agta record ltd

annual report 2014

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Management report

Market environment

The automatic door market has been stagnating in Europe, showing a decline in France, Italy, the Netherlands or Hungary for example, and a slight growth in Great Britain.

In the USA, the slow growth that started in 2013 continued throughout 2014 at +2-3%.

The Chinese market stagnated for the second consecutive year.

In the lift modernisation market, the consequence of the cancellation of the second phase of modernisation was a strong and fast decline of more than 50%.

The segment of industrial doors, where we are now present since the acquisition of ISEA France, suffered from a slowdown of investments in France, the only country where we are so far active in this segment.

Group management policy

As announced, 2014 was a year of investments by the Group:

- Acquisition of five businesses in five different countries on four continents
- Strengthening of the managerial structure, particularly in Marketing and Export
- Launch of three new branches in the lift maintenance business in France

As anticipated, these investments had an adverse effect on Group profits.

Order intake

Orders of products increased by 21.7% to 75,230 units, from 61,810 units in the prior year. Organic growth was 5.1%. Value-wise, orders increased by 16.5% (MEUR 181.7 / MEUR 156.0), while organic growth was 3.5%. ISEA products are on average less expensive than core products.

Impacted by the stagnation of orders in the lift maintenance sub-segment, service and maintenance saw limited overall growth of 4.3%, while growth of 9% in the number of maintenance contracts was a positive aspect.

Best performers within the Group were the Netherlands, the export business, UK, Spain and Eastern Europe. On the contrary, business in Austria was disappointing.

Financial performance

Consolidated sales grew 11.5% and reached MEUR 291.1 (organic growth of 3.9%).

Service and maintenance accounted for 39% of sales versus 43% in 2013. The decline in the ratio is a result of the acquisition of companies with a low, in some cases non-existent maintenance business, and of the stagnation of the French lift maintenance business.

Gross margin declined slightly from 72.5% to 72.0%. Excluding acquisitions, the gross margin would have increased strongly to 73.4%, benefitting from increased sourcing in Asia, from a more favourable product mix (higher share of sliding doors) and from the strong increase in the number of maintenance contracts.

Personnel cost (+11.4%) and structure cost (+10.0%) increased less rapidly than sales. The comparison with 2013 is distorted by the impact from the acquisitions, the launch of new branches and investments in managerial structure.

EBITA grew by 8.7% to MEUR 35.4 and EBIT by 6.3%, impacted by higher amortisation of intangibles (+ MEUR 0.9). The EBIT of the lift service and maintenance business in France declined by MEUR 1.5.

Net profit increased by 8.4% to MEUR 25.0.

Acquisitions reduced EBIT by an estimated MEUR 1.0. Some of the related costs are one-time effects and will not recur in 2015.

Balance Sheet

After payment of MEUR 9.2 in dividend (20% higher than prior year) and MEUR 15.9 for acquisitions, liquidity amounts to MEUR 59.8, representing a gearing of –30%.

Risk factors

Market risk

The business of the Group is moderately diversified in terms of value added: manufacturing, installation and maintenance of automatic doors and industrial doors plus maintenance of lifts. These activities are performed in different market segments with no direct links to each other: supermarkets, hypermarkets, retail outlets, banks, office buildings, industrial and logistics units, stations and airports, hospitals, retirement homes, hotels, restaurants, etc.

Certain segments may be temporarily affected by a slowdown in investment, but all of them will rarely be affected simultaneously.

The Group is directly present on four continents (Europe, America, Asia and Australia). It operates directly in 17 countries through its subsidiaries and in all others through its distributors. Geographical risk is highly diversified. However, one country (France) accounts for approximately 40% of Group sales. Any significant slowdown in the French market would have a material impact on Group results.

Risks related to product regulation

Safety standards and regulation governing the use of automatic doors and industrial doors are extremely strict. They vary between markets, but in all markets, with the exception of China, they impose stringent guidelines on product design. The risk that even stricter standards will be introduced is considered low. If the impact of changed standards on selling prices was very high, the market potential could be negatively affected. However, a slight tightening would have a beneficial effect on prices and hence on sales.

Product liability risk

Very few physical injuries have occurred. Technological developments in door systems and safety equipment (sensor barriers, radar, opening pressure, obstacle recognition, etc.) are continually making them safer.

The most vulnerable product is the automatic revolving door, which the Group has been manufacturing since 2007 following the acquisition of Blasi in Germany. To increase the safety of Blasi products, the research and development teams have been focused on the transfer of Record technology to revolving doors and on making improvements in the processes at Blasi.

The company’s exposure to product related third-party liabilities is insured via a global umbrella insurance policy.

Financial risk

Interest rate risk:

Interest rate risk is not material due to a low level of interest bearing debt of MEUR 2.6. To illustrate this, a 1% rise in interest rates would have an impact of only MEUR 0.03 on consolidated profit before tax.

Available funds are invested in low-risk short-term money market instruments or kept in cash.

Credit risk:

Credit risks exist with regard to certain customers, either in terms of defaults on receivables or the impact on profits in the event of the loss of a large customer. The risk is limited as no single customer accounts for more than 0.5% of consolidated sales.

Liquidity risk:

Liquidity risk is minimal, given the amount of available cash, the low levels of capital expenditure compared to free cash flow, and the amount of bank facilities not drawn.

Foreign exchange risk:

The cost base in Switzerland exposes the Group to movements in the EUR/CHF rate. The growth of the business in the US (11% of Group sales) increased the exposure to movements of the USD/EUR rate. Part of the USD exposure is offset by higher levels of Group purchases denominated in USD (for instance in China). The effects of currency fluctuations are described in note 26 to the financial statements.

Research & Development

R&D expenses (including amortisation of capitalised cost) reached MEUR 3.9 in 2014 after MEUR 3.3 in 2013 (see also note 4 of the financial statements). The activities focused on revolving, energy-efficient and high-speed doors. Capitalised development costs remained stable at MEUR 0.4 in 2014.

Events after the balance sheet date

See note 29 of the financial statements.

Outlook 2015

The Group remains positive as far as the US market is concerned and becomes slightly more optimistic for Europe, considering the decline of oil prices and the support of the competitiveness of Europe by the weakened Euro.

An open question remains whether the Swiss economy will slow down as a consequence of the stronger Swiss Franc.

As far as the market of lift maintenance is concerned, the Group is not assuming a rebound of the business in the modernisation of old lifts. On the contrary, PACA AS is restructuring its teams in preparation of a soft landing, with stagnating modernisation sales and a stronger business in maintenance contracts. As a result, sales should slowly increase, but profits could rapidly improve compared to the low point of 2014.

The Group does not expect an improvement in China, but other Asian markets should show dynamic growth.

Moreover, through the acquisition of Bizzy Doors in Malaysia, the Group has gained access to a distribution platform for the surrounding Asian countries.

The product houses KOS and ISEA, now fully integrated, should benefit from the record distribution network, particularly in Germany, Switzerland and France.

We also have good expectations, not only in Europe but also in the USA, for BLASI products, including a new range of revolving doors and flip flows.

The newly developed range of high speed doors of record industry is now being launched in Switzerland, Austria and Germany, which could increase sales of these products by 15%.

Group sales could increase by 4-6% in 2015. However, the rise of the Swiss Franc could add to sales growth.

EBITA could increase in the same magnitude as sales, including a strong improvement in profitability of the lift service business, and higher contributions from the businesses acquired in 2014.

Annexes to the management report

Environmental data

As the Group is engaged in assembling components, installation and maintenance, it operates a "clean", non-polluting business.

Only the manufacturing of circuit boards, centralised in Switzerland, required the installation of extraction and filtering equipment in the area surrounding the tin-soldering work stations to prevent any release of toxic gases.

With regard to our subsidiaries, their production processes do not consume water or solvents, or a large amount of energy and they do not release toxic substances.

Concerning waste material, the cuttings from aluminium sections are sold for melting. Old batteries are collected by our maintenance service from customers and subsequently sent to specialist companies to be destroyed or recycled.

Most products have a life span of more than 10 years (which can be extended to 20 years for mechanical parts). 90% of the components are recyclable and have a very low impact on the environment.

Since more than three years the Group focuses on the development of products that consume less energy or increase the energy efficiency of client buildings (eg. related to heating or air conditioning). The Group is similarly keen on improving its manufacturing operations with a goal to use less material (eg. aluminium) or make its products easier to recycle. A good example is a range of new sliding doors with improved insulation performance (THERMCORD).

Workforce data

Number of employees as of 31 December 2014			2,104 (full time equivalents)
	of which	- % women	18%
		- % temporary employees	2%
Average number of employees in 2014			2,082
Training expenses			TEUR 550

The Group primarily employs full-time employees because of the high level of specialisation required.

As the Group consists of many legal entities located in 17 countries, compensation policies differ by subsidiary reflecting local regulation and practices customary in the local labour markets.

To date, the Group has not faced any major litigation for non-compliance with labour laws.

Chairman’s report

The Board of Directors currently has seven members. The election of board members and the Chairman takes place at every Annual General Meeting.

The Chairman of the Board of Directors of agta record must be the Chairman of the Board or the equivalent at all the subsidiaries. At present, the Boards of the subsidiaries in Sweden, Hungary, Poland, Slovenia, Malaysia, Australia and Canada did not adopt this requirement due to their size.

The Chairman has a dual role: he is required to monitor the implementation of the strategy of the Group and to verify that the internal control procedures applied by the subsidiaries are consistent with Group policies.

Where necessary, the Chairman meets the auditors of the subsidiaries. He also verifies that the rules of corporate governance and the limits concerning the delegation of decision-making powers have not been breached.

The rules are specified in two documents (“Organisational regulations of the Group” and “Business regulations of the subsidiaries”). The first document also defines the remit of the CEO.

In 2014, the Board of Directors of agta record met four times. One General Meeting of shareholders was held. No Extraordinary General Meeting of shareholders took place.

The fees of the Board of Directors are proposed to be raised by 3% in 2015. The fees of Bertrand Ghez are paid to CM-CIC.

KPMG was reappointed as auditor of the consolidated financial statements for the 2014 financial year. KPMG is not auditing all subsidiaries. In France where the accounts are audited by NOVANCES, KPMG Zurich supervises the work performed by NOVANCES. This is justified by the importance of the French subsidiaries within the Group (approximately 40% of sales).

The Remuneration Committee met twice and so did the Audit Committee.

With regard to the organisation and work of the Board of Directors, the members receive a monthly management summary showing:

– Order intake (volume and value) by subsidiary;
– Sales (volume and value) by subsidiary;
– Consolidated income statement.

At any time, the members of the Board of Directors may request a meeting with a senior manager of the Group or general manager of a subsidiary.

Notifications of Board meetings are sent well in advance, later followed by a detailed agenda and all documents or annexes required for decisions.

The Chairman has a casting vote which he did not use in 2014. No particular difficulties arose in relation to the work of the Board of Directors.

Internal control

The rules of internal control of the Group are specified in three documents:

– Responsibilities and limits of powers of the CEO: Organisational Regulations of the Group (1992, revised in 2004);
– Responsibilities and limits of powers of general managers of subsidiaries: Business Regulations of the subsidiaries (1992, revised in 2004);
– Accounting, financial and consolidation regulations for subsidiaries: Controlling Manual (1990, revised in line with IFRS standards).

At any time, the Chairman of the Group may verify that the policies of the first two documents are being applied. The Audit Committee is responsible for the supervision of the implementation of the regulation contained in the Controlling Manual. Whenever the Committee considers it necessary, it may request to undertake an in-depth audit of an issue or the processes at a subsidiary. No such in-depth audit was requested in 2014.

A Control Committee appointed by the Board of Directors has been created to support internal controls. A second member of the Board supports the Chairman with respect to selected subsidiaries, currently record USA, record

UK, PACA, BLASI and record Germany. record Slovenia, Poland and Hungary are also included, but the Control Committee meets less frequently given the size of these subsidiaries.

Finally, at the closing of the annual financial statements, every general manager of a subsidiary signs a letter confirming his personal responsibility for the correctness of the accounts which he forwards to the statutory auditors and to the Group.

The conclusions of the auditors are presented to the Audit Committee and the Board as a comprehensive report.

The Audit Committee reviews with the auditors the annual and half-year financial statements including a risk analysis. It then issues a recommendation to the Board of Directors based on the results of the review.

As required by the Swiss Code of Obligations, agta record implemented an internal controlling system (ICS). The ICS covers the entire range of procedures, methods and controls established by Group management and approved by the Board. The ICS is intended to help ensure compliance with national laws and regulation, safeguard assets, prevent errors and irregularities and ensure reliable, complete and timely accounting and financial reporting. All risks (even minor ones) are listed, as well as the methods used to control the risks and persons responsible to manage them. The Group auditor annually expresses an opinion firstly to the Audit Committee and then to the Board whether an internal control system exists. The ICS also covers the preparation of consolidated financial statements according to the instructions from the Board of Directors. The permanent monitoring and adjustment of the system is controlled by the Group CEO and CFO under the supervision of the Audit Committee.

Auditors' fees

			2014			**2013**
in thousand EUR	**KPMG**	**Others**	**Total Fees**	**KPMG**	**Others**	**Total Fees**
Statutory and Group audit	**130**	**171**	**301**	**285**	**154**	**439**
Other tasks						
IFRS		11	11		1	1
Legal and tax consultancy	39	155	194	27	113	140
Total other tasks	**39**	**166**	**205**	**27**	**114**	**141**
Total fees	**169**	**337**	**506**	**312**	**268**	**580**

Shareholder agreement

In December 2010, the parties to a shareholder agreement transferred their holdings in agta record shares (7,163,450 shares in total) to a separate holding company, agta finance. The sole purpose of agta finance is the management of the shareholding in agta record ltd. The shareholder agreement was extended once and expires on 31 December 2018 (option of renewal).

Documents available to the public

The following documents are available at http://shareholders.agta-record.com:

- Media releases;
- Financial reports (half-year and year-end);
- Financial profile;
- Documents in preparation of the Annual General Meeting of shareholders;
- Report of sales and purchases of own shares (monthly) and activity of the stock market liquidity provider;
- Articles of Association.

Board of Directors

Name	Company	Position held, functions exercised
Hubert Jouffroy	agta record ltd	Chairman of the Board of Directors
Peter Altorfer	agta record ltd	Member of the Board of Directors
	Altin AG	Chairman of the Board of Directors
	Forbo Holding AG	Member of the Board of Directors
	Huber + Suhner AG	Member of the Board of Directors
	Werner Abegg-Fonds	Member of the Board of Foundation
	Various not-listed companies	Member of the Board of Directors
David Dean	agta record ltd	Member of the Board of Directors
	Komax AG	Member of the Board of Directors
	Trumpf AG	Member of the Board of Directors
Bertrand Ghez	agta record ltd	Member of the Board of Directors
	CM CIC Securities	Member of the Board of Directors
	NGE	Member of the Strategy Committee
	Altrad Investment Authority	Member of the Board of Directors
	Compagnie Carnot	President of the Board of Directors
Michèle Rota	agta record ltd	Member of the Board of Directors
	Rota Architekten AG	Member of the Board of Directors
Werner Sprenger	agta record ltd	Vice-Chairman of the Board of Directors
	msg life Switzerland AG	Member of the Board of Directors
	Genossenschaft Schweizerische Ärzte-Krankenkasse	Chairman of the Board of Directors
Rolf Thurnherr	agta record ltd	Member of the Board of Directors

Key personnel

Key personnel is defined as the members of the Board of Directors and of the Group Executive Management, 16 individuals in total. Their profiles are provided on the agta record Group website.

Share buyback programme

Swiss law allows a company to repurchase up to 10% of its share capital. agta record has undertaken to comply with EU Stock Exchange regulations concerning share buybacks. No buyback programme is currently in place.

Dividends for the past 3 financial years

	2013	2012	2011
Total dividend in thousand CHF	11,334	9,467	8,667
Dividend per share in CHF	0.85	0.71	0.65

The totals above include treasury shares on which no dividend is paid. For 2014, a dividend of CHF 0.90 per share will be proposed to the 2015 Annual General Meeting.

Results of the past 5 years

	2014	2013	2012 Restated	2011	2010
Consolidated profit in thousand EUR	25,036	23,086	19,180	18,969	12,016
Earnings per share in EUR	1.892	1.742	1.445	1.429	0.904

Confirmation by the person responsible for the Annual Report

After taking all reasonable measures to this effect, I hereby certify that to the best of my knowledge, the information contained in this annual financial report represents a true and fair picture of the actual situation and does not omit any material information.

I hereby certify that, to the best of my knowledge and belief, the financial statements have been compiled in accordance with the applicable accounting standards, and give a true and fair view of the assets, financial situation and earnings of the Company and of the totality of companies included in the scope of consolidation, and that the management report presents a true and fair picture of the business situation, the earnings and the financial position of the Company and of the totality of companies included in the scope of consolidation, and also presents the principal risks and uncertainties they face.

Fehraltorf, 16 April 2015

Chairman of the Board of Directors

Hubert Jouffroy

Compensation report

Starting with the financial year 2014, the Swiss Ordinance against Excessive Remuneration in Listed Companies ("VegüV") requires listed companies established in Switzerland to annually publish a compensation report. The following 2014 compensation report of the agta record Group consolidates various compensation related disclosures previously included in different sections of the annual report.

