



AND International Publishers NV

Interim financial report

30 June 2014

Contents

Report on the first six months of 2014	3
Consolidated profit and loss account	6
Consolidated statement of recognised and unrecognised income and expenses	7
Consolidated balance sheet.....	8
Consolidated summary of changes in shareholders' equity	9
Consolidated cash flow statement	10
Selected explanatory notes.....	11

Report on the first six months of 2014

AND realizes a higher revenue and profit in first half of 2014 and is on schedule with the creation of its navigation maps of United States and Canada

- Revenue for first half of 2014 € 3.3 million compared to € 3.2 million in first half of 2013
- Profit first half of 2014 € 2.1 million compared to € 1.8 million in first half of 2013
- Profit per share first half of 2014 € 0.56 compared to € 0.49 per share in first half of 2013
- Dividend paid of € 0.10 per share in May 2014

Rotterdam, 19 August 2014 - AND International Publishers NV realized a higher revenue and profit compared to the first half of 2013. AND realized a revenue of € 3.3 million and a profit of € 2.1 million in the first half of 2014. Earnings per share amounted to € 0.56. Based on the results in the first half of 2014 AND expects revenue and profit in 2014 will be at the same level of 2013 or higher.

AND CEO Hugo van der Linde: "We are excited with the results of the first half of 2014, showing a healthy revenue and profitability. In addition we invest heavily in doubling the coverage of our navigation maps, which progresses as scheduled."

Course of events for the first half of 2014

Early 2014 AND signed the first contracts within the track and trace market. AND has developed the AND Trip Registration Platform which is based on the AND LBS Platform. This track and trace solutions module consists of a mapping API and accurate (reverse) geocoding based on the AND proprietary maps.

At the Mobile World Congress in February AND brought its mapping and location services to Ubuntu with an easy to use mobile application. AND developed a map viewer with the proprietary AND navigation maps of Europe to start showing the capabilities of AND for Ubuntu on phones.

End of April AND signed an important agreement with ALK Technologies Inc. from Princeton to create a high quality navigation map of the United States and Canada. This agreement will contribute substantially to our revenue and results in 2014 and 2015.

This established navigation company has contributed its own navigation map of the United States and Canada, which is already extensively used within various navigation applications, systems and logistic solutions. AND is entitled to deliver the map to third parties.

Together with its current Western European navigation map AND will double its coverage of navigation maps. With this increase in coverage AND expects to further attract global customers.

The upgrade and enrichments program is planned to run until mid-2015, however parts of the improved maps will become commercially available before the fourth quarter in 2014. The upgrade program is on schedule.

Based on the agreement for the creation of high quality navigation maps of the United States and Canada, and the positive result for 2013, the Executive Board and Supervisory Board of AND International Publishers NV approved the payment of € 372,714 from its reserves. This payment corresponds to € 0.10 per share.

Financial position

Revenue increased from € 3.2 million to € 3.3 million. Revenue from the contract for the creation of the navigation map of the United States and Canada contributed an important part to the revenue in the first half of 2014.

Total operating expenses increased from € 1.4 million to € 1.5 million. Internal costs spent to the development of the map of the United States and Canada have been capitalized and amounted to € 0.3 million in the first half of 2014. Combined with higher costs for amortization net operating expenses amounted to € 1.1 million compared to € 1.4 million in 2013.

In the first half of 2014 AND invested in the map of the United States and Canada. The total investment amounts to € 3.7 million. Therefore the intangible fixed assets have increased to € 9.7 million.

Net cash flow amounted € 1.5 million negative resulting in a total balance of cash and cash equivalents of € 4.0 million.

Shareholders' equity of € 12.5 million amounts 76% of total assets. As in previous years AND has no bank debts.

Strategy

AND is the only independent company in the global map market for digital maps for location based services. This offers opportunities and AND will continue to improve and extend its existing maps more effectively. In addition AND will increase its added value by offering its maps and data as customized services.

Outlook for 2014

The economic conditions, market developments and business models in the market for digital maps are still highly uncertain. The results will depend among others on the strength of economic recovery, the developments in the market for navigation and location-based services. Also AND is still highly dependent on large customers and orders. Based on the results in the first half of 2014 AND expects revenue and profit in 2014 will be at least at the same level of 2013 or higher.

Risks

For a detailed description of the risk factors that apply to AND International Publishers NV and its subsidiaries, you are referred to page 12 and 13 of the annual report for 2013.

Declaration from the Board of Directors

The Board of Directors hereby declares that, to the best of their knowledge:

- the consolidated, interim financial report, which have been prepared on the basis of IAS 34, Interim financial reporting, give a true and fair view of the assets, liabilities, financial position and the result of AND International Publishers NV and the companies included in the consolidation as a whole; and
- the half year report from the Board of Directors includes a fair review of the information required pursuant to section 5:25d, subsection 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht)

Rotterdam, 19 August 2014

H.F. van der Linde
CEO

Note for editor, not for publication:

For further information please contact Hugo van der Linde on 0031-10-8851200 or go to www.and.com

This is an English translation of the Dutch press release. In the event of any disparity between the Dutch original and this translation, the Dutch text will prevail.

