



## ESPERITE (ESP) financial results for 2014 published, metamorphosis completed, first positive forecast growth at €36mio Revenues (+30%) for 2015

ESPERITE (“Esperite N.V. (Euronext: ESP, “ESPERITE” or “the Company”) strengthens market position of Genoma with acquisitions of exclusive technologies for fully-certified groundbreaking genetic tests

Stem cell historical CryoSave’s core business now profitable and improving

Consolidated operations, headcount rationalization, integrated sales and marketing strategies, laboratories integration and processes automatization completed to yield enhanced performance and results

Zutphen, The Netherlands – 17 March 2015

Frederic Amar, appointed *ESPERITE* CEO on March 2014, is implementing from the onset an aggressive reorganization and development of the company. Frederic Amar’s far-reaching new business model has materialized in three separate synergetic business units attacking new markets with a diversified offer, transforming a mono-product business model into a biotech multiservice company. *ESPERITE*’s consolidated operations feature now reduced complexity, sustainable lower overhead, centralized administrative services, integrated sales and marketing strategies coupled with the technology to handle large volumes efficiently. The preliminary (unaudited) financial results for year ended 31 December 2014 published today reflect these improvements.

Frederic Amar, CEO of *ESPERITE*: “*ESPERITE*, both an aspiration and inspiration, reborn on July 2014 to signal a whole new way of doing business and create growth. It was a year of strong impulse and fierce implementation of new ideas. Execution exceeded expectations and results will too. I am proud of our achievements this year transforming a fragile company into an ambitious start-up. Our strategic investments and mastery of technology brings *ESPERITE* to pole position”.

## Financial highlights

- Revenue €27.6 million (2013: €29.8 million)
- Gross profit as percentage of revenue 62.2% (2013: 64.5%)
- Underlying\* operating expenses before depreciation, amortization and impairments: €17.7 million (2013: €18.7 million)
- Underlying EBITDA\*\*: -€0.56 million (2013: €0.5 million)
  - CryoSave: +€0.53 million
  - Genoma - €0.63 million
  - The Cell Factory and others: -€ 0.46 million
- Underlying EBITA\*\*\*: -€2.1 million (2013: -€1.0 million)
- Underlying operating result: -€3.4 million (2013: -€2.3 million)
- Underlying net result: -€3.3 million (2013: -€2.4 million)
- Cash position of €2.1 million as of 31 December 2014 (2013: €8.6 million)

To support its going concern assessment, the board of directors has obtained a funding statement of Salveo Holding S.A. ("Salveo"), a company controlled by Mr Frederic Amar, in which Salveo has declared that, if during a period of one year after the date of the signing of the 2014 audited consolidated financial statements and of the auditor's report contained therein the Company establishes that it is unable to fund its operations and that other sources of cash income are unavailable, Salveo will be prepared to provide the Company debt and/or equity funding on market terms for an amount up to €2 million.

\* Underlying results exclude non-recurring restructuring expenses and impairment losses.

\*\* EBITDA is defined as Earnings Before Interest, Taxation, Depreciation and Amortisation.

\*\*\* EBITA is defined as Earnings Before Interest, Taxation and Amortisation of identified intangible assets.

*ESPERITE* closed 2014 with an underlying **EBITDA of -€0.56mio**, a hefty result considering the investments to set up and position Genoma in the genomics and proteomics fast-growing market, further investments also strengthened CryoSave. Despite the 7% negative growth on revenues (€27.6mio: -€2.2mio vs 2013), mainly due to a temporary interruption of cord tissue exports from Spain, the processing & cryopreservation business unit reached a positive underlying €0.5mio EBITDA.

The financial report registers a **positive client intake trend** in 2014, compared to the decline initiated in 2011 in stem cell cryopreservation. Over 17,600 new clients have bestowed their long-term trust in *ESPERITE* signaling strong support to the company's new approach and confirming the capacity of *ESPERITE*'s network and sales force to generate new business, also under challenging market conditions.

