Annual figures for 2013

Amsterdam, 24 February 2014

Main points in 2013

Favourable development in revenue and order book; upward trend on EMS market continues

- In 2013 the net revenue dropped by 3.4% to €265.0 million (2012: €274.3 million)
  - Relatively weak Q1 2013 resulted in lower revenue on an annual basis
  - Revenue in Q4 2013 was forced down by several million owing to the fire at NEK
  - Revenue increased by 2.4% in H2 2013 versus H1 2013; EMS market moving up since Q4 2012

- Order book increased by 10% to €68.5 million compared with year-end 2012
  - Increase spread over various operations / market sectors; no peaks
  - Planning horizon is still short, though more stable
  - Order book at year-end 2013 forced down by several million owing to the fire at NEK

Main points in 2013

Strong recovery in earnings in H2

- Operating income increased to €6.3 million* in 2013 (2012: €2.4 million)
  - Steady and strong recovery of profitability in the course of the year since dip in Q4 2012
  - H2 2013 (€5.0 million) visibly better than H1 2013 (€1.3 million)
  - Cost savings from reallocating NEE's activities visible from H2 2013 forward (approx. €3.5 million on an annual basis)
  - NEK's business interruption loss covered by the insurer; settlement has a neutral effect on the results
  - Imbalance in group's staffing has almost disappeared completely; costs visibly cut

- Net profit up to €4.7 million* (2012: €0.4 million*)
  - Not including restructuring costs of €2.8 million for reallocating NEE's activities
  - Tax burden lower than 25% owing to the use of Innovation Box

- Dividend proposal 30% based on net profit incl. exceptional income and expense of €1.9 million
  - €0.06 per share in cash

* Not including exceptional income and expense

Main points in 2013

Financial base reinforced further

- Balance sheet ratios remain strong; temporary distortion of solvency
  - Balance sheet 18% longer, particularly because of insurance payout for NEK
  - Provisions formed for settling the closure of NEK, including redundancy plan for the workforce
  - Solvency down to 41.5% (year-end 2012: 47.4%), of which roughly 4% has a temporary downward effect as a result of the settlement of the fire at NEK

- Net cash flow up to €28.4 million (2012: negative €2.9 million)
  - Strong improvement in working capital management in H2 2013
  - Insurance payout for fire at NEK for a total of €23.5 million
  - Capex slightly higher than depreciation/amortisation

Main points in 2013

Steady progress in implementation of strategy

- Continued expansion of higher added value of development activities
  - Expansion of development team through partnerships with local and international development colleagues
  - Team of van system architects formed
- Better use of procurement strength
  - Further reduction of suppliers, preferred suppliers
  - Tighter procurement conditions and processes
  - Expansion of central procurement activity in China
- Investments in new test tools, expansion of cleanrooms, start with implementation of new ERP platform and stronger organisation in Asia
- Staff capacity strongly improved throughout the group
  - Higher demand and more effective (flexible) deployment of workforce
  - Transfer of NEE and NEK production activities to other operating companies

Key figures 2013

(€m)	2013	2012	Movement	H1 2013
Gross revenue	**293.1**	298.1	-2%	143.1
Net revenue	**265.0**	274.3	-3%	131.4
Operating results *	**6.3**	2.4		1.3
Net profit *	**4.7**	0.4		0.9
Exceptional income and expense	**(2.8)**			(2.8)
Net profit	**1.9**	(0.4)		(1.9)
Gross margin/net revenue	**39.9%**	39.8%		39.7%
Operating margin *	**2.4%**	0.9%		1.0%
Net margin *	**1.8%**	0.1%		0.1%
PPS (€)	**0.19**	(0.04)		(0.19)