Consolidated interim financial statements

Consolidated profit and loss account

<i>in thousands of euro</i>	2014 H1	2013 H1
Total revenue	3,252	3,202
Maps and sources	(63)	(54)
Personnel expenses	(800)	(788)
Share-based compensation	(53)	(73)
Other operating expenses	(361)	(370)
Amortization intangible fixed assets	(205)	(86)
Depreciation tangible fixed assets	(19)	(18)
Total operating expenses	(1,502)	(1,388)
Capitalized development costs	323	-
Net operating expenses	(1,179)	(1,388)
Operating result	2,073	1,814
Financing income / (expenses)	4	43
Result before taxes	2,077	1,856
Taxes	4	(22)
Net result	2,082	1,834
Weighted average number of shares issued	3,727,137	3,727,137
Weighted average number of shares issued after dilution	3,727,137	3,727,137
Basic earnings per share	0.56	0.49
Diluted earnings per share	0.56	0.49

Consolidated statement of recognised and unrecognised income and expenses

<i>in thousands of euro</i>	2014 H1	2013 H1
Net result	2,082	1,834
Unrecognised income and expenses		
Foreign currency translation differences on foreign operations	24	(39)
Total recognised and unrecognised income and expenses (after taxes)	2,106	1,795

Consolidated balance sheet

<i>in thousands of euro</i>	30-Jun-14	31-Dec-13	30-Jun-13
Intangible fixed assets	9,672	6,216	6,486
Tangible fixed assets	63	72	68
Deferred tax receivables	1,385	1,372	1,374
Total non-current assets	11,120	7,660	7,928
Trade and other receivables	1,288	243	1,539
Cash and cash equivalents	3,967	5,479	4,934
Total current assets	5,255	5,722	6,473
Total assets	16,375	13,382	14,401
Shareholders' equity	12,465	10,731	11,394
Non-current liabilities	331	331	365
Current liabilities	3,579	2,320	2,642
Total shareholders' equity and liabilities	16,375	13,382	14,401

Consolidated summary of changes in shareholders' equity

<i>in thousands of euro</i>	Issued and paid-up capital	Share premium reserve	Legal reserves	Stock compensation reserve	Other reserves	Total
As at 1 January 2013	2,795	36,600	6,322	10	(36,128)	9,599
Total recognised and unrecognised income and expenses			(39)		1,834	1,795
Withdrawal legal reserve			(86)		86	-
As at 30 June 2013	2,795	36,600	6,197	10	(34,208)	11,394
As at 1 January 2014	2,795	36,600	5,866	10	(34,539)	10,732
Total recognised and unrecognised income and expenses			24		2,082	2,106
Addition legal reserve			145		(145)	-
Dividend paid		(373)				(373)
As at 30 June 2014	2,795	36,227	6,035	10	(32,603)	12,465

Consolidated cash flow statement

<i>in thousands of euro</i>	30-Jun-14	30-Jun-13
Operating result	2,073	1,814
Adjustment for:		
Depreciation tangible fixed assets	19	18
Amortization intangible fixed assets	205	86
Financing income / (expenses)	4	43
Changes in working capital and provisions	(2,786)	(1,207)
Cash flow from operating activities	(484)	752
Income tax paid	(9)	(5)
Net cash flow from operating activities	(493)	747
Investments in intangible fixed assets	(661)	(0)
Investments in tangible fixed assets	(9)	(8)
Cash flow from investment activities	(671)	(8)
Share issue	(373)	-
Cash flow from financing activities	(373)	-
Net increase / (decrease) in cash and cash equivalents	(1,536)	739
Opening balance cash and cash equivalents	5,479	4,235
	3,943	4,973
Effect of exchange rate differences in foreign currencies	24	(39)
Closing balance cash and cash equivalents	3,967	4,934

Selected explanatory notes

Reporting entity

AND International Publishers NV ('AND') is a company based in the Netherlands. The consolidated financial statements from the company comprise AND and its subsidiaries and entities over which collective control is exercised.

Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) for interim financial statements (IAS 34). The condensed consolidated interim statements do not contain all the information that is required for a full annual report and should be read in conjunction with AND's consolidated financial statements as at and for the year ended 31 December 2013.

Accounting principles for financial reporting

The accounting principles for financial reporting that are applied in the consolidated interim financial statements are the same as the accounting principles applied in the consolidated financial statements for the financial year 2013. The estimates used end of 2013 with regard to the impairment test on the database and recognised carry forward losses have been maintained the same in the first half of 2014.

Revenue

Revenue increased from € 3.2 million to € 3.3 million. Revenue from the contract for the construction of the navigation map of the United States and Canada contributed an important part to the revenue in the first half of 2014.

Own work capitalized

Internal costs spent to the development of the map of the United States and Canada have been capitalized and amounted to € 0.3 million in the first half of 2014 (first half of 2013: zero).

Share-based compensation

The expense for share-based compensation amounts € 53,000 (first half of 2013: € 73,000). This expense can be derived from new options which have been granted in 2014.

Taxes

Tax gain in the first half of 2014 amounts € 4,000 (first half of 2013: € 22,000 expense).

The end of 2013 estimated future profits will be maintained and the tax burden is offset against the available carry forward tax losses. The balance of both effects is therefore nil in the profit and loss account.

Intangible fixed assets

In the first half of 2014 AND invested in and further developed the map of the United States and Canada. The total investment amounts to € 3.7 million. Therefore the intangible fixed assets have increased to € 9.7 million.

Contingent liabilities

The amounts owed under rental and operational lease agreements fall due as follows as per 30 June 2014:

< 1 year	€ 196,000
1 – 5 years	€ 467,000

For further details of the contingent liabilities, you are referred to section 6.42 on page 39 of the 2013 annual report.

Related parties

For a definition of related parties, you are referred to section 6.43 on page 39 of the 2013 annual report. During the first half of the year no major changes have taken place.