



## Press release

# HAL

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### **NET INCOME FOR 2013 OF €473 MILLION (2012: €409 MILLION)**

### **NET ASSET VALUE INCREASES BY €143 MILLION**

Net income of HAL Holding N.V. for 2013 amounted to €473 million (€6.70 per share) compared with €409 million (€5.80 per share) for 2012.

The net asset value based on the market value of the quoted associates and the liquid portfolio and on the book value of the unquoted companies, increased by €143 million in 2013 compared with an increase of €1,329 million in 2012. After taking into account the cash portion of the 2012 dividend (€59 million) and the sale of treasury shares (€1 million), the net asset value on December 31, 2013 amounted to €7,326 million (€102.38 per share) compared with €7,241 million (€104.35 per share) on December 31, 2012. The net asset value as of December 31, 2012 was restated from €7,255 million to €7,241 million due to the application of IAS 19R, which resulted in a decrease of €14 million.

The net asset value does not include the positive difference between estimated value and book value of the unquoted companies. This difference is calculated annually and, based on the principles and assumptions set out in the annual report, amounted to €703 million (€9.82 per share) on December 31, 2013, compared to €621 million (€8.95 per share) on December 31, 2012. On a comparable basis, estimated value increased by 6.5% (2012: 7.25%).



## **Dividend**

The dividend policy is, barring unforeseen circumstances and provided sufficient liquid assets, to base the dividend on 4% of the volume weighted average share price of HAL Trust during December of the year prior to the year in which the dividend will be paid. Accordingly, the proposed dividend per share over 2013 amounts to €4.10 (2012: €3.90), payable in shares unless a shareholder expressly requests payment in cash.

## **Prospects**

During the period from December 31, 2013 through March 21, 2014, the value of the ownership interests in quoted associates and the liquid portfolio decreased by €325 million (€4.54 per share).

In view of the fact that a significant part of the Company's net income is determined by the results of the quoted associates and potential capital gains and losses, we do not express an expectation as to the net income for 2014.

## **Acquisitions and divestitures in 2013**

In January, HAL participated for its proportionate 33.9% share (€108.4 million) in a €320 million capital increase of Koninklijke Boskalis Westminster N.V.

In March, the Company sold its 31.6% ownership interest including the preference shares in Dockwise Ltd. to Koninklijke Boskalis Westminster N.V. for a total consideration of €273.7 million resulting in a capital gain of €22 million.

In April, HAL participated for €29.4 million in a rights issue of SBM Offshore N.V. which was underwritten by HAL. As a result of this rights issue HAL's interest in SBM Offshore N.V. increased from 13.3% to 13.5%.

In May, the €68 million Senior 9<sup>5</sup>/<sub>8</sub>% Notes issued by Safilo Group S.p.A. were redeemed at par, resulting in a capital gain of €26 million.

In 2013, GrandVision B.V. acquired optical retail companies and stores, primarily in the United Kingdom. The 2013 revenue of these acquisitions (on a full year basis) amounted to €23 million.



## Results

Revenues for 2013 amounted to €4,115 million (2012: €4,049 million), an increase of €66 million (1.6%). Excluding the effect of acquisitions, deconsolidations and changes in currency exchange rates, revenues increased by €6 million (0.2%). Revenues from the optical retail companies amounted to €2,531 million (2012: €2,414 million), an increase of €117 million (4.8%). Excluding the effects of acquisitions (€87 million) and changes in currency exchange rates (negative €36 million), revenues from the optical retail companies increased by €66 million (2.7%). The 2013 same store sales (defined as the sales at constant currency exchange rates of those stores, excluding franchise stores, which were both on January 1, 2012 and on December 31, 2013 part of the store network), increased by 1.6% compared with a 2012 increase of 0.7%. Revenues increased also due to the opening of new stores in 2012 and 2013. The 2013 operating income (earnings before interest, exceptional and non-recurring items, taxes and amortization of intangible assets, but including amortization of software), of the optical retail companies amounted to €271 million (2012: €251 million). Operating income was negatively affected by losses in Spain, Greece and the emerging markets totalling €24 million (2012: €30 million).

