

Annual Report 2014



The
essential
partner

This is the annual report of Kramp Groep, which tells you how Kramp Groep performed during 2014, what we have achieved and what we want to achieve in the years to come. In addition to interviews with CEO Eddie Perdok and CFO Hans Scholten, you can read the story of Marian Fedko, Sales Director for Eastern Europe, who was closely involved in the merger between Kramp and Grene in Poland. The great importance we attach to partnerships is reflected from the contributions made by SAME DEUTZ-FAHR, our customer Bonhof B.V. and Birgit Bontrup, a Kramp External Sales Account Manager. In this report you will find the pro-forma financial statements that are based on the financial statements of Kramp Groep B.V. We hope you enjoy reading this edition.

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**"FAST AND RELIABLE
DELIVERY IS EXTREMELY
IMPORTANT TO US."**

Tom ter Voert, Workshop Supervisor at Munsterman B.V. (NL)

"Partnerships are essential for us"

Eddie Perdok, CEO of Kramp Groep, can look back on a successful year for the company. With the initial positive outcomes of the merger between Kramp and Grene, with a growth in sales in all countries and an overall improvement on 2013, the company has achieved excellent results. From his new office, Eddie Perdok looks back at 2014 and looks forward to 2015.

"WHEN OUR CUSTOMERS ARE SUCCESSFUL, WE ARE TOO"

Eddie Perdok, CEO of Kramp Groep



"2014 was a good year for Kramp Groep. With an increase in turnover to €668 million, we have achieved our objectives. Not only have we achieved excellent sales growth, we have also started working more efficiently with one another across the company, improving results in every respect. In addition to the financial results, we were also able to celebrate other highlights, including the opening of our new Varsseveld office in December and working hard to prepare for further integration with Grene."

More than a year has passed since the merger between Kramp and Grene. Is it what you had expected?

"Yes, the integration of the two companies is going well. Before you take this step together, you have certain expectations which have to be realised in practice. We knew that Grene and Kramp would fit well together; our culture and business complement each other. It's a perfect match. In that respect, you could compare it to the cooperation between my father and Gerrit Johan Kramp all those years ago. They were both aware of the fact that a strong partnership delivers so much more than competing against one another."

Has the merger already produced specific benefits?

"By merging both companies, we have been able to achieve better purchase prices from our combined volume. We also see plenty of opportunities to improve our purchasing conditions in 2015. However, we are not there yet, 2015 will be a year characterised by further integration. This includes the integration of IT systems and of the management. One example is the new composition of the Executive Board, of which Carsten Thygesen, former CEO of Grene, is now a member. Both companies will be fully integrated by the end of 2015."

We have already come across the concept of "partnership" several times. Why is it so important to you?

"It is part of our culture. It is essential for the kind of company that Kramp Groep wants to be. This starts with

the way we treat one another. At Kramp, this is defined in our core values, which not only define our culture, but also provide guidelines on how people should behave within the organisation. At Kramp we embrace a number of core values, one of which is "Together". This means that, where possible, we work together to achieve success and communicate openly and honestly with one another. We also want to do this with our suppliers and customers; in short, with all our stakeholders. By being honest and helpful, exploring new opportunities and thinking ahead, we can help our customers to be successful. And when our customers are successful, we are too."

Could you provide some examples?

"A good example is our partnership with tractor manufacturers AGCO and SDF. All parties benefit from these partnerships, and we are now looking at the possibility of similar partnerships with other manufacturers. Our collaboration with AGCO and SDF is a confirmation of how we have worked hard to develop our company by becoming the essential partner of leading businesses in our market. It is great that we have come so far, and our aim now is to continue growing. For us, a "partnership" with our customers means working closely with them, speaking their language, listening carefully to them, paying them personal attention and always thinking in terms of finding solutions."

EXECUTIVE BOARD

KRAMP GROEP AS ON 1/1/2015

Eddie Perdok.....CEO

Hans ScholtenCFO

Mario Babic.....Sales and Marketing

Carsten Thygesen...Supplier and Category Management

Tom Wolterinck.....Operations and IT



The Executive Board of Kramp Groep (from left to right): Tom Wolterinck, Mario Babic, Eddie Perdok, Hans Scholten and Carsten Thygesen.

What will 2015 bring for Kramp Groep?

"We have a lot of confidence in our company, our business and our people. This is why we will invest heavily in different levels within the company this coming year. Our largest investment will be in our IT landscape. The fact that we have made more than €10 million available for this purpose speaks volumes. At one time, Kramp was one of the first companies in the industry to have a web shop. We wish to maintain and expand the lead we have in e-business. In addition, we will be expanding our distribution centres in France and Poland. We have been very successful in these countries over the past few years. In order to maintain this growth expansion will be necessary. Of course, we will continue to invest in our people. At Kramp, it is the people who make a difference and they are crucial to the success of our business. By investing across the entire breadth of the company, we should be able to grow to a turnover of €720 million in 2015."

"TAKE INITIATIVES AND BE BRAVE"

Is that realistic in the current economic situation?

"Of course, we are aware of the short term pressure the market is under. Tractor manufacturers are seeing a drop in turnover and the income of farmers is under pressure. However, there are still plenty of opportunities for

Kramp Groep. France, for instance, where the overall market experienced a 20% decline in 2014, while we grew by almost 20%. I feel positive about the long term. The world population is still growing, as well as the demand for good quality food. We can play an important role in meeting this need."

What are the long-term ambitions of Kramp Groep?

"We want to achieve a turnover of €1 billion by 2018. However, 2018 is not a set in stone target. It may take a year or two longer, but I am confident that a turnover of €1 billion is within reach. Autonomous growth is an important part of this, however we are also looking specifically for acquisition candidates who could help us achieve our ambitions faster."

Will this also involve tapping into new markets?

