

# Press Release

Delft, February 12, 2014

## Exact: Full Year 2013 Results

### Growth strategy successful: Exact turning to growth

- **Solid performance; full year EBITDA within guidance**
  - Total revenues in Q4 increased 1.0% to € 56.1 million compared to € 55.5 million in the same period last year; the increase is 3.2% on an operational basis<sup>1</sup>
  - Total revenues in 2013 amounted to € 213.2 million. On operational basis and adjusted for the divestment of Orisoft in 2012, total revenues increased 0.3% compared to 2012
  - Total revenues including the license equivalent of subscription-based sales increased 1.1% on an operational basis and adjusted for Orisoft
  - EBITDA amounted to € 47.4 million in 2013, within the indicated range. EBITDA increased 12.4% compared to 2012, primarily reflecting the one-time restructuring charge in 2012
  - Net income increased 70.4% to € 31.8 million in 2013, driven by a higher EBITDA and lower effective tax rate
  - Exact proposes a final dividend of € 0.73 per share to be paid in cash; bringing the total dividend for 2013 to € 1.40 per share, compared to € 1.00 per share in 2012
- **Cloud Solutions on track with continued strong growth**
  - Total Q4 revenues of Cloud Solutions increased 42.4% to € 5.8 million compared to the same period last year; full year revenues increased 40.3% to € 20.7 million
  - Annualized recurring revenues amounted to € 24.0 million at year-end, 44.0% higher than at the end of 2012
  - Number of paying companies increased 49.8% to 145,852, up 48,460 from 97,392 a year ago
  - Small initial commercial gains in new geographies, in line with expectations
- **Business Solutions is turning the corner; Specialized Solutions shows mixed results**
  - Business Solutions' total revenues of € 30.8 million in Q4 were stable compared to the same period in 2012 and represent an increase of 0.9% on an operational basis; full year revenues decreased 3.6% on an operational basis
  - License revenues for Business Solutions show consecutive quarterly growth on an operational basis compared to the prior year: 1.7% in Q4 and 0.5% in Q3; subscription-based revenue increased to € 0.3 million in 2013 from almost nil in 2012. Subscription-based sales in 2013 represent an equivalent value of € 1.0 million License revenues.
  - Attrition in Business Solutions improved 0.9pp to 8.4% from 9.3% on a full year basis
  - Specialized Solutions' revenues declined 5.8% to € 19.4 million in Q4 mostly reflecting the weakness of the US dollar; on an operational basis Q4 revenues declined 1.4%; full year revenues of € 77.7 million declined 1.3% on an operational basis and adjusted for the sale of Orisoft in 2012

<sup>1</sup> Operational financial figures consider the impact of foreign exchange rates by translating prior year's results at current year's exchange rates.



**Erik van der Meijden, CEO:** "Clearly, 2013 was a successful year for Exact. Already in its first full year, our strategy 'Growth through focus, innovation and simplicity' delivered on its promise: Exact is turning to growth. Our Cloud Solutions business maintained momentum throughout the year and continued to grow very strongly in the Benelux market. Exact Online grew its client base significantly, adding 48,460 paying companies to a total of 145,852 at the end of the year. We achieved important milestones in the international expansion and product development of Exact Online from which we expect commercial traction in 2014. I am confident that we can sustain our position as the '#1 SaaS Enterprise Resource Management vendor in the Benelux<sup>2</sup>'.

I am also pleased with the indications that Business Solutions is turning the corner. License revenues, including subscription-based sales, show consecutive quarterly growth and our efforts to enhance customers' satisfaction is paying off in sustained improvement of attrition in Business Solutions.

Specialized Solutions results were mixed but overall did not meet our expectations. Longview reported both top and bottom line improvements. Over the past year, most of our immediate attention was directed towards Business Solutions and Cloud Solutions. In Specialized Solutions, each individual business unit focused on achieving a number of goals in their specific markets. As the year progressed, we started to review each of these businesses critically from a strategic point of view. The key element in this evaluation was their fit with the other units, plus their financial performance and longer-term financial projections operating on a stand-alone basis. At this point, we see value in the US manufacturing units (MAX, MGS and JOBBoss), which could support our cloud strategy in the US. We also see good opportunities for Longview to run its operations on a stand-alone basis, but given its products and target markets it is difficult to see a strong connection with our other business units. The case for Exact Lohn in Germany needs more work and we will continue to review this business. Our aim is to have clarity on each unit in the course of 2014.

