8%	
EBITDA	10,764	11,693	9,879	7,552	10,552	15,520	47.1%
Current EBIT	7,865	9,131	7,641	6,159	8,266	12,391	49.9%
WCR	5,956	4,459	5,047	8,459	8,892	3,882	-56.3%
WCR / Sales	9.7%	8.9%	11.8%	21.0%	16.3%	7.2%	
Headcount	194	196	196	233	254	250	-1.6%

ANNUAL INVESTMENTS

	2010	2011	2012	2013	2014	2015	%
Fixed Assets	4,642	3,147	4,095	3,243	2,522	2,881	14.2%
Subsidiaries	1,278	6,550	740	343	322	0	
Developments	2,147	2,107	1,834	2,584	2,568	2,543	-1.0%

	2010	2011	2012	2013	2014	2015	%
Fixed Assets	2,073	1,299	1,185	4,649	3,328	1,671	-49.8%
Subsidiaries	0	0	0	0	0	1,113	
Developments	0	366	0	172	13	59	345.1%

CONSOLIDATED DATA PER SHARE (IN €)	2010	2011	2012	2013	2014	2015
Capital and reserves	14,64	14,70	14,77	14,95	15,41	17,33
Cash flow	2,76	2,72	2,01	2,00	2,78	3,90
Current EBITDA	3,59	3,50	2,69	2,62	3,72	5,16
Current net profit (Group share)	1,63	1,31	0,86	0,78	1,34	2,19
Net profit (Group share)	1,57	1,18	0,70	0,66	1,21	2,13
Net profit (excluding discontinued operations)	1,57	1,18	0,70	0,66	1,21	2,13
Number of shares at December 31	5,389,714	5,389,714	5,389,714	5,389,714	5,389,714	5,389,714
Average number of shares	5,324,566	5,331,111	5,247,116	5,156,750	5,162,665	5,175,140
Average number of shares for calculating diluted earnings	5,324,566	5,331,111	5,247,116	5,156,750	5,162,665	5,286,317
Diluted current net profit (Group share)	1,63	1,31	0,86	0,78	1,34	2,15
Diluted net profit (Group share)	1,57	1,18	0,70	0,66	1,21	2,09
Diluted net profit (excluding discontinued operations)	1,57	1,18	0,70	0,66	1,21	2,09
Gross dividend/Capital repayment	1,00	0,55	0,55	0,55	0,63	0,80
Net dividend/Capital repayment	0,75	0,41	0,46	0,41	0,47	0,58
Highest price	17,7	18,8	16,4	18,0	25,2	41,3
Lowest price	14,5	15,3	12,6	14,3	17,4	24,0
Price at December 31	17,4	15,9	15,0	17,5	25,0	40,1
Price/earnings at December 31	11,1	13,4	21,4	26,6	20,7	18,8
Gross dividend yield	5.7%	3.5%	3.7%	3.2%	2.5%	2.0%
Net dividend yield	4.3%	2.6%	3.0%	2.4%	1.9%	1.5%
Annual volume ('000 of shares)	626	1,100	772	736	953	1,092
Annual volume ('000 of EURO)	10,292	18,935	11,613	12,014	20,361	34,525
Market capitalization at December 31 ('000 EUR)	93,781	85,481	80,954	94,051	134,662	218,822

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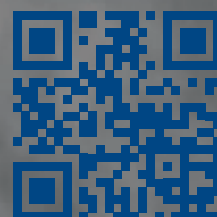
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