



## FIRST HALF-YEAR 2014 REPORT

**exceet Group SE**  
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Grand Duchy of Luxembourg

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# INTERIM MANAGEMENT REPORT

## Positive business development in cautious markets

- Net Sales H1 2014 reached EUR 92.9 million plus 2.3%; all organic growth
- EBITDA-margin level of 9.6% for H1 2014
- Cautious markets caused slight slowdown in Q2 2014
- exceet's outlook remains on track for FY 2014 expectations

### Revenue Development

The revenue of the first six months 2014 reached EUR 92.9 million (H1 2013: EUR 90.8 million) representing an increase of 2.3% which was mainly driven by a strong Q1 2014 and reflects the organic growth as well. Due to the cautious market environment in Q2 2014 and the project related variability of IDMS sales, the revenue decreased in Q2 2014 by 6.8% to EUR 44.5 million (Q2 2013: EUR 47.8 million). The impact from foreign currencies remains still limited and is below 0.1 percentage points of the total revenue.

### Gross Profit and EBITDA Development

The continuous focus on higher margin products in all segments supported the gross profit margin improvement from 17.6% in H1 2013 to 18.1% in H1 2014. The margin of 17.1% in Q2 2014 is driven by the current product-mix and reduced leverage due to lower sales.

In combination with the benefits of a moderate cost development EBITDA increased in the first half-year 2014 by EUR 0.7 million to EUR 8.9 million (H1 2013: EUR 8.2 million). The Q2 2014 EBITDA of EUR 3.9 million represents 8.8% of net sales (Q2 2013: EUR 5.3 million or 11.2% of net sales).

### Net Income and Earnings per Share

The Group's profit for the first half-year 2014 of EUR 1.2 million (H1 2013: EUR 5.0 million) includes a loss of EUR 0.8 million out of the revaluation of the exceet warrants (H1 2013: gain of EUR 3.4 million). The adjusted profit for the period excluding the warrant revaluation improved to EUR 2.0 million (H1 2013: EUR 1.6 million). However, the earnings per share (EPS) H1 2014 reached EUR 0.05 in comparison to EUR 0.24 (H1 2013) per Class A Share due to this revaluation effect. The earnings per Class A Share adjusted by the effect of the revaluation of the warrants amounted for H1 2014 to EUR 0.09 (H1 2013: EUR 0.07).

### Order Backlog

On 30 June 2014 exceet's order backlog amounted to EUR 100.6 million (30.06.2013: EUR 102.3 million) and reflects with a book-to-bill ratio of 1.01 the outlook of exceet for FY 2014. The backlog supports exceet's expectation to compensate the projects related dip of IDMS sales in Q2 2014 as well.

### Cash Development

exceet generated in H1 2014 an operational cash flow in the amount of EUR 1.1 million (H1 2013: EUR 1.0 million) and invested EUR 2.5 million (H1 2013: EUR 4.7 million) in tangible and intangible assets, including a single-card printing press for IDMS. Furthermore net debt increased to EUR 8.7 million compared to EUR 7.0 million at the end of 2013 due to a decrease of the cash position by EUR 1.5 million. With available cash of EUR 29.7 million (31 December 2013: EUR 31.2 million) the Group is well prepared for future business and acquisition opportunities.

## Segment Reporting

### Electronic Components, Modules & Systems [ECMS]

Net sales declined by 3.4% to EUR 67.0 million during the first six months of 2014, against EUR 69.4 million in H1 2013 which is mainly caused by the cautious order behavior of customers in the current uncertainty of the market during Q2 2014. Revenues for the second quarter of 2014 declined by EUR 3.9 million to EUR 33.4 million (Q2 2013: EUR 37.3 million). Therefore ECMS represents 72% of the overall Group sales.

The EBITDA for the first six months of 2014 reached EUR 10.9 million (16.3% margin) compared to EUR 9.8 million (14.1% margin) in H1 2013. The decline of sales reduced the EBITDA in Q2 2014 to EUR 5.3 million (Q2 2013: EUR 6.4 million) with a margin of 15.8% (Q2 2013: 17.2%).

With several development projects we were able to further strengthen ECMS's position as leading provider of opto-electronical products for exceet's key markets. In the health market, these developments enable ECMS to supply products which allow a new level of quality in resolution of medical images by increasing the detector efficiency. These imaging elements with a size of 100x100µm can be placed with a precision of +/- 1µm (a human hair is approximately 43 µm in diameter) in state of the art clean room conditions. Consequently ECMS became a project partner of the three main players within the medical x-ray equipment and CT market.

A typical project for the innovation expertise of ECMS is the joined development project with a medical customer for a new neurostimulation medical device for the treatment of Obstructive Sleep Apnea (OSA). Through targeted tongue-muscle stimulation, this sleep apnea implant stimulates the key tongue muscles during sleep, opening the upper airway and substantially reducing or eliminating OSA events.

Recent infrastructure investments of ECMS allow to further decreased the size of the structure (decrease line and space) of printed circuit boards (PCBs) enabling ECMS to drive further developments in the area of medical implants. The recently acquired exceet Medtec Romania S.R.L. is specialised in these miniaturised electronics for implants.

### ID Management & Systems [IDMS]

The IDMS revenue within the first six months of 2014 amounted to EUR 22.2 million, which represents an increase of 12.4% compared to EUR 19.7 million in H1 2013. IDMS achieved an EBITDA of EUR 0.8 million for H1 2014 (H1 2013: EUR 0.5 million) representing 3.6% EBITDA margin (H1 2013: 2.4%). IDMS continues to execute its initiated efficiency programs to support a profitable revenue growth.

The segment accounts for 24% of the group-wide sales. Revenues for the second quarter of 2014 declined by 2.8% to EUR 9.2 million (Q2 2013: EUR 9.5 million). The EBITDA reached EUR -0.1 million compared to EUR 0.0 million in Q2 2013.

### exceet Secure Solutions (ESS)

ESS is continuously investing in exceet's core markets of Health, Industry and Security with solutions for Machine-to-Machine (M2M) communication, identification and data security. Substantial parts of the ongoing project development work are multifunctional, multi-access and highly secure mobile access solutions.

During the reporting period, the segment ESS generated revenues of EUR 3.9 million in H1 2014 (H1 2013: EUR 1.9 million), accounting for 4% of the total group sales. This reflects a strong improvement by doubling the sales compared to H1 2013. Clear driver of this positive development is the ongoing telematics project for the German health card (eGK).