* Not including exceptional income and expense

NEWAYS

Positioning in EMS-market

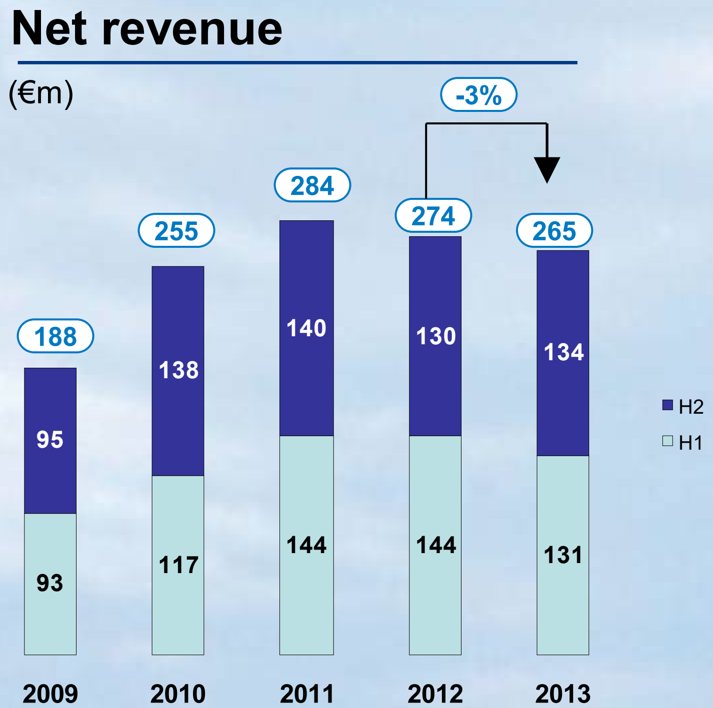
- **Market**
  - Key markets Benelux / Germany
  - Clear focus on growth sectors: industrial, semiconductor, medical, automotive, defence and “high-end” telecom
- **Customers**
  - Industrial / professional market
  - B2B (OEMs: Original Equipment Manufacturers)

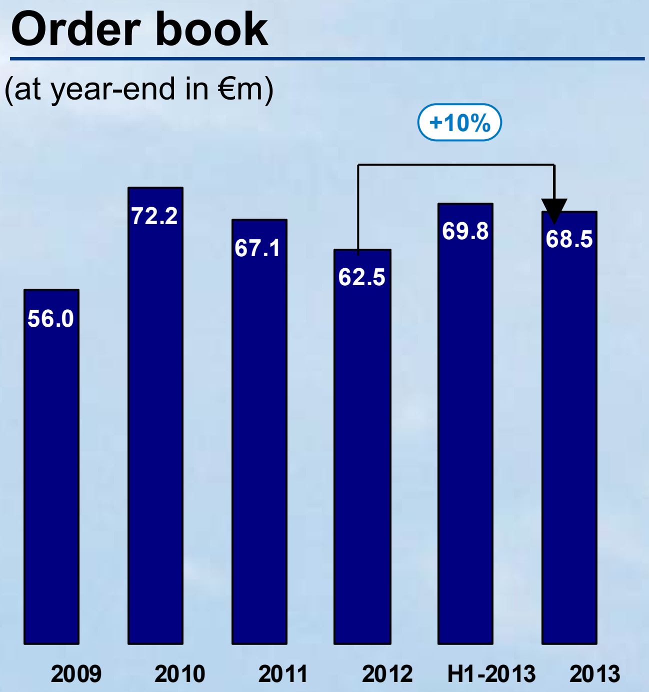
Positioning in EMS-market

- **Specialisations**
  - Smaller, more complex and more specialised series
  - Development / production from electronic components to complete box built systems
  - Product life cycle management / one-stop provider

- **Key competence**
  - Close to customer (Netherlands / Germany)
  - High added value / expertise and service
  - Low production costs (Eastern Europe, China)