**Operational Costs dropped** to €17.7mio, a reduction in excess of €1mio compared to 2013, following the appointment of Mr. Amar as CEO and his determination to ensure competitive costs structures. This commitment will continue to yield results throughout 2015 in terms of further costs reductions.

## Business structure and milestones

*ESPERITE* obtained a secondary listing at Euronext Paris to optimize the benefits derived from being a listed company. *ESPERITE* is fully committed to the transparency, quality and timeliness of its public communications, and to the development of the company for the benefit of its shareholders. The

secondary listing at Euronext Paris strengthens *ESPERITE* position in the life sciences sector with its three divisions: Genoma, CryoSave, and The Cell Factory.

**Genoma** wants to become the European leader of proteomics and genetic predictive medicine, and underscores *ESPERITE*'s strategic positioning in fast-growing markets with very dynamic development potential. From its onset in May 2014, Genoma is developing highly-profitable products and has assembled the best technology and leading scientists in genetic analysis, diagnostic tests and consultancy to build a unique portfolio of exclusive new-generation genetic tests.

Genoma committed to a multimillion investment to establish in Geneva the largest clinical genetic center in Europe: a highly-efficient NGS platform able to handle large volumes efficiently with Ion Proton and Ion Chef genetic sequencing devices. This will be completed with cloud-connected NGS satellite sequencing platforms in the countries where *ESPERITE* operates. The choice of Thermo Fisher Life Technologies has proven to be the right investment decision. Even more so with its fully-validated Proton 2 (P2) chip which immediately increases Genoma's platform capacity by a factor of 3 to 4 at no additional cost, throughput will well exceed the 150,000 samples per year, for an even larger ROI.

These strategic investments, sufficient for the upcoming 2 years, enable Genoma to capitalize on the unprecedented market opportunities with its product offer. Noteworthy developments in Genoma's advanced pipeline of risk-free, convenient and accurate genetic tests:

**TRANQUILITY**, the non-invasive prenatal trisomy test that detects fetal chromosomal abnormalities through a single blood draw from the mother, was launched later in Q4 as the first genetic test of the newborn Genoma division. This pilot phase has registered up to now over 2,000 sales –almost exclusively in Italy and Spain– in the short period of time that it has been available on the market. The initial launch was carried out without intensive marketing and was very limited geographically.

**SERENITY** is the most-advanced gene sequencing test for early detection of Breast and Ovarian cancer genetic predisposition. Dr. Thomas Rio Frio PhD, Genoma's Genomics Manager, brought his expertise and extensive experience in human genetics and oncology into the development and validation of *SERENITY*, the genetic test that screens for deleterious mutations in the entire BRCA1 and BRCA2 genes. Early detection and precise identification of the mutation are vital in fighting Breast and Ovarian cancer, enabling effective preventive action and personalized treatment best-suited for the specific mutation identified. *SERENITY* has been thoroughly tested in the market with customers and doctors in five countries, confirming its market potential with very positive prospects. Genoma's world-class experts and the NGS high-performance platform in Geneva together with the powerful bioinformatics ensure the most reliable and thorough results to the customers. *SERENITY*'s full commercialization by May's end is a key milestone for Genoma.

**REALITY** is a genetic test that detects predisposition of children to Autism. Genoma entered into an exclusive distribution agreement with IntegraGen for the worldwide (U.S.-excepted) distribution of this test. *REALITY* provides parents and physicians the key genetic information to tackle autism through early intervention, fostering a proactive and responsible approach towards doing what is best for the child.

## **PIPELINE**

Two main products will be announced in 2015 in addition to the above three: an oncology genetic test and a genetic screening test for a major metabolic pathology. Both tests represent important milestones in the field of preventive and predictive medicine.

Frederic Amar's first priority to master the technology for commercial leadership fuels continuous innovation in the development of Genoma's own diagnostic tests.

Genoma is in the lookout for disruptive technologies to offer the best products to the market with the most advanced features as new technological and scientific developments become available.

**CryoSave**, the leader in stem cell processing & cryo-conservation and the largest fully-accredited family stem cell bank in Europe with over 280.000 samples stored, revamped its structures and operations in 2014. This included the reorganization of the sales force, integration of acquired businesses, workforce adjustments, integration of laboratories and processes automatization.