The 2014 Annual General Meeting approved various changes to the Articles of Association related to compensation matters. The amendments were proposed in anticipation of the Swiss Ordinance against Excessive Remuneration in Listed Companies becoming effective on 1 January 2014. The amended Articles of Association are available (in German) on the website of the agta record Group.

The compensation report contains the compensation principles and describes the programs related to the compensation of the Board of Directors and the members of the Group Executive Management. The report also describes the role of the Remuneration Committee and provides details around the compensation and payments made to the members of the Board of Directors and of the Group Executive Management in 2014 and how the performance of the Group is reflected in the compensation of the Group Executive Management.

Compensation principles

The compensation of the members of the Board of Directors is a fixed amount ("retainer") in order to retain their independence in exercising their supervisory duties. Part of the retainer can be paid in shares restricted for three years. An amended Board of Directors share plan will be proposed to the 2015 Annual General Meeting. Social security contributions on compensation paid to the Board of Directors are incurred by agta record ltd as prescribed by Swiss law. The Chairman of the Board is allowed to use a company car as a benefit in kind. He is engaged as a consultant for the performance of special duties that exceed the usual scope of his office.

The compensation programs of the Group Executive Management aim to attract, develop and retain qualified, talented and engaged executives. The programs are designed to motivate executives to achieve the overall business objectives and to create sustainable shareholder value.

Remuneration Committee of the Board of Directors

The Remuneration Committee is elected by the shareholders at the Annual General Meeting. It currently consists of the following three non-executive members: David Dean, Hubert Jouffroy and Michèle Rota.

The main tasks of the Remuneration Committee are defined in the Charter of the Remuneration Committee. The main duties of the Remuneration Committee are

- to review and propose the compensation policies and compensation plans of the agta record Group;
- to review and propose the compensation of the key personnel (members of the Board of Directors and the Group Executive Management) employed by agta record ltd and its subsidiaries;
- to prepare the compensation report.

The aggregate fixed and variable compensation amount paid to the key personnel is approved by the Annual General Meeting as prescribed by the Swiss Ordinance against Excessive Remuneration in Listed Companies and as stipulated in the Articles of Association amended in 2014. Fixed compensation is approved for future periods whereas variable compensation is approved retrospectively. The principles, the components and the target values of the compensation of each member of the Board of Directors and of the Group Executive Management are approved by the Board of Directors based on proposals by the Remuneration Committee. The Chairman of the Board is not attending when the Remuneration Committee discusses his compensation and decides about the pertaining proposal to the Board of Directors for approval. The compensation of a particular year and of an individual executive as proposed by the CEO (or by the Chairman in the case of the CEO) is reviewed by the Remuneration Committee who uses its own benchmarking and does not engage external consultants. The Remuneration Committee meets at least twice a year. The Chairman of the Board provides a summary of the discussion held at the meeting of the Remuneration Committee at the next meeting of the Board of Directors.

Fixed and variable components of Group Executive Management compensation

The compensation of the Group Executive Management including the CEO consists of a fixed salary and two performance-related components. Changes in fixed salaries of the Group Executive Management become effective on 1 January following the approval of the aggregate fixed compensation by the Annual General

Meeting. The performance-related cash bonus and the performance-related share bonus are paid and granted, respectively, after the approval of the aggregate amounts by the Annual General Meeting. Social security contributions on compensation paid to the Group Executive Management in cash and stock are incurred by agta record ltd as prescribed by Swiss law.

The cash bonus is linked to either only the Group Cash Flow or a combination of the Group Cash Flow and additional criteria such as the cash flow, working capital and/or product sales achieved in the geographic region an executive is operationally responsible for. The target cash bonus of each individual executive is annually reviewed and a proposal for the following financial year is submitted to the Remuneration Committee by the CEO. The Chairman annually proposes the target cash bonus of the CEO to the Remuneration Committee. The Articles of Association define that the target cash bonus is limited to 50% of the fixed salary. The actual cash bonus of each individual executive is determined by comparing the achievements with respect to the criteria stipulated as described above during a particular financial year and in a specific geographic region with the related budgets. The actual cash bonus is capped at 200% of the target cash bonus.

The share bonus is defined related to a quantity of shares. The size of the actual grant is linked to either only the consolidated EBITA or to a combination of the consolidated EBITA and the EBITA achieved in the geographic region the individual executive is operationally responsible for. The target number of shares of each individual executive is annually reviewed and a proposal for the following financial year is submitted to the Remuneration Committee by the CEO. The Chairman annually proposes the target number of shares of the CEO to the Remuneration Committee. The actual number of shares each individual executive will be granted is determined relative to the EBITA budget of a particular financial year and geographic region and is capped at 200% of the target number of shares. The shares are subject to a lock-up period of three years. The lock-up does not end if a beneficiary is no longer employed by agta record ltd or one of its subsidiaries. The shares required for the share bonus grant are purchased on the market.

The two Management Stock Option Plans (MSOP) for key employees and for the Chairman of the Board of Directors introduced on 15 March 2012 were discontinued in 2014. A new plan based on phantom shares benefitting the Group Executive Management will be proposed to the 2015 Annual General Meeting.

As defined in the Articles of Association, agta record ltd may grant unsecured loans or pledges of up to MCHF 1.0 per person to members of the Board of Directors or the Group Executive Management. No such loans or pledges were granted in 2014 nor 2013. No persons close to the Board of Directors or the Group Executive Management were granted any loans of any kind, nor did they receive any remuneration whatsoever.

The details of shareholdings of the members of the Board of Directors, of the Group Executive Management and of closely linked persons are presented in note 7 of the statutory financial statements of agta record ltd.

Remuneration of the Board of Directors

No payments were made to former members of the Board of Directors of agta record ltd in 2014 nor 2013.

2014 in thousand CHF	**Retainer**	**Benefits in kind**	**Social security**	**Share-based remune-ration**	**Other*)**	**Total**
H. Jouffroy, Chairman	89	7	0	0	329	**425**
W. Sprenger, Vice-Chairman	59	0	2	0	0	**61**
P. Altorfer	44	0	4	0	0	**48**
D. Dean	44	0	4	0	0	**48**
B. Ghez (CM CIC)	44	0	0	0	0	**44**
M. Rota	44	0	4	0	0	**48**
R. Thurnherr	44	0	2	0	0	**46**
Total	**368**	**7**	**16**	**0**	**329**	**720**

*) Consulting on various matters

2013 in thousand CHF	**Retainer**	**Benefits in kind**	**Social security**	**Share-based remune-ration*)**	**Other**)**	**Total**
H. Jouffroy, Chairman	87	6	0	66	331	**490**
W. Sprenger, Vice- Chairman	58	0	3	0	0	**61**
P. Altorfer	43	0	4	0	0	**47**
D. Dean	25	0	1	0	0	**26**
B. Ghez (CM CIC)	43	0	0	0	0	**43**
M. Rota	43	0	4	0	0	**47**
R. Thurnherr	43	0	2	0	0	**45**
Total	**342**	**6**	**14**	**66**	**331**	**759**

*) 2012 stock option plan: 80,000 options on agta record shares; one option gives the right to acquire one share at an exercise price of EUR 35; options are subject to service vesting conditions; the fair value is determined using a binomial option pricing model. The plan was discontinued in 2014.

**) Consulting on various matters

Remuneration of the members of the Group Executive Management

The Group Executive Management (including the CEO) has nine (2013: eight) members who are employed by agta record ltd or subsidiaries of agta record ltd in Switzerland and abroad. No payments were made to former members of the Group Executive Management in 2014 nor 2013.

Total compensation to the Group Executive Management increased by 17% in 2014 compared to 2013, primarily due to the addition of one member to the Group Executive Management, the 34% overachievement in 2013 relative to the 2013 EBITA budget and the 19% rise in the share price of agta record between the grant dates of 2013 and 2014.

2014 in thousand CHF	**Salary**	**Bonus**[*)]	**Benefits in kind**	**Pension & social security**	**Share-based compen-sation**	**Total**
Group Executive Management	2,147	922	53	779	567	**4,468**
of which the highest individual amount:						
Stefan Riva, Group CEO	461	301	7	201	220	**1,190**

*) Paid in 2014 related to 2013 performance goals.

2013 in thousand CHF	**Salary**	**Bonus**[*)]	**Benefits in kind**	**Pension & social security**	**Share-based compen-sation**	**Total**
Group Executive Management	1,956	766	47	680	363	**3,812**
of which the highest individual amount:						
Stefan Riva, Group CEO	461	259	7	180	154	**1,061**

*) Paid in 2013 related to 2012 performance goals.

Report of the Statutory Auditor to the General Meeting of

agta record ltd, Fehraltorf

We have audited the accompanying remuneration report dated 16 April 2015 of agta record ltd for the year ended 31 December 2014. The audit was limited to the information according to articles 14-16 of the Ordinance against Excessive compensation in Stock Exchange Listed Companies contained in the tables on pages XI to XII of the compensation report.

Responsibility of the Board of Directors
The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibility
Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion
In our opinion, the remuneration report for the year ended 31 December 2014 of agta record ltd complies with Swiss law and articles 14 – 16 of the Ordinance.

KPMG AG

Orlando Lanfranchi	Simon Widmer
Licensed Audit Expert	*Licensed Audit Expert*
Auditor in Charge	

Zurich, 16 April 2015

Enclosure: Remuneration report

Consolidated financial statements

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Consolidated statement of financial position

in thousand EUR	Note	**31/12/2014**	31/12/2013
Assets			
Property and plant	3	**23,150**	22,763
Technical equipment/machinery	3	**2,596**	1,540
Other equipment	3	**15,899**	14,647
Goodwill and intangible assets	4	**62,557**	52,714
Non-current financial assets	5	**303**	238
Deferred tax assets	16	**5,875**	4,533
Total non-current assets		**110,380**	96,435
Inventories	6	**37,764**	32,849
Trade receivables	7	**58,320**	59,174
Income tax receivables		**2,707**	66
Other current receivables		**1,941**	2,986
Accrued income		**4,999**	3,588
Current financial assets	5	**4,438**	12,099
Cash and cash equivalents	8	**57,919**	49,275
Total current assets		**168,088**	160,037
Total assets		**278,468**	256,472
Equity			
Share capital	9	**8,751**	8,751
Other reserves		**22,375**	26,317
Treasury shares	9	**-2,185**	-2,541
Retained earnings		**142,443**	123,452
Profit of the period		**25,036**	23,086
Total equity attributable to shareholders		**196,420**	179,065
Liabilities			
Non-current financial liabilities	11	**514**	13
Defined benefit plan obligations	14	**14,397**	8,028
Non-current provisions	15	**2,815**	2,337
Deferred tax liabilities	16	**4,676**	4,017
Total non-current liabilities		**22,402**	14,395
Current financial liabilities	11	**2,068**	4,199
Trade payables		**14,443**	15,394
Income tax liabilities		**3,942**	3,355
Other current liabilities	17	**14,782**	16,215
Current provisions	15	**1,083**	1,400
Accrued liabilities	18	**23,328**	22,449
Total current liabilities		**59,646**	63,012
Total liabilities		**82,048**	77,407
Total equity and liabilities		**278,468**	256,472

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

of the year ended 31 December, in thousand EUR		Note	**2014**	2013
Revenue from sales and services		19	**290,804**	261,635
Raw materials and consumables used			**-81,083**	-72,286
Gross profit			**209,721**	189,349
Other operating income		20	**675**	748
Capitalisation of development costs		4	**376**	384
Personnel expenses		21	**-127,432**	-114,342
Other operating expenses		22	**-40,768**	-36,752
Operating profit before depreciation and amortisation (EBITDA)			**42,572**	39,387
Depreciation of property, plant and equipment		3	**-7,177**	-6,822
Operating profit before amortisation (EBITA)			**35,395**	32,565
Amortisation of intangible assets		4	**-3,139**	-2,214
Operating profit (EBIT)			**32,256**	30,351
Financial income		23	**482**	340
Financial expense		23	**-1,091**	-524
Profit before tax			**31,647**	30,167
Income tax expense		24	**-6,611**	-7,081
Profit of the period			**25,036**	23,086
Other comprehensive income				
Items that will never be reclassified to profit or loss:				
Remeasurements of the defined benefit liability		14	**-5,650**	1,300
Income tax on items that will not be reclassified to profit or loss			**1,256**	-298
			-4,394	1,002
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation effects - foreign operations			**4,545**	-2,465
Foreign currency translation effects - net investment approach			**778**	254
			5,323	-2,211
Other comprehensive income of the period, net of tax			**929**	-1,209
Total comprehensive income of the period			**25,965**	21,877
Earnings per share (basic / diluted)	(in EUR)	10	**1.892**	1.742

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

in thousand EUR	Share capital	Other re-serves	Trans-lation reserve	Trea-sury shares	Retained earnings	Total
Balance at 1 January 2013	**8,751**	**17,750**	**10,778**	**-940**	**129,880**	**166,219**
Total comprehensive income of the period						
Profit of the period					23,086	23,086
Total other comprehensive income			-2,211		1,002	-1,209
Total comprehensive income of the period	**0**	**0**	**-2,211**	**0**	**24,088**	**21,877**
Transactions with owners of the company, recognised directly in equity						
Purchase of treasury shares				-2,192		-2,192
Sale of treasury shares				300		300
Gain/loss from sale of treasury shares net of transaction costs					27	27
Dividends paid to owners					-7,665	-7,665
Share-based compensation				291	208	499
Total transactions with owners of the company	**0**	**0**	**0**	**-1,601**	**-7,430**	**-9,031**
Balance at 31 December 2013	**8,751**	**17,750**	**8,567**	**-2,541**	**146,538**	**179,065**
Balance at 1 January 2014	**8,751**	**17,750**	**8,567**	**-2,541**	**146,538**	**179,065**
Total comprehensive income of the period						
Profit of the period					25,036	25,036
Total other comprehensive income			5,323		-4,394	929
Total comprehensive income of the period	**0**	**0**	**5,323**	**0**	**20,642**	**25,965**
Transactions with owners of the company, recognised directly in equity						
Purchase of treasury shares				-250		-250
Sale of treasury shares				183		183
Gain/loss from sale of treasury shares net of transaction costs					39	39
Dividends paid to owners		-9,265				-9,265
Share-based compensation				423	260	683
Total transactions with owners of the company	**0**	**-9,265**	**0**	**356**	**299**	**-8,610**
Balance at 31 December 2014	**8,751**	**8,485**	**13,890**	**-2,185**	**167,479**	**196,420**

The share capital of the holding company (CHF 13 million) was converted into Euro on 1 January 2001, using the historical rate to translate the consolidated accounts into Euro. Foreign currency translation differences arising after this date are recognised in equity (translation reserve).

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

in thousand EUR	Note	**2014**	2013
Cash flows from operating activities			
Profit of the period		**25,036**	23,086
Income taxes		**6,611**	7,081
Interest income		**-482**	-339
Interest expenses	23	**380**	332
Depreciation and amortisation	3/4	**10,316**	9,036
Gain(-)/loss(+) on disposal of property, plant and equipment	20/22	**-107**	26
Other non cash items [(1)]		**2,659**	2,998
Change in inventories		**466**	2,708
Change in trade receivables		**5,280**	-222
Change in other receivables and accrued income		**749**	-1,084
Change in trade payables		**-3,390**	1,560
Change in other current liabilities and accrued liabilities		**-4,738**	-546
Income taxes paid		**-9,517**	-5,510
Interest received		**267**	330
Interest paid		**-384**	-342
Net cash from operating activities		**33,146**	39,114
Cash flows from investing activities			
Purchase of property, plant and equipment	3	**-7,735**	-6,301
Purchase of intangible assets	4	**-573**	-1,597
Acquisitions less cash and cash equivalents	1	**-13,959**	-3,675
Capitalised development costs	4	**-376**	-384
Purchase of financial assets	5	**-4,446**	-12,117
Proceeds from sale of property, plant and equipment		**1,268**	1,070
Proceeds from sale of financial assets	5	**12,101**	0
Net cash used in investing activities		**-13,720**	-23,004
Cash flows from financing activities			
Purchase of treasury shares, less transaction costs		**-250**	-2,192
Sale of treasury shares, less transaction costs		**222**	327
Increase of bank liabilities		**297**	0
Repayment of bank liabilities		**-3,283**	-7,013
Repayment of finance lease liabilities		**-20**	-277
Dividends paid to owners		**-9,265**	-7,665
Net cash used in financing activities		**-12,299**	-16,820
Net increase(+)/decrease(-) in cash and cash equivalents		**7,127**	-710
Cash and cash equivalents at 1 January		**49,275**	50,750
Effect of exchange rate fluctuations on cash held		**1,517**	-765
Cash and cash equivalents at 31 December		**57,919**	49,275

(1) Other non-cash items mainly relate to changes in provisions and the share plan.

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

General information

agta record ltd (the "Company") is a company domiciled in Fehraltorf, Switzerland. The consolidated financial statements as at and for the 12 months ended 31 December 2014 comprise the Company and its subsidiaries (hereinafter referred to as “Group”). The Group is dedicated to the manufacturing, distribution, installation and maintenance of automatic door systems.

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB and comply with Swiss Law.

The Company’s Board of Directors authorised the consolidated financial statements for issue on 16 April 2015. The consolidated financial statements will be submitted for approval by the shareholders at the General Meeting to be held on 3 June 2015.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss, financial assets available for sale and derivative financial instruments, which are measured at fair value.