Movements in revenue and order book





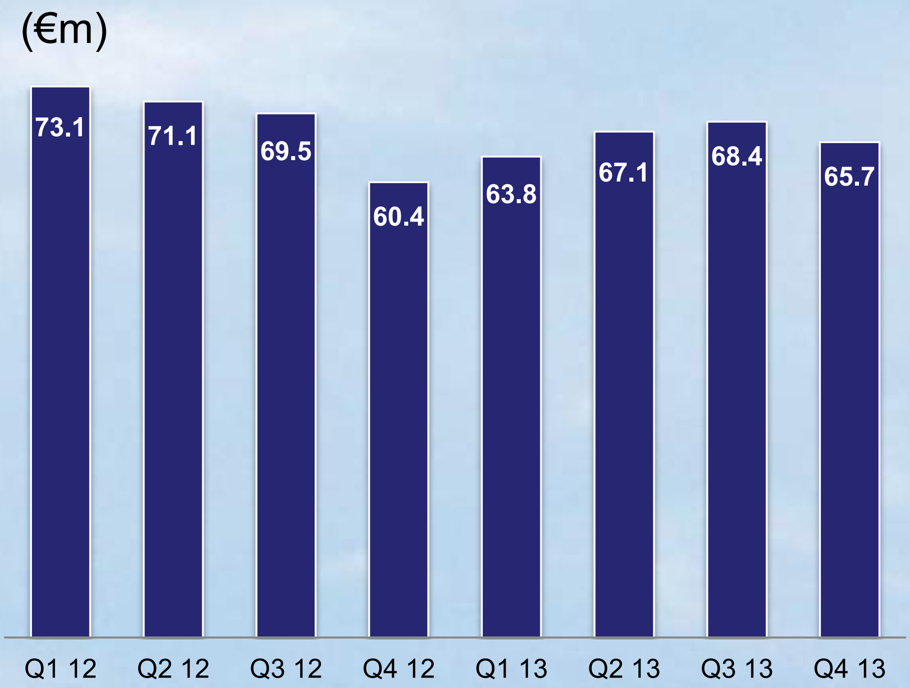
- Revenue and order book in H2 2013 affected negatively by fire at NEK

Breakdown of revenue by market sector

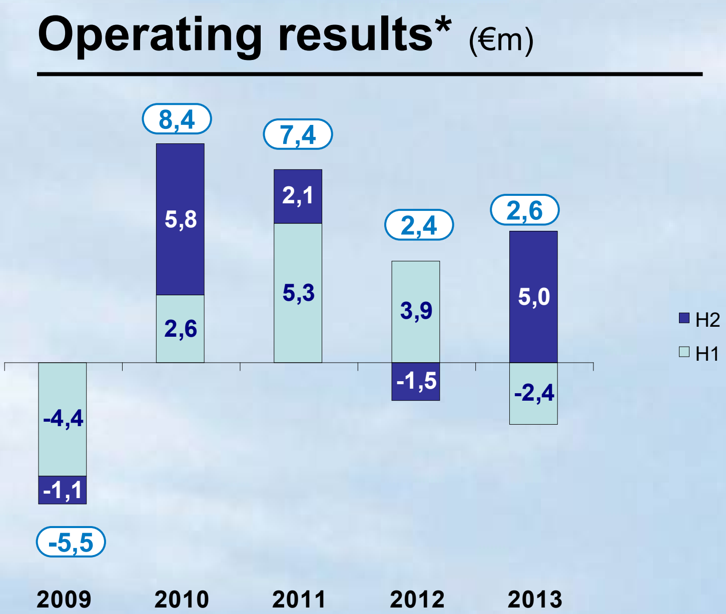
(€m)	2013	%	H1 2013	%	2012	%	2011	%
Industrial	**96**	*36*	**49**	*37*	**103**	*38*	**100**	*35*
Semiconductor	**69**	*26*	**33**	*25*	**71**	*26*	**82**	*29*
Medical	**64**	*24*	**33**	*25*	**68**	*25*	**65**	*23*
Automotive	**23**	*9*	**11**	*8*	**20**	*8*	**20**	*7*
Defence	**6**	*2*	**2**	*2*	**4**	*1*	**7**	*3*
Telecom	**3**	*1*	**1**	*1*	**4**	*1*	**6**	*2*
Other	**4**	*2*	**2**	*2*	**4**	*1*	**4**	*1*
TOTAL	**265**	*100*	**131**	*100*	**274**	*100*	**284**	*100*