In Q1, the acquisition of the commercial activities of Salveo Biotechnology S.A. was completed with the integration of the sales forces. Salveo's dynamic and professional commercial network and strong presence in Italy allowed for a dual brand strategy and, as a result, ESPERITE doubled the new client intake to hold both first and second position simultaneously in this key market. Dual branding supported growth also in Spain, Greece and Switzerland. Through this acquisition, Portugal and Ukraine also became active markets. This integration set the grounds for the centralization of all back-office functions and ensuing resources reallocation.

The acquisition (May 2014) from Salveo Biotechnology SA and related integration of its Swiss private laboratory specialized in stem cells cryopreservation, cell culture and regenerative medicine activities, were successfully completed during 2014. This strategic transaction, which acquisition price was supported by a fairness opinion of Duff & Phelps, has strengthened CryoSave's market leader position in the European stem cell market.

Efforts in the second semester of 2014 to align the entire European sales force and partners at the country level resulted in strong and efficient sales activity. Extensive training ensured high scientific and commercial proficiency in the sales force to commercialize all the new products and services with a unified approach.

Accomplishments in 2014 include the fully fledged center of excellence assembled in Switzerland; unified accreditations, highly-automatized processes and standard operating procedures; The integration of laboratories for a major processing platform with increased storage capacity and the laboratories in Niel and Geneva acting as reciprocal back-up stem cells cryopreservation facilities; innovative improvements in the collection process and the Natality kit; and, workforce rationalization. As a result, CryoSave provides now enhanced services at reduced costs ensuring the sustainability of its stem cell business model. Benefits of these gained efficiencies will be tangible already in 2015 and 2016.

**The Cell Factory**, the R&D division led by Dr. Marcin Jurga PhD, at the heart of the value chain, between stem cells cryopreservation and the existing and future regenerative medicine treatments. Mainly focused on autologous treatments, The Cell Factory plays a key role in research for the development of new medical treatments in partnership with medical research center, public universities and private partners.

In 2014, The Cell Factory implemented successfully a total of 10 preclinical projects. The Cell Factory is pioneering the first treatment worldwide of Cerebral Palsy using two types of stem cells projecting *ESPERITE's* CryoSave as the only private cord blood bank sponsoring clinical trials of this caliber. Clinical developments will raise awareness about the benefits of cryopreservation and will have an impact on sales.

## **Operational efficiency, headcount reduction**

In parallel to the above developments, *ESPERITE* is reducing headcount as part of its intensified program to improve operational efficiency and consolidate operations, reducing complexity and achieving more competitive cost structures.

The plan underway has enhanced efficiency across the group by further developing controllable and highly integrated processes. The restructuring is reducing the global workforce, downsizing top management, cutting administrative layers and overhead in addition to other cost reductions. *ESPERITE* robust processes ensure now higher quality, better cycle time and sustainable lower overhead. The 2014 year-end financial report reflects this effort recording substantially lower operational costs. This commitment will continue to yield results throughout 2015 in terms of further costs reductions.

Frederic Amar, CEO of *ESPERITE* group: "Our investments in the best technology alongside with the group restructuring will enable us to capitalize on the opportunities we have before ourselves. We are well-positioned to launch further high-tech genetic tests and handle large volumes efficiently. I initiated less than a year ago an aggressive reorganization and development of the company. I plan now to downsize our global workforce across CryoSave, Salveo, and our laboratories. This was a serious and painful decision but necessary to reduce complexity and create more competitive cost structures. Our employees will be treated with respect, and I specially want to thank them all for their contributions to our company."

## **Forecast: €36 mio (+30%) for 2015**

For 2015, *ESPERITE* forecasts sustained growth on the cryopreservation & storage activity at around €29mio revenues, and €7mio revenues in the genomics predictive medicine division on its first full year of operations, for a total *ESPERITE* Revenues of circa €36mio.