Our financial performance is solid. We achieved our EBITDA target, with € 47.4 million we are within the indicated range. Net income rose 70% to € 31.8 million and in line with our dividend policy we propose to pay a total dividend of € 1.40 per share, up from € 1.00 last year. 2013 was also a good year for our shareholders as Exact's share price rose 47% in 2013. Including reinvested dividends Exact provided a total return of 57%. We believe this is due to the recognition that we are taking the right steps to enhance long-term shareholder value. We are grateful to the investment community for their trust and confidence.

The restructuring and implementation of the new strategy also meant a lot to our employees in the past year. Our employees are the driving force that make our strategy of growth through focus, innovation and simplicity a successful reality. On behalf of the management team, I would like to thank all our employees right across the organization for their commitment and dedication in helping Exact to move forward.

Looking forward I believe 2014 will be an exciting year and I am confident that with a disciplined execution of our growth strategy it will be a positive year for Exact. Notwithstanding the higher, internally funded, investments in our growth strategy, it is our objective to maintain EBITDA flat in 2014."

<sup>2</sup> IDC's Western Europe SaaS Applications Vendor Shares

## Financial Highlights

Amounts in € '000	Q4-2013	Q4-2012	%	% operat'l	FY 2013	FY 2012	%	% operat'l
Cloud Solutions	5,807	4,078	42.4	42.4	20,658	14,720	40.3	40.3
Business Solutions	30,841	30,828	0.0	0.9	114,863	119,782	(4.1)	(3.6)
Specialized Solutions*	19,414	20,618	(5.8)	(1.4)	77,660	82,586	(6.0)	(3.1)
<b>Total revenue</b>	<b>56,062</b>	<b>55,524</b>	<b>1.0</b>	<b>3.2</b>	<b>213,181</b>	<b>217,088</b>	<b>(1.8)</b>	<b>(0.4)</b>
OPEX excluding D&A	41,539	43,134	(3.7)	(0.8)	165,828	174,978	(5.2)	(3.5)
<b>EBITDA</b>	<b>14,523</b>	<b>12,390</b>	<b>17.2</b>	<b>16.7</b>	<b>47,353</b>	<b>42,110</b>	<b>12.4</b>	<b>12.2</b>
<i>EBITDA margin %</i>	<i>25.9%</i>	<i>22.3%</i>	<i>3.6 pp</i>		<i>22.2%</i>	<i>19.4%</i>	<i>2.8 pp</i>	
Depreciation and amortization	2,432	2,514	(3.3)	(2.2)	9,598	11,558	(17.0)	(16.4)
<b>EBIT</b>	<b>12,091</b>	<b>9,876</b>	<b>22.4</b>	<b>21.4</b>	<b>37,755</b>	<b>30,552</b>	<b>23.6</b>	<b>23.0</b>
<i>EBIT margin %</i>	<i>21.6%</i>	<i>17.8%</i>	<i>3.8 pp</i>		<i>17.7%</i>	<i>14.1%</i>	<i>3.6 pp</i>	
Net finance expenses	(550)	(1,375)	(60.0)	(60.3)	(207)	767	(127.0)	(126.9)
Income tax expense	1,116	5,840	(80.9)	(81.5)	6,119	11,102	(44.9)	(46.0)
<b>Net income</b>	<b>11,525</b>	<b>5,411</b>	<b>113.0</b>	<b>125.7</b>	<b>31,843</b>	<b>18,683</b>	<b>70.4</b>	<b>74.3</b>
EPS (in €)	0.51	0.24			1.40	0.82		

\*) 2012 revenues from Orisoft is reported under Specialized Solutions (€1,550k -2012)

## Revenues

Total revenues for Q4 amounted to € 56.1 million. This represents an increase of € 0.5 million or 1.0% compared to Q4 last year. Revenues on an operational basis increased 3.2%. Total revenues for 2013 amounted to € 213.2 million. Adjusted for last year's revenues of Orisoft, the increase on an operational basis is 0.3% in 2013.

### Cloud Solutions

Cloud Solutions continued to report strong subscription-based revenue growth. In Q4, Online revenues increased by 44.7% to € 5.7 million. Total revenues, including services revenues, for Cloud Solutions increased 40.3% to € 20.7 million in 2013, driven primarily by growth in Accountancy Solutions and Industry Solutions. Annualized recurring revenues from Exact Online amounted to € 24.0 million at year-end.

