HOLLAND
COLOURS
ANNUAL
REPORT

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CHANGING COLOURS

HOLLAND COLOURS ANNUAL REPORT

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The Annual Report of Holland Colours is also available in Dutch on www.hollandcolours.com

"WE BARELY REQUIRED ANY TECHNICAL ASSISTANCE. THERE WERE VERY FEW PROBLEMS, BUT WHERE NECESSARY HOLLAND COLOURS ALWAYS SOLVED IT."

Client curtainside trailer system (Specialties)
Europe

PROFILE

Holland Colours NV was founded in 1979 and has been listed on the Euronext Amsterdam since 1989. It is an independent Dutch company with offices in North America, Mexico, Europe and Asia. Since 2 April 2012, slightly more than 50% of Holland Colours NV shares are held by the investment company Holland Pigments BV, in which all employees of Holland Colours participate, among others. The current and retired employees collectively hold approximately 22% of the shares in Holland Pigments BV. The core values of the company's corporate culture are entrepreneurship, respect and responsibility towards society and staff.

PRODUCTS

Holland Colours makes products for colouring plastics. These so-called colour concentrates are available in both solid and liquid form. The key products in solid form are Holcobatch and Holcoprill. Both these products have the advantage of being free flowing, dust-free, cost-efficient and very easy to dose, allowing the colour to be absorbed quickly by the plastic to be coloured. The solid colour preparations are well-suited to various polymers, such as PVC and PET. The liquid products Holland Colours produces are pastes for colouring Silicones & Elastomers, PET packaging and various other applications.

MARKETS

Holland Colours operates worldwide in three focus markets:

- Building & Construction (especially PVC applications)
- Packaging (especially PET applications)
- Silicones & Elastomers

These three markets represent over 80% of sales. Holland Colours is a key player in each of these markets. Holland Colours' worldwide presence means it is never far away, and is able to supply national and international companies with solutions both promptly and efficiently. The remaining sales is realised through various other applications.

BUILDING & CONSTRUCTION

Holland Colours has been a specialist in colouring PVC since its incorporation. Holland Colours colouring systems are used in:

- Pipes and fittings
- Cladding/siding
- Window profiles
- (Foam) sheeting/roofing materials
- Fencing and terracing

The manufacturers of these products are Holland Colours' customers. The Building & Construction market follows construction cycles and is subject to regional variations.

PACKAGING

Holland Colours' colour preparations are well-suited to PET applications. This worldwide market is driven by brand owners, the major softdrinks, food, cosmetics and personal care brands. Holland Colours' customers are primarily the manufacturers of these bottles and packaging materials. In addition to water and soft drinks, PET is also used to package beer, wine and milk, as well as various non-food applications such as liquid detergents and soaps.

SILICONES & ELASTOMERS

The market for Silicones & Elastomers comprises a number of different segments. Sealants are used in the Building & Construction market in particular. Silicone rubber products (elastomers) are mainly used in the automotive, electronics, domestic and consumer industries, but also in the textile industry (prints on shirts) and as coatings on fabrics (conveyer belts). Furthermore, elastomeric coatings are becoming very popular in high-end applications in the offshore industry and for industrial flooring. The big silicone-polymer and compound manufacturers operate across the globe and play a key role as both suppliers and customers.

ORGANISATION AND OFFICES

Holland Colours is organised in three regional Divisions that operate as profit centres in each specific region, namely: Europe (including the Middle East, India and Africa), Americas and Asia.
The sales split is as follows:

- Europe 53%
- Americas 33%
- Asia 14%

Virtually the entire production is generated by the four principal plants in the Netherlands, Hungary, the United States and Indonesia (Surabaya). Furthermore, Holland Colours has sites in Mexico, Canada, England, Indonesia (Jakarta) and China. The decision made by the partners in the previous reporting year to discontinue the operations of HCA Japan Corporation was effectuated in the 2014/2015 financial year. Local agents/distributors are used in many countries to ensure close relations with customers. The centrally coordinated and organised functions are Purchasing, Research & Technology, Finance & ICT, Legal Affairs and Operations.

KEY FIGURES

Financial year as at 31 March	2014/15	2013/14	2012/13	2011/12	2010/11
Results (€ million)					
Sales	68.2	66.0	65.9	61.2	60.5
Increase in sales (%)	3.5	0.1	7.6	1.2	18.6
Operating result	5.3	5.4	4.9	3.2	5.4
Net result	3.4	3.5	2.9	1.7	3.2
Cash flow (€ million)					
Cash flow[1]	5.4	5.5	4.9	3.9	5.5
Investments	1.3	2.4	1.5	0.7	1.0
Depreciation	2.0	1.9	2.0	2.2	2.4
Balance sheet (€ million)					
Working capital[2]	12.7	11.7	13.6	14.8	12.6
Invested capital	30.7	28.2	30.4	31.8	30.6
Total equity (excl. minority interests)	30.5	25.9	24.9	22.4	22.2
Balance-sheet total	46.5	40.3	40.9	40.7	40.4
Ratios					
Total debt[3] / EBITDA	0.5	0.6	0.8	1.8	1.2
Operating result / sales (%)	7.8	8.2	7.4	5.2	9.0
Solvency[4] (%)	66.1	64.5	61.3	55.3	54.9
Return on average invested capital[5] (ROI) (%)	18.5	18.4	15.6	10.0	17.7
Return on average equity (%)	12.5	13.9	12.2	7.7	14.6
Interest coverage ratio	20.0	22.2	12.7	5.8	7.5
Current assets / current liabilities (current ratio)	2.2	2.4	2.2	1.8	1.8
Key data per share (€)					
Net result	4.02	4.12	3.40	1.97	3.65
Growth in earnings per share (%)	(2.4)	21.2	72.6	(46.0)	172.4
Cash flow	6.28	6.34	5.73	4.55	6.42
Equity (excl. minority interests)	35.64	30.09	29.13	26.08	25.75
Dividend (proposed for 2014/2015)	2.00[6]	2.12	1.75	1.10	2.30
Highest share price	48.50	34.60	24.24	39.00	30.11
Lowest share price	28.20	21.70	16.39	16.00	19.64
Closing share price	45.29	28.50	22.15	17.00	26.01
Other data					
Number of outstanding shares	860,351	860,351	860,351	860,351	860,351
Average number of employees (FTE)	401	397	384	382	383

1) Cash flow: net result + depreciation

2) Working capital: inventories + accounts receivable -/- non-interest bearing current liabilities

3) Total debt: sum of interest-bearing debt

4) Solvency: total equity/balance-sheet total

5) Return on average invested capital: operating result/(equity (incl. minority interest) + provisions + interest-bearing debt -/- cash)

6) Dividend proposal

HIGHER SALES, STABLE RESULTS

2014/2015: A YEAR WITH VARIOUS FACES

The first half year was characterised by limitidly lagging sales versus the same period in 2013/2014. In the first quarter, sales markedly lagged, so we felt it necessary to publish an interim press release. In the second half year, we realised significantly higher sales. As a result, sales for the full year ended modestly higher compared to 2013/2014. All three Divisions showed the same picture of lower sales in the first half and higher in the second half year versus 2013/2014. However, this development in sales must be seen within the context of the US dollar/euro exchange-rate development. Over the first half year, dollar/euro exchange rate was against us, but in the second half – especially in the fourth quarter – it was in our favour.

Rob Harmsen
CEO Holland Colours NV Apeldoorn
The Netherlands

Europe showed marginal growth, with contributions from all markets except Silicones & Elastomers. A number of client-specific issues, such as the decision to produce colour concentrate in-house, was the main reason for this decline in sales. Growth from "HolcoMORE" initiatives in this market failed to offset this. In US dollar terms, Americas showed almost unchanged sales, with higher sales in Building & Construction, and to a lesser degree in Silicones & Elastomers, being wiped out by declines in the other two markets. Asia showed marginally lower sales in US dollars. An increase in Silicones & Elastomers and Building & Construction was compensated by lagging sales in Packaging & Specialties. Sales development over the last year was not in line with the ambition of the "HolcoMORE" strategy programme. A number of the "HolcoMORE" initiatives gained further momentum. The growth in Building & Construction in Europe, for example, was to a large degree driven by new products. But due to the losses in positions in Silicones & Elastomers mentioned above, these effects have largely evaporated.

Sales of innovative products (new products introduced over the last five years) were lower than the last financial year, as a number of products fell off the index after five years and new products are not (yet) contributing to the same extend. Nonetheless, the products no longer included in the index continued to show further growth during this financial year. This development of the index emphasises the necessity of having a well-filled innovation pipeline. This is and remains an attention item.

STABLE RESULT

Higher sales, relatively stable margin percentages and a limited increase in costs resulted in a € 0.1 million lower operating as well as net result. Europe, where higher sales at a similar margin percentage more than made up for increased costs, showed a higher result. In Asia, the result also ended higher than last year, both in US dollars and in euros. This was mainly explained by lower costs, at almost unchanged sales and margin percentage. In US dollars, Americas showed a lower result versus last year. A limited increase in costs was the cause of this.

HOLCOMORE

The "HolcoMORE" strategy programme was presented at the General Meeting of Shareholders on 11 July 2013. From mid-2013, project teams are working on realising our growth ambitions. During the first two-year period of the programme, there have been a number of successes worth noting. But the fact remains that in some areas the development and market introduction of new products has taken longer than we expected. This is partly related to the extra time required by customers to test products. Furthermore, we have not yet seen the anticipated (economic) recovery in the Building & Construction market in Europe. A recent article in the 'Pipe and Profile Extrusion Magazine' suggests that European plastic pipe production is still some 20% below the levels prior to the crisis.

One of the HolcoMORE projects addresses corporate social responsibility. As a result of this, Holland Colours published its first GRI report online in the autumn of 2014. Further actions were effectuated to realise defined targets.

The number of lost time incidents remained at one. However, the number of reported near-incidents rose. This was partly the result of the policy of more intensively following-up on (and reporting) and addressing these near-incidents.

ORGANISATION

In June 2014, we were faced with the sudden death of Cees van Luijck, Chairman of the Supervisory Board. This meant the loss of an enthusiastic and committed director who was valued for his constructive criticism. Marco Kok left the company, with Margret Kleinsman taking over his position as CFO. We would like to thank Marco for his contribution over the approximately two years he worked at Holland Colours. Johan Leugs was appointed in the position of Director of Innovation & Technology.

In Europe, the new sales organisation structure was effectuated and also the New Market Development department became operational. This department primarily targets the development of new (geographical) markets. Also in the other divisions, steps were taken to strengthen the sales organisation in particular. Furthermore, progress was made in the area of management development and succession planning.

CHANGING COLOURS

The theme of this annual report is Changing Colours. A theme that can be interpreted in different ways. Holland Colours provides solutions for the continuously changing colour and product requirements of our customers. This requires a strong and agile organisation ready for the future. “HolcoMORE” is more than just a few projects. It aims to do things better. Carefully studying the markets in which we operate, in addition to tapping new markets. The quest for new markets and products requires our creativity and involvement. This means that we need to challenge each other continuously to create synergies. And that demands personal and professional development and sometimes firmly nailing one's colours to the mast. We are jointly responsible for our success. And sometimes that means painting from a different palette.

For 2015/2016, we expect only hesitant economic recovery in the markets in which we operate. Our key focus is to improve sales through ongoing projects, but also to ‘keep the back door firmly shut’ so as to realise greater profitability. What's more, it's essential that we work on increasing our innovative strength. As always, both Board of Management and employees will put every effort into this over the coming year.

Rob Harmsen
CEO Holland Colours

"A GREAT COMPANY THAT CARES FOR ITS EMPLOYEES AND EMPLOYEES CARE FOR THE COMPANY. THAT'S WHAT STRUCK ME MOST."

Bill Carter
Maintenance technician
HC Americas

VISION, MISSION, STRATEGY

The success of Holland Colours is based on its unique products for colouring plastics (as these products are free-flowing, dust-free, and very easy to dose, they offer major benefits for customers). But its success is also driven by the internal culture that focuses on entrepreneurship, customer focus, respect and commitment. Employee ownership is an important binding element in this.

VISION

Holland Colours' customer-specific products have to comply with all the relevant functional, aesthetic and processing requirements. These requirements are continuously changing and are influenced by social themes such as recycling, fashion trends and product and production innovation at our customers. This demands close contact with the market, from supplier to customer and from regulator to brand owner, in combination with the internal resources to reflect all developments in Holland Colour's products and processes quickly and adequately.

MISSION

The mission of Holland Colours is to be the preferred supplier in the markets in which it operates worldwide.

STRATEGY

Holland Colours' strategy – partly expressed in the "HolcoMORE" strategy programme – to achieve this mission is based on five elements:

1. Market focus
2. International presence
3. Innovation
4. Providing a good service
5. Working efficiently

MARKET FOCUS

Holland Colours mainly focuses on the following plastics markets: Building & Construction, Packaging and Silicones & Elastomers. The company is striving to achieve market leadership in these markets.

INTERNATIONAL PRESENCE

Holland Colours has a number of large multinational customers that are serviced worldwide. They rely on the international network comprising of the company's own (production) sites in the Netherlands, Hungary, the UK, the USA, Mexico, Canada, Indonesia (two sites) and China, as well as of agents and distributors in many other countries.

INNOVATION

Knowledge development, often in open partnership with suppliers and customers, is focused on dispersion technology, pigments, colouring systems, carrier materials and customers' processing technology. This combination of knowledge areas and collaboration in the chain guarantees a continuous flow of new products and solutions. The core competence of Holland Colours is encapsulating dusty materials, as a result of which the customers can easily and safely process them in plastics. Innovation aims at applying this core competence more efficiently.

PROVIDING GOOD SERVICE

Customers are key to Holland Colours. Most of our sales concerns customer-specific products that in many cases are developed in cooperation with the customer. Prompt delivery of the right products is a vital part of the company's policy. Furthermore, our products can make a considerable contribution to reducing the ecological footprint of our customers.

WORKING EFFICIENTLY

Making and selling customer-specific products that are also often still subject to change requires the ability to be efficient in terms of reliability of supply, cost control and working capital. Holland Colours has initiated various projects, in terms of both the HolcoMORE and the Lean change programmes, to achieve continuous improvements in this area.

CORPORATE OBJECTIVES

2019 AMBITIONS

The mission and strategy ("HolcoMORE") of Holland Colours have been translated into a number of targets/ambitions, namely:

- No lost time incidents
- Realising sustainability targets (see also section 'Corporate Social Responsibility')
- Innovation Index > 10% of total net sales
- Improved customer satisfaction
- Average realised net sales growth of ≥10%
- Operating result as % van of net sales of > 10%
- Return on Investment (ROI) >15%
- Operational Working Capital (OWC) as % of net sales of < 20%
- Realisation of 10% average year-on-year growth of 'Earnings per share'

CHALLENGES FOR HOLLAND COLOURS

MARKET DEVELOPMENTS

Finding new opportunities in existing and new markets is essential when certain parts of the world are showing zero or limited growth.

PROFITABLE INNOVATION PROGRAMME

To adapt to innovations quickly and promptly and with the right partners, is the foundation for the future of Holland Colours. This is an important element for a profitable growth of the company.

EFFICIENT, SAFE AND SUSTAINABLE OPERATIONS

Continuing the improvement processes aimed at reliability of supply, production efficiency, working capital, sustainability and cost management remains important to Holland Colours.

MANAGEMENT OF THE ORGANISATION

Holland Colours operates with relatively small offices in a global market with a clear growth objective. An effective degree of autonomy of the operating companies, an effective central management and actively looking for mutual synergy are vital elements in the realisation of our objectives. Having or retaining the right person in the right position in the organisation is therefore essential.

COURSE OF BUSINESS

HIGHER SALES - STABLE NET RESULT

The stronger US dollar has had a positive effect on the sales and results of Holland Colours in the second half of the year. The table below shows the sales, operating result and net result over 2014/2015, also at the exchange rates of the previous year for the comparability with 2013/2014.