"No, not in principle. Our core business is and remains agriculture. We are now also active in other areas and we will continue to do so, but our efforts will mainly focus on the agricultural market. I am convinced that we can be most successful when we have a clear focus. By offering the best web shop, providing services that make work easier and making use of the knowledge and experience of our colleagues, we are best placed to help our customers be successful. We take the strain off our customers. This is what we promise in our slogan "It's that easy." and this is what we deliver. It is what we have done in the past and what we will continue to do in the future."

Executive Board

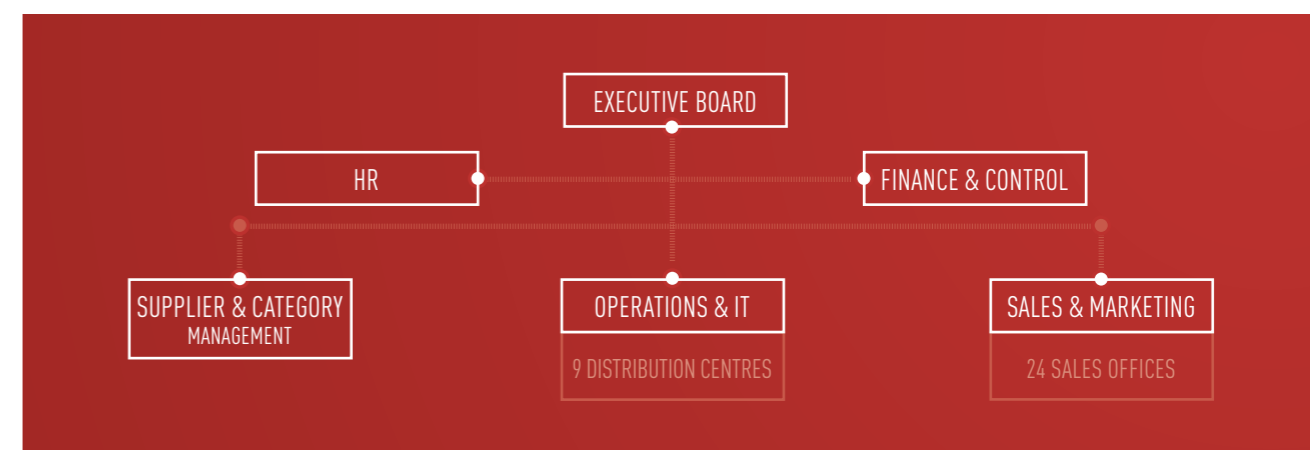
The composition of Kramp Groep's Executive Board was changed on 1 January 2015 to include Carsten Thygesen, former CEO of Grene. At the same time, Steffen Schütze and Sybrand Brouwer left the Executive Board. This change to the management of Kramp Groep is a logical step in the integration process between Kramp and Grene.

After occupying various positions at Grene, Carsten Thygesen, a Danish national, was made CEO of Grene Group in 2003. He was directly involved in merger talks with Kramp Groep and led the synergy team responsible for implementing synergies following the merger. With Thygesen's experience, we have a solid team to help us fulfil our challenging ambition.

Stay connected

In 2009, Steffen Schütze and Sybrand Brouwer joined the Executive Board of Kramp Groep. Both of them stay connected to Kramp.

With his sales experience and knowledge of the market, Steffen Schütze managed the development of new markets in Eastern and Southern Europe. Schütze can now draw on this knowledge and experience in his new role as Sales Director Nordics. Sybrand Brouwer was responsible for Category Management and has always had a considerable affinity with doing business online. With his appointment as Director INDI.nl, he will be directing the development of INDI.nl into an independent, successful online company of Kramp Groep delivering MRO (Maintenance, Repair and Overhaul) products to industrial customers.





Kramp. It's that easy.

"Stay as close as possible to food because that's the last thing anyone gives up" was a statement Gerrit Johan Kramp, founder of the current company Kramp Groep, used to say. By "food" he meant the agricultural sector. With this philosophy in mind, Kramp has grown in almost 65 years from a one-man business in a 27 m² shed to Europe's largest technical wholesale business for the agricultural industry, forest & grasscare, and earthmoving sector, operating under the names Kramp and Grene.

Together we can grow faster

Since 2011, Kramp has been in partnerships with SAME DEUTZ-FAHR (SDF) and AGCO, two of the world's six largest manufacturers of tractors and agricultural machines. SDF is best known for the five large brands DEUTZ-FAHR, SAME, Lamborghini Trattori, Hürlimann and Grégoire. Together with Franco Artoni, Business Development Executive Director of SDF, we reflect on three years of successful collaboration.



Franco Artoni,
Business Development Executive
Director of SDF

To offer dealers a total package of parts, ten years ago SDF started looking for a suitable solution. "Initially we worked together with countless suppliers. Then we decided that it would be a good idea to replace these with just one strong partner", says Franco Artoni. "And so we turned to Kramp, a very professional and open minded organisation with

Complement each other perfectly

When asked about his experiences since the start of the partnership in 2011, Artoni indicates that SDF and Kramp complement each other perfectly. SDF for original parts and Kramp for the universal parts and accessories. "Together we offer a complete package, making work a lot easier for our dealers, every day. Our dealers also give us this feedback. The collaboration is conducted in a good atmosphere, we have common goals and the results come quickly. In short, entering into this partnership was a good choice."

Common goals

Besides trust and an open communication, the focus on joint goals is an important success factor, according to Artoni. "This soon results in a win-win situation. We want to offer the dealer the best package possible and so generate more turnover. Together we can grow faster. The goals for the coming years are: doubling the turnover, optimisation of availability and service levels and the expansion of activities outside of Europe. A good challenge, which we are ready to meet together with Kramp."

a strong focus on customers and sales. Kramp also has a perfect geographic coverage, a broad and complete range of products and a high level of service."