For Genoma high-profit-generating products, sales forecast for TRANQUILITY and SERENITY are in excess of 10,000 units in 2015. Strong growth beyond 2015 is benchmarked. Production costs will decline at a sharper pace due to further economies of scale and *ESPERITE* has ample capacity to absorb increased demand for genetic testing as product awareness permeates society and larger segments move into predictive and preventive medicine. The medical community is consistently reducing the threshold for genetic testing and moving towards broader screening policies.

As for the cryo-preservation business, birth rate decline in the markets served will limit growth. On the other hand, clinical advancements will support sales as well as the synergies between the TRANQUILITY prenatal test and the cryo-preservation of stem cells. CryoSave has already recorded promising conversion rates in this regard.

## Ensuing Communications

In line with its long-term commitment to communicate promptly and thoroughly to the markets, *ESPERITE* will produce new important announcements in the upcoming weeks.

Cautionary statement regarding forward-looking statements:

This press release contains forward-looking statements that are based on management's current expectations, estimates and projections. They reflect reasonable assumptions, knowledge and information available at the date of preparation of this press release. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are difficult to predict. *ESPERITE* undertakes no obligation to update these forward-looking statements. Nothing in this press release should be construed as a profit forecast.

About *ESPERITE*

*ESPERITE* group, listed at Euronext Amsterdam and Paris, is a leading international company in regenerative and predictive medicine since 2000, operational in nearly 40 countries with a network of 6,000 clinics worldwide. *ESPERITE* serves clients in its state-of-the-art lab facilities in Geneva coupled with ultra-modern processing and storage facilities in Belgium, Switzerland, Germany, Dubai, South Africa and Portugal. Its family stem cell bank, CryoSave, stores 280,000 samples from umbilical cord blood and cord tissue.

To learn more about the *ESPERITE* group, or to book an interview with CEO Frederic Amar: [+31 575 548 998](tel:+31575548998) - [ir@esperite.com](mailto:ir@esperite.com) or visit the websites at [www.esperite.com](http://www.esperite.com) and [www.genoma.com](http://www.genoma.com).

### Financial highlights (consolidated *ESPERITE*):

#### Financial highlights

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### Non-recurring costs

- Severance costs: €0.4 million (2013: €0.6 million)
- Non-cash impairment of goodwill and other (intangible) assets: €1.2 million (2013: €0.7 million)
- Other: nil (2013: -€0.2 million)

### Reported figures under IFRS

- Operating result: -€5.1 million (2013: -€3.5 million)
- Result before taxation: -€5.45 million (2013: -€35 million)
- Net result: -€5.0 million (2012: -€3.5 million)
- Basic earnings per share -51.5 euro cents (2013: -37.9 euro cents)

### Operational highlights

- 25,500 new samples stored in 2014 (2013: 28,900). Of these, 15,600 were new cord blood samples and 9,900 new cord tissue samples
- Over 280,000 samples stored in total
- 73% of new customers opted for combined service of cord blood and cord tissue storage
- Successful launch of Genoma services
- Esperite employed NGS specialist and senior geneticist in order to strengthen Genoma
- Secondary listing on Euronext Paris, France
- The Cell Factory implements GMP stem cell bioproduction technology and aims the cerebral palsy as first clinical trial

### Financial review

#### Revenue

Group revenue decreased by €2.2 million to €27.6 million, largely due to declining volumes in Spain and Hungary.

The number of new cord blood samples stored for the year 2014 amounted to 15,600 (2013: 16,800), whilst the number of new cord tissue samples stored was 9,900 (2013: 12,100) due to a temporary interruption of cord tissue exports from Spain, resulting in 25,500 new samples stored in 2013 (2013: 28,900).

End 2014, Genoma has been introduced in our main countries and realized revenue amounted to €0.6 million.