Due to the initial efforts related to the further development of the described technologies, the EBITDA of H1 2014 reached EUR -0.4 million (H1 2013: EUR -0.2 million).

### **Group Balance Sheet Positions**

As of 30 June 2014, the total assets of exceet Group amounted to EUR 185.7 million, compared to EUR 182.8 million as at 31 December 2013.

The non-current assets of EUR 93.4 million, decreased compared to the year-end position by EUR 1.7 million and include tangible assets of EUR 34.8 million (31.12.2013: EUR 35.4 million) and intangible assets of EUR 57.3 million (31.12.2013: EUR 58.6 million).

Current assets amount to EUR 92.4 million, compared to EUR 87.7 million at year-end 2013. Inventories rose by EUR 3.2 million to EUR 34.5 million (31.12.2013: EUR 31.3 million). Receivables increased from EUR 22.8 million to EUR 24.4 million. Tax prepayments remained with EUR 0.6 million stable. Cash and cash equivalents decreased from EUR 31.2 million to EUR 29.7 million. This decrease can be mainly attributed to the increase of working capital by EUR 3.4 million. The outflow for investing activities of EUR 2.1 million (H1 2013: EUR 5.4 million) was mainly invested in replacements. The net debt position, excluding the shareholder loan of EUR 5.7 million, as of 30 June 2014 amounts to EUR 8.7 million (31.12.2013: EUR 7.0 million).

At the end of the reporting period, exceet Group's equity amounted to EUR 99.4 million, against EUR 98.7 million as of 31 December 2013. This reflects a reasonable equity ratio of 53.5% (31.12.2013: 54.0%).

The increase of the current liabilities by EUR 2.5 million to EUR 39.5 million as of 30 June 2014 (31.12.2013: EUR 37.0 million) includes the increase of borrowings by EUR 1.0 million (mainly reclassification from long-term borrowings), other financial liabilities of EUR 0.8 million (due to the revaluation of the Public Warrants), other current liabilities of EUR 0.7 million and accruals of EUR 0.7 million, the decrease in tax liabilities of EUR 0.9 million and other smaller changes.

Non-current liabilities decreased by EUR 0.3 million from EUR 47.1 million at year-end of 2013 to EUR 46.8 million. Long-term borrowings decreased by EUR 0.8 million to EUR 32.6 million (31.12.2013: EUR 33.5 million).

## Capital Market Environment and Share Price Performance

International stock markets developed positive, nevertheless unpredictable political tensions such as the Krim or in the Middle East resulted in cautious market behaviour in the second quarter of 2014. The European Central Bank reduced its main interest rate, the refinancing rate, from a record low of 0.25% to 0.15%. More drastically, it also cut the rate it pays on money deposited by banks from zero to minus 0.1 in the hope of pushing the banks to lend money rather than hoard it. Overall the outlook for the European markets remains still positive for the coming months.

From April 2014 to June 2014 the share price of exceet Group SE declined from EUR 5.90 to EUR 5.79 (minus 1.9%), but on very small trading volume and a lower volatility compared to prior quarters.

## Employees

As of 30 June 2014, the Group employed more than 1'000 people (Headcount) or 950 full-time equivalents (FTE) (30.06.2013: 916). 371 (30.06.2013: 350) were employed in Germany, 145 (30.06.2013: 141) in Austria, 271 (30.06.2013: 263) in Switzerland, 133 (30.06.2013: 145) in the Czech Republic, 17 (30.06.2013: 17) in the Netherlands and 13 in Romania (30.06.2013: 0).

## Opportunities and Risk Report

The statements provided in the Annual Report 2013 on the opportunities and risks of the business model remain unchanged.

## Significant Events and Actions

Three subsidiaries of the IDMS segment are facing allegations of infringements against patent rights of the Smartrac Technology Group. exceet assures that no Smartrac patent rights were violated, since the appealed products were provided by a long-term supplier of exceet Group. The supplier confirmed his right to deliver the products in dispute to exceet. Based on the available information as of today, Management does not expect a liability to occur from this case.

## Outlook

Despite the slight slowdown of the market environment, exceet's outlook remains for the time being positive for further organic growth and profitability margin improvement.

Greenock S.à r.l. a major shareholder of exceet Group SE had informed the company in Q1 2014 that they are assessing their strategic options related to their shareholding in exceet Group SE, including a possible disposal of such shareholding to a third party. Pursuant to the updated information provided by Greenock S.à r.l., no final decision has still been taken regarding the form and timing of the potential transaction.

Luxembourg, 08 August 2014  
exceet Group SE  
The Board of Directors and the Management Board

# INTERIM FINANCIAL STATEMENTS

## (CONDENSED & CONSOLIDATED)

## INTERIM BALANCE SHEET (CONSOLIDATED)

(in EUR 1'000)	unaudited 30 June 2014	audited 31 December 2013
<b>ASSETS</b>		
<b>Non-current assets</b>		
Tangible assets	34'775	35'425
Intangible assets <sup>1</sup>	57'327	58'597
Deferred tax assets	1'053	836
Other financial investments	28	28
Other non-current receivables	186	181
<b>Total non-current assets</b>	<b>93'369</b>	<b>95'067</b>
<b>Current assets</b>		
Inventories	34'503	31'335
Trade receivables, net	24'429	22'777
Other current receivables	2'058	1'230
Current income tax receivables	581	555
Accrued income and prepaid expenses	1'110	661
Cash and cash equivalents	29'676	31'170
<b>Total current assets</b>	<b>92'357</b>	<b>87'728</b>
<b>Total assets</b>	<b>185'726</b>	<b>182'795</b>
<b>EQUITY</b>		
Share capital	528	528
Reserves	98'876	98'214
<b>Equity attributable to owners of the parent company</b>	<b>99'404</b>	<b>98'742</b>
<b>Total equity</b>	<b>99'404</b>	<b>98'742</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings <sup>2</sup>	32'644	33'480
Retirement benefit obligations	5'746	4'192
Deferred tax liabilities	6'635	7'597
Provisions for other liabilities and charges	860	855
Other non-current liabilities	915	952
<b>Total non-current liabilities</b>	<b>46'800</b>	<b>47'076</b>
<b>Current liabilities</b>		
Trade payables	11'750	11'416
Other current liabilities	4'074	3'367
Accrued expenses and deferred income	8'910	8'181
Current income tax liabilities	1'614	2'538
Borrowings <sup>2, 3</sup>	11'356	10'347
Other financial liabilities	1'636	854
Provisions for other liabilities and charges	182	274
<b>Total current liabilities</b>	<b>39'522</b>	<b>36'977</b>
<b>Total liabilities</b>	<b>86'322</b>	<b>84'053</b>
<b>Total equity and liabilities</b>	<b>185'726</b>	<b>182'795</b>