Key figures (€ million)	2014/2015	2014/2015 at exchange rates 2013/2014	2013/2014	difference
Sales	68.2	66.3	66.0	0.3
Operating result	5.3	5.1	5.4	-0.3
Net result	3.4	3.3	3.5	-0.2

For clarity's sake, all comparisons and explanations in this section – in the case of Americas and Asia – are based on the US dollar results unless otherwise stated.

SALES

SALES UP 3.5% BUT STABLE AT COMPARABLE CURRENCY RATES

(€ million)	2014/2015	2013/2014	2012/2013	2011/2012	2010/2011
Focus markets	56.1	53.5	53.1	49.7	50.0
Specialties	12.1	12.5	12.8	11.5	10.5
Sales	68.2	66.0	65.9	61.2	60.5

Sales started of slowly during the financial year: sales lagged the previous year for all three Divisions during the first quarter. In the second quarter, only Asia was able to post limitedly better sales, but the third quarter showed a positive reversal for the group as a whole, with markedly higher sales for all three Divisions. This trend continued, be it at a slightly lower pace, in the fourth quarter, with only sales in Asia slightly behind last year's – very strong – ending.

SALES GROWTH IN EUROPE AND AMERICAS – SALES DECLINE IN ASIA

(€ million)	2014/2015	2013/2014	2012/2013	2011/2012	2010/2011
Europe	35.8	35.5	34.6	33.4	33.7
Americas	22.5	21.1	21.1	18.7	19.1
Asia	9.9	9.4	10.2	9.1	7.7
Sales	68.2	66.0	65.9	61.2	60.5

In Europe, sales grew by 0.8%. This was partially due to the fact that a number of customers switched to in-house production of colour concentrate. If these very customer-specific developments are disregarded, growth ended at approximately 3%.

Sales in Americas was up 0.5%. If a large non-recurring order in the previous year is not taken into account, sales in this region also grew by approximately 3%.

Sales in Asia declined 1%: the weak beginning of the year, as well as lower sales of trade products could not be completely offset.

POSITIVE SALES DEVELOPMENT IN BUILDING & CONSTRUCTION AND PACKAGING

Sales growth	2014/2015	2013/2014	**2012/2013**	2011/2012	2010/2011
Building & Construction	4.0%	2.0%	3.0%	-3.0%	18.0%
Packaging	3.0%	2.0%	3.0%	-2.0%	16.0%
Silicones & Elastomers	-1.0%	6.0%	3.0%	12.0%	18.0%
Total focus markets	3.0%	3.0%	3.0%	-1.0%	17.0%
Specialties	-7.0%	-1.0%	6.0%	10.0%	26.0%
Currency effect	3.1%	-2.0%	3.0%	-2.0%	4.0%
Total sales	3.5%	0.0%	8.0%	1.0%	19.0%

Corrected for currency effects, a 4% growth was realised in the Building & Construction market and 3% growth in Packaging. All three Divisions contributed to the growth in the Building & Construction market, whereas the growth in Packaging was mainly realised in Europe. Although Silicones & Elastomers lagged this year (-1%), this was mainly due to a number of customer-specific developments, as stated earlier. The decrease in Specialities is a reflection of lower trade sales in Asia.

"HOLLAND COLOURS IS THE SOLUTION TO OUR COLOURING REQUIREMENTS. A TRUSTED SUPPLIER THAT GIVES GREAT VALUE TO OUR COMPANY."

Client molding preforms (Packaging)
Mexico

RESULTS

LIMITED DECLINE IN NET PROFITS

Net profit fell from € 3.5 million in 2013/2014 to € 3.4 million this year. The operating result ended at € 5.3 million, almost the same as last year's € 5.4 million.

Margins improved slightly and the margin as a percentage of sales remained practically unchanged.

Operating expenses rose € 1.5 million, of which € 0.7 million is explained by the higher US dollar. About half of the remaining increase is due to higher personnel costs. Although the number of employees decreased by one FTE, the distribution over the various countries changed and the average staffing was slightly higher than last year (401 versus 397). Finally, costs were incurred among others in connection with recruitment.

The development in operating expenses also remains a point of attention for the coming year. Specifically for this purpose, we have set up an Activity Based Costing project to gain a better insight into our operational profitability. The outcome will be used to compare the effectiveness of similar activities between the Divisions themselves, as well as beyond that.

After a net profit of € 1.9 million over the first half year, versus € 2.2 million the year before, the second half year closed with a net profit of € 1.5 million versus € 1.3 million over the second half of 2013/2014. The return on average invested capital was 18.5% for the year as a whole, versus 18.4% in 2013/2014.

The net financial expense ended at € 0.26 million versus € 0.25 million in the previous year.

EFFECTIVE TAX BURDEN

The effective tax burden was 31.9%, a slight increase compared to 31.4% in 2013/2014, and above the statutory rate in the Netherlands of 25%. The higher percentage relative to the Dutch rate was mainly due to the group generating part of its profits in countries with higher tax percentage (such as the USA) as well as the fact that certain expenses are not tax-deductible. Withholding tax on dividend and royalty payments of foreign subsidiaries also played a role. Where possible Holland Colours makes use of fiscal stimulus measures.

A deferred tax asset has been included for the losses of earlier years that can be compensated in the Netherlands. Given that the Dutch part of the company was profitable once again, and the forecast of the results is also positive for the coming years, we expect the losses eligible for full compensation to be applied before the expiration date. The first deductible losses expire after the 2015/2016 financial year.

Over the coming year, Holland Colours will again give substance to the agreement signed in January 2012 with the Dutch tax authorities in terms of Horizontal Supervision. Over the last year, together with the tax authorities, we have spent a great deal of time on an audit, for which Holland Colours was chosen as a random sample. This was commissioned and set up by the Dutch parliament to test the effectiveness of Horizontal Supervision.

INVESTMENTS

The investments (including capitalised own R&D hours) amounted to € 1.3 million compared to € 2.4 million in the previous financial year, which was then influenced by the construction of the Holcomer production line in Indonesia. Depreciation this year was € 2.0 million (last year € 1.9 million). Average investment levels over the last five years were € 1.4 million.

CASH FLOW AND FINANCING

The net cash flow amounts to € 3.1 million compared to € 2.3 million in the previous financial year. Of this amount € 0.7 million was related this year to foreign currency translation differences, so corrected for this, cash positions increased with € 2.4 million.

Operating cash flow decreased from € 6.6 million in 2013/2014 to € 5.7 million in the past year. This decline was mainly down to the fact that working capital (excluding currency effects) was decreased this year by € 0.1 million versus a € 1.0 million reduction in the previous year. Working capital, before exchange-rate correction, as presented in the key figures and balance sheet, showed an increase of € 1.0 million. Average working capital as a percentage of sales increased slightly during the year, especially in the last few months when higher sales led to an increase in accounts receivable. This effect was largely compensated by lower inventories as well as higher accounts payable.

Investment payments (excluding capitalised hours of own R&D) fell from € 2.2 million in 2013/2014 to € 1.1 million this year. The financing cost for the group remained more or less the same as last year: dividend payments were higher (€ 1.8 million versus € 1.5 million), while the repayment of long-term debt was lower (€ 0.3 million versus € 0.5 million).

The operating cash flow was therefore more than enough to meet the above mentioned payments (investments, dividends, interest and repayments). The total interest-bearing debt decreased further from € 4.5 million at the end of March 2014 to € 3.7 million at the end of March 2015. The most important banking ratio (Total Debt/EBITDA) improved further from 0.6 to 0.5 and remained comfortably below the maximum level agreed with the bank of 3.0.

The financing agreements within the Group remained unchanged in 2014/2015. The bank covenants, as well as the nature and composition of collateral provided also remained unchanged. During the financial year, Holland Colours met all covenants agreed with the bank. In the coming financial year, the $ 2.5 million loan expires. Initial talks to arrive at the right form of refinancing are underway.

The company's solvency ratio is 66.1% as at March 2015 compared to 64.5% at the beginning of the financial year.

DEVELOPMENTS PER DIVISION

EUROPE

Key figures (€ million)	14/15	13/14	Delta
Sales	35.8	35.5	0.3
Operating result	1.7	1.5	0.2
Investments	0.5	0.9	-0.4
Depreciation	0.8	0.9	-0.1
Number of employees year-end (FTE)	193	190	3

The Division Europe realised an increase in sales of € 0.3 million, while margins also improved further, both in absolute terms and as a percentage of sales. Combined with a slight rise in operating expenses, this resulted in a further improvement of the operating result to € 1.7 million versus € 1.5 million in 2013/2014.

Despite persistently adverse market conditions in the European building and construction market, Holland Colours Europe managed modest sales growth in the Building & Construction focus market versus 2013/2014. The decline in sales in Silicones & Elastomers was compensated by a marked increase in Packaging, while Specialties ended around the same level as the previous year.

Minimal recovery in the Building & Construction market

The Building & Construction market in West Europe has still not returned to the level prior to the economic crisis. The modest growth realised by Holland Colours Europe in this part of the market therefore comes primarily from sales outside West Europe as well as from the successful introduction of new products.

Sales of Packaging grow again

As in the last financial year, the Division Europe again managed a marked growth in the Packaging focus market. Market conditions remain challenging, with a general trend to less colour in PET bottles.

Sales of Silicones & Elastomers under pressure

Over the last year, sales in the Silicones & Elastomers focus market were markedly lower than the previous year, partly as a result of the fact that a number of clients decided to produce their own colour pastes.

Continuing focus on efficiency improvements

During the last financial year, much attention was paid once again to increasing the productivity of the different Holcoprill production lines, in addition to installing equipment for the next generation Holcoprill products. Work continues on a project basis under the control of our own employees who are partially trained as 'green belt' under the Lean Six Sigma label.

AMERICAS

Key figures (€ million)	14/15	13/14	Difference
Sales	22.5	21.1	1.4
Operating result	1.8	2.1	-0.3
Investments	0.3	0.5	-0.2
Depreciation	0.5	0.5	0.0
Number of employees year-end (FTE)	89	89	0.0

Sales in the Division Americas stabilised at $ 28.3 million. The Building & Construction and Silicones & Elastomers focus markets realised a modest and limited growth, respectively. Sales in Packaging lagged slightly versus last financial year, and sales in Specialties were strongly lower. Margins remained at the same level as those of the last financial year, in both absolute and relative terms (% of sales). Operating expenses were € 0.3 million higher as a result of a correction in labor cost allocation. The operating result for the Division Americas ended at € 1.8 million versus € 2.1 million in the previous financial year.

Limited growth in Building & Construction

The housing market in the US is showing some signs of recovery despite the fact that volume of new construction is still lagging far behind the glory days before the economic crisis. The renovations market is growing. The market is further characterised by consolidation of suppliers (including customers of Holland Colours), which presents its own challenges. Over the last financial year, Holland Colours realised modest sales growth in this market, partly due to generating sales from new clients.

Stable in Packaging

Sales in Packaging stabilised in 2014/2015 (corrected for a one-time order in the previous financial year). This was realised despite persistently strong competition in this market, further consolidation of clients and general cuts in the use of colours in PET packaging. Demand for Holcomer is increasing.

Limited growth in Silicones & Elastomers

Silicones & Elastomers achieved a limited increase in sales this year versus the previous year. Silicones & Elastomers remains a relatively small portion of the total sales of this Division.

Stability in operational efficiency and strengthening the sales organisation

Operational efficiency remains at a decent level and the sales organisation has been strengthened further in all three regions (North and South America and Mexico).

ASIA

Key figures (€ million)	14/15	13/14	Difference
Sales	9.9	9.4	0.5
Operating result	1.5	1.3	0.3
Investments	0.2	0.5	-0.3
Depreciation	0.2	0.2	0.1
Number of employees year-end (FTE)	100	102	-2

In local currencies, the Division Asia posted slightly lower sales versus 2013/2014, partly due to a decline in sales of trade products in Indonesia. This was largely compensated by growth in other markets, especially in Building & Construction and Silicones & Elastomers.

Margins developed in line with sales and ended practically the same as last year in absolute figures and exactly the same as % of sales. Operating expenses were lower than last year, partly assisted by vacancies and the favourable exchange-rate development of the Indonesian Rupiah. Combined with stable margins, the lower operating costs resulted in a better operating result of € 1.5 million, versus € 1.3 million last year.

Different picture in the markets

The size of the Specialties market – traditionally large in Asia – has shrunk, driven primarily by declining sales in trade products within Indonesia. The share of the Building & Construction and Silicones & Elastomers focus markets within total

"HOLLAND COLOURS IS LIKE MY SECOND HOME. THAT HELPS ME IN MY WORK AS IMS CONTROLLER, WHICH REQUIRES ME TO WORK TOGETHER WITH DIFFERENT DEPARTMENTS. I AM VERY GLAD TO BE PART OF THE HOLLAND COLOURS FAMILY."

Okcilia Tika Siswanto
IMS (Integrated Management System) Controller
HC Asia

"THE ADDED VALUE OF HOLLAND COLOURS VERSUS OTHER QUALITY SUPPLIERS IS THEIR EXPERTISE, SERVICE, TECHNICAL SUPPORT, UNREMITTING EFFORT AND TRUSTWORTHINESS."

Customer deckings (Building & Construction)
USA

sales of the Division increased limitedly. Sales in Packaging lagged the previous year, driven partially by strong competition.

Termination of operations
The decision taken in the last financial year to discontinue Holland Colours Japan Corporation, a joint venture between Holland Colours (60%) and Japanese Kikuchi Color & Chemicals Corporation (KCC 40%), was effectuated. Production has been transferred to the Holland Colours production facility in Indonesia and KCC continues to be distributor for Holland Colours in Japan.

NEW PRODUCTS/ RESEARCH & DEVELOPMENT

New products developed over the last five years contributed slightly more than 6% to total sales in 2014/2015.

This is a decline compared to the 2013/2014 financial year. This relates to the fact that sales from innovations older than five years is excluded from the so-called innovation index. Examples of this are Holcomer (that protects milk in PET packaging against the damaging effects of light) and colour concentrates for oxygen-barrier applications. In the Packaging market segment, sales of other new products grew slightly.

Sales of innovative products in Building & Construction showed a considerable growth versus the last financial year. Products that contributed to this in particular are the new generation Holcoprill and products with not just colours but also extra functionality. The High Temperature Vulcanization (HTV) colour concentrate for silicone-rubber applications also showed further growth. Also in Specialties, sales of new products grew considerably over the financial year, including an additive for the packaging industry and a product for foils.

In the 2014/2015 financial year, a patent application was submitted for a new additive for polymers. Patent applications were converted into patents in various countries as well. Furthermore, various new projects were initiated and we once again focused on the further development of products that are about to be introduced in the market.

INFORMATION SYSTEMS

Based on the already globally operating, standardised ERP system, the further rollout of commercial and operational management information programs got off to a good start in the 2014/2015 financial year. This system offers good opportunities for further perfecting profitability analyses as well as managing client relationships and pursuing new sales opportunities using the recently implemented CRM system. The worldwide IT environment is to a large extend controlled centrally.

EMPLOYEES IN THE ORGANISATION

At the end of the financial year, Holland Colours employed 401 employees (FTE) compared to 402 employees (FTE) a year earlier. The average number of employees this financial year was 401 (FTE) versus 397 in the previous year. The geographical spread in the number of employees at the end of the financial year was as follows:

Own employees	year-end 14/15	year-end 13/14
The Netherlands	139	132
Hungary	67	69
United Kingdom	6	6
United States	78	79
Canada	4	4
Mexico	7	6
Indonesia	87	88
China	13	18
Total	401	402

“THE CHANCE TO BE PART OF A COMPANY WITH A HIGH LEVEL OF COMPETENCES AND SKILLS AND A REAL TEAM SPIRIT WITHIN A DIFFERENT CULTURE.”