Parts & accessories

- TRACTORS
- AGRICULTURAL MACHINERY
- HYDRAULICS
- DRIVE TECHNOLOGY
- RETAIL & WORKSHOP
- FOREST & GRASSCARE MACHINERY

"WORK HARD AND HAVE FUN"

€668

MILLION TURNOVER

700

THOUSAND PARTS
IN THE WEB SHOP

65-100

THOUSAND ORDER LINES
PER DAY

24

SALES
OFFICES

9

DISTRIBUTION
CENTRES

8.6

CUSTOMER
SATISFACTION

2600

EMPLOYEES (FTE)

8

EMPLOYEE
SATISFACTION

USP's of Kramp



RETAIL
CONCEPTS



FAST
DELIVERY



MULTI
BRAND



INNOVATIVE
SERVICES



ONE-STOP-
SHOP



MOBILE
SOLUTIONS



SHARING
KNOWLEDGE



WEB SHOP &
ONLINE SERVICE



Although Kramp Groep is now active throughout Europe, we remain close to our customers. "Think global, act local" is a philosophy typical of the way in which Kramp Groep does business. Thinking along the same lines as our customers and suppliers is part of our DNA. Partnerships are an essential part of this and always have been, not only for Kramp but also for Grene. A merger between the two companies was therefore a next logical step.

Thinking in solutions

Both Kramp and Grene were originally family businesses and the values associated with this form the basis of our thoughts and actions. One of these values is putting the customer first. The customer always comes first in what we do. This is why Kramp Groep is much more than just a wholesale business. We are a one-stop supplier of parts and a service partner that always thinks in terms of solutions together with our customers and suppliers. Not only is this expected of us, it is also our own starting point. After all, if our customers are successful, then we are too. For good reason we have grown into market leader in Europe.

Innovative company

Kramp Groep is an innovative company. Its founder, Gerrit Johan Kramp, already knew that you have to make things as easy as possible for your customers, and that is why he introduced the paper catalogue. Years later, Kramp was one of the first companies in the sector to set up a web shop. Again, with only one idea in mind: to make our customers' jobs as easy as possible. This is what we have done in the past and what we will continue to do in the future. Hence our slogan: Kramp. It's that easy.

Our values

We have defined our identity in our core values: who we are and how we work. This forms the basis of our thoughts and actions and helps us to fulfil our promise to our customers: It's that easy.

CUSTOMER FIRST
ENGAGED
TOGETHER
ENTREPRENEURSHIP

"The merger offers plenty of opportunities for development"

It is hard to find a better example of synergy, according to Marian Fedko, Sales Director EE (Eastern Europe). "Kramp and Grene complement each other perfectly when you look at the range they offer and their geographical coverage." Thanks to the merger, the new organisation now operates in all European countries.

Synergy at a glance

2014

- Purchase benefits through combined volumes
- Integration of Kramp and Grene in Poland
- Kramp web shop in Poland
- Wholesale activities in Poland under the name 'Kramp'

2015

- Full integration of Kramp and Grene
- Integration of IT systems
- Further realisation of purchase benefits

Marian Fedko sees development as one of the biggest advantages of the merger. By working together, we will all develop, we will learn from each other by sharing each other's knowledge. The integration of Kramp and Grene is a logical and positive step for all our activities. For example in Poland, the merger offers plenty of opportunities for development in both the organization as well for our people.

Integration

Poland was the only country in which both Kramp and Grene were active. Grene had a strong position in the Polish market, a long history, a team of 500 employees, and an extensive network of retail shops. Kramp, on the other hand, had only relatively recently entered the Polish market. "The integration of these two companies and work cultures was a challenge for the management", Marian Fedko tells us. "In order to retain all the talent in Poland and ensure the merger took place as smoothly as possible, we always communicated openly about developments. We have also invested a lot of time and energy in a thorough integration of the Kramp team."

Web shop

According to Fedko, the biggest challenge was, and is, the integration of IT and the logistics systems. "These determine to a large extent how 'easy' we can make our customers' jobs. In our new web shop in Poland, we have significantly extended the range on offer with Kramp

products. This enables us to meet all our customers needs when it comes to technical parts." The web shop was launched before the start of the Polish "Agro Show" in September 2014. In addition Kramp was introduced as a new name for our wholesale activities in Poland during this show. By doing this, we have created one clear gateway for our customers, making it even easier for them to do business with Kramp.



A POLISH SUCCESS STORY

The agricultural sector holds no secrets for Marian Fedko. As a child, he helped out on his family's farm and, after studying at the Polish University of Agriculture in Szczecin, he was chosen in 1991 to manage the Polish state-owned company Agroma Konin.

"It was a challenging time", Marian Fedko reflects. "There were many political and economic changes in Poland. To give the company and the employees a chance to develop, privatisation was the only serious option. That is why I left Agroma and started my own company. This is how I came into contact with Grene and together we took over Agroma Konin in 1996. Three years later, we also bought Agroma's offices in Bydgoszcz, Leszno, Opole and Gtubczyce. This ensured we had a solid basis and an international network to further develop the business."

"Responding to new developments and technologies has always given us an advantage in Poland; from the first computer and catalogue to our first online shop. As a result the company grew considerably. 2003 was a very special year for us because we built our new central distribution centre in Konin. At present, this distribution centre is again undergoing significant expansion."

Marian Fedko, Sales Director EE of Kramp Groep

"SHARE KNOWLEDGE AND EXPERTISE"



Kramp Way

"Of course, we still have a number of challenges facing us. In 2014, we spent a lot of time and energy in merging the product ranges of both companies. We expect to see the results of this in 2015. Additionally in 2014, we saw the introduction in Poland of the "Kramp Way", which explains who we are and what we want to achieve. In doing so, we experienced several similarities, once again confirming that Kramp and Grene are a perfect match."

Looking ahead

"I have no doubts about the success of this merger. All the ingredients are present. New technology, operational excellence, a huge potential in terms of motivated and talented employees and our personal interpretation of the concept of partnership. Over the last two years, I have seen that we are on the right path to achieving our ambitious goals together. I hope that we, together with the entire Polish team, will be able to make a solid contribution to further growth and development of Kramp Groep."