Functional and Presentation Currency

The functional currency of the Company is the Swiss franc. The consolidated financial statements, however, are presented in Euro, as the Group generates a distinct majority of its revenues in the eurozone. Both income and expenses are predominantly denominated in Euro. All financial information presented in Euro has been rounded to the nearest thousand.

Significant accounting principles

Except as described below, the accounting principles applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2013. With effect from 1 January 2014, the Group applied the following amended standards by the IASB:

- Amendments to IAS 32 – Offsetting financial assets and financial liabilities
- Amendments to IAS 36 – Recoverable amount disclosures for non-financial assets
- Amendments to IAS 39 – Novation of derivatives and continuation of hedge accounting
- Amendments to IAS 10, IFRS 12 and IAS 27 – Investment entities
- IFRIC 21 – Levies

The above mentioned standards and new interpretations do not have a material impact on profit and equity of the Group.

New and revised Standards and Interpretations

The following new and revised Standards and Interpretations have been issued up to 31 December 2014, but are not yet effective. They have not been applied early in these consolidated financial statements. If they had been applied in 2014 they would have had no significant effect on the Consolidated Financial Statements of the Group:

- Amendments to IAS 1 – Disclosure Initiative (applicable as of 1 January 2016)
- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation (applicable as of 1 January 2016)

- Amendments to IAS 19 – Defined benefit plans: employee contributions (applicable as of 1 January 2015)
- Amendments to IAS 27 – Equity method in separate financial statements (applicable as of 1 January 2016)
- IFRS 9 – Financial instruments (applicable as of 1 January 2018)
- Amendments to IFRS 10 and IAS 28 – Sale or contribution of assets between an investor and its associate or joint venture (effective date is 1 January 2016)
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment entities: applying the consolidation exception (applicable as of 1 January 2016)
- Amendments to IFRS 11 – Accounting for acquisitions of interests in joint operations (applicable as of 1 January 2016)
- IFRS 14 – Regulatory deferral accounts (applicable as of 1 January 2016)
- IFRS 15 – Revenue from contracts with customers (applicable as of 1 January 2017)
- Annual improvements to IFRSs – 2010-2012 and 2011-2013 Cycle (applicable as of 1 January 2015)
- Annual improvements to IFRSs – 2012-2014 Cycle (applicable as of 1 January 2016)

Estimates and assumptions

The preparation of consolidated financial statements in accordance with IFRS requires estimates and assumptions by the Group Executive Management. These estimates and assumptions might affect the reported amount of assets and liabilities, contingent liabilities and contingent assets at the reporting date as well as income and expenses during the reporting period. The actual outcomes and results may differ from these estimates and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impacts from revision to accounting estimates are recognised in the period in which the estimates are revised and for any future periods affected.

Information about assumptions and estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Goodwill and intangible assets (note 4)

The Group has recognised goodwill and intangible assets originating mostly from business combinations and from capitalised development projects. A detailed impairment test is performed annually for goodwill, intangible assets not yet available for use, and all other intangible assets, if there is any indication that an asset may be impaired. The actual recoverable amount of goodwill and intangible assets may differ significantly from the estimated value.

Employee benefit obligations (note 14)

Defined benefit obligations are calculated based on various financial and actuarial assumptions. The key assumptions for assessing these obligations are the discount rate, future salary and pension increase. As a result of future developments in the economic environment actual values may differ from the estimates, which can lead to significant changes in the defined benefit obligations.

As market conditions and the economic environment change, and because the number of employees leaving the Group may rise or fall and the pensioners enjoy longer or shorter lives, as well as due to changes in other estimated factors, the actuaries' assumptions may diverge considerably from the actual results. These variations may have an influence on the amounts of the assets held with the pension institutions and of the liabilities towards them recognised in the statement of financial position in future reporting periods.

Provisions (note 15)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Group companies may be involved in litigation as part of their day-to-day business. Provisions for litigation in progress are recognised and measured based on available information as well as predictable outflow of funds.

Provisions for warranties are calculated based on past experience regarding the liability of the Group and the industry average failure rate for a 24-month warranty.

Income taxes / deferred taxes (note 16)

The calculation of current and deferred taxes is subject to interpretations of the tax laws in the respective countries, the appropriateness of which is evaluated in the context of the final assessment or audits performed by tax authorities. These new assessments can entail adjustments to tax charges. Tax loss carry-forwards are recognised only to the extent that it is probable that future taxable profits will be available against which they can be offset.

Principles of consolidation

Business combinations

Business combinations are accounted for by applying the acquisition method. The Group measures goodwill as the fair value of the consideration transferred (including the fair value of any previously held equity interest in the acquiree) and the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interest at its fair value or at its proportionate share of the recognised amount of the identifiable net assets, at the acquisition date.

Transaction costs incurred in connection with a business combination, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Note 30 presents the companies that are included in the scope of consolidation.

Elimination of transactions and balances

Intra-group balances and unrealised income and expenses arising from intra-group transactions are eliminated in the consolidated financial statements.

Foreign currency

Transactions in foreign currencies are translated at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates at the closing date. The translation differences are recorded in the statement of comprehensive income. Non-monetary financial assets denominated in foreign currencies that are classified as available for sale are translated at the closing date rate. These foreign currency translation differences are recognised in other comprehensive income.

Assets and liabilities of foreign subsidiaries' are translated at closing date exchange rates, income and expense and the cash flow statements at average rates. Foreign currency translation differences between the balance sheets and statements of comprehensive income are recognised in other comprehensive income.

Long term loans to foreign subsidiaries, for which settlement is neither planned nor likely to occur in the foreseeable future form part of the net investment in a foreign operation and are therefore translated at historical rates. The resulting foreign currency translation differences are recognised in other comprehensive income.

The following rates have been applied within the Group to translate the primary currencies:

		Average exchange rates		**Closing date rates**	
		2014	2013	**31/12/14**	31/12/13
1	CHF	**0.82**	0.81	**0.83**	0.81
1	GBP	**1.24**	1.18	**1.28**	1.20
1	USD	**0.75**	0.75	**0.82**	0.73

Valuation principles and definitions

Consolidated statement of financial position

Property, plant and equipment (note 3)

Property and plant, technical equipment/machinery and other equipment (plant equipment, IT hardware and motor vehicles) are measured at acquisition or production cost less accumulated depreciation and accumulated impairment loss. Costs for repairs and maintenance of property, plant and equipment are recognised in profit or loss as incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

Depreciation of property, plant and equipment is recognised in profit or loss on a straight-line basis over their estimated useful lifes. The useful lives are:

– Property and plant	20 – 40 years
– Technical equipment and machinery	7 – 10 years
– Other equipment	
▪ Plant equipment	4 – 10 years
▪ IT hardware	5 years
▪ Motor vehicles	3 – 6 years

The useful life is reviewed annually and adjusted if necessary.

Goodwill and intangible assets (note 4)

Goodwill: Goodwill that arises from acquisitions is presented with intangible assets. Goodwill is stated at cost less accumulated impairment losses.

Software, capitalised development costs and other intangible assets: Purchased intangible assets are recognised at acquisition cost less accumulated amortisation and accumulated impairment losses. Development costs are capitalised only if they can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs, if any. Other development costs are recognised in profit or loss as incurred.

Intangible assets are amortised using the straight-line method based on the following estimated useful lives:

– Software	3 – 8 years
– Capitalised development costs	3 – 7 years
– Other intangible assets	5 – 10 years

The useful life is reviewed annually and adjusted if necessary.

Impairment

Impairment tests of goodwill or intangible assets not yet available for use (e.g. capitalised development costs) are performed annually or if there is an indication that an asset may be impaired.

The carrying amounts of property, plant and equipment and intangible assets with a definite useful life are reviewed at each reporting date to determine whether there are any indications of impairment. If any indication of impairment exists, the assets's recoverable amount is estimated. The recoverable amount is the higher of the asset's fair value less cost to sell and its value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets ("cash-generating-unit"). If the recoverable amount is less than the carrying amount of the asset or cash generating unit, an impairment loss is recognised as expense.

If there is an indication that an impairment loss recognised in a prior period may no longer exist or may have decreased, the impairment loss is reversed when there has been a change in the estimates used to determine the recoverable amount. An increase in the recoverable amount since an impairment loss was recognised is recognised as income in profit or loss. However, an impairment of goodwill cannot be reversed in a subsequent period.

Financial assets (note 5)

Financial assets mainly comprise fixed-term deposits and other non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets classified as loans and receivables are initially recognised at fair value less transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment loss.

Inventories (note 6)

Inventories are measured at the lower of production or acquisition cost and net realisable value. Production costs comprise all material and direct labour costs as well as proportionate indirect labour costs. Net realisable value is the estimated selling price attainable in the ordinary course of business, less estimated cost of completion and selling expenses. The cost of inventories is based on weighted average prices. Obsolescence, excess stock or lower sales prices are taken into account when an impairment of inventory is evaluated.

Trade receivables (note 7)

Trade and other short-term receivables are financial assets with fixed determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised costs using the effective interest method, less any impairment losses.

Cash and cash equivalents (note 8)

Cash and cash equivalents is defined as cash on hand, post and bank credit balances and time deposits with a maturity period of less than 90 days from the date of acquisition.

Shareholders' Equity (note 9)

Share capital and treasury shares

Share capital includes all issued unregistered shares. Dividends are recognised at the date at which the shareholders' right to receive the dividend is established.

Transaction costs directly related to the issuance of new shares are charged to "Retained earnings", net of tax effects.

Purchases of treasury shares by the Company or its subsidiaries are recognised in the statement of financial position at the amount of consideration paid including transaction costs, net of tax effects, and are presented as a deduction from equity. Gains or losses from the disposal of treasury shares are recognised in "Retained earnings". Other reserves include the share premium, capital contribution and statutory reserves.

Share-based compensation

The Group Executive Management and selected general managers of subsidiaries of the Group are eligible to receive bonus shares. The actual amount is determined relative to the achievement of budgets. Bonus shares are not subject to vesting conditions, but are locked for a three-year period.

The Annual General Meeting approves the grant of bonus shares following the year that is relevant to determine the amounts. Bonus shares are recognised as personnel expense based on the fair value (ie stock market price) as of the date the granted shares are received by the employees.

In 2012 the Company introduced two stock option plans. The fair value of the stock options granted to the Chairman of the Board was determined using the binomial option pricing model at grant date. The fair value of the options was recognised in the income statement and was included in personnel expenses until end of 2013. Both plans have been discontinued in 2014.

Leases

The Group is a party to numerous lease agreements, for example related to motor vehicles and buildings. Each lease is reviewed to determine whether it is a finance lease or an operating lease.

Assets related to finance leases (note 11): Lease agreements economically considered as asset purchases with corresponding financing are classified as finance leases. In such leases the Group assumes substantially all the risks and rewards of ownership.

The leased assets are capitalised at the inception of the lease at an amount equal to the lower of present value of the minimum lease payments and the fair value of the leased asset. The lease payments are split between depreciation and an interest component, in order to achieve a constant rate of interest on the outstanding liability. Assets held under finance leases are depreciated over the shorter of their expected useful life and the lease term.

Operating leases (note 13): Leases are classified as operating leases when not substantially all the risks and rewards of ownership of the asset are transferred to the lessee. Lease payments made under operating leases less lease incentives are expensed on a straight-line basis over the lease term, unless payments are linked to specific conditions.

Financial liabilities (note 11)

Financial liabilities are initially recognised at fair value, less attributable transaction costs. Subsequently, financial liabilities are measured at amortised costs using the effective interest rate method, allocating the interest expense over the relevant period in profit or loss.

Employee benefits (note 14)

There are different types of pension schemes within the Group. Most of the employee benefit obligation relates to Switzerland, where pension plans have been established for employees in accordance with legal requirements and customary practice.

Defined benefit plans

The Group’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) of the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined contribution plans

All other pension plans are defined contribution plans. Pension expenses under these plans correspond to the contribution payments made in the respective accounting period.

Provisions (note 15)

Provisions are recognised if a legal or constructive obligation exists as a result of a past event, an outflow of funds required to settle this obligation is probable, and the amount can be reliably estimated. Provisions reflect the best estimate of the ultimate liability as of the balance sheet date. If the effect of discounting is material, the provision is recorded at its present value. The discount rates used are market interest rates.

Trade payables and other liabilities

Trade payables and other liabilities are measured at amortised cost, normally corresponding to their nominal amount.

Consolidated statement of comprehensive income

Revenue from sales and services (note 19)

Revenue from sales and services is recognised in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the customer and when the outcome of the transaction can be measured reliably. Discounts, rebates and credits granted following merchandise returns are deducted from sales.

Research and other development costs (note 4)

Research and other development costs not qualifying for capitalisation are recognised as expenses in profit or loss in the period in which they occur.

Expenses under operating leases (note 13)

Lease payments under operating leases are recognised as expenses in profit or loss on a straight line basis over the term of the lease, unless payments are linked to specific conditions.

Financial income and expenses (note 23)

Financial income includes interest income on loans and interest bearing securities, dividend income, gains on foreign currencies, gains on derivative financial instruments not designated as hedging instruments and gains from the sale of financial assets.

Interest income is recognised in profit or loss using the effective interest rate method. Dividends are only recognised when the right to receive the payment is established.

Financial expenses include interest expenses for financial liabilities, losses in foreign currencies, losses in derivative financial instruments not designated as hedging instruments, and losses on the sale of financial assets. The interest portion of lease payments under finance leases is recognised as financial expense using the effective interest rate method.

Income taxes (note 24)

Income taxes include both current and deferred income taxes. Income tax expense is recognised in profit or loss, unless it relates to items directly recognised in equity or other comprehensive income, in which case the tax effects are recognised in equity as well.

Current tax assets and liabilities comprise the amount expected to be recovered from or paid to tax authorities, calculated with the enacted or substantively enacted tax rates on the reporting date, and possible adjustments from previous years.

Deferred income taxes arise on temporary differences between the carrying amounts of assets and liabilities in the entities’ statement of financial position prepared for financial reporting and their tax base, and are determined using the balance sheet liability method. No deferred tax items are recognised for temporary differences on the following items: temporary differences arising on the initial recognition of goodwill; recognition of an asset / a liability affecting neither the consolidated result nor the taxable result at the time of transaction; investments in subsidiaries to the extent that it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates expected to apply to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Existing deferred tax assets are reviewed at each reporting date and are adjusted to the extent that the related tax benefit is not expected to be realised.

Taxes resulting from dividend payments are recognised at the same time as the liability for the dividend payment is recognised.

1 Change in scope of consolidation

On 31 January 2014, the Group paid TEUR 7,000 in cash for all the shares of Isea France (“Isea”), a manufacturer and distributor of roller shutters and sectional doors, located in Noyarey (France).

Isea has 50 employees and conducts its business primarily in the Eastern parts of France. Isea has been a customer of the French businesses of the Group for many years. The transaction is expected to generate synergies for the French sales organisation and by combining parts of the supply chain with the French businesses of the Group.

Since the closing of the transaction, Isea contributed revenue of TEUR 11,571 and net profit of TEUR 216 to the consolidated results. Acquisition-related costs are included in other operating expenses and amounted to TEUR 130.

The following table shows the recognised amounts of assets acquired and liabilities assumed, measured at fair values at acquisition date, and the goodwill and net cash outflow resulting from the transaction.

in thousand EUR	
Property, plant and equipment	1,772
Intangible assets	3,356
Deferred tax assets	37
Inventory	1,733
Trade receivables (gross)	2,626
./. Allowance for doubtful accounts	-307
Other current assets	801
Cash and cash equivalents	1,712
Total assets	**11,730**
Non-current financial liabilities	1,057
Other non-current liabilities	191
Deferred tax liabilities	1,167
Current financial liabilities	0
Trade payables	1,522
Other current liabilities	773
Total liabilities	**4,710**
Fair value of identifiable net assets acquired	**7,020**
Consideration transferred	**7,000**
Fair value of identifiable net assets acquired	-7,020
Negative goodwill	**-20**
Consideration transferred	**7,000**
Cash and cash equivalents acquired	-1,712
Cash outflow, net	**5,288**

Also on 31 January 2014, the Group paid TEUR 6,203 in cash (after final adjustments) for essentially all the assets and liabilities related to the worldwide hospital door business of Karl-Otto Sossdorf (“KOS”). The business is located in Schermbeck (Germany) and has 60 employees. The addition of hospital doors will broaden the product range (including related maintenance services) offered by most of the Group companies in the hospital channel. The goodwill is primarily attributable to these distribution synergies and the savings achieved from the integration into the supply chain of the Group.

Since the closing of the transaction, KOS contributed revenue of TEUR 6,802 and net profit of TEUR -317 to the consolidated results. Acquisition-related costs are included in other operating expenses and amounted to TEUR 53.

The following table shows the recognised amounts of assets acquired and liabilities assumed, measured at fair values at acquisition date, and the goodwill and net cash outflow resulting from the transaction.

in thousand EUR	
Property, plant and equipment	575
Intangible assets	4,137
Deferred tax assets	0
Inventory	1,979
Trade receivables (gross)	456
./. Allowance for doubtful accounts	0
Other current assets	61
Cash and cash equivalents	0
Total assets	**7,208**
Non-current financial liabilities	0
Other non-current liabilities	73
Deferred tax liabilities	0
Current financial liabilities	18
Trade payables	240
Other current liabilities	1,347
Total liabilities	**1,678**
Fair value of identifiable net assets acquired	**5,530**
Consideration transferred	**6,203**
Fair value of identifiable net assets acquired	5,530
Goodwill	**673**
Consideration transferred	**6,203**
Cash and cash equivalents acquired	0
Cash outflow, net	**6,203**

The goodwill recognized in the acquisition of KOS is expected to result in tax-deductible amortisation over 15 years.