Revenues for 2013 from the other unquoted subsidiaries amounted to €1,584 million (2012: €1,635 million), a decrease of €51 million (3.1%). Excluding the effect of acquisitions/deconsolidations (€18 million) and changes in currency exchange rates (negative €9 million), revenues from the other unquoted subsidiaries decreased by €60 million (3.7%). This decrease was primarily a result of lower sales at AudioNova International and PontMeyer. Operating income from the other unquoted subsidiaries amounted to €77 million (2012: €101 million). This decrease was primarily a result of lower operating income at AudioNova International.

Income from marketable securities and deposits increased by €10 million to €16 million primarily due to higher capital gains on the sale of equities.



Income from associates increased by €44 million to €311 million due to higher earnings from Koninklijke Boskalis Westminster N.V. and a capital gain of €22 million on the sale of the 31.6% ownership interest in Dockwise Ltd.

Income from other financial assets increased by €23 million to €36 million, primarily due to a capital gain of €26 million on the redemption at par of the €68 million Senior 9½% Notes issued by Safilo Group S.p.A.

Income from real estate activities decreased by €26 million to €12 million due to lower capital gains.

The results for 2013 include exceptional and non recurring costs of €17 million (2012: €27 million). These relate mainly to restructuring costs.

### **Supervisory Board**

It will be proposed to the Shareholders to elect Mr. G.J. Wijers as a member of the Supervisory Board, to fill the vacancy as a result of the resignation of Mr. A.H. Land. In accordance with the rotation schedule, Mr. L.J. Hijmans van den Bergh will resign this year. It will be proposed that he will be re-elected.

### **Financial calendar**

The financial calendar is included in the appendix of this press release.

This press release is based on the prepared financial statements for 2013 to be approved by the Annual General Meeting of Shareholders. The external auditor has issued an unqualified auditors' report on the prepared financial statements for 2013. These financial statements will be made available on the Company's web site ([www.halholding.com](http://www.halholding.com)) on April 4, 2014 (after the close of the stock exchange). The printed version will be available by the end of April.

HAL Holding N.V.

March 27, 2014



## Financial calendar

|  |  |
|--|--|
| Shareholders' meeting HAL Trust and interim statement      | May 16, 2014                           |
| Ex-dividend date   | May 20, 2014                           |
| Dividend record date                                       | May 22, 2014                           |
| Election period cash/ stock (stock being default)          | May 23 – June 12, 2014 (15:00 hrs)     |
| Determination and publication<br>dividend conversion ratio | June 12, 2014 (after close of trading) |
| Delivery of shares and payment of cash dividend            | June 19, 2014                          |
| Publication of 2014 half year results                      | August 28, 2014                        |
| Interim statement  | November 18, 2014                      |
| Publication of preliminary net asset value                 | January 22, 2015                       |
| Publication of 2014 annual results                         | March 31, 2015                         |
| Shareholders' meeting HAL Trust and interim statement      | May 18, 2015                           |