The number of paying companies using Exact Online increased to a total of 145,852, a 49.0% increase from 97,392 at the end of 2012. In the UK and the US, we successfully completed the controlled release of Exact Online and the product is now commercially available in the market. The initial results are in line with our expectation and we are sharply focussed on getting commercial traction in these markets. In Germany we started the controlled release of Exact Online and plan commercial launch in the first quarter of 2014.

### Business Solutions

Total revenues for Business Solutions amounted to € 30.8 million in Q4, which is flat compared to the same period last year. On an operational basis total revenues increased 0.9% in Q4.

For 2013, total revenues amounted to € 114.9 million compared to € 119.8 million in 2012. On an operational basis total revenues for Business Solutions declined by 3.6%, reflecting the impact of the restructuring in the second half of 2012.

License revenues on an operational basis showed consecutive quarterly growth in the second half of 2013, compared to the same quarters last year: 0.5% in Q3 and 1.7% in Q4. This partly compensated the decline in the first half of 2013. Overall, license revenues declined 6.1% on an operational basis in 2013. Business Solutions experienced an increase in subscription based sales. In 2013 subscription based revenues increased to € 0.3 million from almost nil in 2012, which represent an equivalent value of € 1.0 million license revenues. (or 5.3% of license revenues). This would substantially offset the decrease of license revenues in 2013.

We receive positive response from our strategy to target larger companies (>100 employees segment) with our deep industry knowledge. The value of new deals has risen considerably. The direct sales team in the Netherlands increased the average deal size to € 15 thousand in 2013 from € 8 thousand in 2012.

Maintenance & support revenues declined 3.6% to € 83.2 million in 2013. The decrease in maintenance & support revenues is driven by lower license sales, migration to Exact Online, discontinuation of DOS-based products as well as normal attrition. Actions aimed to retain our existing customers are successful with sustained improvements in attrition.

Services revenues in the fourth quarter increased 15.1% to € 3.6 million, compared to the same period in 2012. Full year services revenues amounted to € 12.0 million in 2013, a decrease of 3.0% compared to the prior year driven by lower license sales.

#### *Specialized Solutions*

Total revenues on a reported basis for Specialized Solutions fell by 6.0% to € 77.7 million in 2013. Adjusted for the sale of Orisoft in 2012, operational revenues decreased 1.3%. Within Specialized Solutions, the individual business units showed mixed results. Increased revenues from Longview and Lohn were offset by lower revenues from the business units in the US. Longview continued to record solid growth of sales intake for the tax solutions and experienced a strong shift to its subscription-based solutions. Subscription-based revenue amounted to € 0.3 million in 2013 compared to almost nil in 2012. The license revenue equivalent of subscription-based sales in 2013, amounts to € 1.6 million license revenue, compared to € 0.2 million in 2012.

#### Operating expenses

Operating expenses (excluding depreciation and amortization) declined 3.7% to € 41.5 million in Q4 compared to the same quarter last year. Full year operating expenses amounted to € 165.8 million, a decline of 5.2% on a reported basis. On an operational basis and adjusted for the sale of Orisoft in 2012, full year operating expenses declined 2.2%. This decline of 2.2% in operating expenses reflects the restructuring and other charges (€ 8.6 million) taken last year. The underlying increase of € 3.9 million in operating expenses is driven primarily by investments related to the international expansion of Cloud Solutions and development of Exact Online.

Research and development expenses increased by 3.4% to €27.3 million in 2013. Full year R&D expenses represent 12.8% of reported revenues, compared to 12.2% in 2012. The increase is primarily driven by R&D expenses for the development of Exact Online. In 2013, capitalization

of R&D expenses amounted to € 8.0 million, an increase of € 4.0 million compared to the prior year.

#### Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

EBITDA increased by 17.2% to € 14.5 million in Q4 this year reflecting the 1.0% increase in total revenues and 3.7% lower operating expenses. EBITDA margin improved to 25.9% in Q4.

Full year EBITDA amounted to € 47.4 million, an increase of 12.4% compared to € 42.1 million last year. Last year's EBITDA includes one-time charges amounting to € 8.6 million.