1) Incl. Goodwill of EUR 35'610 (31.12.2013: EUR 35'446)

2) Net debt amount to EUR 8'667, based on third party borrowings EUR 38'343 less cash and cash equivalents of EUR 29'676

3) Incl. shareholder loan of EUR 5'657 (31.12.2013: EUR 5'622)



## INTERIM INCOME STATEMENT (CONSOLIDATED)

(in EUR 1'000)	3 months		6 months	
	unaudited 01.04. - 30.06.2014	unaudited 01.04. - 30.06.2013	unaudited 01.01. - 30.06.2014	unaudited 01.01. - 30.06.2013
Revenue	44'515	47'754	92'910	90'840
Cost of sales	(36'888)	(38'432)	(76'115)	(74'835)
<b>Gross profit</b>	<b>7'627</b>	<b>9'322</b>	<b>16'795</b>	<b>16'005</b>
<i>Gross profit margin</i>	<i>17.1%</i>	<i>19.5%</i>	<i>18.1%</i>	<i>17.6%</i>
Distribution costs	(3'448)	(3'887)	(6'625)	(7'023)
Administrative expenses	(3'155)	(2'722)	(6'994)	(6'251)
Other operating income	403	234	768	589
<b>Operating result (EBIT)<sup>1</sup></b>	<b>1'427</b>	<b>2'947</b>	<b>3'944</b>	<b>3'320</b>
<i>EBIT margin</i>	<i>3.2%</i>	<i>6.2%</i>	<i>4.2%</i>	<i>3.7%</i>
Financial income	151	506	347	1'164
Financial expenses	(496)	(662)	(1'153)	(1'339)
Changes in fairvalue in financial instruments	202	3	(782)	3'421
<b>Financial result, net</b>	<b>(143)</b>	<b>(153)</b>	<b>(1'588)</b>	<b>3'246</b>
<b>Profit before income tax</b>	<b>1'284</b>	<b>2'794</b>	<b>2'356</b>	<b>6'566</b>
Income tax expense	(457)	(1'034)	(1'163)	(1'595)
<b>Profit for the period</b>	<b>827</b>	<b>1'760</b>	<b>1'193</b>	<b>4'971</b>
<i>Profit margin</i>	<i>1.9%</i>	<i>3.7%</i>	<i>1.3%</i>	<i>5.5%</i>
<b>Profit attributable to:</b>				
Shareholders of the parent company	827	1'760	1'193	4'971
Minority interests	0	0	0	0
<b>Earnings per share (basic/dilutive) Euro</b>				
Class A Shares	0.04	0.09	0.05	0.24
Class B/C Shares	0.00	0.00	0.01	0.01
Operating result (EBIT)	1'427	2'947	3'944	3'320
Depreciation, amortization and impairment charges	2'490	2'397	4'977	4'878
<b>Operating result before depreciation, amortization (EBITDA)<sup>2</sup></b>	<b>3'917</b>	<b>5'344</b>	<b>8'921</b>	<b>8'198</b>
<i>EBITDA margin</i>	<i>8.8%</i>	<i>11.2%</i>	<i>9.6%</i>	<i>9.0%</i>

1) Earnings before Interest and Taxes

2) Earnings before Interest, Taxes, Depreciation and Amortization

## INTERIM STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED)

(in EUR 1'000)	3 months		6 months	
	unaudited 01.04. - 30.06.2014	unaudited 01.04. - 30.06.2013	unaudited 01.01. - 30.06.2014	unaudited 01.01. - 30.06.2013
<b>Profit for the period</b>	827	1'760	1'193	4'971
Items not to be reclassified to profit and loss:				
Remeasurements of defined benefit obligation	(1'243)	325	(1'306)	(188)
Deferred tax effect on remeasurements of defined benefit obligation	192	(50)	202	31
<b>Items not to be reclassified to profit and loss</b>	<b>(1'051)</b>	<b>275</b>	<b>(1'104)</b>	<b>(157)</b>
Items to be reclassified to profit and loss:				
Currency translation differences	170	(619)	546	(1'122)
<b>Items to be reclassified to profit and loss</b>	<b>170</b>	<b>(619)</b>	<b>546</b>	<b>(1'122)</b>
<b>Total comprehensive income for the period</b>	<b>(54)</b>	<b>1'416</b>	<b>635</b>	<b>3'692</b>
Attributable to:				
Shareholders of the parent company	(54)	1'416	635	3'692
Minority interests	0	0	0	0

## INTERIM STATEMENT OF CASH FLOWS (CONSOLIDATED)

(in EUR '000)	unaudited 01.01. - 30.06.2014	unaudited 01.01. - 30.06.2013
<b>Profit before income tax</b>	<b>2'356</b>	<b>6'566</b>
Adjustment for non-cash transactions		
Amortization on intangible assets	1'818	1'957
Depreciation on tangible assets	3'159	2'921
Losses/(gains) on disposal of assets	(3)	(28)
Change of provisions	(87)	(226)
Adjustments to retirement benefit obligation/prepaid cost (provision)	197	245
Financial expenses	591	547
Change in fair value in financial instruments	782	(3'421)
Other non-cash (income)/expenses	(717)	(519)
Operating net cash before changes in net working capital	8'096	8'042
Changes to net working capital		
- inventories	(2'462)	(575)
- receivables	(2'192)	(2'888)
- accrued income and prepaid expenses	(446)	(321)
- liabilities	1'015	68
- provisions for other liabilities and charges	0	(467)
- accrued expenses and deferred income	682	84
Tax refunds received (prior periods)	116	32
Tax paid	(3'242)	(2'561)
Interest received	16	31
Interest paid	(517)	(461)
<b>Cash flow from operating activities<sup>1</sup></b>	<b>1'066</b>	<b>984</b>
Acquisition of subsidiaries, net of cash acquired	69	(600)
Purchase of tangible assets	(2'170)	(4'086)
Sale of tangible assets	272	20
Purchase of intangible assets	(273)	(777)
Sale of intangible assets	0	0
<b>Cash flow from investing activities</b>	<b>(2'102)</b>	<b>(5'443)</b>
Increase of borrowings	1'682	1'783
Repayment of borrowings	(1'041)	(1'247)
Proceeds/Repayments of other non-current liabilities	(37)	78
Proceeds from finance lease prepayments	225	129
Payments of finance lease liabilities	(1'440)	(1'711)
<b>Cash flow from financing activities</b>	<b>(611)</b>	<b>(968)</b>
<b>Net changes in cash and cash equivalents</b>	<b>(1'647)</b>	<b>(5'427)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>31'170</b>	<b>24'426</b>
Net changes in cash and cash equivalents	(1'647)	(5'427)
Effect of exchange rate gains/(losses)	153	(239)
<b>Cash and cash equivalents at the end of the period</b>	<b>29'676</b>	<b>18'760</b>