Kramp Poland & Grene Retail

In 2012, we split Grene Poland into the companies Grene Distribution and Grene Retail.

"This helped us during the integration. This situation made it relatively easy for us to merge our wholesale activities with those of Kramp, so that we were subsequently able to focus on the B2B market", says Marian Fedko. "In the B2C market we are keeping the Grene name for the retail shops. Not only does this prevent confusion for customers, it ensures both companies can focus on their own target group."



Henri Bonhof

"With Kramp as a partner we can generate additional revenue"

"If we don't have it, you can stop searching!" With this slogan, Bonhof B.V. from Wilp (NL) clearly expresses its desire to be a total partner for its customers. Forty-five years ago, Bonhof Senior founded the agricultural dealership and has been a regular customer of Kramp since that time.

Today, Henri Bonhof, his son, runs the family business. The company has grown considerably in recent years due to various acquisitions. Its business activities have also been expanded; not only does Bonhof operate as an agricultural dealership, but it is also a welding and construction company and a rental company for equipment. Additionally, Bonhof runs the largest and most comprehensive Kramp retail shop in the Netherlands. After more than twenty-five years operating as a Massey Ferguson dealer, Bonhof started working as a DEUTZ-FAHR dealer on 1 April this year.

Leading the way in the market

"We have been doing business with Kramp from the very start", says Henri Bonhof. "We used to work with more suppliers, but eventually re-numbered all our products in line with Kramp, product group by product group. Although Kramp does not always offer the cheapest prices, we consider the benefits we experience every day to be of greater importance. In terms of product range, automation, logistics and service, Kramp has been leading the way in the market for years. At the same time, it is also a solid company that is close to its customers, honours its agreements and thinks ahead."

More than a supplier

For Bonhof, Kramp is more than a supplier. "With concepts such as the web shop, the retail shop and the corresponding support in the field of marketing, we can work together to generate additional revenue. Furthermore, we also make use of EDI, which is easy and fantastic to use. For example, it allows us to check stocks at any time and that is something that not every supplier can offer. The possibility of achieving business advantages together is an important added value for us."

Distinctive profile

However, the market does not stand still. Competition on the internet is putting pressure on prices. "This poses a major challenge, particularly for companies like Kramp. However, knowing Kramp, it will do everything it can to retain its unique selling point with services and new business solutions."

Kramp Groep displays an attractive rate of growth

Whereas the season in 2013 was slow to start, the exact opposite was true in 2014. Kramp Groep benefited from an excellent spring. The weather was good and there was enough money available in the market. Conditions were less favourable during the rest of the year, however. All of this resulted in a growth in sales of 6.7% to €668 million, which was significantly more than the 4.6% growth achieved in 2013.



Hans Scholten, CFO of Kramp Groep

Hans Scholten, CFO of Kramp Groep explains: "We did particularly well in our growth markets. As in other years, we were again able to gain some market share in France, where our turnover increased by 18%." Kramp was also able to grow by several dozen percent in other growth markets such as Italy, Spain and Portugal. In the countries where Kramp Groep has an established market position, such as the Netherlands, Belgium, Germany, Austria, Switzerland, Denmark and Norway, there was more moderate growth in 2014.

The operational result (EBITDA) increased from €64 million to €70 million. "The increase in the result is partly a consequence of the cost control we began last year as part of operational excellence", Scholten explains. "Managers, for example, have been responsible for their own business units since January 2014. This has improved efficiency and promoted cost-awareness. We are now reaping the fruits of the path we took last year. However, this does not mean that we are there yet. Operational excellence will remain high on the agenda for the next few years."

Human resources

The workforce grew from 2486 to 2604 FTEs, slightly more than planned. The logistics department in particular welcomed new members of staff. Kramp also aims to be an attractive employer for new employees. Over the next few years, the composition and size of the workforce will remain important, with constant attention paid to staff training and development and also to requirements for new staff in terms of training and experience.

Sustainable

Kramp Groep places great importance on sustainable business operations. A good example of this is our red box, which we now use in a number of countries for packing and transporting orders. We also look at structural opportunities to reduce the volume of packaging materials. When constructing new buildings, we try to make optimum

use of sustainable energy. For example, our office in the French city of Poitiers uses geothermal energy and we have opted to use hot and cold storage for climate control at our head office in Varsseveld.

"This type of policy is not only important for us internally, we also want a sustainable relationship with our customers and suppliers. In 2013 we implemented a Code of Conduct for Suppliers. First of all, this code contains standards relating to human conditions, in particular working conditions, human rights and social and ethical entrepreneurship", Scholten explains. Furthermore, standards are set for the necessary care of the environment in terms of organisational processes and product development. These rules are designed to counteract pollution, deforestation and the depletion of natural resources. The final chapter focuses on sustainable



Kramp Open 2014 Strullendorf (DE)

"FULFIL OUR PROMISES"

profitability. "This standard is not obligatory, but is voluntary for the time being. It is therefore all the more gratifying to see that our suppliers are happy to sign it. We have already received hundreds of signed declarations of intent."

In Germany, Kramp has launched the Ecosteps programme with the supplier Johnson Controls. With this programme, the company retrieves old batteries from Kramp customers and credits them with the lead surcharge they would otherwise have to pay. This is a good example of how a shared goal can be achieved in a partnership.

Financial results

The turnover of Kramp Groep increased by €42 million in 2014, from €626 million to €668 million. In particular, the greatest increases were seen in France and Poland. Hans Scholten tells us, "In France, you can see how investments in a new office and better customer service are paying for themselves. As mentioned previously, we have had a successful year in all growth markets. We can also present positive growth rates for the other Southern and Eastern European countries."

The gross margin increased by more than 10% up to €143 million, which was partly due to purchase benefits resulting from the merger with Grene. The exchange rate loss of the Rouble in Russia was limited by passing on the

effects to the market. This was quite an achievement given the fact that the value of the Rouble fell by as much as 40%. However, the value of the assets did have to be written off by €6 million at the expense of the company's equity capital. The EBITDA was €70 million, €6 million higher than in the previous financial year.