#### Earnings before Interest and Tax (EBIT)

Depreciation and amortization amounted to € 9.6 million, a decrease of 17.0% compared to the prior year. Reported EBIT increased by 23.6% to € 37.8 million in 2013. EBIT in 2012 included one-time charges for an amount of € 10.6 million, reflecting primarily restructuring and other charges and the impairment of Orisoft.

#### Interest and tax

Total finance income and expenses for 2013 amounted to an income of € 0.2 million compared to an expense of € 0.8 in 2012, which included a one-time correction of a cash flow hedge of € 1.6 million.

The effective tax rate decreased from 37.3% in 2012 to 16.2% in 2013. In 2012, our tax rate was impacted negatively by several one-time charges mainly due to a reassessment of our deferred tax position in relation to innovation tax facilities, taxation effects from the IP transfer of the Longview software from the Netherlands to Canada, the impairment of Orisoft (not deductible for tax purposes) and provisions for uncertain tax positions in various jurisdictions. In 2013, application of the Dutch innovation tax facilities and tax exempt income were the predominant factors contributing to a lower effective tax rate than the statutory rate of 25%.

#### Net income, Earnings per share and Dividend

Net income attributable to shareholders amounted to € 31.8 million an increase of 70.4% compared to € 18.7 million in 2012. The significant increase reflects primarily the higher earnings from our businesses and the lower effective tax rate compared to the previous year.

Earnings per share (EPS) amount to € 1.40 compared to € 0.82 in 2012. Exact will propose a full year dividend of € 1.40, which is in line with the dividend policy to pay dividends at 100% of net income unless the year-end cash position drops below € 40.0 million or in case of significant acquisitions. Taking into account the interim dividend of € 0.67 per share, the proposed final dividend is € 0.73 per share to be paid in cash. The dividend will be payable to holders of ordinary shares on May 28, 2014 close of business. The shares will go ex-dividend on May 23, 2013.

#### Cash position

The cash position amounted to € 64.0 million at the end of 2013. The increase in the cash balance was driven by profit before tax of € 38.0 million, repayment of vendor loans of € 2.0

million and a continued focus on credit collection which led to a € 1.9 million reduction in accounts receivable. The average number of days sales outstanding improved to 38.7 from 44.3 in the prior year. The reduction in account receivables and days sales outstanding is driven by a more effective credit collection process of regional credit collection teams.

The increase in cash was partially offset by the distribution of dividends (final dividend 2012 and interim dividend 2013) in the amount of € 28.1 million and the increased capital expenditures on R&D for an amount of € 4.0 million.

#### **Outlook 2014**

Exact is making significant progress on the execution of its strategy for long term profitable growth. We have a strong focus on innovation, with significant investments in R&D to play into the key trends in the market. We expect Cloud Solutions continuing to grow by 30 to 50% per year in the coming years, as our customer base expands and the international rollout gains traction. For Business Solutions and Specialized Solutions, we are aiming for a low single-digit growth in more mature markets. All in all, we expect to grow total revenues over time with 4 – 7% per annum.

Notwithstanding the higher, internally funded, investments in our growth strategy, our goal for 2014 is to achieve an EBITDA at the same level as in 2013.

## Additional segment information

### Cloud Solutions

Amounts in € '000	Q4 2013	Q4 2012	%	% operat'l
Online	5,721	3,954	44.7	44.7
Service	86	124	(30.6)	(30.6)
<b>Total revenue</b>	<b>5,807</b>	<b>4,078</b>	<b>42.4</b>	<b>42.4</b>
OPEX	9,102	5,245	73.5	74.5
<b>EBITDA</b>	<b>(3,295)</b>	<b>(1,167)</b>	-	-
<i>EBITDA margin %</i>	-57%	-29%	-	-
Depreciation and amortization	500	340	47.1	47.1
<b>EBIT</b>	<b>(3,795)</b>	<b>(1,507)</b>	-	-
<i>EBIT margin %</i>	-65%	-37%	-	-

Amounts in € '000	FY 2013	FY 2012	%	% operat'l
Online	20,382	14,224	43.3	43.3
Service	276	496	(44.4)	(44.4)
<b>Total revenue</b>	<b>20,658</b>	<b>14,720</b>	<b>40.3</b>	<b>40.3</b>
OPEX	32,370	20,036	61.6	62.1
<b>EBITDA</b>	<b>(11,712)</b>	<b>(5,316)</b>	-	-
<i>EBITDA margin %</i>	-57%	-36%	-	-
Depreciation and amortization	1,752	1,352	29.6	29.6
<b>EBIT</b>	<b>(13,464)</b>	<b>(6,668)</b>	-	-
<i>EBIT margin %</i>	-65%	-45%	-	-

