



Press Release

AND International Publishers NV 2015 Results

AND's 2015 revenue and profits boosted by investments in digital mapping

AND already locks in marked increase of revenue in 2016

<i>in millions of euros (except for figures per share)</i>	2015	2014
Revenue	6.0	4.8
Operating profit	5.4	2.7
Net profit	5.1	2.6
Net profit excluding reversal of impairment loss	3.2	2.6
Cash balance	4.5	3.8
Proposed dividend per share	0.15	-
Earnings per share	1.36	0.69

Capelle aan den IJssel, the Netherlands - 17 March 2016 - The revenues of AND International Publishers NV increased by 24% in 2015, to €6.0 million. Net profit, excluding the reversal of part of the impairment loss which was charged to income in 2011, rose to €3.2 million, compared with €2.6 million in the preceding year. Earnings per share, including the reversal of the impairment loss, came in at €1.36 compared with €0.69 in 2014. AND is profiting from ongoing investments in its digital mapping, which have resulted in several large orders. As a result of current contracts AND has already locked in revenue which substantiates a marked growth rate of 2016 revenues compared with 2015. AND proposes shareholders to pay a dividend of €0.15 per share with the intention to pay dividend on a regular basis in the years ahead.

AND Chief Executive Officer Hugo van der Linde: "Over the past five years, AND has made targeted investments in the quality and range of its digital maps, resulting in a high-quality product and structural coverage of important regions like North America and Europe. This strategy proved its worth, with major players in the sector awarding us contracts that led to sales growth in 2015, and we shall continue to grow in 2016. AND's robust financial position means that the company can fund the investments from its own resources while still intending to pay dividend to its shareholders on a regular basis. AND as an independent player is spotted by international companies because, as a flexible organisation, we are able to respond to the innovative requirements and expectations which customers have. Also the coming years we shall continue to invest in our digital mapping so as to expand our coverage and improve quality. To facilitate growth in the important American market, we shall be opening an office in the United States this year. This marks one more step in the growth of AND while continuing to pursue our prudent financial policy."



Course of events 2015

In 2015, AND made further investments in the development of a high-quality premium navigation map of North America. The upgrade and enrichment programme for the US map was completed in the third quarter of 2015, more than doubling the coverage of AND's navigation maps. The first sample data was offered to interested parties and, in October, AND secured its initial contract to supply this map, to one of the leading providers of worldwide planning solutions. This first customer licensed AND's US map after extensive testing.

Development of the high-quality premium map of Canada had reached an advanced stage by the end of 2015 and the work was completed in January 2016.

In addition to developing the high-quality premium navigation map of North America, AND executed a number of customized services and concluded various licensing agreements. In conjunction with existing customer Barloworld Supply Chain Software, for instance, which has been part of LLamasoft since November 2015, AND supplied a map in the Barloworld format so that it can be used with Barloworld software without any further processing, saving Barloworld time and development costs. Barloworld software allows the most efficient routes to be calculated, cutting costs as well as CO₂ emissions.

On another project, AND worked with Ordina and the Dutch Inspectorate of Education to support the search function on the inspectorate's website by providing accurate location details of schools. AND also completed a successful pilot for the digital mapping of unpaved roads on behalf of a supplier of advanced planning optimisation solutions. In addition, AND undertook custom contracts which involved accepting total confidentiality with respect to the client, the work involved and the financials of the project and is therefore unable to disclose any further details.

In the third quarter AND has entered into a material agreement to license certain mapping data to a U.S.-based company. The signed contract contributes substantially to the revenue in 2015.

Early in December, AND announced that it was engaged in exploratory talks with multiple companies regarding a possible offer for all shares. These discussions were at an early stage and had been initiated as a result of interest emanating from the marketplace. Given the continuing and recent positive developments, AND has meanwhile informed these companies that it is suspending these talks until further notice.

Financial position

Revenue was up from €4.8 million to €6.0 million. The contract signed in Q3 with an American player to use AND digital maps contributed substantially to revenue in 2015.

Total operating expenses in 2015 were up by €1.1 million, at €4.5 million overall. Personnel expenses rose by €0.4 million compared with 2014, to €2.4 million. This increase stemmed from making greater use of contract staff to work on a custom contract for a customer. The capacity of in-house staff was also increased in connection with the expansion investments for the navigation map of North America.

Depreciation and amortisation of property, plant and equipment and intangible assets rose by €0.2 million to €0.7 million. The increase is caused by the investments in the North American navigation map in 2014 and 2015.



The costs of share-based compensation rose by €0.5 million to €0.6 million. The increase is caused by the rise in the share price from €3.00 at year-end 2014 to €8.35 at the end of 2015.

The costs involved in the further development of the map of North America have been capitalised and, for the whole of 2015, amounted to a total of €1.4 million (2014: €1.3 million).