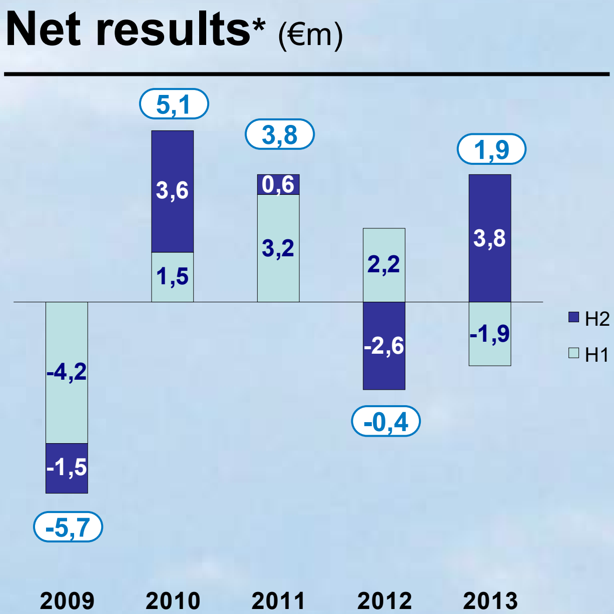
Movements in revenue by quarter

- Steady quarter-by-quarter recovery visible since dip in Q4 12
- Q1 13 is still considerably behind on strong Q1 12
- Upward trend on EMS market continued in Q4 13, several millions of euros missed because of the effect of the fire at NEK
    - NEK customers who for the sake of certainty temporarily switched over to second source



Movements in results





* 2009, 2011, 2012 and 2013 include exceptional income and expense

Movements in operating margin

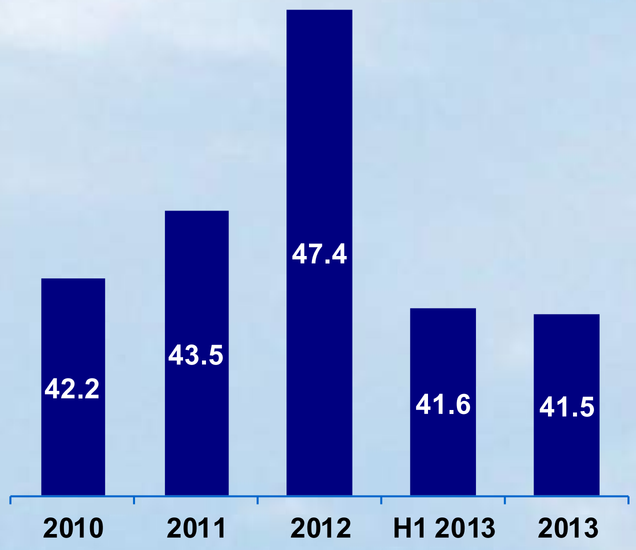
- Staff capacity strongly improved owing to:
  - improving market demand
  - more effective (flexible) deployment of workforce
  - closure of NEE and production relocation
  - fire at NEK and production relocation
- Substantial reduction in cost basis owing to:
  - smarter procurement
  - reduction of the number of employees, lower hiring
  - closure of NEE
- 7% margin as objective stands
  - in years of a booming economy
  - provided that the current high volatility in demand / frequency of plan adjustments clearly drops

* 2008/2009/2011/2012/2013 not including exceptional income and expense

Balance sheet

- Increase in equity due to higher profit in H2 2013
- Increase in balance sheet total (+18%), particularly because of the insurance payout in connection with the fire at NEK. Temporary downward effect on solvency roughly 4%
- Solvency adjusted for deferred taxes and goodwill 39.5% (year-end 2012: 45.4%)