Edouard Adreit
Area Sales Manager
HC Europe

CORPORATE SOCIAL RESPONSIBILITY

To Holland Colours corporate social responsibility means ensuring a balance between the various interests of employees, customers and shareholders in a way that saves the environment yet secures the company's economic future. To ensure a healthy balance between the interests of People, Planet and Profit Holland Colours carried out a materiality study in the 2013/2014 financial year. This study prioritised the aspects of sustainability. In addition to to the annual report, Holland Colours reported a more extensive GRI-Index in line with the Global Reporting Initiative guidelines, published on http://hollandcolours.griindex.com.

OUR EMPLOYEES

This section discusses the responsible HR policy of Holland Colours in the sequence of the priorities as proposed.

A healthy workplace
Holland Colours places a high priority on the protection of its employees and their working conditions. This means that the number of accidents must be reduced to a minimum and that each 'near-accident' is turned into an optimal learning moment. The number of lost-time incidents over this financial year was, similar to the previous year, one. An employee was injured as a result of a car collision – not being his fault – during a work related trip. The number of working days lost as a result of this incident was seven days. The number of reported near-accidents rose. This information, which was not published so widely in the past, is now being actively used in order to learn lessons from and where possible take preventive measures.

Incidents	14/15	13/14	12/13
Near-accidents	7	2	7
Accidents	1	1	3

The safety of employees is ensured at all production sites by the presence of health and safety committees manned by a total of 25 employees. The sick leave percentage fluctuated over the last three years around 2%, with absence in Europe a standard one percent higher than in Americas and Asia. This year a decline of 0.4% was realised, resulting in sick leave percentage of 1.8%.

Well-trained and motivated employees
Technology and innovation have a major influence on Holland Colours' operations. To effectively anticipate functional, aesthetic and processing requirements, well-trained employees are essential. This is why Holland Colours continually invests in training.

Balanced teams
A balanced composition of the workforce makes a positive contribution to the performance of the organisation. For many years, women have held managerial positions at all levels in the organisation. Last year a female CFO was appointed, resulting in the Executive Team now being 50% women.

About 26% of employees are women. The underrepresentation of women is attributable to the large share of production staff at Holland Colours. Traditionally, it is mostly men that work in this occupational area. About 38% of the management positions is held by women.

	Management	Employees
Men	62%	74%
Women	38%	26%

Expressed as the number of employees, not in FTE.

A good employer
As a multinational and globally operating company, Holland Colours operates in various countries, each with their own laws and cultures. For that reason, the operating companies pursue their own HR policy that is geared to the local situation yet fits into the company's ethical and professional standards.

The terms of employment are complete and competitive at all sites. Nearly all Holland Colours employees participate in a profit share scheme which depends on the Group's result as well as the result of the particular Division the employee is based at. Insofar as a profit share is applicable, part of it is paid out in shares of Holland Pigments BV.

Employees should be able to trust the Board of Management's assessment on their performance as being honest and transparent. Basically every employee has annual planning, progress and appraisal meetings.

OUR ENVIRONMENT

This section discusses the responsible environmental policies of Holland Colours in the sequence of the priorities as proposed.

Our CO_2 footprint
Holland Colours aims to reduce its emission of greenhouse gases per kilo of product to a minimum. During the shareholder meeting of 10 July 2014, a target of 2% less CO_2 emissions per kg product was presented. This translates to an annual reduction of 14 g CO_2/kg product.

The CO_2 emissions per kilo of product produced are 676 grams, which is 3% lower than in the previous year. As almost no 'greenhouse' gases are produced during the manufacture of colour concentrates, Holland Colours policies focus mainly on energy-efficiency of the processes. The reduction in grams of CO_2 per kilo product is the result of a slight fall in emissions at increased production levels.

CO_2 emissions	14/15	13/14	12/13
CO_2 emissions/ kg product	676	694	697

Direct CO_2 emissions by Holland Colours is about 800 tons CO_2 and is primarily caused by heating buildings with natural gas. At 30 tons, freight traffic has a minimal share in the total.

The CO_2 emissions for which the organisation is indirectly responsible relates to the CO_2 emissions of electricity suppliers. The use of electricity is responsible for about 4,500 tons of CO_2 which equals 72% of the CO_2 footprint.

CO_2 in tons	14/15	13/14	12/13
Scope 1 – Direct emissions	820	828	893
Scope 2 – Indirect emissions	4,542	4,597	4,575
Scope 3 – Other emissions	911	864	739
Total	6,273	6,289	6,207

The indirect emissions of traffic movements by employees is equal to about 15% of the total.

"HOLLAND COLOURS TAKES ITS TIME TO UNDERSTAND THE DETAILS OF OUR PROCESSES AND EXCELS IN ALL LEVELS OF QUALITY."

Customer siding (Building & Construction)
Canada

Energy-efficient is also cost-efficient
The major energy sources are electricity and natural gas, with consumption of 32 and 13 terajoules, respectively. During the shareholder meeting of 10 July 2014, a target of an annual reduction of 150 kJ of electricity per kg product was presented. As can be seen in the table below, electricity consumption fell 140 kJ per kilo of product to 3,400 kJ. This means the 150 kJ target was not quite reached.

Kilojoules	14/15	13/14	12/13
MJ electricity/ kg product	3,400	3,540	3,550

Holland Colours is actively working on efficient energy usage. The company is working on energy-saving programs at its large production facilities. Since last year, Holland Colours in the Netherlands is a participant through the industry organisation VNCI in the covenant known as 'Multi-Year Agreements 3'. This imposes a best-effort obligation on the company of saving 8% energy over the 2013–2016 period, having the company's energy consumption monitored annually and implementing an energy care system within three years. Examples of investments aimed at realising these sustainability targets are new cooling equipment in the Netherlands and replacing the existing lighting with new energy efficient LED lights in Indonesia, the USA and Hungary. The energy efficient heating system fitted into the Dutch offices last year is responsible for a reduction of around 40,000 m3 gas. Holland Colours also fitted motion sensors in both the USA and the UK offices. In the USA we fitted new air conditioners that do not use environmentally damaging coolants.

Raw materials in tons	14/15	13/14	12/13
Carrier material and additives	1,678	1,692	1,589
Colourants	4,277	4,307	4,237
Other, non-renewable raw materials	791	992	915
Renewable raw materials	2,562	2,596	2,634
Total	9,308	9,587	9,375
% renewable raw materials	28%	27%	28%

Raw materials
Holland Colours' products are made to the customers' requirements. Where possible, renewable materials are used. But that is not always possible. Stringent requirements for top-grade applications, such as the thermal stability during plastics processing, do not always allow for the use of renewable raw materials. The decline in the volume of non-renewable materials is smaller than the decline in the consumption of materials, so the share of renewable materials rose by one percent to 28%.

Waste is often a raw material
Rejected materials are re-used as much as possible to keep waste flows as low as possible, but also because many top-grade colourants have a high monetary value.

Holland Colours continuously strives to minimise the detrimental effects of production processes on the environment. Dealing with raw materials in a responsible manner, reducing breakdowns and reducing and recycling waste contribute to that. The production sites invest a great deal of time in processing and reprocessing products.

Waste (in tons)	14/15	13/14	12/13
Product waste	243	241	196
Cleaning waste	193	154	141
Packaging waste	187	185	179
Other waste	69	71	50
Total	692	651	566
Waste as % of production	7.4%	7.2%	6.4%

The increase in waste in the 2014/2015 financial year is partly due to waste from old inventory that could no longer be recycled and the tendency of our customers to order more frequently in smaller batches, which creates larger cleaning waste due to extra colour changes.

OUR CUSTOMERS

This section discusses the sustainable relationship Holland Colours pursues with its customers.

Safe products for our customers
Customer confidence is crucial for the reputation of Holland Colours and is its raison d'être. Customers must have confidence that the products they buy are safe for both their process workers and the ultimate end user. All our plants in Europe, as well as our site in Indonesia, are ISO 9001 and ISO 14001 certified. The plant in Indonesia is also OHSAS 18001 certified. In Richmond, the USA site, Holland Colours works with local standards, which are often higher than the stated ISO norms.

Customers demand sustainable and innovative products

Sustainability and innovation are closely connected at Holland Colours. Where possible improvements are carried out to limit the impact on the environment throughout the lifecycle. Customers must be able to use and trust our products. Holland Colours helps them where necessary to use the products more efficiently on their production lines.

Technology has a major impact on the operations of Holland Colours, on both expertise in or processing of pigments, chemistry or materials. This demands intensive contact with the market, from supplier to customer and from regulator to brand owner, in combination with the internal resources to reflect all developments in Holland Colour's products and processes quickly and adequately.

RISK MANAGEMENT

Each company's strategy is subject to risks. External economic factors, unpredictable market developments, calamities and human factors may affect the realisation of the company's objectives. Holland Colours has implemented risk management and control measures, aimed at recognising and, with a reasonable degree of certainty, managing significant risks to which the company is exposed. Risk management, geared to the size and the entrepreneurial nature of Holland Colours, is an integral management task.

In March 2013, an integrated risk assessment was carried out. Independent of each other, the members of the Supervisory Board and the Executive Team assessed the strategic, operational and financial risks on probability and potential impact. Periodical recalibration has been part of the regular meetings of the Board of Management and the Supervisory Board.

The specific risks assigned the highest probability are included below. This overview is not comprehensive per se and is subject to change. The company has planned a new integrated risk assessment during the coming financial year.

PRINCIPAL STRATEGIC RISKS

Macroeconomics

Macroeconomic developments, such as the significant events in the eurozone, substantially affect demand for the products of Holland Colours. The company's geographical spread and its diversification across various focus markets cushions the potential effects of this risk.

Innovation and project management

Innovation is an important pillar of the company's strategy. Good cooperation between the different Divisions, the central Research & Technology department and the various disciplines (marketing, sales, production) is essential. Projects can be initiated at any level and then enter an approval process that is controlled centrally via the Research & Technology department with decisions taken by the Executive Team. In the execution phase, a centrally controlled 'stage gating' process is used to continuously monitor costs, scope and market relevance, with periodic progress reports to the Executive Team

Market and competition

Market risk varies for each focus market and market area. Some markets, such as Packaging, are subject to intensive competition and high price elasticity. In other market areas, such as Building & Construction, Holland Colours enjoys a more unique market position in terms of technology. However, this does not offer any guarantee for the future. Products at the end of their life cycle must be replaced by new, improved and distinctive versions timely. Further, to protect and expand its market position, the company must remain alert to developments at competitors and to new market entrants.

Product portfolio management

As with any organisation, Holland Colours also needs to have a good mix of product-market combinations, including both innovative products and products that have already generated positive cash flows over a longer period. Holland Colours uses so-called portfolio analysis to provide insight into the contribution of the various product-market combinations to the company objectives. This methodology supports the decisions required to achieve an optimum mix.

Organisational agility

The complexity and speed of change in the external environment in which Holland Colours operates forces the organisation to deal with challenges in the market with agility and flexibility. The organisational model selected, the systematic use of the brainpower of employees and application of Lean principles in making operating processes more efficient, all contribute to increasing the agility of the organisation.

Its international presence is one of Holland Colours' strengths, but is also a risk, given the company's size. Control is carried out via a stringent process of budgeting and financial reporting, by emphasising an integrated management style and hiring in external expertise where necessary. There is a strong interconnectedness between the Divisions due to the representation in the Executive Team and the functional control from Apeldoorn in terms of legal affairs, production, quality processes, investment, finance and IT.

PRINCIPAL OPERATIONAL RISKS

Raw materials

Raw materials form an important part of the cost price of the products of Holland Colours. The prices of these raw materials may fluctuate considerably due to fluctuations in their availability. Price increases cannot always be passed on to customers, and even when this is possible, it is usually with some delay. This risk is reduced by coordinating strategic purchases centrally and by making price and supply agreements at group level. Furthermore, our order-driven production reduces our inventory risk.

Board of Management and employees

Holland Colours has a decentralised organisation structure. The Division directors and their management teams determine to a large extent their own operational direction and are empowered to take their own business decisions all within the boundaries of the Group's strategy. Not having the right person in the right place forms a risk for the company. Another risk is dependency on key personnel. Managing this risk is an important focus area for the Executive Team. This is done by applying the right training and education, management development, succession planning, and a thorough process of employee assessment and performance management.

Product liability and safety

Holland Colours has different production processes on a small to medium-size scale. Whenever production control has low levels of automation, the risk of human error increases. Incidents during the production process can never be eliminated, but can be minimised. Incidents may lead to a loss of quality, complaints from customers and disruptions in the production process. Holland Colours subjects its products to preventive checks and multiple sites are ISO certified. Other instruments used by Holland Colours to improve its production processes and minimise risks include improvement measures from the Lean approach, a designated production reporting process and clear standard work instructions. Moreover, product liability risks are covered by agreements made with customers and suppliers, as well as by insurance contracts. Health and safety are also major values. For this reason, a great deal of attention is given to labour conditions, sick leave and accident prevention, based partly on the basic principles of OHSAS safety management.

Continuity of information provision

From the perspective of cost and risk management, information systems – such as the ERP system implemented within the Group – are mainly being maintained centrally. An interruption of these systems may lead to a disruption of the business processes. This risk is limited as far as possible by means of information security, back-up and recovery and contingency facilities.

Environment
A very limited amount of 'greenhouse' gas emissions are produced when Holland Colours manufactures colour concentrates. The use of water is limited and so the risk of pollution of ground and surface waters is also small. Holland Colours works to further limit these risks. Environmental coordinators have been appointed on a local level. They know the specific situation and as such they implement local legislation. ISO certification forms an effective element of the control measures. Further, the company increasingly works on applying the principles of Corporate Social Responsibility (see above).

PRINCIPAL FINANCIAL RISKS

Financing and interest
Most of the company's financing has been centralised. Financing is subject to a number of conditions, with the total debt/EBITDA ratio being important. As emerged in the past, there is clearly a potential risk that the conditions will not be met during a deep recession. Such a situation may lead to costly refinancing, possibly linked to a strengthening of the company's equity. Holland Colours closely monitors the agreed ratios in order to reduce the threat of this occurring. Interest rates on long-term loans are usually fixed for the entire term of the loan using interest-rate derivatives. Overdraft facilities are mainly based on Euribor and Libor plus an agreed surcharge.

Exchange rates
Holland Colours distinguishes between transaction risks and translation risks. Transaction risks are hedged as far as possible by matching incoming and outgoing cash flows at a regional level in the functional exchange rates. Short-term positions, such as payables and receivables in foreign currencies, are hedged in Europe for a period of one to three months, whereby the hedging percentage is reduced for future cash flows with a longer-term horizon. Per year end, these type of short term hedges are all closed. Translation risks are currently not hedged, with the exception of a net investment hedge, whereby a loan in US dollars is earmarked as partial hedging against the translation risk for the group on the net investment in its American subsidiary.

RISK MANAGEMENT

The risk register, drawn up in 2010 and periodically reassessed, forms the basis for determining and where necessary improving the available management measures.

Further, in 2013/2014, Holland Colours started a system of self-assessment at every site into the quality of the primary financial sub-processes. The outcomes of these internal audits is discussed periodically in the division controllers meeting and led in 2014/2015 to improvements in internal management reporting. For the coming year, the emphasis lies on further implementing measures to reduce exchange-rate risks as well as further improvements on implementing segregation of duties.

Twice a year, all directors and controllers of operating companies sign a compliance statement with regard to guidelines and procedures that form the basis of the financial reporting and internal audit. All financial regulations have been included in the Holland Colours Accounting Manual. The Board of Management and controllers of the operating companies declare that the results were prepared in accordance with this manual. Each year the external auditor assesses the design and operation of the administrative organisation and the internal audit, insofar as this is relevant to the audit of the Group's financial statements. They report to the local management, the Board of Management and the Supervisory Board. Any risks that are insurable, as in the case of fire and business interruption, third-party liability and product liability, are covered through insurance companies. The company regularly evaluates its insurance cover, the premium it pays and the policy excess that applies. Credit risk is not insured as this evaluation has been negative so far.