Other individually immaterial acquisitions

On 9 May 2014, the Group paid Malaysian Ringgit 3.0 million in cash for all the shares of Bizzy Door Automation Sdn. Bhd., an installer and distributor of automated doors, located in Kuala Lumpur, Malaysia. The company has 15 employees and was acquired to establish a base in the promising Malaysian market and to further develop sales of products in the neighbouring countries.

On 22 May 2014, the Group paid CAD 2.2 million in cash for all the shares of Mac Tech Systems Inc., an installer and distributor of automated doors, located in Burlington, Ontario (Canada). The company has 10 employees and was acquired to establish a base in the Toronto area to expand the Canadian market.

On 21 August 2014, the Group acquired selected assets and assumed associated liabilities related to the automated door business of AGP Pty Ltd, a façade company, located in Huntingwood, New South Wales (Australia), for AUD 1.0 million. The business is a former distributor and service organisation of record and BLASI products in Australia and has 10 employees. It was acquired to establish a base in the Sydney area from where the Australian market is to be secured and further developed for the Group.

Acquisition-related costs are included in other operating expenses and amounted to TEUR 70. The goodwill is primarily attributable to distribution synergies and the savings from the integration into the Group.

The following table shows the recognised amounts of assets acquired and liabilities assumed, measured at fair values at acquisition date, and the goodwill and net cash outflow resulting from the three individually immaterial acquisitions.

in thousand EUR	
Property, plant and equipment	176
Intangible assets	1,364
Deferred tax assets	0
Inventory	456
Trade receivables (gross)	575
./. Allowance for doubtful accounts	0
Other current assets	81
Cash and cash equivalents	191
Total assets	**2,843**
Non-current financial liabilities	83
Other non-current liabilities	39
Deferred tax liabilities	200
Current financial liabilities	31
Trade payables	557
Other current liabilities	41
Total liabilities	**951**
Fair value of identifiable net assets acquired	**1,892**
Consideration transferred	**2,659**
Fair value of identifiable net assets acquired	1,892
Goodwill	**767**
Consideration transferred	**2,659**
Cash and cash equivalents acquired	191
Cash outflow, net	**2,468**

Since the three individually immaterial acquisitions closed, they contributed revenue of TEUR 2,094 and net profit of TEUR -225 to the consolidated results. If all transactions that closed during 2014 had occurred on 1 January 2014, management estimates that consolidated 2014 revenues from sales and services would have been TEUR 294,669 and consolidated net profit TEUR 24,757.

On 1 October 2013, 100% of the shares of Groupe AM SAS ("GAM"), Marseille (France), were acquired for TEUR 3,883 in cash. GAM has 30 employees and conducts its business in the Marseille area. The company services lifts based on maintenance contracts and modernises existing installations. The acquisition is expected to fortify the Group's market position in the Marseille area and is anticipated to result in synergies with the existing organisation.

Since the closing of the transaction, GAM contributed sales of TEUR 1,136 and net profit of TEUR -95 to the consolidated results of the prior year. Costs directly related to this transaction were not material. If the transaction had occurred on 1 January 2013, management estimates that consolidated 2013 sales would have been TEUR 265,345 and consolidated net profit TEUR 22,901.

The following table shows the recognised amounts of assets acquired and liabilities assumed, measured at fair values at acquisition date, and the goodwill and net cash outflow resulting from the transaction.

in thousand EUR	
Property, plant and equipment	38
Intangible assets	3,361
Deferred tax assets	446
Inventory	323
Trade receivables (gross)	1,882
./. Allowance for doubtful accounts	-553
Other current assets	159
Cash and cash equivalents	208
Total assets	**5,864**
Non-current financial liabilities	608
Other non-current liabilities	334
Deferred tax liabilities	1,119
Current financial liabilities	134
Trade payables	559
Other current liabilities	1,212
Total liabilities	**3,966**
Fair value of identifiable net assets acquired	**1,898**
Consideration transferred	**3,883**
Fair value of identifiable net assets acquired	-1,898
Goodwill	**1,985**
Consideration transferred	**3,883**
Cash and cash equivalents acquired	-208
Cash outflow, net	**3,675**

The goodwill is primarily attributable to the synergies expected from the integration into the Group. None of the goodwill recognised is expected to result in tax-deductible amortisation.

2 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other constituents. The operating result (EBIT) of each segment is reviewed by management on a regular basis to make decisions about the allocation of resources and to assess its performance. The Group is engaged in the field of automatic door systems and operates in various countries and regions. Consequently, the business is divided into two regions representing operating segments. The "Europe and rest of world" segment includes all European countries, China as well as all other countries served through the Switzerland based export operation. The segment "North America" consists of the United States and Canada.

Segment performance is based on EBIT as reviewed by the Chief Operating Decision Maker. The column “Reconciliation” includes eliminations of intersegment revenues and expenses and intercompany assets and liabilities and deferred and current tax assets and liabilities. The accounting policies of the operating segments are the same as applied in the consolidated financial statements. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill. Inter-segmental transactions are done on an arm's length basis.

No single customer accounts for more than 10 percent of total Group revenue.

	Europe and rest of world		**North America**		**Reconciliation**			**Total**
in thousand EUR	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Revenue from sales and services third parties	**259,128**	232,923	**32,013**	28,280	**-337**	432	**290,804**	261,635
Sales to other segments	**5,923**	6,333	**35**	64	**-5,958**	-6,397	**0**	0
Revenue from sales and services	**265,051**	239,256	**32,048**	28,344	**-6,295**	-5,965	**290,804**	261,635
Segment result (EBIT)	**29,871**	28,009	**2,385**	2,342	**0**	0	**32,256**	30,351
Financial income							**482**	340
Financial expenses							**-1,091**	-524
Income tax							**-6,611**	-7,081
Profit of the period							**25,036**	23,086
Depreciation	**6,690**	6,416	**487**	406			**7,177**	6,822
Amortisation	**2,994**	2,080	**145**	134			**3,139**	2,214
Charges related to share-based compensation					**683**	499	**683**	499
Segment assets *)	**258,197**	243,826	**26,284**	21,460	**-6,013**	-8,814	**278,468**	256,472
Segment liabilities **)	**67,735**	63,053	**2,748**	3,096	**11,565**	11,258	**82,048**	77,407
Capital expenditure	**7,974**	7,219	**710**	1,063	**0**	0	**8,684**	8,282

*) Deferred and current income tax assets are included in the column "Reconciliation".

**) Current and non-current financial liabilities as well as deferred and current income taxes are included in the column "Reconciliation".

3 Property, plant and equipment

Reporting year:

in thousand EUR	Buildings and plant	Technical equipment/ machinery	Other equipment	Total
Acquisition cost				
At 1 January 2014	41,786	7,475	40,489	89,750
Foreign currency translation effects	902	110	605	1,617
Increase in scope of consolidation	993	971	559	2,523
Additions	140	745	6,850	7,735
Disposals	-5	-6	-4,597	-4,608
At 31 December 2014	**43,816**	**9,295**	**43,906**	**97,017**
Accumulated depreciation and impairment loss				
At 1 January 2014	19,023	5,935	25,842	50,800
Foreign currency translation effects	363	85	395	843
Additions	1,285	685	5,207	7,177
Disposals	-5	-6	-3,437	-3,448
At 31 December 2014	**20,666**	**6,699**	**28,007**	**55,372**
Carrying amount				
At 1 January 2014	22,763	1,540	14,647	38,950
At 31 December 2014	**23,150**	**2,596**	**15,899**	**41,645**
thereof finance leases				51

Additional disclosures 2014	**31/12/**
Value of fire insurance	100,732

The additions to fixed assets mainly relate to purchases of motor vehicles (TEUR 5,174), machinery and equipment (TEUR 745), and computer hardware (TEUR 702).

Previous year:

in thousand EUR	Buildings and plant	Technical equipment/ machinery	Other equipment	Total
Acquisition cost				
At 1 January 2013	42,087	7,233	39,091	88,411
Foreign currency translation effects	-572	-76	-298	-946
Increase in scope of consolidation	0	0	20	20
Additions	272	430	5,599	6,301
Disposals	-1	-112	-3,923	-4,036
At 31 December 2013	**41,786**	**7,475**	**40,489**	**89,750**
Accumulated depreciation and impairment loss				
At 1 January 2013	17,926	5,523	23,943	47,392
Foreign currency translation effects	-231	-58	-197	-486
Additions	1,329	577	4,916	6,822
Disposals	-1	-107	-2,820	-2,928
At 31 December 2013	**19,023**	**5,935**	**25,842**	**50,800**
Carrying amount				
At 1 January 2013	24,161	1,710	15,148	41,019
At 31 December 2013	**22,763**	**1,540**	**14,647**	**38,950**
thereof finance leases				190

Additional disclosures 2013	**31/12/**
Value of fire insurance	95,227

The additions to fixed assets mainly relate to purchases of motor vehicles (TEUR 4,228), plant equipment (TEUR 570), and computer hardware (TEUR 559).

In France, framework agreements related to leases of vehicles are in place. The duration of these agreements is typically three to five years. Finance leases for vehicles generally include a purchase option to buy the leased asset at the end of the lease period. They do not contain any constraints or other covenants.

4 Goodwill and intangible assets

Reporting year:

in thousand EUR	Goodwill	Capitalised develop-ment costs	IT Software	Other intangible assets	Total
Acquisition cost					
At 1 January 2014	46,018	7,414	3,790	23,032	80,254
Foreign currency translation effects	1,699	159	47	680	2,585
Increase in scope of consolidation	1,440	0	11	8,846	10,297
Additions	0	376	374	199	949
Disposals	0	0	-12	-1	-13
At 31 December 2014	**49,157**	**7,949**	**4,210**	**32,756**	**94,072**
Amortisation and impairment loss					
At 1 January 2014	5,696	4,631	3,385	13,828	27,540
Foreign currency translation effects	208	103	34	501	846
Additions	0	605	212	2,322	3,139
Disposals	0	0	-10	0	-10
At 31 December 2014	**5,904**	**5,339**	**3,621**	**16,651**	**31,515**
Carrying amount					
At 1 January 2014	40,322	2,783	405	9,204	52,714
At 31 December 2014	**43,253**	**2,610**	**589**	**16,105**	**62,557**

The increase in goodwill relates to the five acquisitions described in Note 1.

Other intangible assets include acquired maintenance contracts and customer lists.

Previous year:

in thousand EUR	Goodwill	Capitalised develop-ment costs	IT Software	Other intangible assets	Total
Acquisition cost					
At 1 January 2013	44,682	7,148	3,607	18,550	73,987
Foreign currency translation effects	-649	-118	-22	-265	-1,054
Increase in scope of consolidation	1,985	0	0	3,361	5,346
Additions	0	384	211	1,386	1,981
Disposals	0	0	-6	0	-6
At 31 December 2013	**46,018**	**7,414**	**3,790**	**23,032**	**80,254**
Amortisation and impairment loss					
At 1 January 2013	5,783	3,962	3,222	12,710	25,677
Foreign currency translation effects	-87	-64	-19	-175	-345
Additions	0	733	188	1,293	2,214
Disposals	0	0	-6	0	-6
At 31 December 2013	**5,696**	**4,631**	**3,385**	**13,828**	**27,540**
Carrying amount					
At 1 January 2013	38,899	3,186	385	5,840	48,310
At 31 December 2013	**40,322**	**2,783**	**405**	**9,204**	**52,714**

The increase of goodwill relates to the acquisition of Groupe AM.

Other intangible assets include acquired maintenance contracts and customer lists.

Development costs

in thousand EUR	**2014**	2013
External project costs	**85**	87
Internal costs	**3,220**	2,441
Amortisation of capitalised development costs	**605**	734
Subtotal	**3,910**	3,262
Capitalised development costs	**-376**	-384
Total expensed development costs	**3,534**	2,878

The development costs of new products in 2014 amounted to TEUR 3,305 (2013: 2,528) excluding amortisation and represent 1.1% of sales (2013: 1.0%).

Impairment testing of cash-generating units containing goodwill

The carrying amounts of goodwill are allocated to the following cash-generating units:

Cash-generating unit	2014			2013		
	Goodwill in thousand EUR	Discount rate pre-tax	Rate of sales growth (p.a.)	Goodwill in thousand EUR	Discount rate pre-tax	Rate of sales growth (p.a.)
Blasi GmbH	5,500	10.1%	7.4%	5,500	10.7%	8.0%
Elevator Service Business	12,752	8.6%	1.7%	12,752	11.1%	4.7%
record UK Ltd.	11,809	10.9%	4.9%	11,413	12.1%	6.1%
North American Business	9,624	14.6%	5.1%	7,837	13.1%	4.1%
	39,685			37,502		
Various units without significant goodwill	3,568			2,820		
Total carrying amount	**43,253**			**40,322**		

The Elevator Service Business consists of PACA Ascenseurs Services SAS, MP2 SAS and Groupe AM SAS. The North American Business consists of record USA Inc., Great Lakes Automation Inc., record Indiana, Rogers Automated Entrances Inc, record Mid-Atlantic, Inc. and Mach Tech Systems Inc. Impairment testing is performed on these two groups of entities in order to reflect the integrated nature of the business as a market organisation including the synergies within.

For the purpose of impairment testing the recoverable amount of a cash-generating unit (CGU) is compared to the carrying amount. The recoverable amount is determined based on the value in use, using the discounted cash flow method. The cash flow projections cover 5 years and are based on the budget approved by management and are in line with the long-term business plan of the Group. The projected cash flows are discounted using a post-tax weighted average cost of capital (WACC) that reflects current market data.

Key assumptions used in the calculation of recoverable amounts are discount rates, terminal value growth rates and rates of sales growth.

Cash flows beyond the forecast period are extrapolated using a terminal value growth rate of 2.0% (2013: 2.0%). A test of the sensitivity of the value in use to the terminal value growth rate has been performed; even a reduction by 1.78% (2013: 1.42%) would not cause the carrying amount to exceed the recoverable amount.

The testing further includes for each CGU an analysis to determine the changes in rates of sales growth and discount rates that could cause the carrying amounts to exceed the recoverable amounts. With respect to Blasi GmbH the sensitivity analysis showed that an increase of the discount rate by 1.8% or a reduction in the sales growth rate by 4.5% would result in the carrying and recoverable amount to be equal. At all other CGUs even larger increases in the discount rate or more significant reductions in the sales growth rate did not result in the carrying and recoverable amount to be equal.

Based on the impairment testing it was not necessary to recognise an impairment loss neither in 2014 nor in 2013.

5 Financial assets

Reporting year:

in thousand EUR	Loans and receivables	Total
Acquisition cost		
At 1 January 2014	12,337	12,337
Foreign currency translation effects	6	6
Increase in scope of consolidation	53	53
Additions	4,446	4,446
Disposals / Transfers	-12,101	-12,101
At 31 December 2014	**4,741**	**4,741**
Carrying amounts		
At 1 January 2014	12,337	12,337
At 31 December 2014	**4,741**	**4,741**
Non-current	303	303
Current	4,438	4,438
	4,741	**4,741**

Previous year:

in thousand EUR	Loans and receivables	Total
Acquisition cost		
At 1 January 2013	204	204
Foreign currency translation effects	-2	-2
Increase in scope of consolidation	18	18
Additions	12,117	12,117
Disposals / Transfers	0	0
At 31 December 2013	**12,337**	**12,337**
Carrying amounts		
At 1 January 2013	204	204
At 31 December 2013	**12,337**	**12,337**

6 Inventories

in thousand EUR	**2014**	2013
Finished, semi-finished products and spare parts	**36,123**	32,282
Work in progress	**6,532**	5,457
Valuation allowance	**-4,891**	-4,890
Total	**37,764**	32,849

7 Trade receivables

in thousand EUR	**2014**	2013
Trade receivables	**65,341**	66,558
Allowance for doubtful receivables	**-7,021**	-7,384
Total	**58,320**	59,174

Trade receivables

As of the reporting date, the receivables have the following ageing:

2014

in thousand EUR	**Gross trade receivables**	**Bad debt allowance**	**Net trade receivables**
Neither individually impaired nor overdue at the reporting date	38,208	63	38,145
Not individually impaired at the reporting date but overdue by the following periods:			
Up to 30 days	8,527	65	8,462
31 to 90 days	6,582	238	6,344
91 to 180 days	2,295	210	2,085
181 to 360 days	1,502	189	1,313
More than 360 days	1,926	905	1,021
Individually impaired trade receivables	6,301	5,351	950
Total carrying amounts	**65,341**	**7,021**	**58,320**

2013

in thousand EUR	Gross trade receivables	Bad debt allowance	Net trade receivables
Neither individually impaired nor overdue at the reporting date	35,033		35,033
Not individually impaired at the reporting date but overdue by the following periods:			
Up to 30 days	11,313	89	11,224
31 to 90 days	5,636	224	5,412
91 to 180 days	3,903	183	3,720
181 to 360 days	2,519	221	2,298
More than 360 days	1,316	638	678
Individually impaired trade receivables	6,838	6,029	809
Total carrying amounts	**66,558**	**7,384**	**59,174**

Allowance on trade receivables

in thousand EUR	**2014**	2013
Balance at 01/01/	**7,384**	6,804
Change	**-363**	580
Balance at 31/12/	**7,021**	7,384

The risk of default of most of the Group's customers is considered to be low. Most trade receivables not past due pertain to long-standing customer relationships. Taking the risk of default and past experience with specific customers into consideration, the Group believes that no further impairment allowance is required with respect to not past due or not impaired trade receivables.