Investments and financing

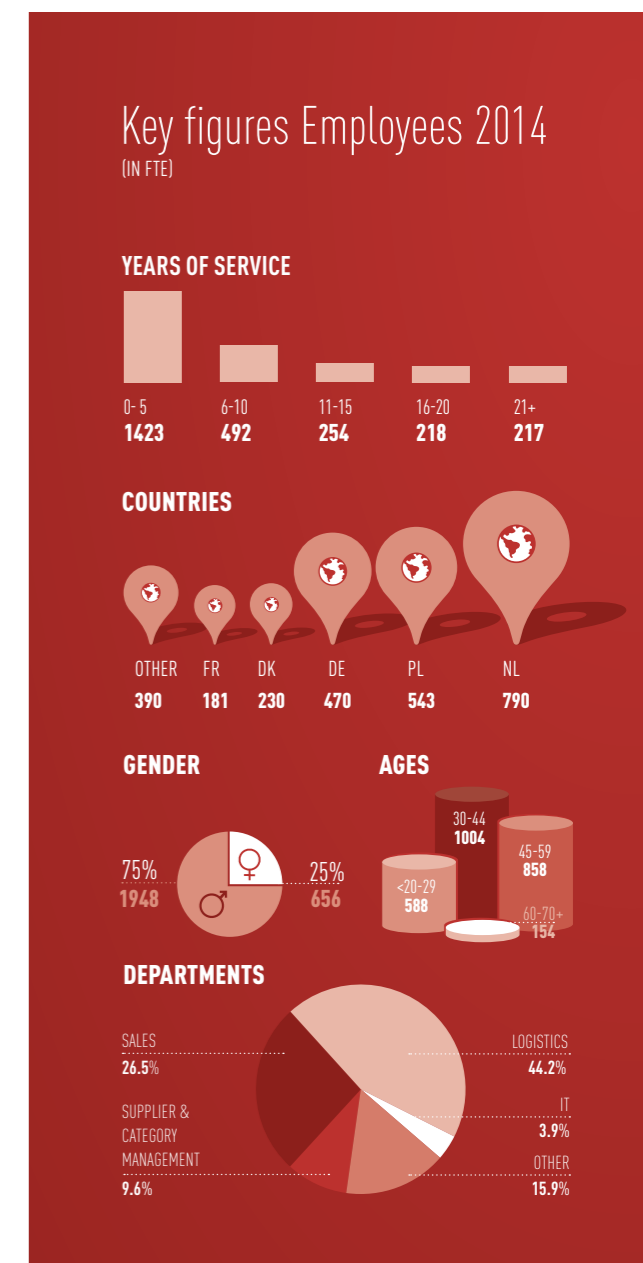
Total investments in the 2014 financial year amounted to €23 million. This is a significant increase compared to the previous year. By far the largest investments were made in IT (€6 million) and with the acquisition and construction of buildings in Varsseveld (€13 million). The new office in Varsseveld had a festive opening in December 2014.

In addition, a start was made in Poland on the expansion of the distribution centre in Konin. The interest-bearing debt increased to €180 million. The main reason for this was a higher working capital at the end of the year. As Hans Scholten explains, "We increased our stock levels so that we could deliver our products to our customers on time. The stocks have therefore increased by €12 million. In addition, there was a €5 million increase in the accounts receivable balance." On the other hand, the accounts payable balance decreased by 11%, while the sum of goods purchased grew by 8%. "Our suppliers are used to us paying on time. I am glad that we can meet these high expectations."

The interest charges are only marginally higher than last year as the debt position did not increase until the end of the year. The total financing facility amounts to over €197 million, which can be increased by €50 million during its term. As expected, Kramp Groep did not have to make use of the option of additional funding in 2014. On 31 December 2014, Kramp Groep's equity amounted to €139 million on a balance sheet total of €367 million, resulting in a solvency ratio of 38%.

Prospects for 2015

Hans Scholten is positive when it comes to expectations for 2015. "The first three months have gone well and are in line with expectations. Kramp Groep is therefore on course to achieve a turnover of €720 million, representing a growth of 7.8%. If this growth in turnover is realised, the result may end up slightly higher. The investments in 2015 are substantially higher than in 2014. "We are mainly investing in further strengthening of our IT systems and the expansion of our distribution centres in Konin (Poland) and Poitiers (France)", says Scholten. These investments, as well as the expected growth in working capital as a result of growth in turnover, will be partly financed from the cash flow and partly through use of the existing option for extending the credit facility.



Supervision during the 2014 reporting year

We hereby present the annual report drawn up by the Executive Board. The official report will be filed with the Chamber of Commerce. This official report was discussed by the Supervisory Board on 29 April 2015. At the General Meeting of Shareholders, the shareholders discharged the Executive Board and the Supervisory Board from liability for the management and supervision duties respectively completed during the past financial year. "We are of the opinion that the 2014 Annual Report forms a good basis for the account the Supervisory Board is to render in respect of the supervision", says Jan Bernard Wolters, Chairman of the Supervisory Board.

Satisfied

The departing chairman is satisfied with the past financial year. "2014 was a good year for Kramp Groep. The year started off really well. It is a pity Kramp had somewhat lost the lead they gained in the spring by the end of the year. This has nothing to do with the business operations, but everything to do with the market. Nevertheless, all in all I believe that we can look back on this financial year with a great deal of satisfaction."

Five times a year, the Supervisory Board meets to discuss current issues. "Every year we also try to visit one of the Kramp sites. Last year, for example, we visited Poland and Denmark."

Key objective

The Supervisory Board considers it important that the Executive Board has succeeded in reducing costs. "Every company that grows faces the risk of costs increasing faster than turnover. This was also the case at Kramp Groep. Reducing costs as part of "operational excellence" was a key objective in 2014 and is now paying off. This does not mean, however, that further improvements cannot be made."