Amounts in € '000	Revenues	Revenue growth	Number of paying companies	Annualized Recurring Revenues
Netherlands	5,262	40.6%	130,941	21,950
Belgium	544	35.5%	14,850	2,020
UK	1	-	55	8
US	-	-	6	-
<b>Total 2013</b>	<b>5,807</b>	<b>40.1%</b>	<b>145,852</b>	<b>23,978</b>

## Business Solutions

Amounts in € '000	Q4 2013	Q4 2012	%	% operat'l
License	6,530	6,473	0.9	1.7
Maintenance	20,756	21,266	(2.4)	(1.6)
Service	3,555	3,089	15.1	16.9
<b>Total revenue</b>	<b>30,841</b>	<b>30,828</b>	<b>0.0</b>	<b>0.9</b>
OPEX	15,691	17,060	(8.0)	(7.0)
<b>EBITDA</b>	<b>15,150</b>	<b>13,768</b>	<b>10.0</b>	<b>10.6</b>
<i>EBITDA margin</i>	49%	45%	-	
Depreciation and amortization	868	984	(11.8)	(11.8)
<b>EBIT</b>	<b>14,282</b>	<b>12,784</b>	<b>11.7</b>	<b>12.3</b>
<i>EBIT margin %</i>	46%	41%	-	-

Amounts in € '000	FY 2013	FY 2012	%	% operat'l
License	19,669	21,079	(6.7)	(6.1)
Maintenance	83,221	86,361	(3.6)	(3.2)
Service	11,973	12,342	(3.0)	(2.2)
<b>Total revenue</b>	<b>114,863</b>	<b>119,782</b>	<b>(4.1)</b>	<b>(3.6)</b>
OPEX	61,672	72,430	(14.9)	(14.3)
<b>EBITDA</b>	<b>53,191</b>	<b>47,352</b>	<b>12.3</b>	<b>12.6</b>
<i>EBITDA margin</i>	46%	40%	-	
Depreciation and amortization	3,646	3,907	(6.7)	(6.7)
<b>EBIT</b>	<b>49,545</b>	<b>43,445</b>	<b>14.0</b>	<b>14.3</b>
<i>EBIT margin %</i>	43%	36%	-	-

## Specialized Solutions

Amounts in € '000	Q4 2013 Americas	Q4 2013 Lohn	Q4 2013 Longview	Q4 2013 Total	Q4 2012 Total	%	% operat'l
License	2,522	353	861	3,736	4,114	(9.2)	(4.7)
Maintenance	6,506	1,741	1,832	10,079	10,520	(4.2)	0.1
Service	2,352	966	2,281	5,599	5,984	(6.4)	(1.8)
<b>Total revenue</b>	<b>11,380</b>	<b>3,060</b>	<b>4,974</b>	<b>19,414</b>	<b>20,618</b>	<b>(5.8)</b>	<b>(1.4)</b>
OPEX	7,855	2,807	4,505	15,167	16,346	(7.2)	(3.2)
<b>EBITDA</b>	<b>3,525</b>	<b>253</b>	<b>469</b>	<b>4,247</b>	<b>4,272</b>	<b>(0.6)</b>	<b>5.7</b>
<i>EBITDA margin</i>	31%	8%	9%	22%	21%	-	-
Depreciation and amortization	203	27	844	1,074	1,143	(6.0)	(5.2)
<b>EBIT</b>	<b>3,322</b>	<b>226</b>	<b>(375)</b>	<b>3,173</b>	<b>3,129</b>	<b>1.4</b>	<b>9.9</b>
<i>EBIT margin %</i>	42%	8%	-8%	21%	19%	-	-