8 Cash and cash equivalents

in thousand EUR	**Effective interest rate**	**2014**	Effective interest rate	2013
Cash, post and bank balances	**0.09%**	**46,427**	0.09%	41,201
Term deposits with a maximum original maturity of 3 months from acquisition date	**1.32%**	**11,492**	1.20%	8,074
Total		**57,919**		49,275

The average remaining time to maturity of the term deposits in 2014 is 43 days (2013: 20 days).

9 Shareholders' equity

9.1 Number of shares

The share capital consists of 13,334,200 fully paid, unregistered shares with a nominal value of CHF 1.00 each. The share capital is translated into the Group's presentation currency at historical cost.

At the Extraordinary General Meeting on 13 October 2000, shareholders approved contingent capital of CHF 1 million (1,000,000 unregistered shares with a nominal value of CHF 1.00 each after the stock split of 15 September 2004) reserved for the exercise of share options. Potential beneficiaries are senior managers of agta record ltd, general managers of subsidiaries and members of the Board of Directors of agta record ltd. Subscription rights of existing shareholders are excluded. Until 31 December 2014, 334,200 shares (2013: 334,200) with a nominal value of CHF 1.00 each have been issued. The unused balance of the contingent capital amounts to CHF 665,800 as of 31 December 2014 (2013: CHF 665,800).

Treasury shares

in thousand EUR	**Quantity**	**2014 Value**	Quantity	2013 Value
Balance at 01/01/	**109,850**	**2,990**	54,498	1,408
Purchases [*)]	**7,379**	**250**	78,410	2,192
Sales	**-6,791**	**-183**	-11,523	-300
Distributed as share-based compensation	**-15,185**	**-423**	-11,535	-291
Foreign currency translation effects		**58**		-19
Balance at 31/12/	**95,253**	**2,692**	109,850	2,990

[*)] At applicable market price.

9.2 Share-based compensation

In 2014, TEUR 683 (2013: TEUR 499) was expensed for share-based compensation. 15,185 bonus shares (2013: 11,535) were transferred to members of senior management in recognition of the performance achieved in 2013. Share-based compensation consisted of TEUR 792 (2013: TEUR 445) expensed for bonus shares and a credit of TEUR -109 (2013: 54) related to the termination of a program granting options to the Chairman of the Board.

9.3 Dividends

The Board of Directors will propose to the Annual General Meeting that an ordinary dividend of CHF 0.90 per share be paid (out of capital contribution reserves) for the financial year 2014. This will result in a total dividend payment of CHF 12.0 million (EUR 10.0 million).

Based on the resolution by the Annual General Meeting on 12 June 2014, agta record ltd paid a dividend of CHF 11.3 million (EUR 9.2 million, no dividend on treasury shares) or CHF 0.85 per share for the financial year 2013.

9.4 Major shareholders

	2014 %	2013 %
agta finance	**54**	54
Assa Abloy AB	**39**	39
Public	**7**	7
Total	**100**	100

10 Earnings per share

	2014	2013
Profit of the period, in thousand EUR	**25,036**	23,086
Shares issued as of 31/12/	**13,334,200**	13,334,200
Treasury shares as of 31/12/	**-95,253**	-109,850
Shares outstanding as of 31/12/	**13,238,947**	13,224,350
Average number of shares outstanding	**13,231,649**	13,252,026
Basic and diluted profit per share (EUR per share)	**1.892**	1.742

No dilutive effects from the potential issuance of shares or options have been included in the EPS calculation in 2014 or 2013. Basic and diluted profit per share equals the profit of the Group divided by the average number of shares outstanding.

11 Financial liabilities

in thousand EUR	2014	2013
Current financial liabilities		
Bank liabilities	**2,052**	4,190
Lease liabilities	**16**	9
Total current financial liabilities	**2,068**	4,199
Non-current financial liabilities		
Other financial liabilities	**485**	13
Lease liabilities	**29**	0
Total non-current financial liabilities	**514**	13

Financial liabilities - terms and conditions

31/12/2014 in thousand EUR	**Weighted average effective interest rate**	**Total**	**Up to 1 year**	**1 to 5 years**	**More than 5 years**
Bank liabilities	1.27%	**2,524**	**2,052**	**472**	**0**
Total other financial liabilities	0.00%	**13**	**0**	**13**	**0**
Lease liabilities	5.95%	**45**	**16**	**29**	**0**
Total financial liabilities		**2,582**	**2,068**	**514**	**0**

31/12/2013 in thousand EUR	Weighted average effective interest rate	Total	Up to 1 year	1 to 5 years	More than 5 years
Bank liabilities	1.41%	4,190	4,190	0	0
Total other financial liabilities	0.00%	13	0	13	0
Lease liabilities	0.50%	9	9	0	0
Total financial liabilities		4,212	4,199	13	0

As of 31 December the expected minimum lease payments under finance leases become due as follows:

in thousand EUR	**2014**	2013
Gross finance lease liabilities – minimum lease payments		
Up to 1 year	**19**	9
1 to 5 years	**30**	0
Total minimum future lease payments	**49**	9
Future finance charges on finance leases	**-4**	0
Total present value of finance lease liabilities	**45**	9
The present value of finance lease liabilities is as follows:		
Up to 1 year	**16**	9
1 to 5 years	**29**	0
Total present value of finance lease liabilities	**45**	9

12 Categories of financial instruments

in thousand EUR	**2014**	2013
Cash, post and bank balances	**46,427**	41,201
Term deposits with maturities not exceeding 3 months	**11,492**	8,074
Financial assets	**4,741**	12,337
Trade receivables	**58,320**	59,174
Other current receivables	**454**	967
Accrued income	**1,373**	95
Loans and receivables	**122,807**	121,848
Current bank liabilities	**2,052**	4,190
Trade payables	**14,443**	15,394
Lease liabilities	**45**	9
Other current liabilities	**264**	234
Accrued liabilities	**2,448**	2,381
Non-current financial liabilities	**485**	13
Liabilities recognised at amortised cost	**19,737**	22,221

The Group did not have any financial instruments other than those measured at amortised cost in 2014 and 2013.

13 Operating leases

Non-cancellable operating lease agreements pertain mainly to motor vehicles and property and are payable as follows:

in thousand EUR	**2014**	2013
Maturity:		
Up to 1 year	**893**	742
1 to 5 years	**2,016**	2,173
Total	**2,909**	2,915

14 Defined benefit plan obligations

The Group maintains defined benefit plans for the employees in Switzerland, France and Austria.

The Swiss pension scheme is funded and operated by a legally autonomous pension fund. While the Swiss Federal Law on Occupational Retirement, Survivors', and Disability Pension Plans (BVG) determines the minimum requirements of the defined benefits of the plan, the ultimate responsibility for the regulations of the pension plan lies with the board of trustees. It is composed of equal numbers of employee and employer representatives. As the plan is operated by a collective foundation, an administration committee for the pension plan exists in addition to the board of trustees.

The plan members are insured against the financial consequences of old age, disability and death. The retirement benefits are determined on the basis of the individual retirement savings capital at the time of retirement multiplied by the conversion rates specified in the regulations of the plan.

Savings and risk contributions are determined as a percentage of the insured salary and are paid by the employee and the employer to fund the defined benefits. Slightly more than 50% of the funding is borne by the employer.

The pension fund has reinsured all investment and actuarial risks to cover the commitments. As a result, the coverage ratio of the pension plan according to the BVG equals 100% at any time. The risk exists that the insurance coverage is only temporary. Moreover, the inherent risks of the pension plan might result in increased insurance premiums in the future.

The defined benefit plans operated in France consist of long-service gratuities payable at retirement.

Movement in present value of employee benefit obligations

in thousand EUR	Defined benefit obligation 2014	Defined benefit obligation 2013	Fair value plan assets 2014	Fair value plan assets 2013	Net defined benefit liability (asset) 2014	Net defined benefit liability (asset) 2013
Balance at 01/01/	**42,009**	42,539	**-33,981**	-33,774	**8,028**	8,765
Included in profit or loss						
Current service costs	**1,708**	1,813	**0**	0	**1,708**	1,813
Interest cost (income)	**873**	754	**-687**	-580	**186**	174
	2,581	2,567	**-687**	-580	**1,894**	1,987
Included in OCI						
Actuarial gains and losses arising from changes in						
- demographic assumptions	**0**	0	**0**	0	**0**	0
- financial assumptions	**6,357**	-1,303	**0**	0	**6,357**	-1,303
- experience adjustments	**229**	679	**0**	0	**229**	679
Return on plan assets excluding interest income			**-936**	-676	**-936**	-676
Effect of movements in exchange rates	**906**	-673	**-728**	559	**178**	-114
	7,492	-1,297	**-1,664**	-117	**5,828**	-1,414
Other						
Employer contributions	**0**	0	**-1,465**	-1,387	**-1,465**	-1,387
Employee contributions	**970**	924	**-970**	-924	**0**	0
Benefit paid	**-2,505**	-2,801	**2,505**	2,801	**0**	0
Business combinations / Transfers	**112**	77	**0**	0	**112**	77
	-1,423	-1,800	**70**	490	**-1,353**	-1,310
Balance at 31/12/	**50,659**	42,009	**-36,262**	-33,981	**14,397**	8,028

The net defined benefit liability of the Swiss pension plan amounts to TEUR 11,349 (2013: TEUR 5,954).

The regular employer's contributions to defined benefit plans are expected to be TEUR 1,474 in 2015. Swiss, French, and Austrian plans, have been included in the calculations of defined benefit plans pursuant to IAS 19.

The actuarial assumptions are reviewed and adjusted at the end of each financial year. The actuarial assumptions disclosed for any financial year are applied to determine the defined benefit obligation as at year-end and the pension costs in the following year.

Actuarial assumptions

Assumptions for the calculation of obligations

	2014	2013
Discount rate at 31/12/	**1.27%**	2.06%
Future salary increase	**0.98%**	1.20%

Sensitivity analysis

	Defined benefit obligation	
in thousand EUR	**Increase**	**Decrease**
Discount rate (0.5% movement)	**-4,219**	**4,795**
Future salary growth (0.5% movement)	**449**	**-448**

Plan assets comprise

	2014	2013
Insurance policy	**95%**	94%
Other assets	**5%**	6%

The weighted average plan duration of the Group's defined benefit obligation amounts to 18.2 years in 2014 (2013 11.3 years).

Personnel expenses include expenses for defined contribution plans of TEUR 526 (2013: TEUR 500).

15 Provisions

in thousand EUR	**Warranties**	**Legal claims**	**Other provisions**	**2014**	2013
Balance at 01/01/	2,706	1,031	0	**3,737**	2,519
Foreign currency translation effects	96	0	-1	**95**	-29
Change in scope of consolidation	3	0	84	**87**	271
Additions	2,172	130	20	**2,322**	2,734
Use	-1,540	-273	-8	**-1,821**	-1,572
Release	-330	-192	0	**-522**	-186
Balance at 31/12/	**3,107**	**696**	**95**	**3,898**	3,737
Non-current	2,282	497	36	2,815	2,337
Current	825	199	59	1,083	1,400
	3,107	**696**	**95**	**3,898**	3,737

Legal claims provisions cover various disputes with business partners and employees in various subsidiaries. The cash outflow related to warranty claims is expected to occur within the next two years.

16 Deferred tax assets and liabilities

Deferred tax assets and liabilities apply to the following balance sheet items:

	Tax assets		Tax liabilities		Net amount	
in thousand EUR	**2014**	2013	**2014**	2013	**2014**	2013
Trade receivables (net)	**681**	864	**-108**	-97	**573**	767
Inventories	**2,789**	2,600	**-650**	-575	**2,139**	2,025
Other current receivables	**0**	0	**-32**	-30	**-32**	-30
Other current liabilities	**2**	3	**0**	0	**2**	3
Accrued liabilities & current provisions	**709**	899	**0**	0	**709**	899
On current assets and liabilities	**4,181**	4,366	**-790**	-702	**3,391**	3,664
Property, plant and equipment	**241**	242	**-1,263**	-1,200	**-1,022**	-958
Financial assets	**-70**	-107	**-783**	-767	**-853**	-874
Intangible assets	**125**	74	**-4,235**	-3,100	**-4,110**	-3,026
Provisions for warranties	**348**	251	**-311**	-277	**37**	-26
Other provisions	**3,599**	2,106	**-452**	-370	**3,147**	1,736
On non-current assets and liabilities	**4,243**	2,566	**-7,044**	-5,714	**-2,801**	-3,148
Total deferred tax assets / liabilities	**8,424**	6,932	**-7,834**	-6,416		
Tax loss carryforwards	**609**	0				
Offset	**-3,158**	-2,399	**3,158**	2,399		
Net deferred tax assets / liabilities	**5,875**	4,533	**-4,676**	-4,017		

No deferred tax assets have been recognised for tax loss carry-forwards with the following expiration dates:

in thousand EUR	**2014**	2013
Expiry after 5 years	**1,300**	1,478
Total	**1,300**	1,478

Deferred tax assets for unused tax loss carry-forwards are recognised if it is probable that future taxable profit will be available and the benefits can be utilised.

No tax loss carry-forwards expired during the financial year under review (2013: TEUR 0).

17 Other current liabilities

in thousand EUR	**2014**	2013
Prepayments	**2,262**	2,652
Tax liabilities (VAT)	**6,935**	7,274
Social insurance	**4,330**	5,176
Other liabilities	**1,255**	1,113
Total	**14,782**	16,215

18 Accrued liabilities

in thousand EUR	**2014**	2013
Accrued liabilities for maintenance contracts	**10,260**	9,677
Accruals for unused vacation and overtime	**8,741**	8,613
Other accrued liabilities	**4,327**	4,159
Total	**23,328**	22,449

19 Revenue from sales and services

in thousand EUR	**2014**	2013
Sales	**291,141**	261,204
Increase(+)/decrease(-) work in progress	**-524**	386
Capitalised costs	**187**	45
Total	**290,804**	261,635

20 Other operating income

in thousand EUR	**2014**	2013
Gains on disposal of property, plant and equipment	**216**	162
Miscellaneous operating income	**459**	586
Total	**675**	748

Miscellaneous operating income

in thousand EUR	**2014**	2013
Income from the reversal of allowances and provisions	**145**	290
Waste recycling	**158**	96
Rent	**7**	11
Insurance income	**21**	14
Other income	**128**	175
Total	**459**	586

21 Personnel expenses

in thousand EUR	Note	**2014**	2013
Wages and salaries		**86,651**	77,686
Wages and salaries for temporary personnel		**1,770**	1,111
Social security expense		**20,495**	18,189
Share-based compensation	9.2	**683**	499
Pension expenses (defined benefit plans)	14	**1,894**	1,987
Pension expenses (defined contribution plans)		**526**	500
External work force		**11,841**	10,763
Other personnel expenses		**3,572**	3,607
Total		**127,432**	114,342

During the financial year under review, the Group employed 2,082 employees on average (2013: 1,812).

22 Other operating expenses

in thousand EUR	**2014**	2013
Lease payments	**3,663**	3,199
Maintenance and repairs	**11,183**	10,333
Loss on disposal of property, plant and equipment	**109**	188
Administrative expenses	**9,184**	9,579
Advertising expenses	**1,068**	859
Travelling expenses	**5,129**	4,140
Other sales expenses	**6,354**	4,645
Miscellaneous operating expenses	**4,078**	3,809
Total	**40,768**	36,752

23 Financial result

Financial income

in thousand EUR	**2014**	2013
Interest income	**482**	339
Gain on financial assets	**0**	1
Total	**482**	340

Financial expenses

in thousand EUR	**2014**	2013
Interest expenses	**380**	332
Loss on financial assets	**24**	14
Net foreign currency result	**687**	178
Total	**1,091**	524

24 Income taxes

Income tax recognised in profit of the period:

in thousand EUR	**2014**	2013
Current income taxes	**7,433**	7,667
Deferred income taxes	**-822**	-586
Total	**6,611**	7,081

Deferred income taxes are calculated applying the "balance sheet liability" method and are recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. The measurement of deferred tax assets and liabilities is based on the expected tax rates for the countries affected, based on the laws that have been enacted or substantively enacted by the reporting date.

Income tax expense can be analysed as follows:

in thousand EUR	**2014**	2013
Profit before taxes	**31,647**	30,167
Group average tax rate	**22.7%**	23.7%
Expected tax charge at the applicable tax rate	**7,177**	7,150
Non-deductible expenses for tax purposes	**542**	245
Income exempt from tax charges and tax reductions	**-188**	-71
Application / Renunciation of tax loss carry-forwards	**-575**	-43
Under / (over) provided in prior periods	**-345**	-200
Income tax expense	**6,611**	7,081

The Group is subject to income taxes in different tax jurisdictions. The Group calculates its average expected tax rate as a weighted average of the tax rates in the tax jurisdictions in which the Group operates. This rate changes from year to year due to changes in the mix of the Group's taxable income and changes in local tax rates.