EVALUATION OF RISK MANAGEMENT AND CONTROL SYSTEMS

The Board of Management is of the opinion that:

- The risk management and control systems provide a reasonable degree of certainty that the financial report does not contain any material misstatements; and
- The risk management and control systems performed satisfactorily in terms of financial reporting during the reporting year.

GOOD RISK MANAGEMENT IS NO GUARANTEE

Risk management is a dynamic process. Risks currently assessed as minimal may change in terms of profile and impact at a later stage. New risks, which may possibly result in mistakes or losses, cannot be excluded either. Risk management can never provide an absolute guarantee that the company's objectives will be realised.

EXECUTIVE TEAM

The highest operational decision-making body is the Executive Team, which is made up of the CEO, the CFO, the Division Directors, as well as the Directors of Global Operations and Innovation & Technology. They are, from left to right: R. Harmsen (1957)*, CEO, also Division Director Europe | J. Leugs (1966), Director Innovation & Technology | S. Kho-Pangkey (1949), Division Director Asia | A.J. Veldhuis-Hagedoorn (1953)*, Division Director Americas | R.P. Karrenbeld (1973), Director Global Operations | M.G. Kleinsman (1963), CFO.

(*) together they formed the Statutory Board over the reporting year.

An organisation chart is shown on page 79. Further information regarding the members of the Statutory Board and the Supervisory Board of Holland Colours NV is available at www.hollandcolours.com.

STATEMENT OF THE EXECUTIVE TEAM

With reference to Section 5:25c, paragraph 2, under c, of the Financial Supervision Act, the Board of Management confirms that to the best of its knowledge:

- The financial statements give a true and fair view of the company's assets, liabilities, financial position and result; and
- The annual report gives a true and fair view of the situation as at the balance sheet date, the course of events during the financial year; and
- The annual report describes the material risks the company faces.

PROFIT APPROPRIATION DIVIDEND POLICY: ANNUALLY ASSESSED

The dividend policy of Holland Colours is not based on the distribution of a fixed percentage of the profit. Instead, it is assessed each year on the basis of the company's financial position and prospects.

The following factors are considered:

- Future financing requirements: the dividend proposal is partly determined by the future financing requirements. Other relevant factors may include additional working capital for growth, investments above the level of the depreciations and potential acquisitions of a limited size.
- Total Debt/EBITDA ratio: in order to maintain access to external financing sources, the ratio between interest-bearing debt and the operating result before depreciation and amortisation is taken into account.

PROPOSED DIVIDEND

The net result per share amounts to € 4.02 compared to € 4.12 last year. It will be proposed to the General Meeting of Shareholders that a cash dividend of € 2.00 per share be distributed (2013/2014: € 2.12).

OUTLOOK FOR 2015/2016

As the past year has shown, exchange-rate fluctuations can have a large impact on the operating result. Both directly, because Holland Colours is active worldwide, as well as indirectly due to the effect that exchange rates have on economic activity in general. The economic climate has not been positive in recent years and it is expected that this will also not be the case in the coming year.

The development of new products and the search for new applications of and markets for the products of Holland Colours will continue. Efforts aimed at increasing operational efficiency will also be continued.

The constant focus on growth will involve further investments in terms of people and capital. We do not foresee any exceptionally large investments and expect to be able to finance the extra investments from cash flow from operations.

Due to the uncertain economic conditions and to the fact that the markets in which Holland Colours operates are sensitive to economic cycles, Holland Colours will not issue a forecast for the 2015/2016 financial year.

Apeldoorn, 28 May 2015

Statutory Board Holland Colours NV

Rob Harmsen
Tineke Veldhuis-Hagedoorn

CORPORATE GOVERNANCE

ACCOUNTABILITY

Holland Colours promotes responsible behaviour in relation to society and the environment, while taking account of the interests of its various stakeholders: employees, shareholders, other capital providers and customers. The Board of Management and Supervisory Board share the responsibility for giving due consideration to the interests of all those involved, focusing on the continuity of the company and the creation of shareholder value, both now and in the longer run. The internal risk management and audit systems play an important role therein. For a description of these systems, please refer to the section on Risk Management.

Holland Colours commits itself to an honest and honourable way of doing business, obeys the law and ensures that every employee and business partner is treated respectfully. To this end we have drawn up the Holland Colours Code of Conduct that includes key ethical rules for behaviour. This Code will be implemented during the coming financial year. The rules involve strict compliance with the law. Further the Code focuses on guidelines that regulate unfair competition and compliance with anti-corruption legislation, honest and timely publication of information, dealing responsibly with suppliers, responsible conduct at work and corporate social responsibility. The Code also formulates a safe and healthy working environment, and honest business dealings without bribery, corruption and fraud.

The Supervisory Board and the Board of Management endorse the principles of Corporate Governance as established in the principles and best-practice provisions that currently apply to internationally operating publicly listed Dutch companies. In general terms, Holland Colours observes the provisions of the Dutch Corporate Governance Code. The full version of Corporate Governance rules of Holland Colours, together with explanatory notes, can be found on the Holland Colours website. Certain provisions in the Dutch Corporate Governance Code have not been adopted. These are:

Board of Management
The existing employment contracts of Statutory Board members already in place prior to the Dutch Corporate Governance Code taking force are respected. The term of appointment of the Statutory Board members is indefinite therein. In the event of dismissal, existing terms of service and regulations are taken into account. The Dutch Corporate Governance Code states that the major elements of the contract between a director and the company must be published without delay when the contract is concluded. In deviation thereto and in accordance with the historical policy of Holland Colours, information on a new director will be published in the annual report. The remuneration policy for the Statutory Board is formulated as a whole by the Supervisory Board and is further described in Note 26 to the financial statements. Holland Colours does not offer any remuneration in the form of options. The provisions with respect to options are therefore not applicable. Within the framework of expatriation, a Statutory Board member has been granted a loan for home finance which is linked to the duration of the expatriation.

Supervisory Board Members
For as long as Holland Pigments BV retains an interest of at least one third in the issued capital, it is entitled to appoint one Supervisory Board member. The General Meeting of Shareholders may revoke the binding nature of this right of appointment with a majority of at least two thirds of the votes casted, which votes must represent more than half of the issued capital. In view of the size of the Supervisory Board, no separate committees have been constituted. The duties of the remuneration, audit, selection and appointment committees are performed by the full Supervisory Board. The General Meeting of Shareholders determines the remuneration of the Supervisory Board.

Company Secretary
The size of Holland Colours is not such as to justify allocation of duties and appointment of a Company Secretary as formulated in the Code.

Conflicts of interest
These provisions are observed and implemented in spirit, given the special position of Holland Pigments BV as investment company in which participation includes all employees of the Holland Colours Group worldwide. In line with the Dutch Corporate Governance Code, transactions between Holland Pigments and the Company that are of material significance are subject to approval by the Supervisory Board.

Shareholder powers
For practical reasons and because of the costs involved, the provision stipulating the possibility for shareholders to simultaneously attend meetings with investors, analysts, presentations and press conferences is not observed. All relevant information is of course immediately published on the company's website. With regard to the Dutch Corporate Governance Code, it is noted that substantial changes in the

policy thereof will be submitted to the General Meeting of Shareholders.

The General Meeting of Shareholders of 10 July 2014 authorised the Board of Management to acquire the company's own shares for a period of 18 months, i.e. up to 10 January 2016, other than for no consideration and subject to the approval of the Supervisory Board. The acquisition price must range between the amount equal to the nominal value of the shares and the amount equal to 110% of the share price, whereby the share price will be: the highest average share price of each of the five trading days prior to the acquisition date in accordance with the Daily Official List of Euronext Amsterdam.

All documents related to the implementation of the Dutch Corporate Governance Code can be found under Corporate Governance on the website www.hollandcolours.com. Here you will find further information, including the profile, regulation and schedule of retirement by rotation for the Supervisory Board, the Articles of Association of the Company, the whistleblowers' regulation, the regulation on ownership and transactions in shares and other financial instruments and the minutes of the General Meeting of Shareholders.

PREVENTING INSIDER TRADING

In compliance with the Dutch Financial Supervision Act, Holland Colours has instituted a regulation relating to investment in the company's shares, share ownership and preventing the misuse of insider information. Moreover, the duty of disclosure and the relevant best-practice provisions of the Corporate Governance Code have been incorporated in this regulation as far as applicable.

This regulation applies to the Supervisory Board, the Board of Management, Division and local directors and a wide circle of employees, as well as to a number of advisers. The central officer supervises compliance with the regulation and registration in this regard, and maintains contact with the Netherlands Authority for the Financial Markets (AFM).

DUTCH MANAGEMENT AND SUPERVISION ACT

The Dutch Management & Supervision Act took force on 1 January 2013. This Act includes a provision relating to the balanced division of seats on the Board of Management and Supervisory Board among men and women. The Board of Management complies with this. The division of seats on the company's Supervisory Board does not comply with this provision. The company plans to review how it might arrive at a more balanced division in future. An initial step in this direction is the nomination of a female member of the Supervisory Board in the coming General Meeting of Shareholders.

INTERESTS OF SUPERVISORY BOARD MEMBERS AND THE BOARD OF MANAGEMENT

As of 31 March 2015, the members of the Supervisory Board and the Board of Management own the following shareholdings, which are held as long-term investments:

In Holland Colours NV:	31/03/2015	31/03/2014
Supervisory Board	5.00 %	5.00 %
Rob Harmsen	0.12 %	0.12 %
Tineke Veldhuis-Hagedoorn	0.00 %	0.00 %
Other Executive Team members	0.00 %	0.00 %

In Holland Pigments BV:	31/03/2015	31/03/2014
Supervisory Board	1.81 %	1.82 %
Rob Harmsen	0.00 %	0.00 %
Tineke Veldhuis-Hagedoorn	10.26 %	10.14 %
Other Executive Team members	8.70 %	8.67 %

SUPERVISORY BOARD

From left to right: Mr J.D. Kleyn (1949) Dutch citizen, Partner at Jones Day, member since 2011; current (second) term until 2017. Additional functions: Chairman of U-Center Supervisory Board, member of Annatommie BV Supervisory Board, member of EYE Advisory Board, member of St. Het Grachtenhuis NV Board of Trustees, member of M&A Course VU Law Centre Management Board, member of "Vennootschap & Onderneming" Editorial Board, Vice Chairman of Impatients NV— Mr J.W. de Heer (1961) Dutch citizen. Managing Director of Victron UPS (Thailand) Co., Ltd. Member since 2010; current (second) term until 2018. Appointed under nomination by Holland Pigments BV. Additional functions: Board member of Holland Pigments and director/ owner of ELNED Holding BV — Mr M.G.R. Kemper (1968) Dutch citizen. Director/owner of Flegado Group BV. Director of Advitronics Telecom BV. Member since 2011; current (second) term until 2018. Additional functions: None

REPORT OF THE SUPERVISORY BOARD

MEETINGS

The Supervisory Board met six times to discuss the general course of business during the past financial year. The following permanent agenda items were discussed: market developments, social aspects relevant to the company, development of the results and balance sheet, company financing, safety, the environment and working conditions, and the improvement of the ERP system, as well as the risk register. Also, the strategic direction of the company and its innovation were regularly discussed, as these are key to the company's targeted profitable growth.

Between the various regular meetings, the Supervisory Board consulted with the Board of Management by telephone about all these important issues on several occasions. Because the Supervisory Board wants to follow operating activities closely, it arranges a meeting basically once a year at one of the company's sites. In October 2014, a visit was made to the plant in Szolnok (Hungary).

PASSING AWAY OF CEES VAN LUIJCK

On 11 June, we received the message that Cees van Luijck, Chairman of the Supervisory Board, had passed away during a holiday in Spain. In Cees we have lost an involved, charismatic and professional director who in his own unique way kept the Supervisory Board and the Board of Management sharp.

MARKING TIME

In the 2014/2015 financial year, the European economy showed only a hesitant recovery, partly as a result of the uncertainty on Greece and the situation surrounding Ukraine. In our eyes, there was no trace of a recovery on the Building & Construction market, a market so essential to Holland Colours. However, in America, this market did show some signs of recovery. The sales development of Holland Colours in Asia fell short of expectations, although China was a positive exception, despite a mixed economic picture. Actions are taken by management – with the full support of the Supervisory Board – to realise further growth also in this Division. The exchange rate of the US dollar in particular had an impact on sales (positive) and on costs (negative). Sales increased to € 68.2 million. The margin percentages over the reporting period were reasonably stable. In combination with an increase in operating expenses, this resulted in a decline in the net result from € 3.5 million to € 3.4 million. The company remained comfortably within the bank covenants.

RISK MANAGEMENT

As far as can be established as a result of its supervisory role, the Board is of the opinion that the internal risk management and control systems are adequate and effective in terms of financial reporting. During the financial year, the financial, operational and strategic risks were discussed with the Board of Management. Given the size of Holland Colours and the implementation of the tasks of the current controllers, the Supervisory Board considers that the appointment of an internal auditor is unnecessary. The system of internal self-assessment controls implemented in 2013/2014 is considered to have been effective. The Management Letter prepared by the auditor in which he reports about the company's administrative organisation and internal controls relating to financial reporting was discussed by the Supervisory Board with the auditor. There were no items in this Management Letter that were qualified as high risk in the opinion of the auditor. However, a few points requiring attention for improvement were mentioned, such as further improvement of the segregation of duties in certain areas and implementing Activity Based Costing. These issues are being dealt with by the management.

EVALUATION OF PERFORMANCE

The Supervisory Board met prior to each meeting with the Board of Management, discussing its own performance and that of the Board of Management, among other things. The annual self-evaluation has been carried out. In addition to replacing Cees van Luijck and his management experience and expertise, the Board has also concluded that there is a need for greater insight in terms of technology and innovation. A proposal will be submitted to the Meeting of Shareholders for both positions. With the exception of two board meetings, at which one Supervisory Board member was absent, all members of the Supervisory Board were present at the meetings.

ALLOCATION OF DUTIES

The allocation of duties within the Supervisory Board, and its way of working are written down in rules. The profile required of the Board members and a schedule of retirement have also been established. These documents can be accessed on the Holland Colours website. The Dutch Management & Supervision Act stipulates that there must be a balanced division of seats over women and men within the company. This is understood to mean that at least 30% of the seats are taken by women and at least 30% by men. The profile stipulates that the Supervisory Board pursues a mixed composition in terms of gender and age. Since the death of Cees van Luijck, the Board is made up of three men. Diversity will be factored in for any new appointments, with 'quality' to remain the main criterion. In accordance with provision III 2.2 of the Dutch Corporate Governance Code, all Supervisory Board members are independent, with the exception of Mr J.W. de Heer. He is also on the Board of Holland Pigments and is director/owner of Elned Holding BV. In view of the size of the Supervisory Board, no separate committees have been constituted: the duties of the Remuneration and Audit committees are performed by the full Supervisory Board.

In 2014, Mr Kemper's first term ended. At the General Meeting of Shareholders on 10 July 2014 he was reappointed for a period of four years. During the coming General Meeting of Shareholders to be held on 9 July 2015, Mr R. Zoomers will be nominated as member in the vacancy that arose due to the death of Mr Van Luijck. Mrs A. Doornbos will be nominated as a member of the Supervisory Board in view of her expertise, specifically in the field of innovation and technology. If the Meeting of Shareholders approves both nominations, the Supervisory Board will temporarily consists of five people.