Amounts in € '000	FY 2013 Americas	FY 2013 Lohn	FY 2013 Longview	FY 2013 Total	FY 2012 <sup>1</sup> Total	%	% operat'l
License	9,141	1,288	3,799	14,228	15,918	(10.6)	(7.8)
Maintenance	26,374	6,969	7,554	40,897	42,344	(3.4)	(0.6)
Service	9,924	3,239	9,372	22,535	24,324	(7.4)	(4.5)
<b>Total revenue</b>	<b>45,439</b>	<b>11,496</b>	<b>20,725</b>	<b>77,660</b>	<b>82,586</b>	<b>(6.0)</b>	<b>(3.1)</b>
OPEX	32,347	10,581	20,977	63,905	67,240	(5.0)	(2.4)
<b>EBITDA</b>	<b>13,092</b>	<b>915</b>	<b>-252</b>	<b>13,755</b>	<b>15,347</b>	<b>(10.4)</b>	<b>(6.3)</b>
<i>EBITDA margin</i>	29%	8%	-1%	18%	19%	-	-
Depreciation and amortization	821	114	3,363	4,298	4,221	1.8	2.6
<b>EBIT</b>	<b>12,271</b>	<b>801</b>	<b>(3,615)</b>	<b>9,457</b>	<b>11,126</b>	<b>(15.0)</b>	<b>(9.9)</b>
<i>EBIT margin %</i>	38%	8%	-17%	15%	17%	-	-

1) 2012 includes €1,550k revenues and € 1,518k operating expenses related to Orisoft which was divested in October 2012.

## Consolidated statement of comprehensive income

(in € thousands)	2013	2012
Online	20,382	14,224
License	33,897	36,996
Maintenance and support	124,118	128,705
Service	34,784	37,163
<b>Revenue</b>	<b>213,181</b>	<b>217,088</b>
Revenue-related expenses	(13,546)	(13,706)
Personnel expenses	(117,471)	(123,935)
Marketing and sales	(11,346)	(8,423)
Other operating expenses other than depreciation and amortization	(23,465)	(28,914)
<b>Operating result before interest, tax, depreciation, amortization and impairment EBITDA</b>	<b>47,353</b>	<b>42,110</b>
Depreciation, amortization and impairment	(9,598)	(11,558)
<b>Operating result before interest and tax EBIT</b>	<b>37,755</b>	<b>30,552</b>
Finance income	710	1,216
Finance expenses	(503)	(1,983)
<b>Net finance income/(expenses)</b>	<b>207</b>	<b>(767)</b>
<b>Profit before tax</b>	<b>37,962</b>	<b>29,785</b>
Income tax expense	(6,119)	(11,102)
<b>Profit for the year</b>	<b>31,843</b>	<b>18,683</b>
<b>Other comprehensive income</b>		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences of foreign operations	(2,724)	(2,907)
Net change in fair value of cash flow hedges reclassified to profit or loss	-	1,610
Items that are or may be reclassified subsequently to profit or loss for the year	(2,724)	(1,297)
<b>Total comprehensive income for the year</b>	<b>29,119</b>	<b>17,386</b>
<b>Profit for the year attributable to:</b>		
Equity holders of Exact	31,843	18,683
Total comprehensive income for the year attributable to:		
Equity holders of Exact	29,119	17,386
Average number of shares outstanding basic (in thousands)	22,817	22,817
Average number of shares outstanding diluted (in thousands)	22,863	22,829
Basic earnings per share (in €)	1.40	0.82
Diluted earnings per share (in €)	1.39	0.82

## Consolidated statement of financial position

(in € thousands)	2013	2012
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,494	10,492
Intangible assets and goodwill	90,018	91,181
Deferred tax assets	4,456	5,529
Long-term receivables and prepayments	966	1,605
<b>Total non-current assets</b>	<b>104,934</b>	<b>108,807</b>
<b>Current assets</b>		
Inventories	14	20
Trade receivables	28,536	30,436
Other receivables and prepaid expenses	5,575	6,203
Current tax assets	1,585	1,989
Cash and cash equivalents	63,990	58,156
<b>Total current assets</b>	<b>99,700</b>	<b>96,804</b>
<b>Total assets</b>	<b>204,634</b>	<b>205,611</b>
<b>Equity and liabilities</b>		
<b>Share capital</b>	488	488
Share premium	64,758	64,758
Reserves	20,568	15,398
Retained earnings	19,841	20,721
<b>Shareholders' equity</b>	<b>102,590</b>	<b>101,365</b>
<b>Non-current liabilities</b>		
Loans and borrowings	3,061	3,482
Provisions	786	683
Deferred tax liabilities	6,549	5,514
<b>Total non-current liabilities</b>	<b>10,396</b>	<b>9,679</b>
<b>Current liabilities</b>		
Deferred revenue	57,846	59,841
Provisions	2,598	6,180
Loans and borrowings	1,288	1,293
Accounts payable and other liabilities	3,976	3,353
Current tax liabilities	3,670	4,043
Other taxes and social securities	10,656	10,148
Accrued liabilities	11,614	9,709
<b>Total current liabilities</b>	<b>91,648</b>	<b>94,567</b>
<b>Total liabilities</b>	<b>102,044</b>	<b>104,246</b>
<b>Total equity and liabilities</b>	<b>204,634</b>	<b>205,611</b>