25 Contingent liabilities

Like in the prior year, there were no material contingent liabilities.

26 Risk assessment and financial risk management

The Board of Directors has the ultimate responsibility for risk management. Financial risk management within the Group is carried out in accordance with the principles established by the Group Executive Management. The principles determine how market risk (currency, interest rate risk and other price risk) and credit risk are to be managed. There are also principles for the administration of cash and cash equivalents and for short and long-term financing (liquidity risk). The Board of Directors has commissioned the Audit Committee to monitor the development and implementation of these risk management principles; the Audit Committee reports regularly to the Board of Directors.

The established risk management principles are directed towards identifying and analyzing the risks to which the Group is subject to, and establishing control mechanisms. The risk management principles and the procedures adopted are regularly reviewed in order to take account of changes in the market environment and in the Group's activities. The aim is to develop a control environment that guarantees risk awareness and reduces financial risk, while weighing it against the costs of hedging and the risk incurred.

The Audit Committee is supported in its monitoring duties by the CFO.

The following sections give an overview of the extent of the individual types of risk and the objectives, principles and procedures for measuring, monitoring and hedging financial risk.

Credit risk

Credit risk is the risk of suffering financial loss if a customer or the counterparty of a financial instrument fails to meet its contractual obligations. The Group's credit risk arises principally from trade receivables and credit balances with banks.

The Group invests its liquid funds predominantly with leading banks rated at least "A". In accordance with the Group's investment policy, investment transactions are entered into only with major creditworthy financial institutions. These investments generally have terms of less than twelve months.

Transactions involving derivatives are entered into only with major financial institutions rated at least "A".

The concentration risk of trade receivables is limited due to the large number of customers located in various geographical regions. The extent of credit risk is principally determined by the individual characteristics of each customer. Every Group company carries out risk assessments of its customers, involving checks of the customer's creditworthiness based on experience and on the customer's financial situation.

The maximum credit risk of a financial instrument corresponds to the carrying amount of the individual asset. No financial guarantees or similar liabilities exist which could lead to the risk increasing above the carrying amount. The maximum credit exposure as of the balance sheet date was as follows:

in thousand EUR	**2014**	2013
Cash and cash equivalents	**57,919**	49,275
Trade receivables	**58,320**	59,174
Other current receivables	**454**	967
Financial assets	**4,741**	12,337
Accrued income	**1,373**	95
Total	**122,807**	121,848

Market risk

Market risk is the risk that changes in market prices such as exchange rates, interest rates and share prices have an impact on profits and on the fair value of financial instruments held. The aim of managing market risk is to monitor and control such risks, in order to ensure that they do not exceed a certain magnitude.

Foreign currency exchange risk

The Group is subject to foreign currency exchange risk due to the global nature of its business. Financial risk of this kind occurs in association with transactions effected in currencies other than the functional currency of Group companies. Such transactions are mainly denominated in Swiss Francs, Euro, US dollars and Pound Sterling.

To the extent possible Group companies reduce their foreign currency exchange risk by procuring and manufacturing products in their own respective functional currencies.

The table below shows the most important foreign currency exchange risks arising from financial instruments denominated in currencies other than the functional currency of the entity holding the instrument:

2014

in thousand EUR	CHF/EUR	CHF/USD	CHF/GBP
Cash and cash equivalents	29,271	1,332	1,706
Other current receivables	845	27	0
Intercompany receivables	4,391	0	3,235
Intercompany loans*)	1,000	0	0
Trade payables	-666	-470	0
Current financial liabilities	-78	0	-1,339
Intercompany liabilities	-384	-156	0
Total foreign currency exposure	**34,379**	**733**	**3,602**

2013

in thousand EUR	CHF/EUR	CHF/USD	CHF/GBP
Cash and cash equivalents	18,356	241	4,118
Other current receivables	351	0	0
Intercompany receivables	3,913	0	2,945
Intercompany loans*)	1,000	0	0
Trade payables	-296	-360	0
Current financial liabilities	-182	0	-3,650
Intercompany liabilities	-218	-909	0
Total foreign currency exposure	**22,924**	**-1,028**	**3,413**

*) Excluding loans that qualify as part of a net investment.

A favourable or adverse exchange rate movement of 5% would have increased or reduced the net profit of the year by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain unchanged. The calculations are based on a tax rate of 25%.

Sensitivity analysis

2014

in thousand EUR	CHF/EUR	CHF/USD	CHF/GBP
Change +/-	5%	5%	5%
Effect from increase in exchange rate on profit of the period	1,289	27	135
Effect from decrease in exchange rate on profit of the period	-1,289	-27	-135

2013

in thousand EUR	CHF/EUR	CHF/USD	CHF/GBP
Change +/-	5%	5%	5%
Effect from increase in exchange rate on profit of the period	860	-39	128
Effect from decrease in exchange rate on profit of the period	-860	39	-128

Interest rate risk

Interest rate risk is composed of changes in future interest payments as a result of fluctuations in market interest rates and interest rate related risk of a change in fair value, i.e. the risk that the fair value of a financial instrument may change as a result of fluctuations in the market interest rate.

Financing is mainly short term and at variable interest rates. If needed, interest rate hedging instruments are used.

Cash flow sensitivity analysis of floating rate financial instruments:

The exposure of financial instruments with variable interest rates amounts to TEUR 31,787 (2013: 39,680). An increase of 0.1% in interest rates would have resulted in a favourable effect of TEUR 24 (2013: TEUR 30) on the consolidated profit of the year. A decline in interest rates by the same amount would have resulted in an adverse effect of the same magnitude. This analysis assumes that all other influencing factors remain unchanged.

Equity price risk

The Group does not hold any listed shares, and consequently is not subject to any risk related to stock market prices.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. Measures to safeguard liquidity are subject to permanent monitoring. Sufficient cash is held in order to deal with the fluctuations in the requirement of funds. The Group has unused credit lines of TEUR 10,400 (2013: TEUR 9,879) in order to be able to manage larger fluctuations.

The following tables show the contractual maturities (including interest payments) of the financial liabilities recognised by the Group:

2014 in thousand EUR	**Carrying amounts**	**Contractual cash flows**	**Up to 6 months**	**6 to 12 months**	**1 to 2 years**	**2 to 5 years**
Trade payables	14,443	14,443	14,419	17	4	3
Current bank liabilities	2,052	2,070	9	2,061	0	0
Lease liabilities	45	48	9	9	27	3
Other current liabilities	264	264	264	0	0	0
Accrued liabilities	2,448	2,448	2,328	120	0	0
Non-current financial liabilities	485	485	0	0	472	13
Total	**19,737**	**19,758**	**17,029**	**2,207**	**503**	**19**

2013 in thousand EUR	**Carrying amounts**	**Contractual cash flows**	**Up to 6 months**	**6 to 12 months**	**1 to 2 years**	**2 to 5 years**
Trade payables	15,394	15,394	15,394	0	0	0
Current bank liabilities	4,190	4,241	567	3,674	0	0
Lease liabilities	9	9	9	0	0	0
Other current liabilities	234	234	234	0	0	0
Accrued liabilities	2,381	2,381	2,381	0	0	0
Non-current financial liabilities	13	13	0	0	0	13
Total	**22,221**	**22,272**	**18,585**	**3,674**	**0**	**13**

Fair Value

As the fair values of the financial instruments are close to their carrying amounts, no separate presentation has been made.

27 Capital management

The Group's objectives in managing its net debt are:

- to maintain a sound financial position
- to preserve sufficient financial leeway for acquisitions
- to achieve a rate of return appropriate to the risks taken
- to distribute at least 30% of the annual consolidated profit as a dividend.

Financial leverage is monitored based on gearing. Gearing is an indicator of the degree of indebtedness and represents the ratio between interest-bearing net debt (ie. after the deduction of cash and cash equivalents) and equity. As of 31 December 2014, the gearing was -30.4% (2013: -31.9%).

28 Related parties

Related parties consist of the major shareholders including the companies controlled by them and associated to them, the Board of Directors and the Group Executive Management including persons close to them such as their families.

The following transactions with related parties took place:

in thousand EUR	**2014**	2013
CIC Lyonnaise de Banque - short term bank loan	**1,339**	3,650
CIC Lyonnaise de Banque - interest on loan	**43**	77
CIC Lyonnaise de Banque – cash and fixed term deposits	**3,793**	7,822
Dr. Peter Altorfer / Wenger & Vieli law office	**0**	1
Hubert Jouffroy, Chairman	**271**	269

CM CIC is one of the shareholders of agta finance SAS, the controlling shareholder of agta record ltd. CM CIC is part of the Crédit Mutuel group in France. The Crédit Mutuel group conducts its business through a large network of bank branches and includes CIC Lyonnaise de Banque. All transactions with related parties including those with entities of the Crédit Mutuel group are effected on an arm's length basis.

Dr. Peter Altorfer is a member of the Board of Directors and a partner in the law office Wenger & Vieli and provides legal advice to the Group.

Hubert Jouffroy was employed as a consultant on various matters.

For the financial year under review, TEUR 4,002 (2013: TEUR 3,444) was expensed as compensation to the Board of Directors and the Group Executive Management:

in thousand EUR	**2014**	2013 Restated*)
Current remuneration	**2,881**	2,531
Post-employment benefits	**654**	564
Share-based payments	**467**	349
Total	**4,002**	3,444

*) Restated due to variable compensation now included on an "as expensed" basis (previously on an accrued basis).

Detailed disclosure of the compensation and shareholdings of the Board of Directors and of the Group Executive Management is provided in the compensation report and in Note 7 of the statutory financial statements of agta record ltd.

29 Events after the balance sheet date

On 15 January 2015, the Swiss National Bank announced that it would abandon the minimum exchange rate of CHF 1.20 per Euro. The figures in these financial statements are based on the 2014 average rates and the closing rates as of 31 December 2014, respectively, and therefore do not reflect changes in exchange rates after 31 December 2014.

The presentation currency of agta record is the Euro. The increase in the value of the Swiss franc against the relevant foreign currencies after the above-mentioned announcement has a positive effect on consolidated sales as sales made in Swiss Francs translate into more Euros. On the contrary, the stronger Swiss Franc has a negative effect on consolidated profitability as a result of the size of the existing cost base in Switzerland.

No other events that could have a material effect on the consolidated financial statements or that would require to be disclosed in this report occurred between the balance sheet date and the date on which the accounts were approved by the Board of Directors.

30 Group entities

The following companies have been included in the scope of the consolidated financial statements:

	Country	Segment	Nominal capital		Equity interest 2014	Equity interest 2013	Type of consolidation
agta record ltd, Fehraltorf *)	CH		CHF	13,334,200			F
agtatec ag, Fehraltorf **)	CH	1	CHF	4,000,000	100%	100%	F
record Türautomation AG, Fehraltorf **)	CH	1	CHF	500,000	100%	100%	F
record international ag, Fehraltorf **)	CH	1	CHF	600,000	100%	100%	F
record Austria GmbH, Perchtoldsdorf **)	AT	1	EUR	727,000	100%	100%	F
record Türautomation GmbH, Wuppertal **)	DE	1	EUR	1,500,000	100%	100%	F
Blasi GmbH, Mahlberg	DE	1	EUR	500,000	100%	100%	F
KOS Spezialtüren GmbH, Schermbeck	DE	1	EUR	25,000	100%	-	F
record Holding Nederland B.V., Doorwerth**)	NL	1	EUR	450,000	100%	100%	F
record automatische deuren B.V., Doorwerth	NL	1	EUR	400,000	100%	100%	F
van Nelfen Deurtechniek B.V., Oosterhout	NL	1	EUR	18,151	100%	100%	F
record UK Ltd., Wishaw**)	GB	1	GBP	1,000,000	100%	100%	F
Door System (UK) Ltd, Batley	GB	1	GBP	100	100%	100%	F
Metro Doors Ltd., Farnborough	GB	1	GBP	50	100%	100%	F
record BMT AS, Hvidovre**)	DK	1	DKK	3,000,000	100%	100%	F
Cordver SAS, Neyron**)	FR	1	EUR	4,000,000	100%	100%	F
record Portes Automatiques SAS, Champlan	FR	1	EUR	10,000,000	100%	100%	F
Automatismes Bâtiment SAS, Champlan	FR	1	EUR	100,000	100%	100%	F
Vercor SAS, Voglans	FR	1	EUR	37,000	100%	100%	F
Svaton SAS, Bondy	FR	1	EUR	50,000	100%	100%	F
Isea SAS, Noyarey	FR	1	EUR	40,000	100%	-	F
record Industry SAS, Crémieu**)	FR	1	EUR	750,000	100%	100%	F
MP2 SAS, Marseille	FR	1	EUR	4,500,000	100%	100%	F
PACA Ascenseurs Services SAS, Marseille	FR	1	EUR	600,000	100%	100%	F
Groupe AM SAS, Marseille	FR	1	EUR	94,894	100%	100%	F
record Elemat SA, Sant Cugat del Valles	ES	1	EUR	1,800,000	100%	100%	F
record ajtó Kft, Szigetszentmiklós	HU	1	HUF	3,000,000	100%	100%	F
record dörrautomatik AB, Stockholm	SE	1	SEK	100,000	100%	100%	F
record Drzwi Automatyczne Sp.zo.o., Piaseczno	PL	1	PLN	650,000	100%	100%	F
record avtomatska vrata d.o.o., Ljubljana**)	SI	1	EUR	381,000	100%	100%	F

	Country	Seg-ment	Nominal capital		Equity interest 2014	2013	Type of consoli-dation
record North America Inc., New York**)	US	2	USD	3,000,000	100%	100%	F
record USA Inc., Monroe	US	2	USD	3,000,000	100%	100%	F
record Indiana, Whiteland	US	2	USD	1,000	100%	100%	F
Great Lakes Automation Inc., Ferndale	US	2	USD	3,000	100%	100%	F
Rogers Automated Entrances Inc., Pleasant Hill	US	2	USD	1,000	100%	100%	F
record Mid-Atlantic, Inc., Virginia Beach	US	2	USD	1,000	100%	100%	F
Mach Tech Systems Inc., Burlington**)	CA	2	CAD	20,000	100%	-	F
record Automated Doors (Australia) Pty Ltd, Huntingwood**)	AU	1	AUD	1	100%	-	F
Bizzy Door Automation Sdn Bhd, Petaling Jaya**)	MY	1	MYR	1,000,000	100%	-	F
record Automatic Door (Hong Kong) Ltd., Hong Kong**)	CN	1	EUR	3,000,000	100%	100%	F
record Automatic Door (Shanghai) Co., Ltd., Shanghai	CN	1	EUR	3,000,000	100%	100%	F
Record Türautomation CZ s.r.o., Opava	CZ	1	CZK	300,000	100%	100%	F

*) Holding company of the Group

**) Subsidiary directly held by agta record ltd

Segment:	1	=	Europe and rest of world
	2	=	North America
Type of consolidation:	F	=	full consolidation

Report of the Statutory Auditor to the General Meeting of Shareholders of

agta record ltd, Fehraltorf

Report of the Statutory Auditor on the Consolidated Financial Statements

As statutory auditor, we have audited the accompanying consolidated financial statements of

agta record ltd, which are presented on pages 1 to 41 and comprise the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes for the year ended 31 December 2014.

Board of Directors' Responsibility
The board of directors is responsible for the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards as well as International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements for the year ended 31 December 2014 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the board of directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Orlando Lanfranchi	Simon Widmer
Licensed Audit Expert	*Licensed Audit Expert*
Auditor in Charge	

Zurich, 16 April 2015

Enclosure:

Consolidated financial statements (statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes)

Statutory financial statements of agta record ltd

Balance sheet of agta record ltd

in thousand CHF	**31/12/2014**	31/12/2013
Assets		
Tangible assets	**150**	46
Investments	**43,959**	39,551
Loans to Group companies	**87,689**	75,054
Total non-current assets	**131,798**	114,651
Securities and term desposits	**20,642**	26,752
Receivables from Group companies	**4,976**	13,308
Receivables from third parties	**121**	12
Accrued income	**71**	45
Cash and cash equivalents	**3,363**	1,797
Total current assets	**29,173**	41,914
Total assets	**160,971**	156,565
Equity		
Share capital	**13,334**	13,334
Capital contribution reserves	**15,035**	26,289
Other statutory reserves	**1,850**	1,850
Reserve for treasury shares	**3,237**	3,671
Other reserves	**4,763**	4,329
Retained earnings brought forward	**100,488**	82,678
Net profit of the period	**19,139**	17,810
Total shareholders' equity	**157,846**	149,961
Liabilities		
Total non-current liabilities	**0**	0
Financial liabilities	**1,609**	4,480
Liabilities to third parties	**291**	587
Accrued liabilities	**1,225**	1,537
Total current liabilities	**3,125**	6,604
Total liabilities	**3,125**	6,604
Total equity and liabilities	**160,971**	156,565

Income statement of agta record ltd

in thousand CHF	**2014**	2013
Income from investments	**16,521**	16,481
Other income	**3,977**	3,908
Total income	**20,498**	20,389
Personnel expenses	**-3,215**	-3,200
Other expenses		
General and administrative expenses	**-556**	-876
Other expenses	**-628**	-606
Depreciation	**-29**	-517
Total other expenses	**-1,213**	-1,999
Result before interest and taxes	**16,070**	15,190
Net financial result		
Interest and securities income	**2,856**	2,348
Interest and securities expenses	**-74**	-111
Net foreign currency result	**436**	403
Profit from sales of fixed assets	**17**	0
Total net financial result	**3,235**	2,640
Profit before taxes	**19,305**	17,830
Income taxes	**-166**	-20
Profit of the period	**19,139**	17,810

Notes to the financial statements of agta record ltd

1. Guarantees and pledges in favour of third parties

in thousand CHF	**2014**	2013
– Guarantee in favour of record Türautomation GmbH, Wuppertal, Germany	**1,817**	1,883
– Guarantee in favour of record BMT, Hvidovre, Denmark	**201**	-
– Declaration of joint and several liability in favour of record UK, Wishaw, United Kingdom	**p.m.**	p.m.