The remuneration policy for the Board of Management is set by the Supervisory Board as a whole. The remuneration consists of a fixed salary and a variable payment. The variable payment for the Chief Executive Officer concerns a bonus scheme based on financial and non-financial targets. The bonus amounts to three times the monthly salary in the event that 100% of the targets are achieved, and can rise to a maximum of six times the monthly salary in the event that 150% of the targets are achieved. For the other Statutory Board member, the variable payment consists of a profit share scheme which is the same for almost all employees in the Group, and depending on the ROI and net operating result, could amount to one and a half times the monthly salary. There is also a bonus scheme in place for the other Statutory Board member which only pays out if all employees of the Group are paid a share of the profits. The extent of the bonus is determined by the degree to which the defined targets are realised and is capped at two times the monthly salary. Over this financial year, the Board of Management was granted variable remuneration.

The remuneration of the Supervisory Board members was amended at the 2012 meeting of shareholders to better reflect the nature and scope of the market standards for similar companies. The details of the remuneration of the Board of Management and Supervisory Board can be found in Note 26 Affiliated Parties of the financial statements.

EXTERNAL AUDITOR

At last year's General Meeting of shareholders, PricewaterhouseCoopers Accountants NV (PwC Accountants), was appointed for a period of three years. The Board is of the opinion that the auditor is able to arrive at independent audit opinions and has given sufficient account of this. To safeguard independence, the Board shall remain alert to the auditor carrying out non-auditory activities. As for reasons of legal compliance, the company is no longer allowed to employ the same organisation as auditor as well as tax advisor, Deloitte Belastingadviseurs NV has been appointed as tax advisor since 2013/2014.

ANNUAL REPORT AND DIVIDEND PROPOSAL

The company's annual report, as presented, contains the financial statements for the financial year 2014/2015. These financial statements have been audited by PwC Accountants, who issued an unqualified auditor's report that is included on page 75 of this annual report. In its meeting of 28 May 2015, and in the presence of the Board of Management and the external auditor, the Supervisory Board discussed the annual report, the financial statements and the auditor's report. Based on this discussion, we are of the opinion that the annual report and the financial statements both meet the requirements of transparency and form a sound basis for the Supervisory Board's duty to give account of its supervisory activities.

We submit the financial statements to the General Meeting of Shareholders and recommend that they be approved in their present form. We further request approval for the dividend proposal of € 2.00 per share. We also recommend that you approve the management conducted by the Board of Management and the supervision carried out by the Supervisory Board, and that you discharge the Board of Management and the Supervisory Board of their respective liability.

The members of the Supervisory Board have signed the financial statements and as such they have fulfilled their statutory obligation by virtue of article 2:101, paragraph 2 of the Dutch Civil Code.

We would like to thank the Board of Management and all the employees for their efforts and achievements. We wish the Board of Management and employees every success in achieving the objectives for the coming financial year and would like to express our complete confidence in the strategy pursued by the Board of Management.

Apeldoorn, 28 May 2015

Supervisory Board

J.W. de Heer
M.G.R. Kemper
J.D. Kleyn

HOLLAND COLOURS' SHARE

INVESTOR RELATIONS

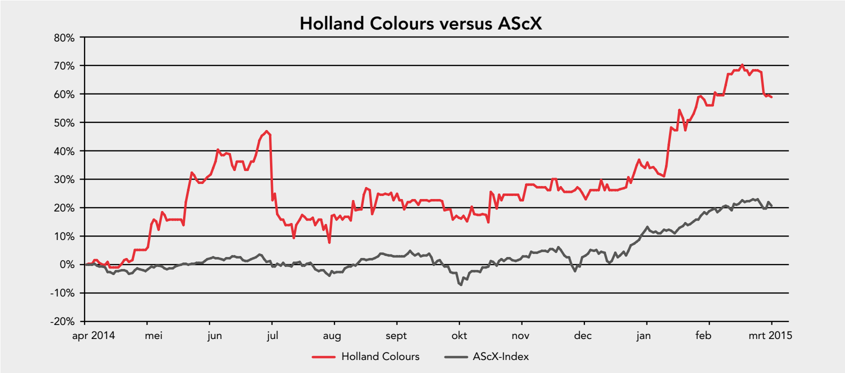
Share price-sensitive information is always announced via press releases and published on the website. The realised financial results are published every six months, while an interim statement is issued twice a year, after the first and third quarters, providing information on important developments and events, as well as the company's financial position.

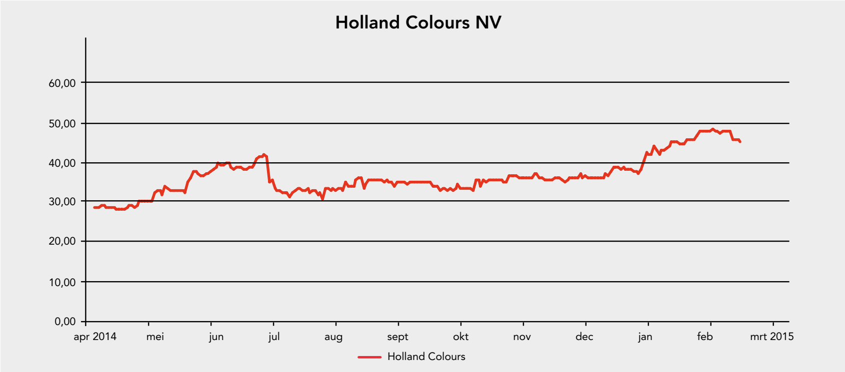
SNS SECURITIES IS LIQUIDITY PROVIDER

Holland Colours is a small cap stock with a low free float. In order to increase marketability, SNS Securities in Amsterdam has been appointed as a liquidity provider. This means that SNS Securities acts in the market as a counterparty for buy or sell orders, whereby the bid and offer prices are set according to a range around the last traded price. Smaller buy or sell orders are therefore filled by Liquidity Provider, which results in a more orderly price development of the stock.

Due to its focus on small and midcap stocks, SNS Securities has frequent contact with professional and private investors in the Netherlands and abroad who hold larger positions and who wish to buy or sell. It may therefore be advisable for investors wishing to trade larger positions to contact SNS Securities. Further information on Liquidity Providing and the trading of larger blocks of shares is available on the SNS Securities website: www.snssecurities.nl.

PRICE DEVELOPMENT





NUMBER OF OUTSTANDING SHARES UNCHANGED

The number of outstanding shares has remained constant during the year.

Stocks traded on Euronext Amsterdam	427,465
Holland Pigments BV	430,274
Registered shares	2,612
Total	860,351

SUBSTANTIAL INTERESTS

As of 1 April 2015, the following substantial interests (>3%) were recorded in the registers of the AFM (Netherlands Authority for the Financial Markets) on the basis of the Decree on the Disclosure of Major Holdings and Capital Interests in Issuing Institutions in accordance with the Financial Supervision Act. A list of shareholdings that exceed 3% can be found on the AFM website.

Disclosures	%	Date
OtterBrabant Beheer BV	9.08%	09/11/2010
Holland Pigments BV[2]	50.01%	02/04/2012
ELNED Holding BV[1]	5.00%	04/03/2013
Lazard Frères Gestion	6.97%	13/02/2014
Van Leeuwen Beheer BV	5.23%	12/02/2015
Free Float	23.71%	
Total	100.00%	

1 Elned Holding BV is legally represented by Mr J.W. de Heer, Supervisory Board member at Holland Colours.

2 Since July 2013, majority shareholder Holland Pigments BV has a "one tier board". In this one tier board, each 10%+ shareholder of Holland Pigments is represented by one Board member. The group of (former) employees, currently holding approximately 22% of Holland Pigments shares, is considered a single shareholder. In addition to the supervisory directors on behalf of 10%+ shareholders, Holland Pigments also has one Executive Director.

PUBLICATIONS

In the 2014/2015 financial year, Holland Colours has published the following press releases:

27 May 2014
Publication of 2013/2014 annual figures

10 July 2014
Interim report relating to development of the business
Decisions taken during the General Meeting of Shareholders

14 August 2014
Interim statement first quarter 2014/2015

30 October 2014
Publication of semi-annual figures for 2014/2015

5 February 2015
Interim statement third quarter 2014/2015

KEY DATES

9 July 2015
General Meeting of Shareholders

13 July 2015
Ex-dividend quotation

14 July 2015
Dividend record date

17 July 2015
Dividend available for payment

17 August 2015
Interim statement first quarter 2015/2016

29 October 2015
Publication of semi-annual figures for 2015/2016

11 February 2016
Interim statement third quarter 2015/2016

26 May 2016
Publication of 2015/2016 annual figures

7 July 2016
General Meeting of Shareholders

HOLLAND COLOURS ANNUAL REPORT 2014/2015

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FINANCIAL STATEMENTS

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The Annual Report of Holland Colours is also available in Dutch on www.hollandcolours.com

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

In thousands of euros	note	01 April 14 / 31 March 15		01 April 13 / 31 March 14	
Revenue			68,246		65,950
Cost of sales and raw materials			(35,627)		(34,747)
Changes in finished product			48		(44)
Gross operating profit			32,667		31,159
Employee expenses	6	15,180		14,554	
Amortisation and impairments	10	109		113	
Depreciation and impairments	11	1,849		1,806	
Other operating expenses	7	10,212		9,293	
Total operating expenses			27,350		25,766
Operating result			5,317		5,393
Finance income	8	87		69	
Finance costs	8	(347)		(311)	
Financial income and expense			(260)		(242)
Result before tax on profits			5,057		5,151
Tax on profits	9		(1,613)		(1,615)
Net result			3,444		3,536
Attributable to:					
Shareholders of the company			3,462		3,541
Non-controlling interest	20		(18)		(5)
			3,444		3,536
Earnings per share in euros					
Average number of shares issued	17		860,351		860,351
Earnings per share attributable to shareholders (ordinary and diluted)			4.02		4.12

Notes 1 to 27 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

In thousands of euros	note	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Net result		3,444	3,536
Items that will not be reclassified to profit or loss			
Actuarial results on employee benefits, after tax	22	(204)	-
Other comprehensive income that could in future be classified to profit and loss			
Foreign currency translation differences	18	3,680	(1,279)
Change in net-investment hedge, after tax	18	(367)	107
Change in cash-flow hedge, after tax	18	32	84
Other comprehensive income and expenses		3,141	(1,088)
Total comprehensive income after tax on profits		6,585	2,448
Attributable to:			
Shareholders of the company		6,592	2,472
Non-controlling interest	20	(7)	(24)
		6,585	2,448

Notes 1 to 27 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2015

In thousands of euros	note	31 March 2015	31 March 2014
Non-current assets			
Intangible fixed assets	10	363	303
Property, plant and equipment	11	15,139	14,345
Deferred tax assets	12	2,227	1,983
Other long-term receivables	13	205	182
		17,934	16,813
Current assets			
Inventory	14	7,772	7,425
Trade and other receivables	15	15,362	12,620
Income tax receivables		72	244
Cash and cash equivalents	16	5,305	3,183
		28,511	23,472
Total assets		46,445	40,285
Equity			
Share capital	17	1,953	1,953
Share premium reserve		1,219	1,219
Other reserves	18	818	(2,574)
Retained earnings		26,669	25,293
Equity attributable to shareholders of the company		30,659	25,891
Non-controlling interest	20	43	96
Total equity		30,702	25,987
Non-current liabilities			
Long-term debt	21	1,125	3,192
Employee benefit obligations	22	1,417	966
Deferred tax liabilities	12	12	58
Derivative financial instruments	23	154	196
		2,708	4,412
Current liabilities			
Credit institutions	16	-	1,020
Repayment obligations for long-term debt	21	2,556	250
Trade and other payables	24	10,034	8,195
Income tax liabilities		305	125
Employee benefit obligations	22	140	296
		13,035	9,886
Total equity and liabilities		46,445	40,285

Notes 1 to 27 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Equity attributable to shareholders of the company								
In thousands of euros	Share capital	Share premium	Foreign currency translation reserve	Hedge reserve	Reserve for intangible assets	Retained earnings	**Total**	Non-controlling interest	**Total equity**
As at 01 April 2013	1,953	1,219	(1,408)	(382)	296	23,247	24,925	135	25,060
Net result for the 2013/2014 financial year	-	-	-	-	-	3,541	3,541	(5)	3,536
Other comprehensive income	-	-	(1,260)	191	-	-	(1,069)	(19)	(1,088)
Total comprehensive income	-	-	(1,260)	191	-	3,541	2,472	(24)	2,448
Transfer of reserve for intangible assets	-	-	-	-	(11)	11	-	-	-
Dividend for 2012/2013	-	-	-	-	-	(1,506)	(1,506)	(15)	(1,521)
As at 31 March 2014 / 01 April 2014	1,953	1,219	(2,668)	(191)	285	25,293	25,891	96	25,987
Net result for the 2014/2015 financial year	-	-	-	-	-	3,462	3,462	(18)	3,444
Other comprehensive income	-	-	3,669	(335)	-	(204)	3,130	11	3,141
Total comprehensive income	-	-	3,669	(335)	-	3,258	6,592	(7)	6,585
Transfer of reserve for intangible assets	-	-	-	-	58	(58)	-	-	-
Change of capital	-	-	-	-	-	-	-	(46)	(46)
Dividend for 2013/2014	-	-	-	-	-	(1,824)	(1,824)	-	(1,824)
As at 31 March 2015	1,953	1,219	1,001	(526)	343	26,669	30,659	43	30,702

The dividend per share 2013/2014, as paid out in 2014/2015 amounted to € 2.12 (2013/2014: € 1.75).

Notes 1 to 27 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

In thousands of euros	note	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Operating activities			
Operating result		5,317	5,393
Adjustments for:			
Amortisation of intangible fixed assets and impairments	10	109	113
Depreciation of property, plant and equipment and impairments	11	1,849	1,806
Capitalised own hours		(170)	-
Changes in provisions	22	209	(171)
Value change in derivative financial instruments	23	-	(1)
Exchange-rate differences		(304)	(115)
Cash flow from operating activities before Changes in working capital		7,010	7,025
Changes in working capital:			
Changes in inventories		729	346
Changes in receivables		(1,541)	700
Changes in current liabilities		940	3
Cash flow from operations		7,138	8,074
Income tax paid		(1,210)	(1,184)
Interest received		82	-
Interest paid		(326)	(256)
Cash flow from operating activities		5,684	6,634
Investing activities			
Gains from the sale of property, plant and equipment	11	-	26
Investments in intangible fixed assets	10	(18)	(91)
Purchase of property, plant and equipment	11	(1,107)	(2,123)
Cash flow from investing activities		(1,125)	(2,188)
Cash flow from operating and investing activities		4,559	4,446
Financing activities			
Change of capital by non-controlling interest		(38)	(15)
Dividend paid to shareholders		(1,824)	(1,506)
Proceeds from borrowings		-	-
Redemption payments	21	(250)	(493)
Cash flow from financing activities		(2,112)	(2,014)
Changes in cash and cash equivalents		2,447	2,432
Net foreign exchange rate differences on cash and cashequivalents		695	(163)
Net cash flow		3,142	2,269
Net cash and cash equivalents as at 1 April		2,163	(106)
Net cash and cash equivalents as at 31 March		5,305	2,163
Net cash flow	16	3,142	2,269

Notes 1 to 27 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Holland Colours NV ('the Company') is a public limited liability company ["Naamloze Vennootschap"] having its registered office in Apeldoorn, the Netherlands.

The Company and its subsidiaries ('the Group'), manufacture, distribute and sell colour concentrates. The Holland Colours Group operates through nine of its own facilities and a network of agents and distributors.

Shares of the Company are listed on Euronext, Amsterdam.

Since 2 April 2012 more than 50% of Holland Colours NV shares are held by the investment company Holland Pigments BV, in which among others, all employees of Holland Colours participate. The current and retired employees collectively hold approximately 22% of the shares in Holland Pigments BV. The Group's financial year commences on 1 April and closes on 31 March of the following year.