#### Geographical information

	Revenue		Non-current assets	
€ in millions	2014 €m	2013 €m	2014 €m	2013 €m
Spain	6.4	8.8	0.1	0.1

Italy	<b>5.9</b>	3.7	<b>0</b>	0.1
Hungary	<b>2.2</b>	3.0	<b>0.5</b>	0.5
Other countries	<b>13.1</b>	14.3	<b>30.0</b>	30.7
<b>Total</b>	<b>27.6</b>	29.8	<b>30.6</b>	31.4

### *Gross profit and gross margin*

Gross profit decreased to €17.2 million (2013: €192 million). The gross profit margin decreased by 2.3 percentage points to 62.2%. The improved country and price mix enhanced the gross profit margin by 1.8 percentage point. The decrease of collection costs and laboratory consumables (2.1 percentage points), could not fully offset the increased costs of mainly third laboratories (testing and processing), higher transport expenses due to lower volume and higher sales commission (6.2 percentage points).

### *Operating expenses*

The 2014 underlying operating expenses are adjusted for non-recurring cost concerning:

- Severance costs: €0.4 million (2013: €0.6 million)
- Non-cash impairment of goodwill and other (intangible) assets: €1.2 million (2013: €0.7 million)
- Other: nil (2013: -€0.2 million)

### **Underlying operating expenses**

	<b>2014</b>	2013
	€m	€m
Marketing and sales expenses	<b>8.9</b>	8.0
Research and development expenses	<b>0.2</b>	0.3
General and administrative expenses	<b>8.6</b>	10.4
<b>Total</b>	<b>17.7</b>	18.7

Total underlying operating expenses decreased by €1.0 million, mainly due to the stringent cost savings.

The increase in underlying marketing and sales expenses by €0.9 million was mainly due to investments in the new services of Genoma S.A., and to the acquisition of sales staff of Salveo Biotechnology SA.

Underlying general and administrative expenses decreased by €1.8 million. The decrease, on balance €0.3 million, was mainly due to headcount reduction in overhead, partly offset by the increase of acquired staff of Salveo Biotechnology.

### *Underlying EBITA and operating result*

Underlying EBITA amounted to -€2.1 million (2013: -€1.0 million). Volume decline affected the gross profit by €2.4 million. The improved country and price mix positively impacted the gross profit by €0.3 million. Underlying operating expenses decreased by €1.0 million, mainly due to stringent cost savings, partly offset by investments in Genoma and further professionalization of the Company.

Underlying depreciation was €1.1 million (2013: €1.2million), and underlying amortisation excluding the amortization of identified intangible assets as a result of acquisitions amounted to €0.4 million (2013: €0.3 million).

Underlying operating result amounted to -€3.4 million (2013: -€2.3 million).



### *Net finance cost/income*

Net finance cost of €0.3 million increased compared to 2013 (nil), mainly due to the Euronext Paris listing, adjustment of deferred consideration to the former owners of Cryo-Save Serbia and an increased volume of electronic bank transfers.

### *Underlying result before taxation*

The underlying result before taxation amounted to -€3.8 million (2013: -€2.3 million).

### *Underlying result for the period*

The underlying result after taxation was -€3.3 million (2013: -€2.4 million).

### **Cash flow**

Net cash from operating activities was -€4.6 million (2013: €0.2 million). The decrease was mainly a result of the lower operational result for the year and the increase of the current trade and other receivables.

Investments in property, plant and equipment of €1.1 million mainly relate to laboratory equipment. Investments in intangible assets (€0.7 million) mainly related to software.

As at 31 December 2014, Esperite had a cash position of €2.1 million (31 December 2013: €8.6 million).

### **Consolidated statement of income**

*for the year ended December 31*

in thousands of euros

	<b>2014</b>	2013*
Revenue	<b>27,610</b>	29,814
Cost of sales	<b>(10,436)</b>	<b>(10,592)</b>
<b>Gross profit</b>	<b>17,174</b>	<b>19,222</b>
Marketing and sales expenses	<b>9,050</b>	8,204
Research and development expenses	<b>237</b>	289
General and administrative expenses		
- Impairment of goodwill and other (intangible) assets	<b>1,230</b>	741
- Other general and administrative expenses	<b>11,762</b>	13,442
Total operating expenses	<b>22,279</b>	22,676