2. Value of fire insurance for tangible assets

	2014	2013
Value of fire insurance for tangible assets	**p.m.**	p.m.

The tangible assets are insured under an umbrella insurance policy of agtatec ag.

3. Treasury shares

Nominal value per share: CHF 1.00

	Total number of shares	**Total nominal value** TCHF	**Total carrying amounts** TCHF
Balance at 1 January 2014	**109,850**	**110**	**3,197**
Acquisition*)	7,379	7	304
Disposals / sales*)	-21,976	-22	-738
Balance at 31 December 2014	**95,253**	**95**	**2,763**

*) At applicable market price.

4. Capital increase through the conversion of contingent capital

At the Extraordinary General Meeting on 13 October 2000, shareholders approved contingent capital of CHF 1 million (1,000,000 bearer shares with a nominal value of CHF 1.00 each after the stock split of 15 September 2004) reserved for the exercise of share options. Potential beneficiaries are senior management of agta record ltd, general managers of subsidiaries and members of the Board of Directors of agta record ltd. Subscription rights of existing shareholders are excluded. Until 31 December 2014, 334,200 shares (2013: 334,200) have been issued. The available balance of the contingent capital amounts to CHF 665,800 as of 31 December 2014 (2013: CHF 665,800).

5. Risk assessment and financial risk management

The Board of Directors of agta record ltd, the parent company of the Group, has the ultimate responsibility for risk management. Financial risk management within the Group is carried out in accordance with the principles established by the Group Executive Management. The principles determine how market risk (currency, interest rate and other price risks) and credit risk are to be managed. There are also principles for the administration of cash and cash equivalents and for short and long-term financing (liquidity risk). The Board of Directors has commissioned the Audit Committee to monitor the development and implementation of these risk management principles. The Audit Committee reports regularly to the Board of Directors.

The established risk management principles are directed towards identifying, analysing and controlling the risks which may affect the Group. The risk management principles and the procedures adopted are regularly reviewed in order to take account of changes in the market environment and in the Group's activities. The aim is to develop a control environment that guarantees risk awareness and reduces financial risk, while weighing it against the costs of hedging and the risk incurred.

The Audit Committee is supported in its monitoring duties by the Group CFO.

The group-wide risk assessment is described in more detail in Note 26 to the Group's consolidated financial statements.

6. Details of investments

Company and registered office	Country	Nominal capital		Equity interest 2014	2013
agtatec ag, Fehraltorf	CH	CHF	4,000,000	100%	100%
record Türautomation AG, Fehraltorf	CH	CHF	500,000	100%	100%
record international ag, Fehraltorf	CH	CHF	600,000	100%	100%
record Austria GmbH, Perchtoldsdorf	AT	EUR	727,000	100%	100%
record avtomatska vrata d.o.o., Ljubljana	SI	EUR	381,000	100%	100%
record Türautomation GmbH, Wuppertal	DE	EUR	1,500,000	100%	100%
record Holding Nederland B.V., Doorwerth	NL	EUR	450,000	100%	100%
record UK Ltd., Wishaw	GB	GBP	1,000,000	100%	100%
record BMT AS, Hvidovre	DK	DKK	3,000,000	100%	100%
Cordver SA, Neyron	FR	EUR	4,000,000	100%	100%
record Industry SA, Crémieu	FR	EUR	750,000	100%	100%
record North America Inc., New York	US	USD	3,000,000	100%	100%
record Automatic Door (Hong Kong) Ltd., Hong Kong	CN	EUR	3,000,000	100%	100%
Bizzy Door Automation Sdn Bhd, Petaling Jaya	MY	MYR	1,000,000	100%	-
Mach Tech Systems Inc., Burlington	CA	CAD	20,000	100%	-
record Automated Doors (Australia) Pty Ltd, Huntingwood	AU	AUD	1	100%	-

7. Shareholdings of board members, Group Executive Management and closely linked persons

Closely linked persons encompass the majority shareholders including the companies controlled by and associated to them, the Board of Directors, the Group Executive Management and persons close to them such as their families.

All transactions with closely linked persons are effected at market conditions.

Shares owned by board members and persons closely linked to them

	Number of shares	
	2014	2013
H. Jouffroy, Chairman	**0**	0
W. Sprenger, Vice-Chairman	**2,200**	2,200
P. Altorfer	**10,000**	10,000
D. Dean	**2,532**	690
B. Ghez (CM CIC)	**2,489,539**	2,488,344
M. Rota	**1,566,099**	1,565,351
R. Thurnherr	**2,542**	2,542

Shares owned by Group Executive Management and persons closely linked to them

	Number of shares	
	2014	2013
S. Riva, CEO	**28,306**	23,236
R. Scheffrahn, CFO	**8,027**	6,077
O. Biard, Business Development	**5,145**	4,303
F. Eigl, Manufacturing / R&D	**5,005**	3,976
F. van Hooft, Marketing	**0**	0
M. Hirt, Region Eastern Europe	**1,565,318**	1,563,897
M. Kast, Region Europe I	**3,647**	2,365
L. Bouzy, Region Europe II	**4,244**	3,136
M. Licciardello, Region North America	**7,243**	6,109

8. Major shareholders

Major shareholders are disclosed in Note 9.2 to the Group's consolidated financial statements.

Proposed appropriation of earnings

in thousand CHF	**2014**
Available earnings	
Net profit of the period	**19,139**
Retained earnings brought forward*)	**100,488**
Release of statutory capital contribution reserves	**12,001**
Total available earnings	**131,628**
Appropriation of available earnings	
Payment of a dividend of CHF 0.90 on 13,334,200 shares*) out of capital contribution reserves	**12,001**
To be carried forward	**119,627**
Total appropriation of available earnings	**131,628**

A dividend of CHF 0.85 per share was paid in the previous year.

*) No dividend is paid on treasury shares. For reasons of practicality and materiality, the total dividend is calculated based on the number of shares issued.

Report of the Statutory Auditor to the General Meeting of Shareholders of

agta record ltd, Fehraltorf

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of agta record ltd, which are presented on pages 44 to 48 comprise the balance sheet, income statement and notes for the year ended 31 of December 2014.

Board of Directors' Responsibility
The board of directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements for the year ended 31 of December 2014 comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Orlando Lanfranchi	Simon Widmer
Licensed Audit Expert	*Licensed Audit Expert*
Auditor in Charge	

Zurich, 16 April 2015

Enclosures:

- Financial statements (balance sheet, income statement and notes)
- Proposed appropriation of available earnings

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Summary in French

Le marché

Dans le segment des portes automatiques, le marché a été globalement stagnant en Europe, avec des baisses en France, aux Pays-Bas, en Italie et en Hongrie. Seul le Royaume-Uni a été en croissance.

Aux USA, la croissance lente amorcée au deuxième semestre 2013, s'est poursuivie en 2014, a +2/3%.

En Chine, le marché a été stagnant, pour la deuxième année consécutive.

Dans le segment des ascenseurs, l'annulation de la troisième phase de la loi SAE, a entraîné une baisse de ce marché de l'ordre de plus de 50%.

Le segment des portes industrielles, sur lequel nous sommes présents depuis l'acquisition d'ISEA France, a vu l'investissement reculer en France, seul pays de chalandise pour l'instant.

La politique du Groupe

2014, comme annoncé, a été une année d'investissements :

– Acquisition de cinq sociétés dans cinq pays sur quatre continents
– Renforcement des équipes managériales (marketing, export)
– Ouvertures d'agences dans le segment des ascenseurs (Lyon, Rodez, Sisteron)

Comme prévu, ces investissements on eu un effet dilutif sur le résultat du Groupe.

Résultats commerciaux

En quantité, les commandes de produits ont augmenté de 21,7% (75.230 / 61.810) et organiquement de 5,1%. En valeur, la progression organique a été de 3,5% (produits ISEA moins chers) et au total de 16,5% (MEUR 181,7 / MEUR 156,0).

Sous l'effet de la chute de l'activité maintenance ascenseurs, l'activité service et maintenance a vu sa progression limitée à 4,3% avec, point positif, une croissance de 9% des contrats de maintenance.

Les meilleures performances commerciales ont été enregistrées aux Pays-Bas, à l'export, aux Royaume-Uni, en Espagne et dans les Pays de l'Est, les moins bonnes en Autriche.

Résultats financiers

Les ventes consolidées augmentent de 11,5% à MEUR 291,1 (organiques : +3,9%).

L'activité maintenance représente 39% des ventes consolidées contre 43% en 2013. Cette baisse du pourcentage est à mettre sur le compte des acquisitions dont le taux de maintenance est faible, voire nul ainsi que sur la stagnation de PACA ascenseurs service.

Le taux de marge brute est en très légère baisse (72,0% / 72,5%). Hors acquisitions, il aurait été en sensible progression à 73,4%, résultat d'un sourcing accru, d'un mix-produits plus favorable (plus de portes coulissantes) et de la croissance des contrats de maintenance.

Les coûts de personnel et de structure ont moins progressé que les ventes (+11,4% et +10,0%). La comparaison avec 2013 est peu significative, car faussée par les acquisitions, les recrutements et les ouvertures d'agences.

Le résultat opérationnel courant augmente de 8,7% à MEUR 35,4 et le résultat opérationnel de 6,3%, après augmentation des amortissements des immatériels a MEUR 3,1 (MEUR 2,2 en 2013). La baisse de résultats de PACA AS a été de MEUR 1,5.

Le résultat net est de MEUR 25,0 soit une amélioration de 8,4%. Les acquisitions ont eu un effet dilutif d'environ MEUR 1,0 sur l'EBIT. Les impacts négatifs n'auront pas d'effet récurrent.

Structure financière

Après distribution d'un dividende en hausse de 20% (MEUR 9,2) et acquisitions de MEUR 15,9, les liquidités nettes de dettes s'élèvent a MEUR 59.8 soit un gearing de -30%.

Facteurs de risques

Risques de marché

Le Groupe exerce une activité diversifiée: portes automatiques, portes industrielles, maintenance des portes automatiques, maintenance d'ascenseurs et de portes industrielles. Cette activité couvre des segments de marché multiples et sans lien entre eux : supermarchés, hypermarchés, magasins de détail, banques, immeubles de bureaux, industrie et logistique, gares et aéroports, hôpitaux, maisons de retraite, hôtels et restaurants etc.

Certains segments peuvent être affectés temporairement par un ralentissement de l'investissement mais jamais tous ensemble.

Le Groupe est présent sur quatre continents, Europe, Amérique, Asie, et Australie, et directement actif sur 17 pays par l'intermédiaire de filiales et par des importateurs exclusifs dans le reste. Le risque géographique est très diversifié. Cependant un pays, la France, assure environ 40% des ventes du Groupe en valeur et un ralentissement marqué du marché français impacterait l'activité globale.

Risques liés aux normes

Les normes de sécurité et d'utilisation des portes automatiques et des portes industrielles sont sévères. Elles peuvent varier d'un marché à l'autre mais, à part en Chine, elles encadrent la conception de produits de façon stricte. Les risques d'un alourdissement des normes sont faibles. Si l'impact sur le prix de vente était très élevé, cela pourrait réduire le potentiel du marché. A contrario, un léger durcissement aurait un effet favorable sur les prix et donc sur notre chiffre d'affaires.

Risques liés au produit

Peu d'accidents corporels sont à déplorer. Les développements technologiques apportés aux portes et aux dispositifs de sécurité (cellules, radars, efforts de poussée, arrêt sur obstacle, etc.) réduisent régulièrement la dangerosité.

Le produit le plus sensible est la porte à tambour tournant automatique dont nous sommes, depuis milieu 2007, devenus fabricants au travers du rachat de la société Blasi en Allemagne.

Afin d'augmenter le degré de sécurité des produits Blasi GmbH, la recherche et développement du Groupe a concentré ses efforts, depuis l'acquisition, sur le transfert de la technologie record sur les portes tambours et sur l'amélioration du fonctionnement de ces produits.

La responsabilité civile de fabricant est couverte par une assurance globale.

Risques financiers

Risque de taux :

Compte tenu d'un endettement producteur d'intérêts réduit (MEUR 2,6), le risque de taux n'est pas significatif. A titre d'exemple, une hausse de taux de 1% impacterait les résultats de seulement MEUR 0.03.

Les liquidités sont placées en monétaire à risque limité.

Risque de crédit :

Il s'agit des risques pris par le Groupe vis à vis de certains clients soit en termes de défaut de paiement ou d'impact sur les résultats de la perte d'un client significatif. Un tel risque est limité car aucun client ne dépasse à 0.5% des ventes consolidées.

Risque de liquidité :

Le risque de liquidité est très faible compte tenu du montant de la trésorerie disponible, des faibles niveaux de capital expenditures par rapport au free cash flow, et du niveau des autorisations bancaires non utilisées.

Risque de change :

Il était auparavant essentiellement limité aux variations EUR/CHF. Le développement des activités aux U.S.A (11% du chiffre d'affaires du Groupe) a accru les risques de changes USD/EUR. Une partie des risques en USD est compensée par des approvisionnements en USD qui progressent (Chine par exemple). Les effets des variations de change sur les éléments du bilan sont listés dans la note 26.

Recherche et développement

Les dépenses en recherche et développement sont de MEUR 3,9 en 2014 contre MEUR 3,3 en 2013 (voir note 4). L'essentiel des efforts a porté sur la nouvelle gamme de portes tambours automatiques et sur la nouvelle porte souple rapide. Les coûts de développement activés sont restés stables à MEUR 0,4 en 2014.

Evènements postérieurs à la clôture

Voir note 29.

Perspectives 2015

Le Groupe reste optimiste concernant le marché américain et le devient pour l'Europe avec la baisse des prix du pétrole. L'activité économique dans l'Euroland pourrait également être boostée par la baisse de l'Euro.

Une question se pose cependant, l'économie Suisse va-t'elle ralentir à cause de la hausse du Franc Suisse ?

En ce qui concerne le marché des ascenseurs, nous ne parions pas sur un redémarrage de l'activité de modernisation. Le Groupe s'organise en vue d'un soft landing dans ce segment : stagnation de la modernisation, hausse de la maintenance avec comme conséquences une croissance lente du chiffre d'affaires et rapide amélioration de la rentabilité depuis le point bas 2014.

agta record n'attend pas de rebond en Chine.

Les autres marchés asiatiques sont cependant en croissance et l'acquisition de Bizzy Doors en Malaisie nous donne accès à une plate-forme de distribution pour l'ensemble du continent.

En matière de produits, KOS et ISEA devraient profiter à plein du réseau record, surtout en France, en Allemagne et en Suisse.

Nous avons de très bonnes perspectives pour les produits BLASI (nouvelles portes tambour et flip flow)

La nouvelle gamme de portes souples rapides de record industry, lancée dorénavant en Suisse, Autriche et Allemagne pourrait voir ses ventes augmenter de 10% à 15%.

La croissance des ventes pourrait être de l'ordre de 4% à 6%.

Cependant, l'impact de la hausse du Franc Suisse sur les ventes pourrait être significatif si les parités (EUR, CHF, USD) restaient à leur niveau de janvier 2015.

En matière de résultat d'exploitation, la hausse pourrait être du même ordre que celle des ventes soit 4% à 6%. Nous attendons une sensible amélioration des résultats de la branche ascenseurs, ainsi que de ceux des filiales acquises après leur intégration en 2014.

Rapports annexes

Données environnementales

agta record ayant, avant tout, une activité d'assemblage de composants et une activité de maintenance, il exerce une activité "propre".

Seule la fabrication de cartes électroniques, centralisée en Suisse, a nécessité une installation d'aspiration et de filtrage autour du poste soudure à l'étain de façon à ne rejeter aucune vapeur toxique.

Au niveau des filiales, la fabrication ne consomme ni eau, ni solvants, ni beaucoup d'énergie et ne rejette pas de produits toxiques.

En ce qui concerne les déchets, les chutes de profilés aluminium sont revendues pour être refondues et les batteries usagées sont récupérées auprès des clients par le service maintenance pour ensuite être détruites ou recyclées par des sociétés spécialisées.

Enfin, les produits qui ont des durées de vie moyenne de plus de 10 ans (que l'on peut étendre à 20 ans pour les pièces mécaniques); 90% des composants sont recyclables et ne génèrent qu'un très faible impact environnemental.

Depuis plus de trois ans, agta record s'applique à développer des produits moins énergivores ou susceptibles de générer des baisses de consommation énergétique pour ses clients (chauffage et climatisation). Le Groupe s'attache également à fabriquer des produits moins consommateurs de matières premières (aluminium notamment) ou en grande partie recyclables. Il en est ainsi des nouvelles portes coulissantes isolantes (THERMCORD) ou a isolation renforcée (THERMCORD+).