The Company's consolidated financial statements comprise the financial statements of the Company and of its subsidiary companies.

The 2014/2015 consolidated financial statements were discussed in the Supervisory Board meeting on 28 May 2015, and released for publication on the same day. The financial statements will be presented for adoption on 09 July 2015 to the General Meeting of Shareholders.

The company financial statements form part of the 2014/2015 financial statements of the Company. In relation to the company financial statements, the exemption under article 402 of Title 2, Book 2 of the Dutch Civil Code, it suffices for the company income statement to state the 'net result from participations', and the 'other income and expenses after taxation'. The latter item represents the balance of income and expenses of Holland Colours NV.

The original financial statements were prepared in the Dutch language. This document is a version translated into English. In the event of any differences between the English and the Dutch text, the latter will prevail.

2. SUMMARY OF ACCOUNTING PRINCIPLES

GENERAL

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with Title 9 Book 2 of the Dutch Civil Code.

The consolidated financial statements are presented in thousands of euros, rounded to the nearest thousand, unless stated otherwise.

The consolidated financial statements are prepared on the basis of historical cost, except for derivative financial instruments, which are stated at fair value.

In the preparation of the consolidated financial statements, the Board of Management applied estimates and assumptions to several areas that could have an influence on the amounts included in the consolidated financial statements. Changes in estimates and assumptions may affect the amounts to be reported in subsequent years, and actual outcomes may differ from the estimates made. Revisions of estimates are included in the period in which the estimates are revised and in the future periods they might have an influence on. The most important estimates are stated under the relevant policies, and mainly relate to the items deferred tax assets based on the carry-forward of tax losses, impairments of plant and machinery, valuation of inventories, as well as employee provisions

The accounting policies as detailed below are applied consistently for all periods presented in these consolidated financial statements.

The Group also applies IFRS 8 Operating Segments. The segmentation required by IFRS 8 relates to the Group's management and internal reporting structure.

The following standards and amendments were first applied to the consolidated financial statements at the beginning of the 2014/2015 financial years: IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements), IFRS 12 (Disclosures of Interests in Other Entities). Use of these amended standards does not have any material impact on the 2014/2015 financial statements. The Group has also applied improvements as a result of the annual IFRS improvements project. This has also had no effect on the Group's equity or its result, and is not expected to have any material effect on the 2015/2016 financial statements or those of the years following.

The standards and interpretations as listed below were not effective per the publication date of the Group's financial statements. The standards and interpretations listed below only include those that the Group reasonably expects to be relevant to, and affect, the notes, the financial position or the result of the Group. The Group plans to apply these standards and interpretations once they become effective:

- FRS 9 Financial Instruments, takes force per 1 January 2018
- IFRIC 21 Charges in force as at 1 July 2014
- IFRS 15 Revenue from contracts with customers, takes force per 1 January 2017

The Group is currently assessing the possible effect applying these standards. The other new and amended standards are not expected to have any material impact on the Group's consolidated financial statements.

Consolidation principles

The Company's consolidated financial statements for the 2014/2015 financial year include the financial data of the Company and all of the subsidiaries in which the Company directly or indirectly has a controlling interest. The Company has a controlling interest if it has the power to directly or indirectly determine the financial and operational policy of a company in such a way that it can derive benefits from the activities of that company. Subsidiary companies are consolidated from date of acquisition, which is the date on which actual control of the acquired entity is obtained; consolidation continues until the date on which actual control ceases to exist. The majority of the financial statements prepared by the subsidiary companies are for the same reporting year as that of the parent company, with application of consistent accounting policies. The exceptions are the financial statements of the entities in Mexico and China. These will be drawn up for a calendar year. An adjustment is made when consolidating these data so that the period corresponding to the parent company's financial year is consolidated, based on the same consistent accounting policies. The consolidated financial statements include the financial data of the following companies:

	capital interest in percent
Holland Colours Europe BV, the Netherlands	100
Holland Colours UK Ltd, United Kingdom	100
Holland Colours Canada Inc, Canada	100
Holland Colours Americas Inc, United States	100
PT Holland Colours Asia, Indonesia	99*
Holland Colours Hungária Kft, Hungary	100
Holland Colours Mexicana SA de CV, Mexico	100
Holland Colours China Ltd, China	100
PT Holco Indo Jaya, Indonesia	85**

*) Regarding the participating interest in PT Holland Colours Asia in Indonesia, another party holds 1% of the legal ownership. Full beneficial ownership rests with Holland Colours.

**) Regarding the participating interest in PT Holco Indo Jaya in Indonesia, PT Holland Colours Asia holds 35% of the legal and economic ownership.

A decision was made to dispose of the entity in Germany, Holland Colours Deutschland GmbH, during the 2012/2013 financial year. During the 2013/2014 financial year, Holland Colours and minority shareholder Kikuchi Color & Chemicals Corporation (KCC) decided to terminate HCA Japan. Production has been transferred to the Holland Colours production facility in Indonesia and KCC continues to be distributor for Holland Colours in Japan. These liquidations have both been effectuated but have had no material influence on the Company's results. Otherwise, there were no changes to the consolidation group in comparison to the 2013/2014 financial year.

Together with its Indonesian subsidiary PT Holland Colours Asia, Holland Colours NV possesses 85% of the shares in the Indonesian company PT Holco Indo Jaya. Gaypa Srl holds the remaining 15%. The results of PT Holco Indo Jaya are fully consolidated in the figures for the 2014/2015 financial year. The non-controlling interest in the total equity and the Group result is recognised separately.

In the consolidated financial statements, all inter-company receivables, payables and deliveries as well as unrealised income and expenses as a result of internal transactions and dividends are fully eliminated. Unrealised losses are eliminated in the same way as unrealised profits, but only insofar as there is no indication of impairment.

Foreign currency
Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in euros, the Company's functional and presentation currency.

Transactions in foreign currency are converted to the functional currency at the rate of exchange on the transaction date. All monetary assets and liabilities expressed in foreign currency are converted at the exchange rate that applies at balance sheet date. Foreign exchange differences arising from conversion and settlement are recognised in the income statement.
Assets and liabilities of Group companies with a functional currency other than the euro are converted at the exchange rate that applies at balance sheet date. The income statements for these Group companies are converted at the average exchange rate during the financial year. The resulting differences are recognised in unrealised results and the reserve for conversion differences. On sale or termination of an activity outside the eurozone, the amount concerned is transferred from equity to the income statement as part of the gain or loss on sale or termination.

The rates of the main currencies against the euro are as follows:

Exchange rates used

	At close		Average	
in EUR	31 March 15	31 March 14	14/15	13/14
US dollar	1,08	1,38	1,27	1,34
British pound	0,73	0,83	0,79	0,84
Canadian dollar	1,37	1,52	1,44	1,41
Chinese yuan	6,65	8,57	7,78	8,23
Mexican peso	16,43	17,95	17,32	17,24

Derivative financial instruments
Holland Colours uses derivative financial instruments (derivatives), such as currency futures contracts and interest-rate swaps, to limit interest-rate and currency risks arising from operational, financing and investing activities. Derivative financial instruments are not used for trading purposes. If these derivative financial instruments do not meet the requirements for hedge accounting, the profits and losses on these instruments are included in the income statement under Other operating expenses, see note 7. Such derivative financial instruments are initially accounted for using the fair value on the date the contract is entered into, after which the fair value is re-evaluated. Derivatives are entered as an asset if the fair value is positive and as a liability if it is negative.

Any profits or losses arising from changes in the fair value of derivatives are entered directly in the income statement, with the exception of the effective part of a cash-flow hedge and net investmentshedge, which is entered under other comprehensive income and transferred to the income statement later, once the hedged position has been entered under the result.

The hedging of risks is classified as follows:
- *Cash-flow hedge*

Where specific conditions are met (IAS 39), cash-flow hedge accounting can be applied. Briefly, these specific conditions state that a demonstrable one-to-one relationship must exist between the variability of cash flows caused by a certain risk relating to an entered asset or liability, that this relationship must be documented and that the hedge must be sufficiently effective. In such a situation, the gain or loss is stated directly in the consolidated statement of other comprehensive income during the term of the risk and the hedging instrument.

The Group applies cash-flow hedge accounting to interest-rate derivatives. When hedge accounting is applied, a cash-flow hedge reserve is formed in equity. The deferred income tax on the balance is deducted from the reserve. If the hedging instrument expires or is sold, terminated or exercised, without replacement, or if its designation as a hedge is revoked, any accumulated gain or loss initially included in the unrealised results will remain in the unrealised results of the hedge reserve until the expected transaction or agreed commitment takes place. At that time, the hedged transaction is recognised in the income statement and the transfer from equity to the income statement is effected. Cash-flow hedge accounting is not applied to currency contracts. Gains or losses on these hedging instruments are therefore presented in the income statement under Finance income and expense.

- *Hedging a net investment*

Hedges of net investments in foreign operations are treated in a similar way to cash flow hedges. A gain or a loss on the effective portion of the hedging instrument is recognised in the statement of other comprehensive income; the gain or loss on the ineffective portion is recognised immediately in the income statement under Other operating expenses.

The Group utilises a loan to hedge the currency risks of investments in its foreign subsidiaries. See also note 23. Derivative financial instruments

Gains and losses accumulated in the statement of other comprehensive income are recognised in the income statement at the time of the full or partial closure or sale of the foreign operation.

REVENUE RECOGNITION

Revenue is recognised as the difference between the revenue of the goods and services provided and the costs and other charges for the financial year. Results on transactions are accounted for at the time of delivery. The following policies are used:

Revenue

Revenue is defined as the income generated by the supply of goods to third parties, after deduction of discounts and value added taxes and elimination of all intra-group transactions. Sales of goods are recognised when products have been delivered to the customer, the customer has accepted the products, and collection of the related receivables is reasonably certain. Revenue from the supply of goods is only recognised if the main risks and rewards of ownership of the goods have been transferred to the buyer. No revenues are recognised if significant uncertainties remain with regard to the collection of the payment due, the associated costs or the possible return of goods.

Subsidies

Government subsidies to compensate for expenses incurred by the Group are systematically recognised as income in the income statement, if it is reasonably certain that the subsidy will be received and that all the conditions attached to the subsidy will be met. If the subsidy relates to an expense item, it is recognised as income over the period necessary in order to allocate this to the associated expenses which it is intended to compensate. Subsidies to compensate the Group for the purchase of an asset are included in the income statement for the duration of use of the asset.

Lease payments

Operational leases

Payments made under operational leases are charged to the period to which they relate.

Financial leases

Leases of property, plant and equipment where the Group has virtually all the risks and rewards associated with the ownership of an asset are classified as financial leases. Financial leases are capitalised at the commencement of the lease at the fair value of the leased assets, or at the cash value of the minimum lease payments if lower. Each lease payment is split into repayments and financing expenses so as to achieve a constant interest rate on the balance of the liability outstanding. The corresponding lease obligations, net of finance costs, are included under non-current liabilities. The interest element of the lease costs is charged to the income statement over the lease period.

Financial income and expense

Financial income and expense includes the income and expenses on lent and borrowed funds and interest charges on financial lease payments. Financial income and expense is recognised in the income statement using the effective interest method. Interest income is recognised in the income statement under financial income.

Current income tax

Current tax receivables and liabilities for the current period are measured at the amount expected to be reclaimed from or paid to the tax authorities. The amount of tax is calculated on the basis of the tax rates and tax legislation established by law on the reporting date as applying in the countries in which the Group operates and generates income subject to taxation.
Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. The Board of Management assesses the standpoints taken in the tax returns with regard to situations in which the applicable tax regulations can be variously interpreted from time to time. Provisions are formed if this is considered to be necessary.

Earnings per share

The earnings per ordinary share is calculated as the net result or loss attributable to holders of ordinary shares divided by the weighted average number of outstanding shares in the period concerned.

PRINCIPLES FOR THE VALUATION OF ASSETS AND LIABILITIES

General

The valuation methods are principally based on valuation of the assets and liabilities at historical cost, with the exception of (derivative) financial instruments.

Offsetting financial instruments

Financial assets and liabilities are only recognised on a net basis in the consolidated balance sheet if an actual legally enforceable right exists to net off the amounts recognised and the intention is to settle these amounts simultaneously or on a net basis.

Intangible fixed assets

Costs of development activities are capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete its development. The capitalised expenses comprise of direct employee expenses and a surcharge for overhead costs. All other research and development costs are stated as an expense in the income statement at the time that they are incurred.

Capitalised development costs are valued at cost, less accumulated amortisation and impairments, if applicable. Amortisation costs are charged to the income statement over their estimated useful life, which is five years.

Intangible fixed assets are assessed for impairment if there are indications that an intangible asset might be subject to a loss in value. The amortisation period and method for an intangible asset with a measurable useful life is assessed, at the very least, at the end of each financial year. Changes in the expected useful life of an asset or in its expected pattern of future economic benefits are accounted for by changing the amortisation period or method and are treated as changes in accounting estimate.

Other intangible fixed assets
The other intangible fixed assets consist of the costs of computer software and licenses, as well as the external costs related to their implementation and use. These costs are amortised over their estimated useful life, which is between three and five years.

Property, plant and equipment
Property, plant and equipment is valued at historical cost, meaning the price paid for obtaining or producing the asset, less accumulated depreciation and, if applicable, impairments. The costs of assets produced in-house comprise material costs, direct employee expenses and an appropriate portion of the directly attributable overhead costs. Finance costs are added to the costs of property, plant and equipment if these meet the conditions for recognition in the balance sheet. If significant parts of property, plant and equipment have to be replaced at regular intervals, the Group recognises these as separate assets with their own useful life and depreciation method. All other repair and maintenance costs are recognised in the income statement at the time they occur.

Property, plant and equipment is assessed for impairment if there are indications that an item may have suffered a loss in value. The depreciation period and method for property, plant and equipment with a measurable useful life is assessed, at the very least, at the end of each financial year. Changes in the expected useful life of an asset or in its expected pattern of future economic benefits are accounted for by changing the depreciation period or method and are treated as changes in accounting estimate.

Financial fixed assets
Loans and receivables for which the maturity date is more than 12 months after the balance sheet date are presented as financial fixed assets and on initial recognition are measured at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans are valued at amortised cost using the effective interest method, less any impairment. Gains or losses arising from changes in the amortised cost are accounted for in the income statement under finance expenses.

Leased assets
Lease agreements in which the Group assumes all risks and benefits of ownership are classified as financial leases. Property, plant and equipment acquired by means of financial leases is measured at fair value or the cash value of the minimum lease payments at the inception of the lease, whichever is lower, less accumulated depreciation and, when applicable, impairments. Lease payments are stated as described under determination of the result.

Depreciation
Depreciation is charged to the income statement according to the straight-line method on the basis of the estimated useful life of each component of items of property, plant and equipment. Depreciation is not applied to land. The estimated useful life is as follows:

Buildings	25–40 years
Fixtures and installations in buildings	10 years
Plant and equipment	10 years
Other fixed assets	3–5 years

The remaining useful life, residual value and depreciation method are assessed on an annual basis.

Impairment of non-current assets
Non-current assets are assessed for indications of impairment on an annual basis. If there are such indications, the realisable value of the asset concerned is estimated.
The realisable value is either the directly realisable value or the value in use to the company. An asset is written down if its realisable value is less than its carrying amount. An impairment loss is reversed if there is a change to the estimates used to determine the realisable value. An impairment loss is only reversed to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined after deduction of depreciation if no impairment had been recognised.

Deferred income tax
A receivable is recognised or a provision is formed for deferred tax differences using the balance sheet method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the carrying amount of these items for tax purposes.

The carrying amount of deferred tax assets is assessed at reporting date and reduced, insofar as it is unlikely that sufficient taxable profit will be available against which these temporary differences can be fully or partially deducted. Deferred tax assets not included are reassessed at reporting date and included insofar as it is likely that future taxable profits will be available against which the deferred asset can be deducted.