An impairment test was performed on the carrying amount of the AND database at balance sheet date. The outcome of this test resulted in a reversal, totalling €2.5 million, of the impairment loss recognised in 2011, based on the positive growth in revenue and profits of recent years and the signing of an important licence agreement in February 2016, which means that 2016 revenue will be a minimum of €6.5 million. The earning capacity and value of the database is therefore far greater than had been recognised.

Net operating expenses were down from €2.1 million in 2014 to €0.6 million in 2015. This decline is largely explained by the reversal of the impairment loss of €2.5 million originally recognised in 2011.

The realised net profit amounts to €5.1 million, compared with a profit of €2.6 million in 2014. Of this, an amount of €1.9 million results from the €2.5 million reversal of the impairment loss recognised in 2011.

In 2015, further investments were made in the construction of the navigation map of North America. The total investment amounted to €1.5 million. This investment, together with the €2.5 million reversal of the impairment loss recognised in 2011, caused the carrying amount of the intangible assets to rise to €13.8 million as at year-end 2015.

The net cash flow for 2015 amounted to €0.7 million positive, increasing the balance of cash and cash equivalents to €4.5 million as at year-end 2015.

As a result of the realised results and the investments total assets in 2015 increased by €4.2 million to €20.2 million. As in 2014, AND had no bank borrowings as at year-end 2015. Shareholders' equity as at year-end 2015 amounted to approximately 89% of the balance sheet total.

Dividend

Given the good results for 2015 and the excellent start to 2016, AND will be putting a resolution before the General Meeting of Shareholders to be held on 12 May 2016 proposing to pay a dividend of €0.15 per share in respect of the 2015 financial year, or 17% of the net profit excluding reversal of the impairment loss. AND also has the intention to pay an annual dividend on a regular basis whenever possible and having due regard to the existing dividend policy. Since the company wishes in principle to finance its growth as far as possible from its own resources, calculation of the dividend takes account of various factors such as growth potential, level of investment, cash requirements, the capital position and the interests of shareholders in the medium term.



Market developments

The huge growth in smartphones with GPS, tablets and wearables with the ability to fix their location has created a mass-market for location-based apps that are available through the various app stores. Apart from navigation apps, many other apps also make use of location services, such as weather, chat, photo and fitness apps. Many of these apps use the standard APIs (Application Programming Interfaces) forming part of the SDKs (Software Development Kits) of the mobile operating systems. The existence of location services that are available free of charge has resulted in businesses becoming vastly more aware of the importance of location to their business processes. The map underlying location services for business processes is being customized much more frequent in order for those business processes to be optimised. There is also a growing need for cloud-based location services. With its LBS (Location Based Services) platform, AND provides the ideal answer to this need. AND also continues to see a growing demand for customized products and an increasing readiness on the part of customers to pay for services rather than map licences only. In the automotive market, AND envisages a rapidly accelerating demand for location services in connection with autonomous car and the connected car. The developments surrounding autonomous cars only go to strengthen the strategic importance of worldwide maps in this sector. AND is exploring the potential for occupying a successful position in the automotive market. Although the need for digital worldwide mapping and location services continues to grow, the number of suppliers able to provide global coverage is very limited. AND has already taken an important step in response to that need by being able to offer detailed mapping of North America in addition to its coverage of Western Europe. AND shall continue to invest in our digital mapping in the years ahead in order to expand the coverage even further and improve quality.

Strategy

AND is the only independent player in the global map market offering digital mapping for location-based services. This creates good opportunities and AND will accordingly be improving and expanding its existing maps even more effectively. AND will also be focusing on increasing the added value which it offers by providing its maps and data as customised services.

Outlook for 2016

2015 was a good year for AND and the company is positive about the new opportunities presented by today's rapidly changing technological possibilities and market developments. At the end of February 2016, AND signed an important licence agreement with one of Europe's largest Internet companies to use its digital mapping and, as a consequence of this, the company has guaranteed revenue of at least €6.5 million in 2016 at the time of publication of the present financial statements, representing marked growth in revenue compared with 2015.

Risks

For details of the various risks affecting AND International Publishers NV and its subsidiaries, reference is made to the company's 2015 annual report.



The General Meeting of Shareholders will be held in Rotterdam, the Netherlands on 12 May 2016. Detailed analysis of the results can be found in the 2015 annual report. The annual report will be published in Dutch on the website www.and.com during the course of the day on 17 March.

Rotterdam, 17 March 2016

CEO
H.F. van der Linde

2016	Financial calendar
17 March	Publication of 2015 results
12 May	Trading update
12 May	General Meeting of Shareholders
16 May	Ex-dividend date
17 May	Record date for dividend entitlement
19 May	Dividend made payable
18 August	Publication of half-year results
15 November	Trading update

Editorial note, not for publication

For further information, please contact Hugo van der Linde, Tel. 0031-10 885 12 00, or visit www.and.com.