Données sociales

Nombre d'employés au 31/12/2014		2,104 (équivalent temps complet)
dont	- % de femmes	18%
	- % d'employés temporaires	2%
Effectif moyen sur 2014		2,082
Dépenses de formation		TEUR 550
Litiges en cours	nombre	12
	valeur	TEUR 295

Le Groupe emploie essentiellement des salariés à temps complet en CDI compte tenu du haut niveau de spécialisation demandé.

Il est impossible de donner des éléments détaillés des politiques salariales et sociales par filiale. Elles couvrent 17 pays aux règlements spécifiques et variés.

Le Groupe n'a, à ce jour, aucun litige important pour non-respect des règles sociales dans les filiales.

Rapport du Président du Conseil d'Administration

Le Conseil d'Administration est composé de sept membres. Les membres du Conseil d'Administration et le Président sont élus annuellement par l'Assemblée Générale.

Le Président d'agta record doit être Président du Conseil ou équivalent de toutes les filiales. A ce jour, seuls les Conseils des filiales Suède, Hongrie, Pologne, Slovénie, Malaysie, Australie et Canada n'ont pas encore été modifiés dans ce sens.

La mission du Président est double: vérifier l'application de la stratégie du Groupe et analyser l'adéquation des procédures de contrôle interne de la filiale aux règles du Groupe.

Si nécessaire, le Président rencontre les Commissaires aux Comptes des filiales. Il vérifie également que les règles de gouvernance d'entreprise et les limites de délégation de décision ne sont pas violées.

Les règles sont édictées dans deux documents (règlement organisationnel du Groupe et règlement des filiales). Le premier document fixe également les limites des pouvoirs décisionnels du CEO.

Le Conseil d'Administration d'agta record s'est réuni quatre fois en 2014, l'Assemblée Générale Ordinaire une fois et aucune Assemblée Générale Extraordinaire n'a eu lieu.

Les jetons de présence du Conseil d'Administration sont proposés d'augmenter de 3% en 2015. Les jetons de présence de Monsieur Bertrand Ghez sont en fait perçus par le CM-CIC.

KPMG a été reconduit pour l'exercice 2014 comme organe de révision d'agta record. KPMG n'exerce pas la fonction d'organe de révision dans toutes les filiales. Cependant, en France dont les comptes sont audités par le cabinet NOVANCES, un contrôle est exercé par KPMG Zurich sur les travaux effectués par NOVANCES. Cela se justifie par l'importance des filiales françaises dans le Groupe (environ 40% du chiffre d'affaires).

Le Comité de Rémunération s'est réuni deux fois et le Comité d'Audit deux fois.

Concernant l'organisation et les travaux du Conseil d'Administration les administrateurs reçoivent mensuellement un tableau de bord comprenant:

– les enregistrements de commandes en valeur et quantités,
– les quantités vendues et le chiffre d'affaires des filiales,
– le compte d'exploitation consolidé.

Ils peuvent, à tout moment, solliciter une réunion avec un dirigeant du Groupe ou d'une filiale.

Les Conseils d'Administration sont convoqués suffisamment à l'avance, accompagnés d'un ordre du jour détaillé et de tous les documents ou annexes nécessaires à la décision.

Le Président bénéficie d'un droit de vote double dont il n'a pas été fait usage en 2014. Les travaux du Conseil d'Administration n'ont donné lieu à aucune difficulté particulière.

Le contrôle interne

Les règles de contrôle à l'intérieur du Groupe sont définies dans trois documents:

– délégation et limites des pouvoirs du CEO : règlement organisationnel du Groupe (1992 modifié en 2004) ;
– délégation et limites des pouvoirs des dirigeants de filiales : règlement des filiales (1992 modifié en 2004) ;
– règles comptables, financières et consolidation des filiales: manuel de contrôle (1990, modifié plus tard pour les normes IFRS).

Le Président du Groupe peut, à tout moment, vérifier l'application des règles des deux premiers documents. Le Comité d'Audit est responsable de la supervision et de l'application des méthodes édictées dans le manuel de contrôle. Il peut, chaque fois qu'il le juge nécessaire, demander un audit approfondi des méthodes ou de la situation d'une filiale. Aucune vérification approfondie n'a été demandée au titre de 2014.

Afin de renforcer le contrôle interne, un Comité de Contrôle nommé par le Conseil d'Administration a été créé. Un deuxième administrateur du Groupe seconde le Président dans sa mission auprès de certaines filiales du Groupe, à savoir, record USA, record UK, PACA AS, Blasi et record Allemagne. record Slovénie, Pologne et Hongrie sont également concernées.

Enfin, à la clôture du bilan annuel, chaque dirigeant de filiale signe une lettre d'engagement personnel sur la sincérité des comptes qu'il transmet aux Commissaires aux Comptes et au Groupe.

Les conclusions des organes de révision sont transmises au Comité d'Audit et au Conseil d'Administration sous forme d'un rapport détaillé de l'organe de révision au Conseil d'Administration.

Le Comité d'Audit est également chargé de l'analyse des risques et étudie les comptes annuels avec les auditeurs puis émet une recommandation au Conseil d'Administration.

Suivant le code Suisse des obligations, agta record a mis en place un système de contrôle interne relatif à l'établissement des comptes consolidés. Ce dernier est défini par le management, approuvé par le Conseil d'Administration et formalisé dans un document.

Ce système a pour objectif d'aider au respect des lois et règlements nationaux, à la protection des actifs, et également à prévenir les erreurs et irrégularités afin d'assurer un reporting comptable et financier fiable, complet et à bonne date.

Tous les risques, mêmes mineurs (≥ 10 TEUR), sont listés avec la méthode qui doit assurer leur contrôle et leur gestion. Les responsables qui à chaque niveau doivent assurer la gestion de ces risques, y sont également définis.

L'existence d'un tel système de contrôle interne doit être confirmée chaque année par l'organe de révision qui rend rapport au Comité d'Audit, puis au Conseil d'Administration. Son adaptation permanente ainsi que son évolution sont monitorés par le CEO et le CFO du Groupe sous la supervision du Comité d'Audit.

Honoraires des Organes de Révision et des Commissaires aux Comptes

			2014			2013
en milliers d'euros	**KPMG**	**Autres**	**Total**	**KPMG**	**Autres**	**Total**
Audit légal	**130**	**171**	**301**	**285**	**154**	**439**
Autres missions						
Mission IFRS	0	11	11	0	1	1
Missions juridiques et fiscales	39	155	194	27	113	140
Total autres missions	**39**	**166**	**205**	**27**	**114**	**141**
Total fees	**169**	**337**	**506**	**312**	**268**	**580**

Pacte d'actionnaires

En décembre 2010, les signataires du pacte majoritaire ont apporté la totalité de leurs titres, soit 7,163,450 actions à une holding, agta finance, constituée pour la circonstance et dont l'objet social unique est la gestion des titres agta record qu'elle détient. Le pacte d'actionnaires précédent a été remplacé par un nouveau pacte portant son échéance au 31/12/2018 avec possibilité de reconduction.

Documents accessibles au public

Les documents suivants sont notamment disponibles sur le site http://shareholders.agta-record.com:

- les communiqués de presse,
- les rapports financiers annuels et semestriels,
- le profil économique et financier,
- les documents préparatoires à l'Assemblée Générale,
- les déclarations mensuelles de rachat et les bilans semestriels du contrat de liquidité,
- les statuts de agta record sa.

Membres du Conseil d'Administration – Mandats

Nom	Société	Mandats et fonctionsexercés
M. Hubert Jouffroy	agta record sa	Président du Conseil d'Administration
M. Peter Altorfer	agta record sa	Administrateur
	Altin SA	Président du Conseil d'Administration
	Forbo Holding SA	Administrateur
	Huber + Suhner	Administrateur
	Werner Abegg-Fondation	Administrateur
	Différentes sociétés non cotées	Administrateur
M. David Dean	agta record sa	Administrateur
	Komax AG	Administrateur
	Trumpf AG	Administrateur
M. Bertrand Ghez	agta record sa	Administrateur
	CM CIC Securities	Administrateur
	NGE	Membre du Comité Stratégique
	Altrad Investment Authority	Administrateur
	Compagnie Carnot	Président du Conseil d'Administration
Mme. Michèle Rota	agta record sa	Administrateur
	Rota Architekten AG	Administrateur
M. Werner Sprenger	agta record sa	Vice-Président du Conseil d'Administration
	msg life Switzerland ag	Administrateur
	Genossenschaft Schweizerische Ärzte-Krankenkasse	Président du Conseil d'Administration
M. Rolf Thurnherr	agta record sa	Administrateur

Programme de rachat d'actions

Néant.

A noter que le droit suisse permet à une société d'acquérir jusqu'à 10% de son capital. Cependant, la société agta record s'est engagée à respecter le droit boursier communautaire quant aux rachats d'actions et à l'utilisation qui en est faite.

Montant des dividendes des 3 derniers exercices

	2013	2012	2011
Dividende total en KCHF	11,334	9,467	8,667
Dividende par action en CHF	0.85	0.71	0.65

Les montants totaux ci-dessus intègrent les actions détenues en propre qui ne perçoivent pas de dividende. Pour l'exercice 2014 un dividende de 0,90 CHF par action sera proposé à l'Assemblée Générale.

Tableau des résultats des 5 derniers exercices

	2014	2013	2012*)	2011	2010
Bénéfice consolidé en K€	25,036	23,086	19,180	18,969	12,016
Bénéfice par action en €	1.892	1.742	1.445	1.429	0.904

*) Les chiffres 2012 ont été retraités de l'impact de l'application d'IAS 19 Révisée.

Attestation du responsable du rapport annuel

Après avoir pris toutes mesures raisonnables à cet effet, j'atteste que les informations contenues dans le présent rapport financier annuel, sont, à ma connaissance, conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

J'atteste, qu'à ma connaissance, les comptes sont établis conformément aux normes comptables applicables et donnent une image fidèle du patrimoine, de la situation financière et du résultat de la société et de l'ensemble des entreprises comprises dans la consolidation, et que le rapport de gestion présente un tableau fidèle de l'évolution des affaires, des résultats et de la situation financière de la société et de l'ensemble des entreprises comprises dans la consolidation ainsi qu'une description des principaux risques et incertitudes auxquelles elles sont confrontées.

Fait à Fehraltorf le 16 avril 2015

Le Président du Conseil d'Administration

Hubert Jouffroy

Situation financière consolidée

en milliers d'euros	Note	**31.12.2014**	31.12.2013
Actif			
Immeubles	3	**23,150**	22,763
Installations techniques/machines	3	**2,596**	1,540
Autres immobilisations corporelles	3	**15,899**	14,647
Immobilisations incorporelles	4	**62,557**	52,714
Immobilisations financières	5	**303**	238
Impôts différés actifs	16	**5,875**	4,533
Total actif immobilisé		**110,380**	96,435
Stocks	6	**37,764**	32,849
Créances résultant de ventes et de prestations	7	**58,320**	59,174
Impôts et taxes		**2,707**	66
Autres créances à court terme		**1,941**	2,986
Compte de régularisation		**4,999**	3,588
Créances financières à court terme	5	**4,438**	12,099
Liquidités et équivalents de liquidités	8	**57,919**	49,275
Total actif circulant		**168,088**	160,037
ACTIF		**278,468**	256,472
Capitaux propres			
Capital-actions	9	**8,751**	8,751
Réserves provenant de primes d'émission		**22,375**	26,317
Actions propres	9	**-2,185**	-2,541
Réserves provenant de bénéfices		**142,443**	123,452
Bénéfice		**25,036**	23,086
Total capitaux propres		**196,420**	179,065
Capitaux étrangers			
Dettes financières à long terme	11	**514**	13
Créances résultant des plans à prestations définies	14	**14,397**	8,028
Provisions à long terme	15	**2,815**	2,337
Impôts différés passifs	16	**4,676**	4,017
Dettes à long terme		**22,402**	14,395
Dettes financières à court terme	11	**2,068**	4,199
Dettes résultant d'achats et de prestations		**14,443**	15,394
Dettes fiscales		**3,942**	3,355
Autres dettes à court terme	17	**14,782**	16,215
Provisions à court terme	15	**1,083**	1,400
Compte de régularisation passif	18	**23,328**	22,449
Total dettes à court terme		**59,646**	63,012
Total capitaux étrangers		**82,048**	77,407
PASSIF		**278,468**	256,472

Les notes indiquées font partie intégrante des comptes consolidés.

Résultat global consolidé

Pour l'année terminée au 31 décembre, en milliers d'euros	Note	**2014**	2013
Revenu résultant de la vente de produits et de services	19	**290,804**	261,635
Achats consommés de matières premières et autres approvisionnements		**-81,083**	-72,286
Marge brute		**209,721**	189,349
Autres produits d'exploitation	20	**675**	748
Produit des projets de développement activés	4	**376**	384
Frais de personnel	21	**-127,432**	-114,342
Autres charges d'exploitation	22	**-40,768**	-36,752
Résultat d'exploitation avant amortissement (EBITDA)		**42,572**	39,387
Amortissement des immobilisations corporelles	3	**-7,177**	-6,822
Résultat d'exploitation avant amortissement des immobilisations incorporelles (EBITA)		**35,395**	32,565
Amortissement de valeur des immobilisations incorporelles	4	**-3,139**	-2,214
Résultat d'exploitation (EBIT)		**32,256**	30,351
Produits financiers	23	**482**	340
Charges financières	23	**-1,091**	-524
Bénéfice avant impôts		**31,647**	30,167
Impôts sur le résultat	24	**-6,611**	-7,081
Bénéfice		**25,036**	23,086
Autres éléments du résultat global			
Eléments non recyclables en résultat:			
Gains et pertes actuariels sur avantages postérieurs à l'emploi	14	**-5,650**	1,300
Impôt sur les éléments non recyclables		**1,256**	-298
		-4,394	1,002
Eléments recyclables en résultat:			
Différence de change résultant de conversions d'opérations en monnaies étrangères		**4,545**	-2,465
Différences de change résultant de l'application de la méthode de l'investissement net		**778**	254
		5,323	-2,211
Autres éléments du résultat global de l'exercice, nets d'impôts		**929**	-1,209
Résultat global de l'exercice		**25,965**	21,877
Résultat par action en EUR (dilué et non dilué)	10	**1.892**	1.742

Les notes indiquées font partie intégrante des comptes consolidés.

Tableau des flux de trésorerie consolidé

en milliers d'euros	Note	**2014**	2013
Cash flows liés aux activités d'exploitation			
Bénéfice		**25,036**	23,086
Impôts		**6,611**	7,081
Produits financiers		**-482**	-339
Charges financières	23	**380**	332
Amortissements	3/4	**10,316**	9,036
Gain(-)/perte(+) résultant de la cession d'immobilisation	20/22	**-107**	26
Autres postes sans incidence sur les liquidités*)		**2,659**	2,998
Stocks		**466**	2,708
Créances résultant de ventes et de prestations		**5,280**	-222
Autres créances et actifs de régularisation		**749**	-1,084
Dettes résultant d'achats et de prestations		**-3,390**	1,560
Autres dettes de passifs de régularisation		**-4,738**	-546
Impôts payés		**-9,517**	-5,510
Intérêts reçus		**267**	330
Intérêts payés		**-384**	-342
Flux de trésorerie liés aux activités d'exploitation		**33,146**	39,114
Cash flows liés aux activités d'investissements			
Acquisition d'immobilisations corporelles	3	**-7,735**	-6,301
Acquisition d'immobilisations incorporelles	4	**-573**	-1,597
Acquisitions, net de la trésorerie acquise	1	**-13,959**	-3,675
Projets de développement portés à l'actif	4	**-376**	-384
Acquisition d'immobilisations financières	5	**-4,446**	-12,117
Cession d'immobilisations corporelles		**1,268**	1,070
Cession d'immobilisations financières	5	**12,101**	0
Flux de trésorerie liés aux activités d'investissements		**-13,720**	-23,004
Cash flows liés aux activités de financement			
Achat de propres actions, après déduction des frais		**-250**	-2,192
Vente de propres actions, après déduction des frais		**222**	327
Augmentation des dettes bancaires		**297**	0
Remboursement des dettes bancaires		**-3,283**	-7,013
Remboursement des dettes de leasing		**-20**	-277
Distribution de bénéfice		**-9,265**	-7,665
Flux de trésorerie liés aux activités de financement		**-12,299**	-16,820
Augmentation(+)/diminution(-) nette des liquidités		**7,127**	-710
Liquidités au 1er janvier		**49,275**	50,750
Différence de change sur les liquidités		**1,517**	-765
Liquidités au 31 décembre		**57,919**	49,275

*) Autres postes sans incidence sur les liquidités comprennent les différences sur effets de change, ainsi que les variations sur provisions et sur le plan de rémunération en actions.

Les notes indiquées font partie intégrante des comptes consolidés.

Proposition d’affectation du bénéfice

en milliers de CHF	**2014**
Bénéfice au bilan	
Bénéfice de l’exercice	**19,139**
Bénéfice reporté	**100,488**
Dilution de la réserve en capital	**12,001**
Total du bénéfice au bilan	**131,628**
Répartition du bénéfice	
Distribution d'un dividende de CHF 0.90 brut par action des réserves issues d’apports de capital pour un total de 13,334,200 actions	**12,001**
Report à nouveau	**119,627**
Total répartition du bénéfice	**131,628**

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