Deferred tax assets and liabilities are valued at the tax rates expected to apply in the period in which the asset is realised or the liability is settled, at the tax rates (and tax law) in force at the time the reporting process is definitively completed.

Deferred tax relating to items not included in the income statement are not recognised under profit or loss. Depending on the underlying transaction, deferred tax is recognised either in other comprehensive income or directly in equity.

Deferred income tax assets and liabilities are netted off where it is legally enforceable to net off current income tax assets with current income tax liabilities and deferred taxes pertaining to the same taxable entity and the same tax authority.

There is some uncertainty about the interpretation of complex tax regulations and the amount and timing of future taxable profits.

Given the huge diversity of international business relations, discrepancies between the assumptions made and the actual outcomes, or future changes in such assumptions, could lead to future changes in the tax payments and returns already recognised.

Inventory
Inventory is valued at the purchase price, or at market value if lower. The cost price for inventories is based on the FIFO principle (first in, first out). Finished product is valued at production cost including costs of raw materials and a surcharge for direct and indirect production costs based on normal capacity, or at market value if lower. The direct market value comprises the estimated sales price in the normal course of business, less the estimated costs of completion and settlement of the sale.

Trade and other receivables
Trade and other receivables are recognised initially at fair value and subsequently at amortised cost. A provision for default is established when it is foreseen that a receivable cannot be collected in full.

Cash and cash equivalents
Cash and cash equivalents comprises cash balances and deposits that are available on call.

Share capital
Share capital is classified as equity.

Dividend
Dividend payable to shareholders is recognised as a liability to shareholders once the proposed profit appropriation has been approved by the General Meeting of Shareholders.

Employee benefit obligations
Holland Colours has a variety of pension plans in accordance with local regulations and conditions.

The pension schemes of the subsidiaries are in line with local legislation and regulation and are processed in the financial statement as defined contribution plans. These involve payment of predetermined premiums to an insurance company. Under these pension plans Holland Colours has no legal or factual obligation to pay additional premiums if the insurance company has insufficient means to fund current or future pensions.

Other employee benefits
As a consequence of the termination of the early retirement plan (including the transitional arrangement) for the employees in the Netherlands, the originally agreed conditional financing of past service years was converted into an annual payment in the same amount, which is also conditional. The chief conditions for this payment are that an employee must still be in the Company's service at the time of the annual payment and that the Group's financial results are assessed by the Board of Management as being sufficient to cover this payment. The Group has formed a provision for this future liability, which will end in September 2035.

The Group has also formed a provision for other long-term obligations regarding employee benefits, including jubilee payments, which employees have earned for their service in the current and previous reporting periods.

The obligations are calculated using actuarial principles and based on a discount rate of 1.3% (2013/2014 2.6%) in accordance with the Markit IBoxx Index of high-value corporate bonds, and are recognised under non-current liabilities. The expenses are reported in the income statement under employee expenses. All assumptions are reassessed at balance-sheet date.

Provisions
A provision is stated in the balance sheet when there is a legally enforceable or actual obligation for the Group as a result of an event in the past and it is likely that an outflow of resources will be required to settle this obligation.

Interest-bearing loans
Drawn down interest-bearing loans are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans are valued at amortised cost, whereby a difference between the cost and the repayment value is recognised in the income statement on the basis of the effective interest method over the term of the loan.

Trade and other payables
Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

Determination of fair value
For a number of accounting policies and the information provided by the Group, the fair value of both financial and non-financial assets and liabilities has to be determined. Further information is provided on the principles used for the determination of fair value in the note relating to the asset or liability in question for measurement and informative purposes.

Interest-bearing receivables
Interest-bearing receivables at fixed and variable interest rates are assessed by the Group on the basis of factors such as the applicable interest rate and the borrower's individual creditworthiness. A provision is formed for losses expected on these receivables on the basis of this assessment if this is considered necessary. As at 31 March 2015, the carrying amount of these receivables did not vary materially from their fair value.

Trade and other receivables
The fair value of trade debtors and other receivables is estimated as the cash value of the future cash flows based on market interest rates as at the reporting date. This fair value is determined for informative purposes.

3. FINANCIAL RISK MANAGEMENT

As part of the normal conduct of its business, the Group is exposed to currency, credit, liquidity, interestrate and translation risks.In terms of risk management policy, it is recognised that the financial markets are unpredictable and that the aim should be to limit the potential negative effects of this on the Group's financial results as far as possible. The risk arising from fluctuations in foreign currency rates and interest rates is partly hedged using derivative financial instruments. The Board of Management determines principles for overall risk management and provides policies for specific areas, such as currency risk, credit risk, liquidity risk, interest-rate risk and translation risk, and the use of derivative and non-derivative financial instruments. These principles or methods may vary per group company as a result of differing local market circumstances.

CURRENCY RISK

The Group operates internationally and is exposed to currency risks, the key currencies being the US dollar and the British pound. Currency risks arise from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Currency risks arise when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is responsible for managing the net position in each foreign currency. The Group has foreign subsidiaries whose equity is exposed to currency translation risks. In the management of currency risks, Holland Colours aims to limit the effect of exchange-rate fluctuations on the group result. In the long-term, however, structural changes, especially in the value of the US dollar relative to the euro, and changes in the difference between US and European interest rates, will influence the consolidated result and capital.

An overall of 10% increase in the value of the euro versus the US dollar in 2014/2015 would have had a negative effect on the profit before income tax of € 615 (2013/2014: negative € 375) as a result of movements in the value of the financial assets and liabilities. The net equity including translation effect would have been impacted by minus € 2,203 (2013/2014: € 1,517 lower) with all other variables remaining unchanged. An overall 10% decrease in the euro versus the US dollar would have had a positive effect on the profit before income tax in 2014/2015 of € 542 (2013/2014: positive € 420), with net equity – equally including translation effect – being impacted by plus € 2,129 (2013/2014: € 1,630), with all other variables remaining unchanged. On 31 March 2015, if the British pound had weakened against the euro by 10%, also with all other variables unchanged, there would have been a negative effect on net profit of € 264 (2013/2014: €217 lower). Including translation effect, net equity would be € 284 lower (2013/2014: €222 lower). A general 10% increase in the British pound versus the euro would have had a positive effect on the profit before income tax in 2014/2015 of € 916 (2013/2014: positive € 264) – with net equity equally including translation effect – being impacted by plus € 935 (2013/2014: € 270) with all other variables remaining unchanged.

In relative terms, the various foreign currencies affected the Group's net sales and expenses as follows:

	Sales		Expenses	
in percent	2014/2015	2013/2014	2014/2015	2013/2014
Euro	46%	47%	53%	55%
US dollar	39%	39%	31%	34%
British pound	5%	5%	2%	2%
Other	10%	9%	14%	9%
Total	100%	100%	100%	100%

The exchange rate differences recognised in the income statement under note 7: Other operating expenses in 2014/2015 came to a positive € 304 (2013/2014: negative € 107).

CREDIT RISK

Credit risk is the risk of financial loss by the Group in the event a customer or counterparty to a financial instrument fails to meet their contractual obligations. Credit risk mainly arises from receivables from customers. Holland Colours follows an active policy to minimise credit risk. This policy includes strict internal guidelines regarding overdue payments, the use of sales information systems, the consultation of external sources and, where necessary, requesting security for payment. Thanks to the distribution over a large number of customers and geographical areas, there is no significant concentration of credit risk. There is no insurance for credit risk in place. The total carrying amount of the financial assets, € 20,872 (31 March 2014: € 15,985), indicates the maximum exposure to credit risk

LIQUIDITY RISK

Liquidity risk is the risk that Holland Colours is unable to meet its obligations when they are due. Holland Colours' policy with regard to liquidity risk is to ensure to the best of its ability that sufficient committed credit facilities are available to meet its payment obligations on time, in both normal and exceptional situations.

The bank agreements and collateral provided in relation to the Group's financing agreement have not been changed since 31 March 2014.

An important ratio is the ratio between debts to credit providers and the 12-month rolling earnings before interest, tax, depreciation and amortisation, known as the Total Debt / EBITDA ratio. This ratio may not exceed 3.0 at any time. Holland Colours complied with this agreement at all times during the 2014/2015 financial year. At the end of the 2014/2015 financial year this ratio stood at 0.5 (31 March 2014: 0.6).

The other agreements with the banks concern the Tangible Net Worth ratio, which must be at least 40%, and the Debt Service Cover ratio, which must be higher than or equal to 1.0. Holland Colours also complied with these financial covenants in the 2014/2015 financial year. On 31 March 2015 these ratios stood at 64.0% and 1.9 respectively (31 March 2014: 62.2% and 6.7). The Debt Service Cover ratio is relatively low as a result of a repayment obligation of the longterm US dollar loan.

In addition to the interest-bearing loans issued, the Group has credit facilities as at balance-sheet date of € 8,398 (31 March 2014: € € 8,114) in the form of current-account credit. These facilities are provided by various international and local banks and have no expiry date. At balance sheet date, € - (31 March 2014: € 1,020) of the credit facilities was drawn down.

The interest margin on the credit facility in the Netherlands depends on the Total Debt / EBITDA ratio.

The contractual maturity of the financial liabilities per 31 March, including expected interest payments, can be specified as follows:

2014/2015	Carrying amount	Contractual cash flow	< 1 year	1-2 years	2-5 years	> 5 years
Financial liabilities						
Long-term debt	3,681	3,830	2,642	289	780	119
Derivatives	154	154	83	29	41	1
Credit institutions	-	-	-	-	-	-
Trade and other payables	10,034	10,034	10,034	-	-	-
Total	13,869	14,018	12,759	318	821	120

2013/2014	Carrying amount	Contractual cash flow	< 1 year	1-2 years	2-5 years	> 5 years
Financial liabilities						
Long-term debt	3,442	4,028	416	405	2,817	390
Derivatives	196	196	21	20	136	19
Credit institutions	1,020	1,020	1,020	-	-	-
Trade and other payables	8,195	8,195	8,195	-	-	-
Total	12,853	13,439	9,652	425	2,953	409

Based on the book values stated in the financial statements, as at 31 March 2015, 68.3% (31 March 2014: 7.3%) of the Group's long-term debts will mature within one year. Based on the current situation, the Board of Management assesses the risk that Holland Colours will not be able to meet its liabilities as low.

INTEREST-RATE RISK

Interest-rate risk is the risk that the fair value of future cash flows of a financial instrument will change as a result of movements in market interest rates. The risk incurred by the Group as a result of fluctuations in market interest rates mainly concerns its variable interest-rate credit facilities. The Group's interest-rate risk arises mainly from non-current borrowings and debts to credit institutions, as the Group has no significant interest-bearing assets. It is the Group's policy to hold the majority of its loans at fixed rates of interest. The Group does so by using variable-to-fixed interest-rate swaps for its long-term loans.

At balance-sheet date, the following interest-rate instruments were outstanding:

• Interest-rate swap to end of August 2015	US dollar 2,500 received 3-month LIBOR: payment 4.09% fixed
• Interest-rate swap to end of August 2020	Euro 1,313 received 3-month Euribor: payment 3.14% fixed

At 31 March 2015, if the euro interest rate had been 100 basis points higher, with all other variables constant, the net result would have been € 41 lower (2013/2014: € 14 lower), mainly due to higher interest expense on variable-rate loans. The negative effect on equity would have been € 32 (2013/2014: € 10 lower). The assumed change in basis points of the interest-rate sensitivity analysis is based on currently observable market conditions.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques whereby the lowest level input as significant for valuation at fair value, is directly or indirectly observable.
- Level 3: Valuation techniques whereby the lowest level input as significant for valuation at fair value, is not observable.

The fair value and book value of financial assets and liabilities included in the balance sheet are as follows:

Where hedge accounting has been applied, the changes in value of the above-mentioned liabilities estimated at fair value are recognised in the income statement.

The fair value of interest-rate swaps is based on calculations by an external party owing to the fact that Holland Colours does not have access to the required systems. The outcomes of these calculations are accepted by Holland Colours as if they had been made by Holland Colours itself. The fair value of long-dated loans is calculated on the basis of the cash value of the expected future cash flows by virtue of repayment and interest payments, and is not based on observable market data (unobservable input).

For trade and other receivables, payables to suppliers, credit institutions and other debt due to expire within one year, the nominal value is considered to be a reflection of fair value due to the short duration.

		31 March 2015		31 March 2014	
	Level	Carrying amount	Fair value	Carrying amount	Fair value
Assets measured at amortised cost					
Other long-term receivables	3	205	205	182	182
Trade and other receivables	3	15,362	15,362	12,620	12,620
Cash and cash equivalents	3	5,305	5,305	3,183	3,183
		20,872	20,872	15,985	15,985
Liabilities measured at fair value					
Interest-rate swaps for which hedge accounting is applied	2	(154)	(154)	(196)	(196)
		(154)	(154)	(196)	(196)
Liabilities measured at amortised cost					
Bank loans	3	(3,681)	(3,830)	(3,442)	(3,669)
Credit institutions	3	-	-	(1,020)	(1,020)
Trade and other payables	3	(10,034)	(10,034)	(8,195)	(8,195)
		(13,715)	(13,864)	(12,657)	(12,884)

RAW MATERIALS

Holland Colours is constantly searching for alternative sources of raw materials (including pigments and dyes) to ensure a constant supply, as well as to prevent cost increases as far as possible.

CAPITAL MANAGEMENT

The capital consists of Company shares as issued and equity attributable to holders of equity instruments of the parent company. The main goal of capital management for the Group is to retain the high level of creditworthiness and healthy solvency levels in support of the Group's operations and to maximise shareholder value.

4. CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method. Cash flows in foreign currencies are converted at the exchange rate on the date of the cash flow, or based on averages. A distinction is made in the cash flow statement between cash flows from operating, investment and financing activities. Movements not resulting in cash flows are eliminated from this statement.

5. SEGMENT INFORMATION

The Group is divided into geographical segments for management purposes. The segment information in the financial statements is therefore presented based on this allocation.

Segments 2014/2015	Europe	North America	Asia	Other	Adjustments and eliminations	Total
Sales	35,829	22,532	9,887	(2)	-	68,246
Intersegmental transactions	867	56	32	-	(955)	-
Sales including intersegmental transactions	36,696	22,588	9,919	(2)	(955)	68,246
Depreciation, amortisation and impairment	848	528	238	353	(9)	1,958
Operating result	1,662	1,792	1,543	320	-	5,317
Net financial expense	-	-	-	-	(260)	(260)
Tax	-	-	-	-	(1,613)	(1,613)
Net result	-	-	-	-	-	3,444
Non-current assets	6,257	6,067	2,603	25,323	(22,316)	17,934
Current assets	12,999	8,279	6,115	7,764	(6,646)	28,511
Liabilities	11,439	2,811	2,929	6,002	(7,438)	15,743
Total investments	547	278	196	252	-	1,273
Average number of employees (in FTE)	189	88	107	17	-	401

Segments 2013/2014	Europe	North America	Asia	Other	Adjustments and eliminations	Total
Sales	35,467	21,085	9,398	-	-	65,950
Intersegmental transactions	601	82	9	-	(692)	-
Sales including intersegmental transactions	36,068	21,167	9,407	-	(692)	65,950
Depreciation, amortisation and impairment	877	493	184	365	-	1,919
Operating result	1,456	2,094	1,261	582	-	5,393
Net financial expense	-	-	-	-	(242)	(242)
Tax	-	-	-	-	(1,615)	(1,615)
Net result	-	-	-	-	-	3,536
Non-current assets	6,517	4,888	2,067	28,455	(25,115)	16,812
Current assets	12,418	6,025	4,918	6,442	(6,330)	23,472
Liabilities	12,168	1,836	2,072	5,083	(6,861)	14,298
Total investments	868	511	682	362	-	2,423
Average number of employees (in FTE)	187	89	104	17	-	397

The Board of Management monitors the operating results of the geographic segments to facilitate the decision-making process in relation to the allocation of resources and the evaluation of results. The segment results are assessed based on the operating result, which is determined in the same way as the operating result in the consolidated financial statements.