Solvency (at year-end, %)



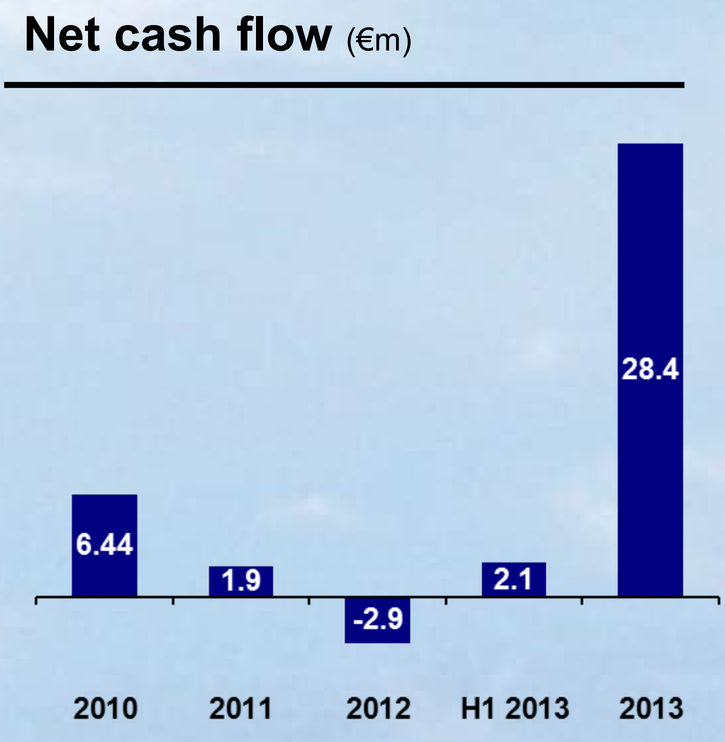
Working capital

- Strong reduction of inventories in H2 2013
- Objective turnover ratio of inventories (max. 60 days) achieved
- Turnover ratio of receivables at an extremely good level