1) Free cash flow amounts to EUR -1'481 based on Cash flow from Operations of EUR 1'066 minus net capital expenditure (adjusted for finance lease) of EUR 2'547.

## INTERIM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

(in EUR 1'000)	Issued and paid- in share capital	Capital reserves	Treasury shares	Share-based payments	Retained earnings	Foreign currency transl. diff.	exceet Group SE shareholder equity
<b>Balances at 1 January 2014</b>	528	65'485	(4'525)	152	28'681	8'421	98'742
Profit for the period					1'193		1'193
Remeasurements of defined benefit obligation					(1'306)		(1'306)
Deferred tax effect on remeasurements of defined benefit obligation					202		202
Currency translation differences						546	546
Other comprehensive income for the period					(1'104)	546	(558)
<b>Comprehensive income for the period</b>					89	546	635
Share-based payments				27			27
<b>Other equity effects</b>				27			27
<b>Balances at 30 June 2014</b>	528	65'485	(4'525)	179	28'770	8'967	99'404
<b>Balances at 1 January 2013</b>	528	65'485	(4'525)	56	19'488	9'309	90'341
Profit for the period					4'971		4'971
Remeasurements of defined benefit obligation					(188)		(188)
Deferred tax effect on remeasurements of defined benefit obligation					31		31
Currency translation differences						(1'122)	(1'122)
Other comprehensive income for the period					(157)	(1'122)	(1'279)
<b>Comprehensive income for the period</b>					4'814	(1'122)	3'692
Share-based payments				55			55
<b>Other equity effects</b>				55			55
<b>Balances at 30 June 2013</b>	528	65'485	(4'525)	111	24'302	8'187	94'088

The accompanying notes are an integral part of the Interim Financial Statements (condensed & consolidated)

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONDENSED & CONSOLIDATED)

### 1 General information

exceet Group SE (“Company”) - collectively with its subsidiaries - is the successor company of a reversed asset acquisition of exceet Group SE (formerly named Helikos SE) and exceet Group AG with effect from 26 July 2011. The reversed asset acquisition was the result of a planned arrangement whereby exceet Group AG was acquired by exceet Group SE with former exceet Group AG shareholders receiving de facto control of exceet Group SE and with the Management and Board of Directors of exceet Group AG becoming the Management and Board of Directors of exceet Group SE.

exceet Group SE is incorporated as a Société Européenne under the law of Luxembourg. The Company was incorporated on 9 October 2009 as Helikos SE and renamed to exceet Group SE on 27 July 2011. The registered office is at 115 avenue Gaston Diderich, L-1420 Luxembourg. exceet Group SE carried out its initial public offering on the regulated market (Regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) under the symbol “EXC” on 4 February 2010.

The consolidated exceet Group SE (“Group” or “exceet”) includes all relevant companies in which exceet Group SE, directly or indirectly, has a majority of the voting rights and is able to determine the financial and business policies based on the so-called control concept. All companies consolidated into the Group are disclosed in note 19 “List of consolidated subsidiaries of exceet Group SE”.

exceet is an international technology group specialized in the development and manufacturing of intelligent, mission critical and secure electronics of small and mid-size volumes. The Group provides worldwide added value solutions and distinguishes through its technical skill set in embedded intelligent electronics with a leading position in the health, industry & security markets.

The Group differentiates and reports in three business segments: Electronic Components Modules & Systems (ECMS), ID Management & Systems (IDMS) and exceet Secure Solutions (ESS).

The ECMS segment (72% of Group Sales H1 2014) develops and produces innovative, complex and integrated electronic products, with a focus on miniaturization, cost optimization and a high degree of customization to suit the needs of the customers. The products and services of the ECMS segment are aimed primarily at customers in the sectors of medical and healthcare, industrial automation, security and avionics.

The IDMS segment (24% of Group Sales H1 2014) is engaged in design, development and production of contact and contactless smart cards, multifunction cards, card reading devices and related services. Offering tailored, innovative solutions while meeting the highest quality and security standards, the Company considers itself as one of the leading providers of comprehensive solutions for high-tech smart cards and the corresponding card reading devices in Europe. IDMS security solutions are used primarily in the sectors of financial services, security, public sector, transportation, healthcare, as well as retail.

The ESS segment (4% of Group Sales H1 2014) combines the experience gathered in the ECMS and IDMS segments relative to the development of innovative solutions for embedded security systems in selected markets. The ESS segment focuses on security solutions for customers in the sectors of medical and healthcare, industrial automation, financial services, security, avionics and the public sector.

exceet is mainly focusing on the markets in Europe, but is also active in the markets of USA and Asia-Pacific. The Group consists of 21 legal entities with 15 locations in Austria, the Czech Republic, Germany, Luxembourg, the Netherlands, Romania and Switzerland. This setup allows the Group to benefit from specific local advantages (e.g. customer proximity) and to apply a flexible production process necessary to fulfill the specific requirements of customers.

This condensed consolidated interim financial information is unaudited and was approved for issue by the Board of Directors on 8 August 2014.

## 2 Adoption of new and revised accounting standards

### New and amended standards adopted by the Group

The following standards and amendments, issued by the International Accounting Standards Board ('IASB') and the IFRS Interpretations Committee and as adopted by the European Union (EU), are effective for the first time in the current financial year and have been adopted by the Group:

- IFRS 10 (New) "Consolidated financial statements"
- IFRS 11 (New) "Joint arrangements"
- IFRS 12 (New) "Disclosure of interests in other entities"
- IAS 27 (Revised) "Separate financial statements"
- IAS 32 (Amendment) "Financial instruments: Presentation – offsetting financial assets and liabilities"
- IAS 39 (Amendment) "Novation of derivatives and continuation of hedge accounting"
- IFRIC 21 (New) "Levies"

The above standards and amendments adopted by the Group have no impact on its consolidated results of financial position.