<b>Operating result</b>	<b>(5,105)</b>	(3,454)
Finance income	356	819
Finance costs	(659)	(824)
<b>Net finance (costs)/income</b>	<b>(303)</b>	(5)
Results relating to equity-accounted investees	(67)	(23)
<b>Result before taxation</b>	<b>(5,475)</b>	(3,482)
Income tax expense/(income)	(470)	31
<b>Result for the year</b>	<b>(5,005)</b>	(3,513)
Attributable to:		
– Equity holders of the Company	(5,014)	(3,513)
– Non-controlling interest	9	-
<b>Result for the year</b>	<b>(5,005)</b>	(3,513)
<b>Earnings per share (in euro cents)</b>		
– Basic earnings per share	(51.5)	(37.9)
– Diluted earnings per share	(51.5)	(37.9)

\*) All 2013 figures are restated for the impact of the termination of proportional consolidation for joint ventures as from 1 January 2014 onward

This report has not been audited

## Consolidated statement of comprehensive income

for the year ended December 31

in thousands of euros

	2014	2013
<b>Result for the year</b>	<b>(5,005)</b>	(3,513)
<b>Other comprehensive income</b>		
Remeasurement gains (losses) on defined benefit plans	<b>(209)</b>	-
Foreign currency translation differences	<b>(457)</b>	(38)
<b>Other comprehensive income for the year</b>	<b>(666)</b>	(38)
<b>Total comprehensive income for the year</b>	<b>(5,671)</b>	(3,551)
Attributable to:		
– Equity holders of the Company	<b>(5,680)</b>	(3,551)
– Non-controlling interest	<b>9</b>	-
<b>Total comprehensive income for the year</b>	<b>(5,671)</b>	(3,551)

This report has not been audited **Consolidated statement of financial position**  
*at end of year, before allocation of result*

in thousands of euros

	<b>2014</b>	2013
<b>Assets</b>		
Intangible assets	<b>20,190</b>	22,754
Property, plant and equipment	<b>10,382</b>	8,644
Investments in equity-accounted investees	<b>58</b>	29
Deferred tax assets	<b>670</b>	390
Trade and other receivables	<b>1,290</b>	751
<b>Total non-current assets</b>	<b>32,590</b>	32,568
Inventories	<b>441</b>	519
Trade and other receivables	<b>9,935</b>	7,872
Current tax assets	<b>1,815</b>	1,736
Cash and cash equivalents	<b>2,097</b>	8,557
<b>Total current assets</b>	<b>14,288</b>	18,684
<b>Total assets</b>	<b>46,878</b>	51,252
 <b>Equity</b>		
Issued share capital	<b>973</b>	973
Share premium reserve	<b>38,364</b>	38,169
Revaluation reserve	<b>174</b>	274
Legal reserve	<b>256</b>	253
Translation reserve	<b>(1,906)</b>	(1,449)

Retained earnings	(16,583)	(11,451)
<b>Equity attributable to equity holders of the Company</b>	<b>21,278</b>	26,769
Non-controlling interest	13	-
<b>Total equity</b>	<b>21,291</b>	26,769
<b>Liabilities</b>		
Borrowings	4,008	3,003
Deferred revenue	11,080	10,568
Net employee defined benefit liabilities	224	-
Deferred tax liabilities	1,295	1,582
Provision for negative equity investees	97	-
Other liabilities	124	127
<b>Total non-current liabilities</b>	<b>16,828</b>	15,280
Borrowings	213	202
Trade and other payables	6,913	6,241
Deferred revenue	923	867
Deferred considerations	-	1,460
Current tax liabilities	710	433
<b>Total current liabilities</b>	<b>8,759</b>	9,203
<b>Total liabilities</b>	<b>25,587</b>	24,483
<b>Total equity and liabilities</b>	<b>46,878</b>	51,252