The 2015 results included in this press release have been audited.

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.

The qualification regarding revenue growth used in this press release is based on the terminology from the scale of Mock.



1. Consolidated income statement

<i>in thousands of euro</i>	2015	2014
Total income	5,992	4,846
Maps and sources	(56)	(104)
Personnel expenses	(2,426)	(1,983)
Share-based compensation	(594)	(75)
Depreciation	(60)	(47)
Amortization	(634)	(484)
Other operating expenses	(774)	(740)
Total operating expenses	(4,544)	(3,433)
Capitalised development costs	1,424	1,331
Reversal impairment loss intangible fixed assets	2,500	-
Net operating expenses	(620)	(2,102)
Operating result	5,372	2,744
Financial income	(79)	(20)
Result before tax	5,293	2,724
Taxation	(206)	(161)
Net profit	5,087	2,563
Profit / loss attributable to:		
Shareholders of the company	5,087	2,563
Basic earnings per share (euro)	1.36	0.69
Diluted earnings per share (euro)	1.36	0.69



2. Consolidated statement of comprehensive income

<i>in thousands of euros</i>	2015	2014
Net profit	5,087	2,563
Unrecognised income and expenses		
Foreign currency translation differences on foreign operations	37	65
Total comprehensive income (after income tax)	5,124	2,628
Comprehensive income attributable to: Shareholders of the company	5,124	2,628



3. Consolidated balance sheet

as at 31 December (before appropriation of result)

<i>in thousands of euros</i>	2015	2014
Assets		
Property, plant and equipment	89	134
Intangible assets	13,831	10,453
Deferred tax assets	1,056	1,229
Total non-current assets	14,976	11,816
Trade and other receivables	736	399
Cash and cash equivalents	4,542	3,817
Total currents assets	5,278	4,216
Total assets	20,254	16,032
Shareholders' equity		
Issued and paid-up capital	2,795	2,795
Share premium reserve	36,227	36,227
Legal reserves	10,387	6,906
Result for the year	5,087	2,563
Other reserves	(36,385)	(35,504)
Total shareholders' equity	18,111	12,987
Liabilities		
Defined benefit plans	12	14
Other debts	279	308
Total non-current liabilities	291	322
Trade and other liabilities	1,852	2,723
Total current liabilities	1,852	2,723
Total liabilities	2,143	3,045
Total shareholders' equity and liabilities	20,254	16,032



4. Consolidated summary of changes in shareholders' equity

	Issued and paid-capital	Share premium reserve	Legal reserves	Unappropriated result	Other reserves	Stock compensation on reserve	Total shareholders' equity
As at 31 December 2013	2,795	36,600	5,866	1,234	(35,773)	10	10,732
Profit 2013	-	-	-	(1,234)	1,234	-	-
Payment from reserves	-	(373)	-	-	-	-	(373)
Total recognised and unrecognised income and expenses	-	-	65	2,563	-	-	2,628
Withdrawal legal reserve	-	-	975	-	(975)	-	-
Share-based compensation	-	-	-	-	10	(10)	-
As at 31 December 2014	2,795	36,227	6,906	2,563	(35,504)	-	12,987
Profit 2014	-	-	-	(2,563)	2,563	-	-
Total recognised and unrecognised income and expenses	-	-	37	5,087	-	-	5,124
Addition to legal reserve	-	-	3,444	-	(3,444)	-	-
As at 31 December 2015	2,795	36,227	10,387	5,087	(36,385)	-	18,111



5. Consolidated cash flow statement

<i>in thousand of euros</i>	2015	2014
Operating result	5,372	2,744
Adjustments for:		
Depreciation tangible fixed assets	60	47
Amortization intangible fixed assets	634	484
Reversal impairment loss intangible fixed assets	(2,500)	-
Transactions which did not lead to cashflows	(868)	(2,045)
Changes in working capital:		
Change in receivables	(306)	(95)
Change in defined benefit plan	(2)	11
Change in provisions	-	-
Change in other liabilities	(9)	(558)
Cash flow from operating activities	2,382	588
Financing income / (expenses)	(79)	(20)
Income tax paid	(33)	(17)
Net cash flow from operating activities	2,270	551
Investments in intangible fixed assets and capitalized development costs	(1,512)	(1,721)
Investments in property, plant and equipment	(10)	(107)
Cash flow from investing activities	(1,522)	(1,828)
Payment from reserves	-	(373)
Long-term debts	(29)	(20)
Cash flow from financing activities	(29)	(393)
Net increase / (decrease) in cash and cash equivalents	719	(1,670)
Opening balance cash and cash equivalents	3,817	5,479
	4,536	3,809
Effect of exchange rate differences in foreign currencies	6	8
Closing balance cash and cash equivalents	4,542	3,817