Apart from these amendments, the interim condensed consolidated financial statements have been prepared on the basis of the accounting policies, significant judgments, key assumptions and estimates as described on pages 31 to 48 of the consolidated financial statements of exceet Group SE 2013.

### New standards, amendments and interpretations not yet adopted by the Group

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014 and have not been applied in preparing these interim condensed consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group:

- IFRS 9 (New) "Financial instruments" – no effective date set by the IASB yet
- IFRS 14 (New) "Regulatory Deferral Accounts" – IASB effective date 1 January 2016
- IFRS 15 (New) "Contracts with Customers" – IASB effective date 1 January 2017
- IFRS 11 (Amendments) "Accounting for Acquisitions of Interest in Joint Operations" – IASB effective date 1 January 2016
- IAS 16 /41 (Amendments) "Bearer Plants" – IASB effective date 1 January 2017
- IAS 16/38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortization" – IASB effective date 1 January 2016
- IAS 19 (Amendments) "Employee benefits" – IASB effective date 1 July 2014

The Group is yet to assess the potential impacts of the new standards and amendments to the existing standards and intends to adopt them no later than the effective endorsement date by the EU.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

### 3 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2014, have been prepared in accordance with IAS 34, 'Interim financial reporting'.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

All figures presented should be read as in EUR 1'000.

#### Use of estimates and judgments

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2013.

The following exchange rates were relevant to the interim financial report as per 30 June 2014:

	30 June 2014	Average 01.01. - 30.06.2014	31 December 2013	30 June 2013	Average 01.01. - 30.06.2013
CHF 1	0.82	0.82	0.81	0.81	0.81
USD 1	0.73	0.73	0.73	0.76	0.76

Taxes on income in the interim periods are accrued using the local tax rate that would be applicable to expected total annual profit or loss.

#### Consolidated statement of comprehensive income

The interim consolidated statement of comprehensive income was prepared based on an accruals basis. The consolidated statement of comprehensive income has been presented by using "cost of sales" method.

#### Seasonality

Revenues and costs are not influenced by seasonal effects, but are mainly impacted by the economic environment in the markets the Group is operating in.

### 4 Financial risk management and financial instruments

#### Financial risk factors

The Group's activities expose it to a variety of financial risks: market risks (including currency risk, fair value interest rate risk, cash flow interest rate risk, price risk and public warrant fair value risk), credit risk and liquidity risk.

The interim condensed financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's consolidated financial statements for 2013. There have been no changes in any risk management policies since the year end.

### Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, prices) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The following table presents the group's asset and liabilities that are measured at fair value.

(in EUR 1'000)	Level 1	Level 2	Level 3	Total
<b>30 June 2014</b>				
<b>Assets as per balance sheet</b>				
Financial assets at fair value through profit or loss				
Interest cap				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Liabilities as per balance sheet</b>				
Financial liabilities at fair value through profit or loss				
Interest cap		56		56
Public Warrants	1'580			1'580
<b>Total</b>	<b>1'580</b>	<b>56</b>	<b>0</b>	<b>1'636</b>
<b>31 December 2013</b>				
<b>Assets as per balance sheet</b>				
Financial assets at fair value through profit or loss				
Interest cap				
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Liabilities as per balance sheet</b>				
Financial liabilities at fair value through profit or loss				
Interest cap		54		54
Public Warrants	800			800
<b>Total</b>	<b>800</b>	<b>54</b>	<b>0</b>	<b>854</b>

The group's accounting rules demands the recognition of transfers into or out of fair value hierarchy levels as of the date of the event or at the change in circumstances that caused the transfer. There were no transfers between the levels during the reporting period.

Level 1 Public Warrants are valued on the quoted market price at the balance sheet date. The Public Warrants are listed on the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse).

Level 2 interest caps were valued at fair value by using mark-to-market calculations of observable inputs of interest yield curves.

Management is assisted for the valuation of financial assets required for financial reporting purposes, including level 3 fair values, by the Group's finance department. Discussions of valuation processes and results are held regularly between the CFO and the finance department.



The following tables are presenting the changes in level 3 instruments:

(in EUR 1'000)	
<b>Balance at 1 January 2014</b>	
Currency translation differences	0
<b>Balance at 30 June 2014</b>	0
Total (gains)/losses for the period included in profit or loss	0
<b>Balance at 1 January 2013</b>	
Earn-out of acquisition	269
Currency translation differences	0
<b>Balance at 30 June 2013</b>	269
Total (gains)/losses for the period included in profit or loss	0

### Fair value of financial assets and liabilities measured at amortized costs

The fair values of borrowings are as follows:

(in EUR 1'000)	unaudited	audited
	30 June 2014	31 December 2013
<b>Carrying amount</b>		
Bank borrowings	29'559	29'638
Finance lease liabilities	3'085	3'842
<b>Total</b>	<b>32'644</b>	<b>33'480</b>
<b>Fair value</b>		
Bank borrowings	29'559	29'638
Finance lease liabilities	3'085	3'842
<b>Total</b>	<b>32'644</b>	<b>33'480</b>

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

## 5 Additional information to the cash flow statement

(in EUR 1'000)	unaudited	unaudited	Date of consolidation
	01.01. - 30.06.2014	01.01. - 30.06.2013	
<b>Cash flow on acquisition of investments</b>			
Cash inflow on acquisition of exceet Medtec Romania S.R.L.	69		31 May 2014
Cash outflow on acquisition of exceet CZ s.r.o.		(600)	31 December 2010
<b>Total</b>	<b>69</b>	<b>(600)</b>	
<b>Transaction cost directly recognized in the income statement</b>			
exceet Medtec Romania S.R.L.	24		
<b>Total</b>	<b>24</b>	<b>0</b>	

The cash outflow on acquisition of exceet CZ s.r.o. is related to the acquisition in 2010, with final contractual payments in Q1 2013.

The acquisition of tangible assets is mainly related to the purchase of production facilities and machinery. The Group purchased fixed assets through finance lease arrangements of EUR 326 (H1 2013: EUR 410).