This report has not been audited

## Consolidated statement of changes in equity

in thousands of euros

	Issued share capital	Treasury shares	Other reserves	Non- controlling interest	Total equity
<b>At 1 January 2013</b>	<b>973</b>	<b>(2,423)</b>	<b>31,280</b>	<b>-</b>	<b>29,830</b>
Exchange differences on translating foreign operations			(38)		(38)
Other comprehensive income			(38)		(38)
Result for the year			(3,513)		(3,513)
Comprehensive income for the year			(3,551)		(3,551)
Repurchased shares		(284)			(284)
Re-issued shares		2,707	(1,925)		782
Other movements			(8)		(8)
<b>At 31 December 2013</b>	<b>973</b>	<b>-</b>	<b>25,796</b>	<b>-</b>	<b>26,769</b>
Exchange differences on translating foreign operations			(457)		(457)
Remeasurement gains (losses) on defined benefit plans			(209)		(209)
Other comprehensive income			(666)		(666)

Result for the year			<b>(5,014)</b>	<b>9</b>	<b>(5,005)</b>
Comprehensive income			<b>(5,680)</b>	<b>9</b>	<b>(5,671)</b>
for the year					
Convertible loan bond			<b>195</b>		<b>195</b>
Share based payments			<b>(9)</b>		<b>(9)</b>
Other movements			<b>3</b>	<b>4</b>	<b>7</b>
<b>At 31 December 2014</b>	<b>973</b>	<b>-</b>	<b>20,305</b>	<b>13</b>	<b>21,291</b>

This report has not been audited

### **Consolidated statement of cash flows**

*for the year ended December 31*

in thousands of euros

	<b>2014</b>	2013
<b>Cash flows from operating activities</b>		
Result for the year	<b>(5,005)</b>	(3,513)
Adjustments for:		
Income tax expense	<b>(470)</b>	31
Finance costs	<b>659</b>	824
Finance income	<b>(356)</b>	(819)
(Gain)/loss on sale of disposals	<b>12</b>	61
Depreciation and amortisation	<b>2,885</b>	2,809
Impairment loss on tangible assets	<b>152</b>	741
Impairment loss on goodwill	<b>99</b>	

Impairment loss on intangible assets	979	-
Share based payment transactions	(9)	-
Results relating to equity-accounted investees	67	22
	<b>(987)</b>	156
<b>Movements in working capital</b>		
(Increase)/decrease in (non)current trade and other receivables	<b>(2,601)</b>	(20)
(Increase)/decrease in inventories	77	937
(Increase)/decrease in current tax assets	<b>(64)</b>	682
Increase/(decrease) in (non)current liabilities	<b>(1,082)</b>	(685)
Increase/(decrease) in current tax liabilities	241	(21)
	<b>(4,416)</b>	1,049
<b>Net cash from operations</b>		
Interest paid	<b>(613)</b>	(660)
Interest received	356	316
Income taxes paid	118	(549)
	<b>(4,555)</b>	156
<b>Net cash from operating activities</b>		
<b>Cash flows from investing activities</b>		
Proceeds from sale Indian operations	-	86
Proceeds from sale French building	-	2,279
Purchase of property, plant and equipment	<b>(1,121)</b>	(375)
Purchase of intangible assets	<b>(654)</b>	(272)
Disposals of non-current assets	78	134
	<b>(1,697)</b>	1,852
<b>Net cash (used in)/generated by investing activities</b>		



**Cash flows from financing activities**

Repurchase of own shares	-	(284)
Redemption of borrowings	<b>(208)</b>	(208)
<b>Net cash generated by/(used in) financing activities</b>	<b>(208)</b>	(492)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(6,460)</b>	1,516
Cash and cash equivalents at 1 January	<b>8,557</b>	7,081
Exchange differences on cash and cash equivalents	-	(40)
<b>Cash and cash equivalents at 31 December</b>	<b>2,097</b>	8,557

This report has not been audited

**Notes to the financial statements**

The financial statements in this press release have not been audited

*Accounting policies*

The consolidated financial statements of Esperite for the year ended 31 December 2014 were prepared according to International Financial Reporting Standards (IFRS) as adopted by the European Union and valid as of the balance sheet date.

Zutphen, 16 March 2015

Board of Directors

F. Amar, Chief Executive Officer

G.J. van der Marel, Chairman

R.H.W. Lorijn