Saying goodbye

The Supervisory Board is also pleased that the initial results of the merger are already evident, which are partly due to the improvements in purchase and the design of the new IT landscape. "It gives us confidence in the future. A future in which Kramp Groep wants to grow further to achieve a turnover of €1 billion." And a future of which Wolters, just like Anjo Joldersma, will no longer be a part of. After fourteen years, he is saying goodbye. "When I first joined the company, Kramp was experiencing some difficulties. It is therefore all the more pleasing to see that Kramp is now a thriving company. The icing on the cake for us was the merger of Kramp with Grene. It was the final step in our ambition to cover the whole of Europe. The important thing now is to grow, if necessary through strategic acquisitions."

Advice

Is there any advice the Supervisory Board would still like to give the Executive Board and staff? "Keep treating people with consideration. Not only colleagues within the company, but also your customers and suppliers. Stay in contact with those customers and suppliers and think in terms of a partnership. Things will then continue to go well." Finally, the chairman also wishes to express his appreciation, on behalf of the Supervisory Board, to all Kramp and Grene employees for their dedication and commitment during the past year.



THE SUPERVISORY BOARD AS ON 30/10/2013

Jan Bernard Wolters, Chairman
Anjo Joldersma Member, Partly on the basis of nomination by the Works Council, former shareholder and director of Kramp Groep
Johan Terpstra Member, Investment Director NPM Capital N.V.
Jens Bjerg Sørensen . Member, CEO Schouw & Co. A/S

Picture (from left to right) Jens Bjerg Sørensen, Johan Terpstra, Jan Bernard Wolters and Anjo Joldersma.

ABOUT THE SHAREHOLDERS

Kramp Groep is owned by the management and venture capital companies NPM Capital and Schouw & Co.

NPM Capital based in Amsterdam (NL) has been a co-shareholder since 2010. For more information see: www.npm-capital.com.

Schouw & Co (DK) is listed on the Copenhagen stock exchange and has been a co-shareholder since 2013. For more information see: www.schouw.dk.

"For me, a day is successful when a customer gives me homework"

For customers in North West Germany, Birgit Bontrup is one of the familiar Kramp faces. Since 2014 she has been working as a Sales Account Manager as part of the German sales team.

For Birgit the best part of her work, is the partnership she builds up with customers. "Kramp is a dynamic organisation, making the work even more interesting. The organisation never stands still and my challenge is to take customers with us in that development. I am in constant dialogue with them to see how we can make their work easier and more efficient. For example with services, such as Scan to Order, a single point of contact in our inside sales team or the training courses offered by the Kramp Academy. When I look back on the past few years and see how customers have grown with us, I am convinced that we are doing the right things."

Homework

Birgit visits six to eight customers each day. "During these visits I try to find out what our customers are concerned with, what their needs are and how we can help them in terms of products, services or training. I do not visit them as a typical representative who would rather close a deal straight away. For me, a day is successful when a customer gives me homework and I can get to work to see how we can make it easier for him to do business with us. The trust customers put in you to arrange such matters forms an outstanding fundament for partnership. Searching for a win-win situation for both parties and succeed in that together gives me great satisfaction."

Benchmark for success

When asked what she is most proud of, Birgit replies: "The fact that I work for a dynamic and ambitious company whose main priority is to support customers in their development. That development is an important benchmark for our own success."

Birgit Bontrup, Account Manager Kramp (DE)