Proceeds from finance lease prepayments are reimbursements in the current reporting period of prepayments of leasing liabilities in previous reporting periods, these prepayments amount to EUR 225 (H1 2013: EUR 129).

Payments of finance lease liabilities represent payments of amortizations of current lease liabilities and prepayments for new lease liabilities in the current period.

## 6 Segment information

The Group has three main business segments, Electronic Components Modules & Systems (ECMS), ID Management & Systems (IDMS) and exceet Secure Solutions (ESS), representing different subsidiaries. The segment information is presented on the same basis as for internal reporting purposes. The segments are reported in a manner that is consistent with the internal reporting provided to the Group's Chief Operating Decision Maker – Management Board. In addition, the Group has a fourth segment 'Corporate and others' for reporting purposes, which only includes the investment companies.

The segment information for the first half-year 2014 and a reconciliation of EBIT to profit / (loss) for the period is provided as follows:

### Income statement and capital expenditure by segment

01.01. - 30.06.2014 (in EUR '000)	ECMS	IDMS	ESS	Corporate and others	Eliminations	Group consolidated
External revenue	66'892	22'146	3'872	0		92'910
Inter-segment revenue	153	5	0	145	(303)	0
<b>Total revenue</b>	<b>67'045</b>	<b>22'151</b>	<b>3'872</b>	<b>145</b>	<b>(303)</b>	<b>92'910</b>
<b>EBITDA</b>	<b>10'946</b>	<b>807</b>	<b>(449)</b>	<b>(2'383)</b>		<b>8'921</b>
<i>EBITDA Margin</i>	16.3%	3.6%	(11.6%)			9.6%
Depreciation, amortization and impairment	(3'484)	(1'314)	(105)	(74)		(4'977)
<b>EBIT</b>	<b>7'462</b>	<b>(507)</b>	<b>(554)</b>	<b>(2'457)</b>		<b>3'944</b>
<i>EBIT Margin</i>	11.1%	(2.3%)	(14.3%)			4.2%
Financial income	211	35	0	260	(159)	347
Financial expense	(500)	(253)	(21)	(538)	159	(1'153)
Changes in fair value in financial instruments	0	(2)	0	(780)		(782)
<b>Financial result – net</b>	<b>(289)</b>	<b>(220)</b>	<b>(21)</b>	<b>(1'058)</b>	<b>0</b>	<b>(1'588)</b>
<b>Profit before income tax</b>	<b>7'173</b>	<b>(727)</b>	<b>(575)</b>	<b>(3'515)</b>		<b>2'356</b>
Income tax expense	(1'754)	391	142	58		(1'163)
<b>Profit for the period</b>	<b>5'419</b>	<b>(336)</b>	<b>(433)</b>	<b>(3'457)</b>		<b>1'193</b>
Capital expenditure tangible assets	1'471	1'036	29	9		2'545
Capital expenditure intangible assets	138	87	48	0		273
Depreciation tangible assets	(2'051)	(1'058)	(30)	(20)		(3'159)
Amortization intangible assets	(1'433)	(256)	(75)	(54)		(1'818)

01.01. - 30.06.2013 (in EUR 1'000)	ECMS	IDMS	ESS	Corporate and others	Eliminations	Group consolidated
External revenue	69'228	19'695	1'917	0		90'840
Inter-segment revenue	192	15	0	154	(361)	0
<b>Total revenue</b>	<b>69'420</b>	<b>19'710</b>	<b>1'917</b>	<b>154</b>	<b>(361)</b>	<b>90'840</b>
<b>EBITDA</b>	<b>9'755</b>	<b>480</b>	<b>(228)</b>	<b>(1'809)</b>		<b>8'198</b>
<i>EBITDA Margin</i>	<i>14.1%</i>	<i>2.4%</i>	<i>(11.9%)</i>			<i>9.0%</i>
Depreciation, amortization and impairment	(3'402)	(1'361)	(94)	(21)		(4'878)
<b>EBIT</b>	<b>6'353</b>	<b>(881)</b>	<b>(322)</b>	<b>(1'830)</b>		<b>3'320</b>
<i>EBIT Margin</i>	<i>9.2%</i>	<i>(4.5%)</i>	<i>(16.8%)</i>			<i>3.7%</i>
Financial income	417	97	0	747	(97)	1'164
Financial expense	(592)	(286)	(9)	(549)	97	(1'339)
Changes in fair value in financial instruments	0	21	0	3'400		3'421
<b>Financial result – net</b>	<b>(175)</b>	<b>(168)</b>	<b>(9)</b>	<b>3'598</b>	<b>0</b>	<b>3'246</b>
<b>Profit before income tax</b>	<b>6'178</b>	<b>(1'049)</b>	<b>(331)</b>	<b>1'768</b>		<b>6'566</b>
Income tax expense	(1'522)	(25)	104	(152)		(1'595)
<b>Profit for the period</b>	<b>4'656</b>	<b>(1'074)</b>	<b>(227)</b>	<b>1'616</b>		<b>4'971</b>
Capital expenditure tangible assets	3'323	610	15	0		3'948
Capital expenditure intangible assets	223	12	468	74		777
Depreciation tangible assets	(1'788)	(1'088)	(25)	(20)		(2'921)
Amortization intangible assets	(1'614)	(273)	(69)	(1)		(1'957)

### Assets and liabilities by segment

(in EUR 1'000)	ECMS	IDMS	ESS	Corporate and others	Eliminations	Group consolidated
<b>Balances at 30 June 2014 (unaudited)</b>						
Non-current assets	66'612	23'989	2'356	412		93'369
Current assets	70'959	13'819	2'911	4'668		92'357
Liabilities	42'783	19'658	3'052	20'829		86'322
<b>Balances at 31 December 2013 (audited)</b>						
Non-current assets	67'927	24'452	2'256	432		95'067
Current assets	68'052	15'311	1'389	2'976		87'728
Liabilities	40'587	21'729	1'906	19'831		84'053
<b>Balances at 30 June 2013 (unaudited)</b>						
Non-current assets	67'008	24'438	2'362	389		94'197
Current assets	63'006	13'288	1'085	5'262		82'641
Liabilities	41'038	19'929	1'578	20'205		82'750

### 7 Financial result

Financial income for the six months ended 30 June 2014, includes a loss of EUR 780 (H1 2013: Gain of EUR 3'400) realized on the fair value adjustment of the Public Warrants (note 14 "Other financial liability").