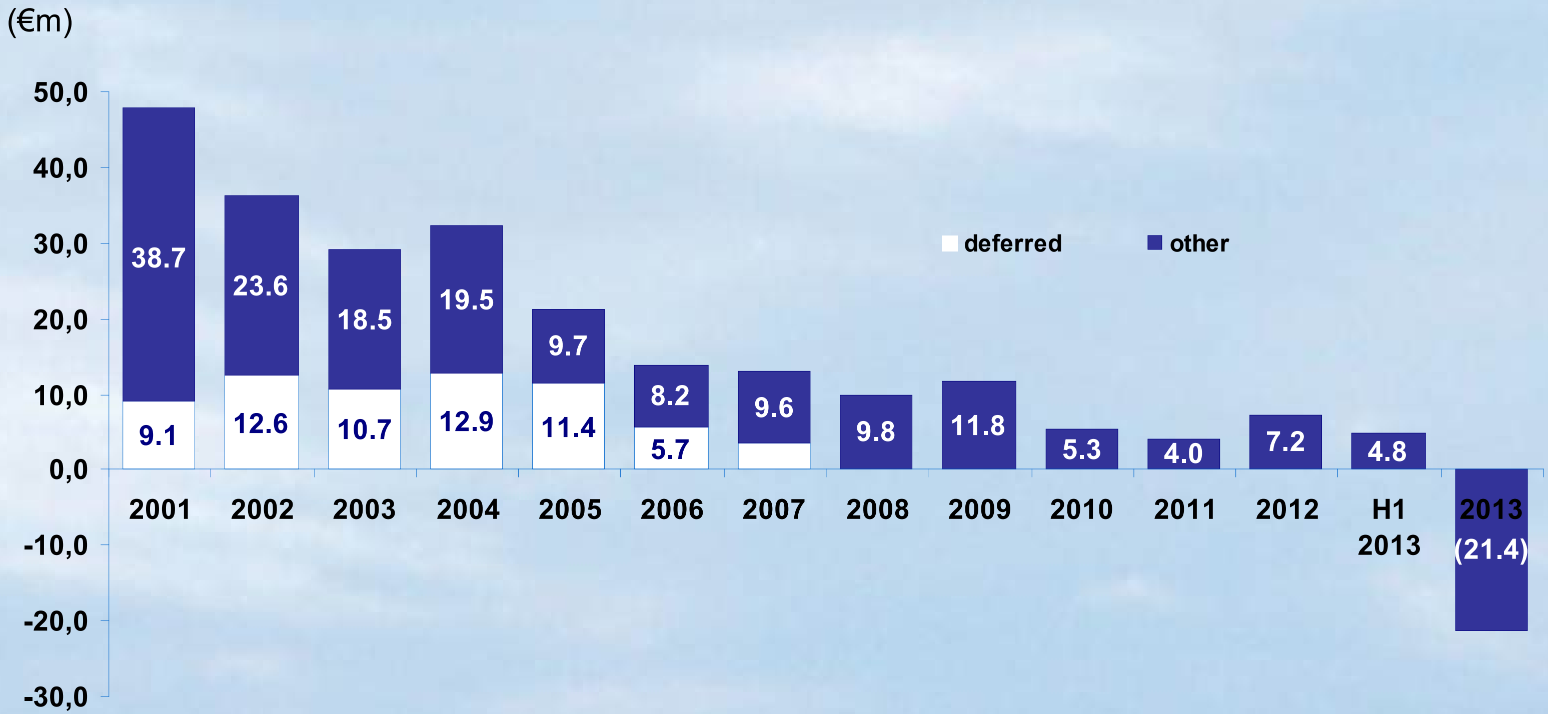
(at year-end, €m)	2013	H1 2013	2012
Inventories	**47.4**	55.5	53.5
Turnover ratio in days	**59**	68	70
Receivables	**27.9**	31.8	25.9
Turnover ratio in days	**34**	38	38
Working capital	**13.3**	38.1	39.1

Cash flow

- Strong reduction of working capital H2 2013
- Insurance payout in connection with the fire at NEK €23.5 million
- Capex at €4.1 million slightly higher than amortisation/depreciation