Consolidated financial statements

Pro forma accounts 2014



€668.000

TURNOVER (X 1.000) ▲

6.7%

TURNOVER INCREASE

€70.000

EBITDA (X 1.000) ▲

8.7%

EBITDA INCREASE

€23.000

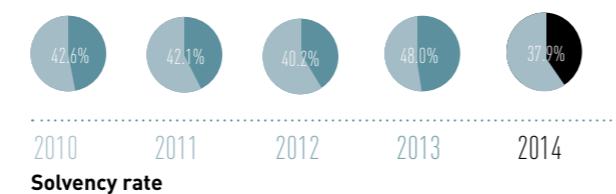
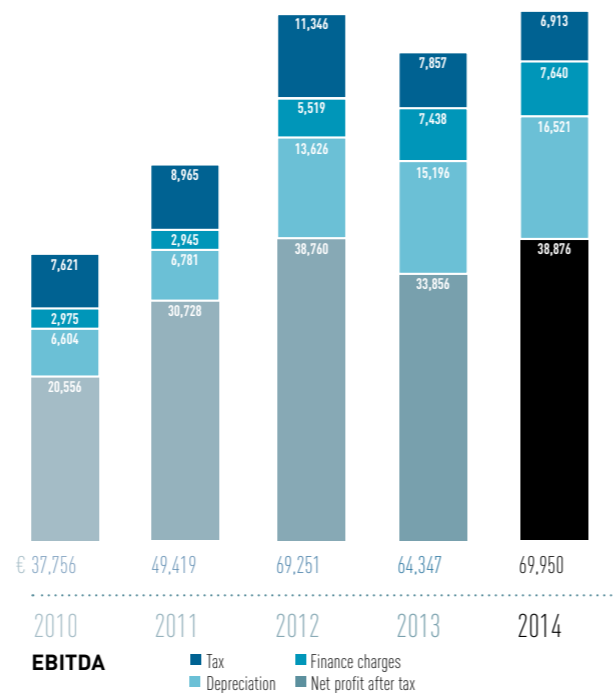
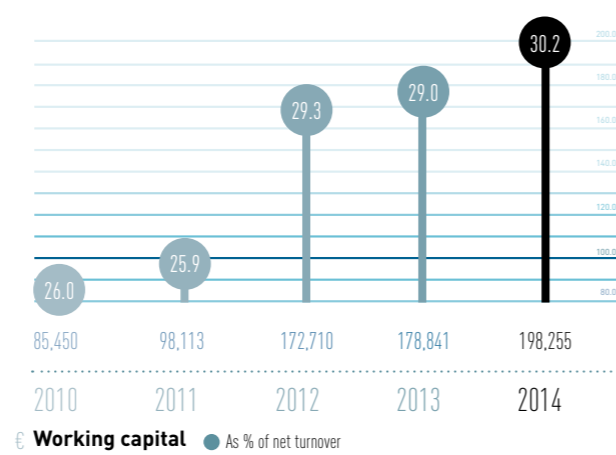
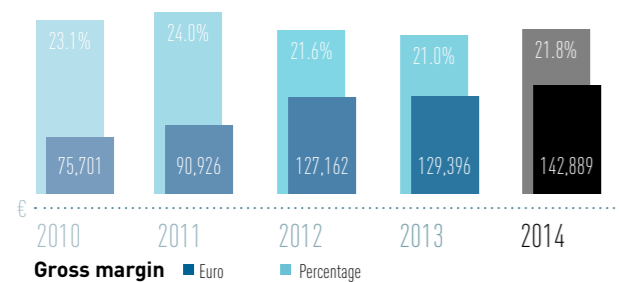
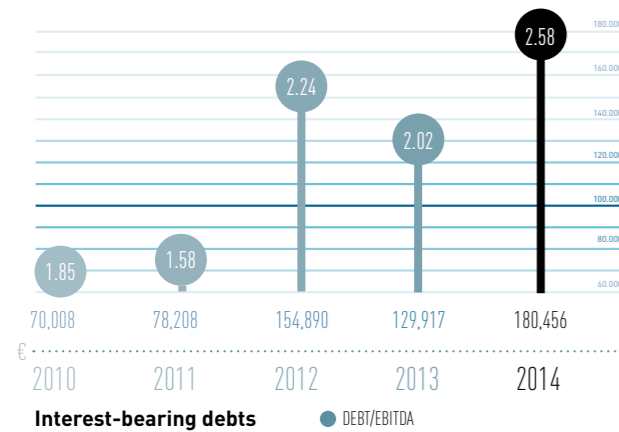
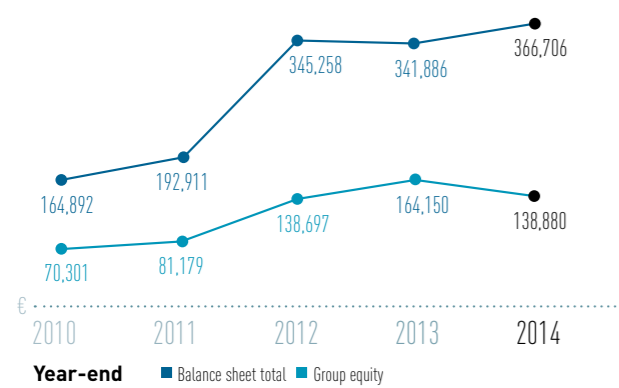
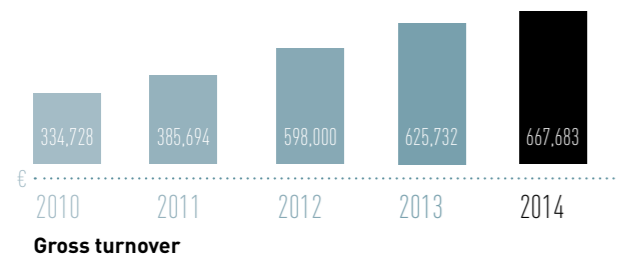
INVESTMENTS (X 1.000) ▲

2.58

▲ NET DEBT/EBITDA

Key figures

(x 1.000)



Consolidated profit and loss account

Pro forma accounts 2014

(x €1.000)

	2014	2013
Gross turnover	667,683	625,732
Boni and discounts	-10,991	-9,777
Net turnover	656,692	615,955
Cost of sales	513,803	486,559
Gross profit	142,889	129,396
Sales costs	61,192	50,791
General administrative expenses	28,642	29,541
Amortisation on goodwill	-	48
Total costs	89,834	80,380
Operating result	53,055	49,016
Interest receivable	162	197
Interest payable	-5,626	-5,351
Foreign exchange rate results	-2,176	-2,284
Financial result	-7,640	-7,438
Profit before tax	45,415	41,578
Tax	-6,913	-7,857
Third party share in result	374	135
	-6,539	-7,722
Profit after tax	38,876	33,856

Consolidated balance sheet

Pro forma accounts 2014

Assets (x €1.000)

2014

2013

Fixed assets

Tangible fixed assets

Land and buildings	92,806	86,601
Other tangible fixed assets	39,695	39,270

132,501

125,871

Financial fixed assets

Other receivables	9,635	7,700
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9,635

7,700

Total fixed assets

142,136

133,571

Current assets

Inventories	162,149	150,035
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Receivables

Trade debtors	58,906	54,336
Receivables from participants and subsidiaries	1	46
Other receivables	1,366	1,229
Accruals and prepaid expenses	2,093	2,519

62,366

58,130

Cash	55	150
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Total current assets

224,570

208,315

366,706

341,886

Liabilities (x €1.000)

2014

2013

Equity

138,880

164,150

Third party share in group companies

-40

710

Provisions

Deferred tax liabilities	1,734	-
Pension provisions	429	309
Other provisions	825	949

2,988

1,258

Long-term debts

7,108

50,974

Short-term debts

Amounts falling due within one year	695	3,184
Credit institutions	172,653	75,759
Trade creditors	22,800	25,530
Payables to participants and subsidiaries	18	-
Corporation tax	837	2,460
Other taxes and social premiums	4,576	2,114
Other liabilities	15,569	14,860
Accruals and deferred income	622	887