## 8 Development costs

The position “cost of sales” in the consolidated income statement includes development costs in the amount of EUR 4'040 (H1 2013: EUR 4'133; full year 2013: EUR 8'700).

Development costs are mainly related to development projects for customers as well to products, process development and optimizations for the production.

## 9 Equity

The authorized share capital as per 30 June 2014 amounts to 45'675'397 shares, thereof 34'734'221 shares are issued and can be divided into 20'523'695 Class A Shares (“Public Shares”), with 20'073'695 Class A Shares listed on the stock exchange and 450'000 own Class A Shares held by the Company (Treasury Shares), 5'210'526 Class B Shares (Founding Shares) and 9'000'000 Class C Shares (Earn-out Shares) with a par value of EUR 0.0152 each. The not issued shares of 10'941'176 are Class A Shares. The Treasury Shares are designated to be used for the Management Stock Option Program.

There were no changes to the share capital of exceet Group SE since the last reporting date of 31 December 2013.

For further information regarding exceet’s equity structure, please refer to the consolidated financial statements of exceet Group SE 2013, Note 13 “Equity” on pages 69 to 72.

## 10 Earnings per share

Earnings per shares (EPS) are calculated by dividing the profit attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding during the period excluding ordinary shares purchased by the Company and held as Treasury Shares.

Due to different rights to receive dividends exceet Group SE has two classes of ordinary shares. Disclosure of EPS amounts is required for both classes of ordinary shares.

### Basic earnings per share

The calculation of basic EPS at 30 June 2014 is based on the profit attributable to the owners of the parent of EUR 1'193 (H1 2013: EUR 4'971) and the weighted average number of ordinary shares outstanding of 20'073'695 Class A Shares and 14'210'526 Class B/C Shares respectively. For the same period in the previous year the notional weighted average numbers of ordinary shares outstanding were 20'073'695 Class A Shares and 14'210'526 Class B/C Shares respectively.

		unaudited 01.01. - 30.06.2014	unaudited 01.01. - 30.06.2013
Profit for the year (EUR 1'000) attributable to equity holders of the Company	Class A Shares	1'051	4'829
	Class B/C Shares	142	142
Weighted average number of ordinary shares outstanding	Class A Shares	20'073'695	20'073'695
	Class B/C Shares	14'210'526	14'210'526
Basic earnings per share (EUR/share)	Class A Shares	0.05	0.24
	Class B/C Shares	0.01	0.01

## Dilutive earnings per share

Diluted EPS are calculated by increasing the average number of shares outstanding by the total number of potential shares arising from option rights. The Group has 20'000'000 outstanding Public Warrants and 66'667 share options from the Management Stock Option Program (MSOP). The warrants and share options are not dilutive as the average market price of the ordinary shares is below the exercise price of the warrants or the share options.

As described in the annual report of exceet Group SE 2013, Note 13 “Equity” on pages 69 to 72, Class B and C Shares that are not converted to Public Shares on or prior to the fifth anniversary of the consummation of the reversed asset acquisition will no longer be convertible into Public Shares and will be redeemed. The redemption would reduce the numbers of ordinary shares outstanding, which would then impact the EPS. In the period presented it would lead to higher earnings per share for the other class of shares and consequently has not been considered as dilutive.

Should the share options of the Management Stock Option Program (MSOP) be exercised, the total number of Class A Shares would increase by 66'667 to 20'140'362 Class A Shares, by having minor impact on the EPS. Share options from the MSOP not exercised within the contractual time frame expire without any redemption and have no dilutive impact on the EPS.

As a result the basic earnings per share equal the dilutive EPS.

## 11 Dividends

No dividends were paid during the first half-year of 2014.

## 12 Borrowings

(in EUR 1'000)	unaudited 30 June 2014	audited 31 December 2013
<b>Non-current</b>		
Bank borrowings	29'559	29'638
Finance lease liabilities	3'085	3'842
<b>Total non-current borrowings</b>	<b>32'644</b>	<b>33'480</b>
<b>Current</b>		
Bank borrowings	3'469	2'550
Finance lease liabilities	2'230	2'175
Other loans	5'657	5'622
<b>Total current borrowings</b>	<b>11'356</b>	<b>10'347</b>
<b>Total borrowings</b>	<b>44'000</b>	<b>43'827</b>

Other loans represent a loan from our shareholder Oranje-Nassau Participaties B.V. The loan is due on 31 August 2014.

## 13 Retirement Benefit Obligation

The impact of measurements of the defined benefit obligation arises from changes in economic assumptions (discount rates) of EUR 1'449 (H1 2013: EUR -1'613) and return on plan assets of EUR -137 (H1 2013: EUR -412), no changes arise from changes in demographic assumptions (H1 2013: EUR 2'246).

## 14 Other financial liability

The current financial liability contains a financial liability resulting from fair value measurement of the Public Warrants of EUR 1'580 (31.12.2013: EUR 800).

### Public Warrants

exceet Group SE completed its initial public offering of 20'000'000 units consisting each of one share and one warrant, both traded on the Frankfurt Stock Exchange, at an initial price of EUR 10.00 raising hence a total of EUR 200'000.

Public Warrants are treated as derivatives under IAS 32 as they will be settled net in shares (not in cash). Therefore, they are classified as financial liabilities at fair value through profit or loss.

As at 30 June 2014 the rating of one Public Warrant on the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) was at eurocent 7.9 (31.12.2013: eurocent 4), hence a fair value of EUR 1'580 was recorded at 30 June 2014 (31.12.2013: EUR 800).

## 15 Ultimate controlling parties and related-party transactions

The Company has no ultimate controlling party.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The shareholder loan of EUR 5'000 remains unchanged since year-end 2013 with EUR 35 of interest charged for the period in 2014 (H1 2013: EUR 33). In addition, the Group had legal charges from related parties in the first six months of 2014 of EUR 70 (H1 2013: EUR 103). For the acquisition of exceet CZ s.r.o. at 31 December 2010, EUR 600 has been paid to members of Management Board of exceet Group SE by the end of the first quarter of 2013.