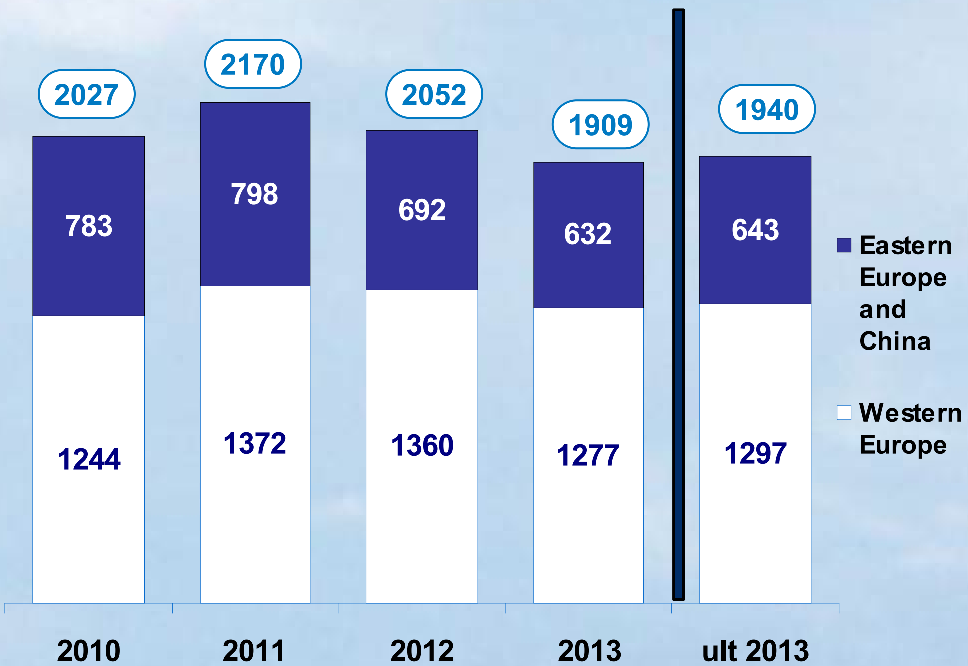
Bank debts / credit balance



Human resources

- Knowledge component in human resources mix increasingly important
- Number of technical developers / engineers increasing steadily, approx. 9% of total
- Total number of employees reduced considerably over the course of 2013
- Lower hiring rate because of better staffing level throughout the group
- Approx. 33% of employees active in Eastern Europe and Asia

Average number of employees



	2010	2011	2012	2013	ult 2013
* of whom hired	216	282	254	184	239

Information per share

(€m)	2013	2012	2011
Operating results	**0.26**	0.24	0.75
Net profit	**0.19**	(0.04)	0.39
Dividend	**0.06**	0.01	0.12
Equity	**5.03**	4.90	5.04
Number of outstanding shares (x 1,000 year-end)	**9,946**	9,943	9,834

EMS market trends

- Globalisation leads to more competition under OEMs; increase in outsourcing by OEMs intensified since economic downturn in 2008/2009
- Higher rate of technological innovation leads to increasingly shorter product lifecycles
- Demand for more added value; product lifecycle management and earlier involvement in development (one-stop provider) by OEMs
- Distinctiveness based on quality and flexibility versus efficiency and reduction in costs (specifically production costs) is becoming more important
- Further intensification of cooperation in the supply chain (partnerships) with customers – battle will be won close to the customer

EMS market trends

- Increasing demand and production in emerging markets (Eastern Europe, China and India)
- Increasing transparency and use of modern means of communication are strengthening opportunities for close cooperation in the supply chain; increasing demand for SMOI (Supplier Managed Owned Inventory)
- Higher volatility in demand resulting from continued uncertainty about economic developments; customers adjust their plans more quickly, postpone and reactivate their orders more quickly; this creates pressure on the balance between quality and flexibility on the one hand and efficiency and cutting costs on the other

Long-term strategy

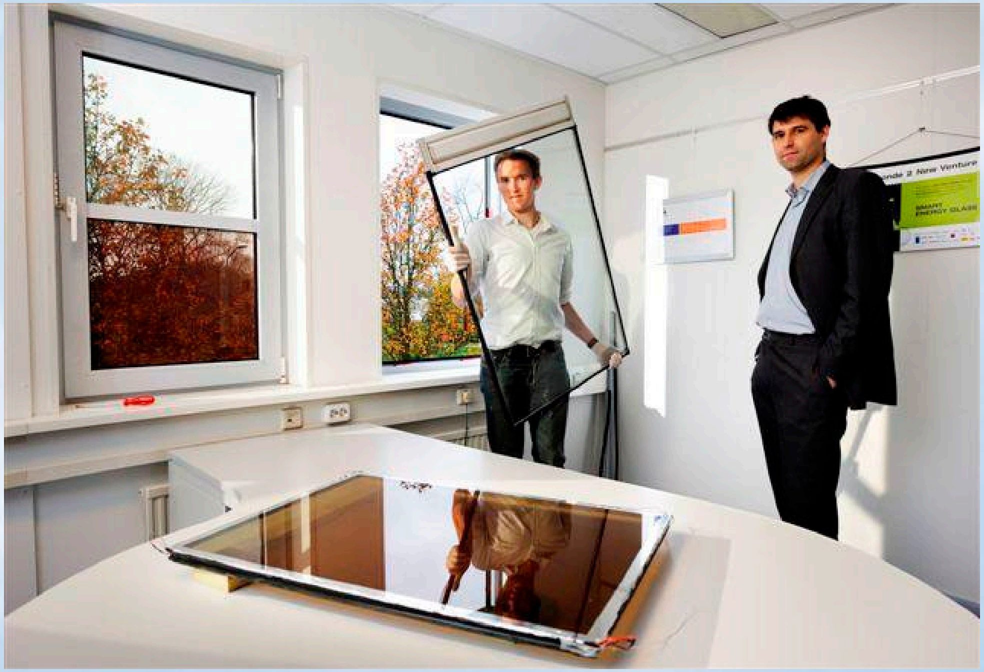
- Aimed at organic growth, supplemented by acquisitions
- Expand ‘one-stop provider’ concept / higher added value
  - Expand development branch, prototype building and ‘box build’ system-building activities
  - Expand service & repair activities
  - Further intensify cooperation with customers, expand role as knowledge partner for cost effective (‘product lifecycle’) solutions for electronic components and entire or partial systems
- More balanced distribution to market sectors aimed at more stable revenue and higher added value
  - Medical sector
  - Defence market (provisionally under pressure because of lower government spending)