# Consolidated Statement of Financial Position

As of December 31

In millions of euro

|  | 2013           | 2012    | January 1,<br>2012 |
|--|----------------|---------|--------------------|
| <b>Assets</b>                                      |                | *       | *                  |
| <b>Non-current assets:</b>                         |                |         |                    |
| Property, plant and equipment                      | 969.0          | 908.1   | 828.7              |
| Investment properties                              | 32.2           | 40.5    | 79.9               |
| Intangible assets                                  | 1,862.0        | 1,939.4 | 1,862.5            |
| Investments in associates                          | 2,146.0        | 1,841.0 | 1,725.9            |
| Other financial assets                             | 520.2          | 375.5   | 225.2              |
| Pension benefits                                   | 75.7           | 65.0    | 53.0               |
| Deferred tax assets                                | 76.1           | 56.8    | 50.2               |
| <i>Total non-current assets</i>                    | <b>5,681.2</b> | 5,226.3 | 4,825.4            |
| <b>Current assets:</b>                             |                |         |                    |
| Other current assets                               | 193.1          | 239.0   | 209.2              |
| Other financial assets                             | -              | 69.6    | -                  |
| Inventories  | 356.8          | 353.9   | 355.4              |
| Receivables  | 339.7          | 374.6   | 399.3              |
| Marketable securities and deposits                 | 81.8           | 88.9    | 97.2               |
| Cash and cash equivalents                          | 471.2          | 311.2   | 644.7              |
| <i>Total current assets</i>                        | <b>1,442.6</b> | 1,437.2 | 1,705.8            |
| Assets held for sale                               | -              | 230.7   | -                  |
| <b>Total assets</b>                                | <b>7,123.8</b> | 6,894.2 | 6,531.2            |
| <b>Equity and liabilities</b>                      |                |         |                    |
| Share capital                                      | 1.4            | 1.4     | 1.3                |
| Other reserves                                     | 91.7           | 66.3    | 91.4               |
| Retained earnings                                  | 4,547.6        | 4,085.6 | 3,820.2            |
| <b>Equity attributable to the owners of parent</b> | <b>4,640.7</b> | 4,153.3 | 3,912.9            |
| <b>Non-controlling interest</b>                    | <b>49.5</b>    | 53.4    | 51.6               |
| <b>Total equity</b>                                | <b>4,690.2</b> | 4,206.7 | 3,964.5            |
| <b>Non-current liabilities:</b>                    |                |         |                    |
| Deferred tax liabilities                           | 136.3          | 151.0   | 139.8              |
| Pension benefits                                   | 72.6           | 73.9    | 60.0               |
| Provisions   | 36.4           | 32.6    | 22.1               |
| Long-term debt and other financial liabilities     | 1,076.7        | 1,132.5 | 1,150.8            |
| <i>Total non-current liabilities</i>               | <b>1,322.0</b> | 1,390.0 | 1,372.7            |
| <b>Current liabilities:</b>                        |                |         |                    |
| Provisions   | 27.5           | 33.8    | 31.2               |
| Accrued expenses                                   | 519.6          | 531.6   | 490.7              |
| Income tax payable                                 | 34.0           | 40.2    | 31.7               |
| Accounts payable                                   | 238.0          | 261.1   | 290.5              |
| Short-term debt and other financial liabilities    | 292.5          | 430.8   | 349.9              |
| <i>Total current liabilities</i>                   | <b>1,111.6</b> | 1,297.5 | 1,194.0            |
| <b>Total equity and liabilities</b>                | <b>7,123.8</b> | 6,894.2 | 6,531.2            |

\* restated

# Consolidated Statement of Income

For the year ended December 31

| <i>In millions of euro</i>  | <b>2013</b>    | 2012    |
|---|----------------|---------|
|   |                | **      |
| Revenues  | <b>4,114.7</b> | 4,048.9 |
| Income from marketable securities and deposits  | <b>15.5</b>    | 5.8     |
| Share of profit/(loss) of associates  | <b>310.6</b>   | 266.8   |
| Income from other financial assets  | <b>36.1</b>    | 13.3    |
| Income from real estate activities  | <b>12.2</b>    | 38.6    |
| <i>Total income</i>   | <b>4,489.1</b> | 4,373.4 |
| Usage of raw materials, consumables and other inventory   | <b>1,320.9</b> | 1,304.8 |
| Employee expenses   | <b>1,301.9</b> | 1,258.4 |
| Depreciation of property, plant, equipment and investment properties  | <b>161.8</b>   | 155.2   |
| Amortization and impairments of intangible assets   | <b>109.1</b>   | 70.3    |
| Other operating expenses  | <b>1,027.2</b> | 1,039.6 |
| <i>Total expenses</i>   | <b>3,920.9</b> | 3,828.3 |
| <b>Operating profit</b>   | <b>568.2</b>   | 545.1   |
| Financial expense   | <b>(60.6)</b>  | (62.4)  |
| Other financial income  | <b>11.4</b>    | 12.3    |
| <b>Profit before income tax</b>   | <b>519.0</b>   | 495.0   |
| Income tax expense  | <b>(46.2)</b>  | (86.5)  |
| <b>Net profit</b>   | <b>472.8</b>   | 408.5   |
| <b>Attributable to:</b>   |                |         |
| Owners of parent  | <b>472.8</b>   | 409.3   |
| Non-controlling interest  | <b>-</b>       | (0.8)   |
|   | <b>472.8</b>   | 408.5   |
| <b>Average number of outstanding Shares (in thousands)</b>  | <b>70,545</b>  | 68,402  |
| <b>Earnings per share for profit attributable to the owners of parent during the year (in euro's per share)</b> |                |         |
| - basic and diluted   | <b>6.70</b>    | 5.80    |
| Dividend per share (in euro)  | <b>4.10</b>    | 3.90    |
| * Proposed  |                |         |
| ** Restated   |                |         |