## 16 Business combinations

### exceet Medtec Romania S.R.L. [former: Valtronic Technologies Romania S.R.L.]

On 31 May 2014 the Group acquired by way of a share purchase agreement 95% of the shares of Valtronic Technologies Romania S.R.L. (renamed to exceet Medtec Romania S.R.L.), a Romanian development company. The remaining 5% of the shares held by a third party have been acquired on 30 June 2014, also by way of a share purchase agreement. As this second step of the acquisition of the remaining 5% interest was based on the same valuation as the first step and the minority values are below the rounding and materiality level the whole acquisition will be reported as one transaction. With this acquisition exceet intends to strengthen its technical development resources for the ECMS segment. The aggregate cash consideration amounts to EUR 186. No earn-out payments have been agreed and the Group does not expect any future payments under the contingent consideration agreement. exceet Medtec Romania S.R.L. has been acquired by exceet Group AG. Transaction costs of EUR 24 have been recognized in administrative expenses.

The company employs 13 people and contributed revenue of EUR 25 and a net loss of EUR 4 to the Group for the period of 31 May 2014 to 30 June 2014. If the acquisition had occurred on 1 January 2014, exceet Medtec Romania S.R.L. would have contributed EUR 334 revenue and a net profit of EUR 90 to the Group for the financial half-year 2014.

(in EUR 1'000)	
Fair Value	
Cash and cash equivalents	255
Tangible assets	1
Software and other intangible assets	7
Prepayments to suppliers	4
Trade receivables (including allowance)	27
Other receivables	51
Trade payables	(1)
Other liabilities	(5)
Accrued expenses and deferred income	(32)
Loans from seller - transferred to I/C	(121)
Net assets acquired	186
Consideration settled in cash	(186)
Cash and cash equivalents in subsidiary acquired	255
Cash inflow on acquisition	69

(in EUR 1'000)	
Purchase consideration	
Purchase consideration paid	186
Fair value of net assets acquired	(186)
Goodwill	0

The initial accounting for the acquisitions in the current financial year is provisional. The results of the final valuation and purchase price allocation are still outstanding. The fair values assigned to the identifiable assets acquired and liabilities assumed are therefore still subject to changes. The account receivables and other receivables are valued at fair value; there are no uncollectible receivables.

## 17 Events occurring after the reporting period

There were no other events since the balance sheet date on 30 June 2014 that would require adjustment of assets or liabilities or a disclosure.

## 18 Contingent Liability

### Litigation

Three subsidiaries of the IDMS segment are facing allegations of infringements against patent rights of the Smartrac Technology Group. exceet assures that no Smartrac patent rights were violated, since the appealed products were provided by a long-term supplier of exceet Group. The supplier confirmed his right to deliver the products in dispute to exceet. Based on the available information as of today, Management does not expect a liability to occur from this case. Therefore no provision has been recognised.

### Personal costs

In the normal course of business, costs related to employment conflicts may arise. Management accrued all estimated costs as deemed necessary within the normal operations of the Group.

## 19 List of consolidated subsidiaries of exceet Group SE

Company	Country	Year of acquisition <sup>1)</sup>	Segment	Activity	Share Capital	Share in the capital	Share of the votes
exceet Group S.E.	LUX	2011	C&O	Holding	EUR 527,960	100%	100%
exceet Austria GmbH <sup>6)</sup>	AUT	2011	C&O	Holding	EUR 35,000	100%	100%
exceet Holding AG	SUI	2011	C&O	Holding	CHF 100,000	100%	100%
exceet Group AG	SUI	2006	C&O	Holding & Services	CHF 25,528,040	100%	100%
exceet Medtec Romania S.R.L.	ROU	2014	ECMS	Development	RON 1,000	100%	100%
as electronics GmbH	GER	2012	ECMS	Development & Sales	EUR 102,150	100%	100%
AEMtec GmbH	GER	2008	ECMS	Manufacturing & Sales	EUR 2,250,000	100%	100%
Contec Steuerungstechnik & Automation GmbH	AUT	2011	ECMS	Manufacturing & Sales	EUR 36,000	100%	100%
ECR AG	SUI	2006	ECMS	Manufacturing & Sales	CHF 500,000	100%	100%
GS Swiss PCB AG	SUI	2006	ECMS	Manufacturing & Sales	CHF 1,350,000	100%	100%
Mikrap AG	SUI	2008	ECMS	Manufacturing & Sales	CHF 1,000,000	100%	100%
idVation GmbH <sup>3)</sup>	GER	2009	IDMS	Development & Services	EUR 25,000	100%	100%
exceet Card Group AG <sup>8)</sup>	GER	2009	IDMS	Holding & Services	EUR 5,915,500	100%	100%
exceet CZ s.r.o. <sup>4)</sup>	CZE	2010	IDMS	Manufacturing	CZK 1,500,000	100%	100%
exceet Card AG <sup>2),9),10)</sup>	GER	2010	IDMS	Manufacturing & Sales	EUR 6,315,584	100%	100%
exceet Card Austria GmbH <sup>2)</sup>	AUT	2009	IDMS	Manufacturing & Sales	EUR 35,000	100%	100%
exceet Card Nederland B.V. <sup>5)</sup>	NED	2009	IDMS	Manufacturing & Sales	EUR 226,900	100%	100%
Inplator Graphische Produkte GmbH	AUT	2012	IDMS	no activity	EUR 50,000	100%	100%
AuthentiDate Deutschland GmbH <sup>7)</sup>	GER	2011	ESS	Development & Services	EUR 25,000	100%	100%
AuthentiDate International AG	GER	2011	ESS	Sales	EUR 1,000,000	100%	100%

1) Year of acquisition refers to exceet Group AG point of view

2) exceet Card Group AG holds 100% of the share capital of these subsidiaries

3) exceet Card Austria GmbH holds 100% of the share capital of idVation GmbH

4) exceet Card Austria GmbH holds 98.67% of the share capital of exceet CZ s.r.o. idVation GmbH hold 1.33% of the share capital of exceet CZ s.r.o.

5) exceet Card AG holds 100% of the share capital of exceet Card Nederland B.V.

6) exceet Austria GmbH holds 99.01% of the share capital of Contec GmbH and exceet Group AG 0.99% of the share capital of Contec GmbH

7) AuthentiDate International AG holds 100% of the share capital of AuthentiDate Deutschland GmbH

8) exceet Card Group AG holds 100% of the share capital of NovaCard Systems Inc., USA, which is an inactive company and therefore not consolidated

9) PPC Card Systems GmbH and exceet Card AG have been merged in August 2012 retroactively as per 1.1.2012

10) NovaCard Informationssysteme GmbH and exceet Card AG have been merged in February 2013 retroactively as per 1.1.2013

For more detailed information please visit [www.exceet.lu/divisions/](http://www.exceet.lu/divisions/).