217,770

124,794

366,706

341,886

Consolidated cash flow statement

Pro forma accounts 2014

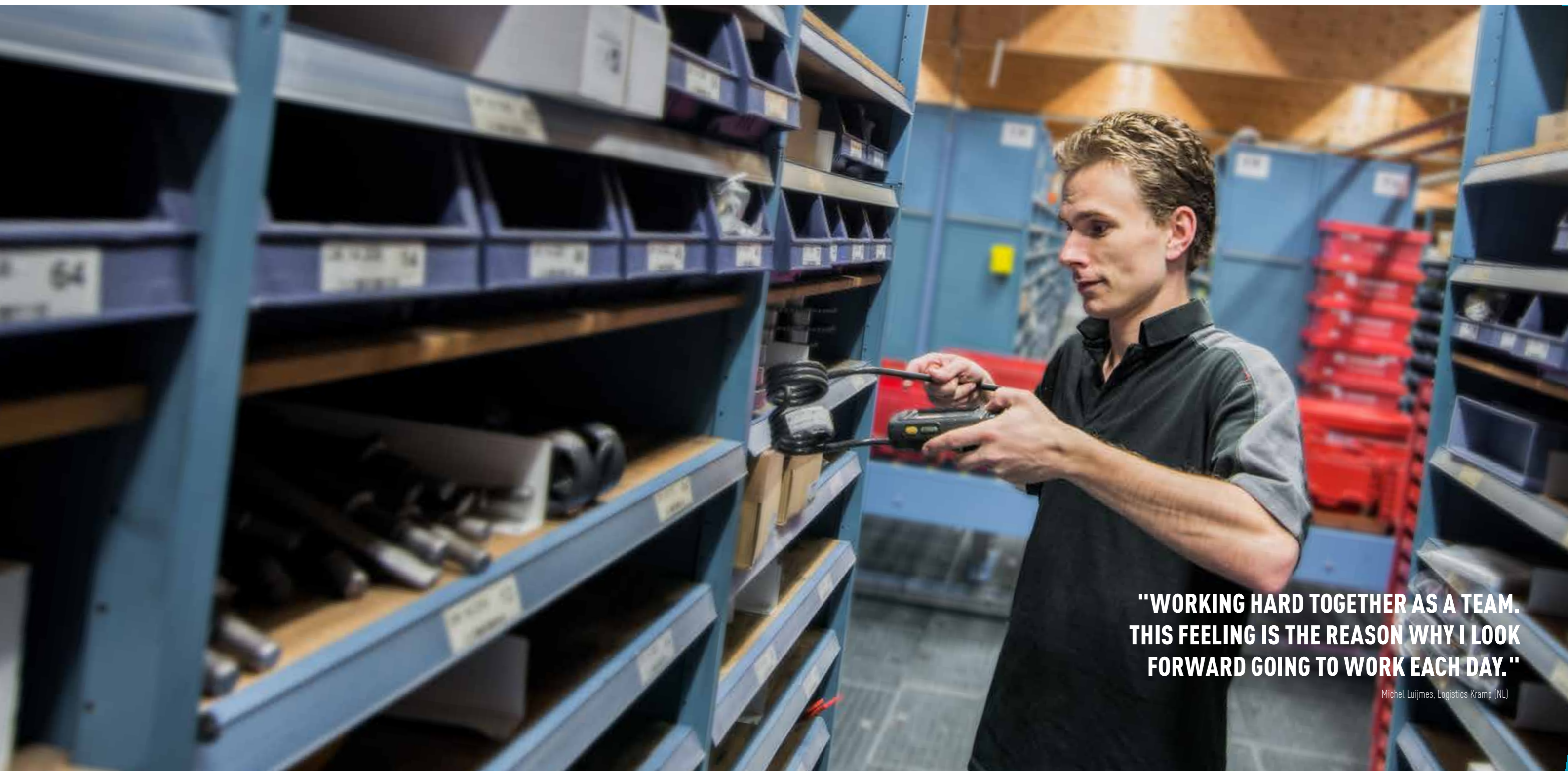
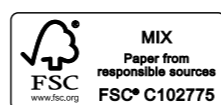
(x €1.000)	2014	2013	2014	2013
Profit after tax	38,876	33,856	(Dis)investments in (in)tangible fixed assets	-23,151
Adjustments for:			Change in financial fixed assets	-1,935
Depreciation	16,521	15,196	Cash flow from investing activities	-25,086
Financial result	7,640	7,438	Shareholders:	
Tax	6,913	7,857	Dividend	-56,120
EBITDA	69,950	64,347	Amortisation on goodwill	-1,208
Change in inventories	-12,114	-5,251	Correction of interest hedging	-
Change in trade debtors	-4,570	3,396	Foreign exchange translation differences subsidiaries	-6,407
Change in trade creditors	-2,730	-4,276	Other changes in equity	-411
Change in working capital	-19,414	-6,131	Change in third party share in group companies	-750
Change in other receivables and accruals and prepaid expenses	334	2,270		-64,896
Change in provisions	1,730	673	Financing:	
Change in other liabilities and accruals and deferred income	1,301	-395	Change in interest bearing debt	50,539
	3,365	2,548	Cash flow from financing activities	-14,357
Interest receivable	162	197	Movement in cash position	-95
Interest payable	-5,626	-5,351	Beginning cash and cash equivalent	150
Foreign exchange rate results	-2,176	-2,284	Closing cash and cash equivalent	55
Tax	-6,913	-7,857		
	-14,553	-15,295	Movement in cash position	-95
Cash flow from operating activities	39,348	45,469		34



Kramp Groep Breukelaarweg 33 Varsseveld The Netherlands, P.O. Box 73 NL 7050 AB Varsseveld.

This report is not the Annual Report of Kramp Groep B.V. within the context of Art. 2:391 of the Dutch

Civil Code and does not contain the financial statements as defined in Art. 2:361 of the Dutch Civil Code.



**"WORKING HARD TOGETHER AS A TEAM.
THIS FEELING IS THE REASON WHY I LOOK
FORWARD GOING TO WORK EACH DAY."**

Michel Luijmes, Logistics Kramp (NL)