Long-term strategy

- Make use of opportunities in emerging markets (Asia)
  - Grow along with OEMs who are building up production capacity in Asia
  - Increase commercial strength in the region; expand procurement components in Asia
- Improve internal cooperation and exchange opportunities / efficiency of the organisation
  - Optimise and expand production in Eastern Europe and China (own facilities)
  - Reduce number of suppliers / make better use of procurements benefits and stronger use of ‘preferred suppliership’
  - Continue initiatives for increasing flexibility and improving cost structure

"Neways has been involved in the development of our electronically-driven systems for 20 years now. We see them an outstanding sparring partner whose developers transform our ideas into innovative systems. Their expertise is deployed at a detailed level, so that our products continually distinguish themselves from those of our competitors".

Roland van der Velden
Manager Research & Development
Bruynzeel Storage Systems b.v.



"Neways has been involved from the beginning of the programme in developing the electronics for our switchable glass. We opted for Neways because they work with a clear project schedule and good documentation and deliver high-quality products".

Teun Wagenaar
Commercial Director
Peer+ B.V.

"The Neways team thinks pro-actively and puts forward good alternatives to improve the original idea.

The working relationship is smooth and professional and is a good combination of service provision that takes work off our hands and our independence principle, according to which Spirit IT is the owner of the IP".

Harry Kok
CEO - Managing Director
Spirit Innovative Technologies

"Neways has grown from a components supplier to a partner with whom we have started joint development activities. This has led to Neways becoming one of FEI's top 10 suppliers".

Dr. Gerrit van der Beek
Senior Director of FEI Electron Optics B.V.
Senior Vice President Corporate Technology FEI

“Thanks to stable quality performance and development capabilities, Neways was chosen to support lifecycle developing activities for some Dräger respiratory care products.”

Guido Willmann
Head of Global Commodity
Management Electronics
Strategic Purchasing Draeger Group

Assumptions and issues in 2014

- Solid integration of NEK's customers into other operating companies and settlement of the closure of NEK (Q1 2014)
- Improve margin by applying process innovation and expanding production in Eastern Europe / China
- Expand direct supplies from production facilities in China to OEMs in the region and expand central procurement of materials in Asia
- Further reduce inventories / reduce balance sheet total and continued attention for cash flow management
- Roll out new ERP LN system of Infor/BaaN
- Reassess how best to benefit from growth potential on the German market (as a result of the closure of one of the German production companies)
- Last but not least: work on the further growth of Neways with 2 fewer production companies

Outlook for 2014

- Upward trend on EMS market continues, order book is filled properly, high market volatility continues to be an important factor
- Financial position is strong and offer opportunities for investments aimed at growth
- Good starting position created, particularly in H2 2013, for further improvements of profit and return
- Neways is very confident about 2014