Exact. And it all comes together.

## Consolidated statement of cash flows

(in € thousands)	2013	2012
<b>Cash flow from operating activities</b>		
Profit before tax	37,962	29,785
Adjustments for:		
Depreciation of property, plant and equipment	2,986	3,047
Amortization of intangible assets	6,720	6,360
Impairment losses on property, plant and equipment	-	56
Impairment losses on intangible assets	-	2,057
Result on sale of property, plant and equipment	(108)	39
Net finance costs	(326)	(296)
Result of divestments	-	(757)
Impairment loss on trade receivables	1,400	2,158
Changes in provisions (excluding income taxes)	(3,288)	4,345
Other non-cash items	218	(44)
Changes in:		
Deferred revenue	(671)	(1,688)
Other current assets and liabilities, excluding income tax	1,964	(744)
<b>Cash generated from operating activities</b>	<b>46,857</b>	<b>44,318</b>
Interest received	866	1,183
Interest paid	(255)	(362)
Taxes paid	(4,542)	(4,573)
<b>Net cash from operating activities</b>	<b>42,926</b>	<b>40,566</b>
<b>Cash flows from investment activities</b>		
Proceeds of group companies disposed, net of cash	-	72
Capital expenditures on intangible assets	(7,994)	(4,012)
Capital expenditures on property, plant and equipment	(1,518)	(1,994)
Proceeds from disposal of property, plant and equipment	162	620
Proceeds from long-term receivables	2,027	318
<b>Net cash used in investment activities</b>	<b>(7,323)</b>	<b>(4,996)</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(28,064)	(29,891)
Payment of finance lease liabilities	(1,074)	(960)
<b>Cash flow from (used in) financing activities</b>	<b>(29,138)</b>	<b>(30,851)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,465</b>	<b>4,719</b>
Cash and cash equivalents at January 1	58,156	53,786
Effect of exchange rate fluctuations on cash held	(631)	(349)
<b>Closing balance cash and cash equivalents</b>	<b>63,990</b>	<b>58,156</b>

## **ADDITIONAL INFORMATION**

Wednesday February 12, 2014

### **Analyst & Investor Q&A**

14.00 CET (08.00 EST)

Audio webcast on [www.exact.com](http://www.exact.com)

Conference call (for analysts and investors)

Conference ID: 9665710

#### Dial-in numbers

United States: +1 718 354 1158

United Kingdom: +44(0)20 3364 5381

The Netherlands: +31(0)20 716 8295

Two hours after the conference call, a replay will be available on [www.exact.com](http://www.exact.com)

#### Presentations

Presentations will be available on [www.exact.com](http://www.exact.com) at 7:30 a.m. CET

#### **Important dates**

April 23, 2014	Registration date
May 7, 2014	Q1 results
May 21, 2014	Annual General Meeting
May 23, 2014	Ex-dividend
May 27, 2014	Record date
May 28, 2014	Payment date final dividend
August 1, 2014	Q2 results
November 5, 2014	Q3 results

## About Exact

Exact is a leading global supplier of business software. Since we began in 1984, our focus has shifted from supporting financial processes to providing a complete ERP offering for small and medium-sized businesses. Innovative solutions such as Exact Globe Next, Exact Synergy Enterprise and Exact Online support over 100,000 customers – local and international companies – in the daily management of their business.

Exact develops industry-specific on-premise and cloud solutions for manufacturing, wholesale and distribution, professional services and accountancy. Exact is headquartered in Delft, the Netherlands, and has been listed on the NYSE Euronext Amsterdam since June 1999. The company booked revenues of € 213 million in 2013.

For further information about Exact, visit [www.exact.com](http://www.exact.com) or contact

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