The financing of the Group, including finance income and costs as well as income tax, is managed at Group level and is not allocated to the operating segments.

Current income tax, deferred income tax and certain financial assets and liabilities are also not allocated to the segments since these items are managed at Group level.

Internal settlement prices between the operating segments occurs on a commercial basis, similarly to transactions with third parties.

Sales in the USA amounted to 22% (2013/2014: 21%) of total sales. There are no other significant revenue concentrations in specific countries. The group companies in the identified segments are to a limited extent dependent on certain large customers.

6. EMPLOYEE EXPENSES

The total amount of employee expenses can be specified as follows:

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Wages and salaries	12,815	12,282
Social security	1,650	1,494
Pension costs	715	778
Employee expenses	15,180	14,554

Over the 2014/2015 financial year, an accrual for profit sharing of € 1,075 is included (2013/2014: € 1,094). This is entered under the item wages and salaries. The profit-sharing scheme is the same for almost all employees in the Group and payments depend on the Group's ROI and the operating result of the Division in which the individual employee works.

The remuneration of the Board of Management and the Supervisory Board is shown in note 26: Related parties.
The pension costs relate to defined contribution plans.

The item wages and salaries in the 2014/2015 financial year includes recognition of € 64 for government subsidies (2013/2014: € 53). A total of € 170 of the employee expenses is capitalised (2013/2014: € 110), see also notes 10 and 11.

In the 2014/2015 financial year, the average number of employees was 401 FTE (2013/2014: 397).

7. OTHER OPERATING EXPENSES

The main components of the other operating expenses are as follows:

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Other employee expenses	2,031	1,821
Travel and accommodation expenses	1,527	1,450
Maintenance expenses	1,288	1,282
Energy	1,032	995
Consulting expenses	1,081	864
Materials	727	681
Insurance expenses	454	502
Other costs	2,072	1,698
	10,212	9,293

The exchange-rate differences recognised in the income statement under other operating costs came to € 304 positive in 2014/2015 (2013/2014: € 107 negative).

8. FINANCIAL INCOME AND EXPENSE

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Finance income	(87)	(69)
Finance costs	347	311
Financial income and expense	260	242

Interest paid includes a sum of € - (2013/2014: € 1) in relation to ineffective cash-flow hedges.

9. INCOME TAX

The main components of the tax burden in the 2014/2015 financial year are as follows:

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Consolidated income statement		
Current income tax due this year:		
Current tax burden	1,458	1,538
Fiscal stimulus measures, including innovation box	(105)	(108)
Other taxes, including withholding tax	138	118
Deferred tax:		
In relation to the existence and reversal of temporary differences	122	67
Income tax recognised in the consolidated income statement	1,613	1,615
Consolidated statement of other comprehensive income		
Deferred tax items recognised directly in equity during the financial year:		
Net loss from revaluation of cash flow hedges	(10)	(28)
Net value decrease on net investment hedge	122	(36)
Income tax charged directly to other comprehensive income	112	(64)

The corporate income tax payable is computed on the result before tax, excluding those profit items exempted from corporate income tax. The difference between the tax calculated in this way and the tax payable in the short term is reflected in the receivable or provision for deferred income tax.

The other taxes item of € 138 (2013/2014 € 118) relates to local withholding tax on the dividend and royalty payments distributed by the operating companies in Indonesia, Canada and Mexico to the Company.

Adjustment to applicable rate of income tax:

	01 April 14 / 31 March 15		01 April 13 / 31 March 14	
Result before income tax		5,058		5,151
At the rate legally applying in the Netherlands of 25%	25.0%	1,264	25.0%	1,288
Effect of different tax rates in countries in which the Group operates	3.9%	195	4.6%	238
Adjustment of tax burden in previous years	0.3%	18	0.7%	34
Expenses not tax-deductible	2.1%	105	0.5%	24
Movement not included – temporary differences	(0.8%)	(38)	0.6%	29
Fiscal stimulus measures	(1.8%)	(93)	(2.1%)	(108)
Other differences	3.2%	162	2.1%	110
Tax burden in the income statement	31.9%	1,613	31.4%	1,615

10. INTANGIBLE FIXED ASSETS

	Development costs	Other	Total
As at 01 April 2013			
Initial cost	1,206	1,655	2,861
Cumulative amortisation	(910)	(1,624)	(2,534)
Carrying amount	296	31	327
Movements in balance sheet value	87	4	91
Carrying amount of disposals	-	-	-
Impairments	-	-	-
Amortisation	(98)	(15)	(113)
Exchange-rate differences	-	(2)	(2)
Balance	(11)	(13)	(24)
As at 31 March 2014 / 01 April 2014			
Initial cost	1,293	1,658	2,951
Cumulative amortisation	(1,008)	(1,640)	(2,648)
Carrying amount	285	18	303
Movements in balance sheet value			
Investments	148	18	166
Carrying amount of disposals	-	-	-
Impairments	-	-	-
Amortisation	(93)	(16)	(109)
Exchange-rate differences	-	3	3
Balance	55	5	60
As at 31 March 2015			
Initial cost	1,441	1,683	3,124
Cumulative amortisation	(1,101)	(1,660)	(2,761)
Carrying amount	340	23	363

The Company's total expenses for research and development were € 1,186 in the financial year (2013/2014: € 1,079). Of this amount, € 148 is capitalised (2013/2014: € 87), while the rest is included under employee expenses, depreciation, amortisation and other operating expenses.

The amortisation costs and impairments amounting to € 109 (2013/2014: € 113) are recognised under amortisation and impairments in the consolidated income statement.

There were no write-offs in the 2014/2015 financial year in relation to impairment of capitalised development costs (2013/2014: € -).

The other intangible non-current assets consist of the costs of computer software and licenses, as well as the external costs related to their implementation and use. These costs are amortised over their estimated useful life, which does not exceed five years.

11. PROPERTY, PLANT AND EQUIPMENT

	Buildings and land	Machinery and equipment	Other capital assets	Assets under construction	Total
As at 01 April 2013					
Initial cost	20,315	22,284	5,480	430	48,509
Cumulative depreciation	(10,500)	(18,699)	(5,018)	-	(34,217)
Carrying amount	9,815	3,585	462	430	14,292
Movements in balance sheet value					
Investments	570	1,319	321	122	2,332
Reclassification	148	-	-	(148)	-
Carrying amount of disposals	-	(22)	(4)	-	(26)
Depreciation	(716)	(840)	(250)	-	(1,806)
Exchange-rate differences	(325)	(82)	(24)	(16)	(447)
Balance	(323)	375	43	(42)	53
As at 31 March 2014 / 01 April 2014					
Initial cost	20,623	23,354	5,717	388	50,082
Cumulative depreciation	(11,131)	(19,394)	(5,212)	-	(35,737)
Carrying amount	9,492	3,960	505	388	14,345
Movements in balance sheet value					
Investments	-	485	246	376	1,107
Reclassification	350	286	2	(638)	-
Carrying amount of disposals	-	(13)	(9)	-	(22)
Depreciation	(686)	(944)	(219)	-	(1,849)
Exchange-rate differences	1,127	298	121	12	1,558
Balance	791	112	141	(250)	794
As at 31 March 2015					
Initial cost	22,489	24,787	6,183	138	53,597
Cumulative depreciation	(12,206)	(20,715)	(5,537)	-	(38,458)
Carrying amount	10,283	4,072	646	138	15,139

Depreciation is applied to buildings on a straight-line basis over a period of a maximum of 40 years; plant and equipment and other assets over a maximum of 10 years; and fixtures, computers and office furniture and equipment over a maximum of 5 years.

The investments item includes an amount of € 22 (2013/2014: € 23) in capitalised employee expenses.

No impairments occurred in the 2014/2015 financial year (2013/2014: € -).

The Group has provided collateral with a maximum of € 5,875 (2013/2014: € 5,835) in the form of mortgage rights on buildings in the Netherlands, Hungary, and Indonesia.

12. DEFERRED INCOME TAX ASSETS AND LIABILITIES

The deferred tax assets and liabilities stated in the balance sheet can be attributed to the following items:

	31 March 2014		31 March 2013	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment	43	12	37	25
Financial fixed assets	120	-	109	-
Inventory	137	-	117	-
Other receivables	936	-	643	-
Employee benefits	329	-	271	-
Other liabilities	66	-	7	-
Deductable losses	596	-	756	-
Borrowings and long-term liabilities	-	-	50	40
	2,227	12	1,990	65
Balance of receivables and liabilities	-	-	(7)	(7)
Net deferred tax assets / liabilities	2,227	12	1,983	58

Deferred income tax resulting from temporary differences between the fiscal and commercial value of assets and liabilities is accounted for at the nominal tax rate applying in the country concerned. Realisation of the deferred tax assets depends on the future taxable profits. Based on projections of the estimated taxable profit of the relevant parts of the Group, it is considered likely that sufficient taxable profit will be generated in future for the realisation of these deferred tax receivables. These projections are partly based on approved budgets.

Change in net deferred tax	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Opening balance	1,925	2,285
Recognised in profit or loss	178	(296)
Recognised in other comprehensive income	112	(64)
Deferred tax receivables / liabilities	2,215	1,925

As at 31 March 2015, no deferred tax assets has been recognised for an amount of €115 (31 March 2014: €50) in deductible losses.

On 31 March 2015, the tax that may be due on the undistributed profits of the subsidiaries in Canada, China and Indonesia amounted to € 411 (31 March 2014: € 356).

13. OTHER LONG-TERM RECEIVABLES

The other long-term receivables includes a loan granted to Mrs Veldhuis in relation to her expatriation. This loan is included at amortised cost, see also note 26: Related parties.

14. INVENTORIES

	31 March 2015	31 March 2014
Raw materials	3,878	4,167
Finished goods	3,894	3,258
Inventory	7,772	7,425

The income statement includes an amount of € 33,321 (2013/2014: € 32,171) under the cost of sales and raw materials for use of inventory.

The inventory held by the facilities in the Netherlands and Hungary in an amount of € 3,376 (31 March 2014: € 3,357) serves as security for the obligations arising from the finance agreements concluded with the bank in the Netherlands.

At 31 March 2015, the provision for obsolete inventory amounted to € 991 (31 March 2014: € 745).

Movements in the provision for obsolete inventory were as follows:

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Opening balance	(745)	(872)
Plus: Additions to the provision	(156)	(76)
Less: Write-off charged to the provision	33	172
Exchange-rate differences	(123)	31
Closing balance	(991)	(745)

15. TRADE AND OTHER RECEIVABLES

	31 March 2015	31 March 2014
Trade debtors	13,662	11,246
Receivables regarding other taxes	123	136
Other receivables and prepaid items	1,577	1,238
Trade and other receivables	15,362	12,620

The specification of trade debtor items by age is as follows:

	31 March 2015	31 March 2014
Not yet due	11,623	9,898
0–30 days due	1,683	948
31–60 days due	153	306
Due 61 days or more	150	94
Exchange-rate differences	53	-
Total	13,662	11,246

Trade debtors by currency:

	31 March 2015	31 March 2014
Euro	6,200	6,040
British pound	770	561
US dollar	5,014	3,594
Other currencies	1,678	1,051
Total	13,662	11,246

Trade and other receivables with a term to maturity of less than one year are recognised initially at fair value and subsequently at amortised cost. A provision for doubtful debts is established when it is foreseen that a receivable cannot be collected in full.

Additions to the provision for doubtful debts are included in the income statement under other operating expenses.

Movements in the provision for doubtful debts were as follows:

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Opening balance	(132)	(252)
Less: Releases from or additions to the provision	46	105
Less: Write-off of trade debtors	18	8
Exchange-rate differences	(10)	7
Closing balance	(78)	(132)

The trade debtors held by the facility in the Netherlands in an amount of € 7,352 (31 March 2014: € 6,723) serve as security for the obligations arising from the finance agreements concluded with the bank in the Netherlands.

16. CASH AND CASH EQUIVALENTS

	31 March 15	31 March 14
Bank balances	5,292	3,169
Cash balances	13	14
Cash and cash equivalents	5,305	3,183
-/- Current-account overdraft	-	(1,020)
Cash in cash-flow statement	5,305	2,163

The cash and cash equivalents are freely available.

The credit risk on cash and cash equivalents is limited, since the counterparties are generally banks with high credit ratings as assigned by international credit rating agencies.

17. SHARE CAPITAL

Issued share capital
The nominal authorised share capital of Holland Colours NV is € 6,810 divided into 3,000,000 ordinary shares with a face value of € 2.27, of which 860,351 ordinary shares are issued and fully paid up. The total issued share capital is € 1,953. There were no changes to the issued capital in either the 2013/2014 or the 2014/2015 financial year.

Share premium reserve
The share premium reserve of € 1,219 is available for distribution to shareholders and is unchanged relative to the last financial year.

18. OTHER RESERVES

	Foreign currency translation reserve	Net investment reserve	Cash-flow reserve	Reserve for intangible assets	Total
As at 01 April 2013	(1,408)	(147)	(235)	296	(1,494)
Cash-flow hedge, net of tax	-	-	84	-	84
Movements in net investment reserve	-	107	-	-	107
Currency conversion differences	(1,260)	-	-	-	(1,260)
Added to (withdrawn from) free reserves	-	-	-	(11)	(11)
As at 31 March 2014 / 01 April 2014	(2,668)	(40)	(151)	285	(2,574)
Cash-flow hedge, net of tax	-	-	32	-	32
Movements in net investment reserve	-	(367)	-	-	(367)
Currency conversion differences	3,669	-	-	-	3,669
Added to (withdrawn from) free reserves	-	-	-	58	58
As at 31 March 2015	1,001	(407)	(119)	343	818

Foreign currency translation reserve
The currency translation reserve comprises all exchange-rate differences created by the translation of the financial statements of associate companies with a functional currency other than the euro. Revaluations of this translation risk are directly debited or credited to equity via other comprehensive income. The generation of cumulative differences was initiated on 1 April 2004, in accordance with the exception allowed in IFRS 1.

Net investment reserve
Hedge accounting is applied to the net investment hedge. It is included in other comprehensive income until the net investment is disposed of. At that time, the differences are recognised in the income statement. The net investment reserve is also reduced by the inclusion of a deferred tax item.

Cash-flow reserve
The Group applies hedge accounting to interest-rate contracts. The cash-flow reserve comprises the effective part of the changes in value of the financial instruments for which cash-flow hedge accounting is applied. It is recognised in comprehensive income and reduced by the inclusion of a deferred tax item.

Reserve for intangible assets
A statutory reserve for development costs is formed in the separate financial statements. Formation of this reserve is not specifically required under IFRS. This statutory reserve is formed within equity via other comprehensive income to maintain concurrence with the classification of equity in the separate financial statements.

The above-mentioned reserves may not be distributed freely to shareholders. Negative amounts reduce the amount available for distribution and positive amounts are non-distributable.

19. EARNINGS PER SHARE

Earnings per share allocated to shareholders (ordinary and diluted) in the 2014/2015 financial year came to €4.02 (2013/2014: €4.12). The calculation of the earnings per share at 31 March 2015 is based on a profit attributable to shareholders of € 3,462 (2013/2014: € 3,541), and an average number of shares issued in the 2014/2015 financial year of 860,351. The total number of issued shares did not change relative to 31 March 2014.

20. NON-CONTROLLING INTEREST

This relates to a non-controlling interest of 15% in the net asset value at 31 March 2015 of PT Holco Indo Jaya.

21. LONG-TERM DEBT

The analysis of the long-term debt is as follows:

	31 March 2015	31 March 2014
Non-current		
Bank loans	1,125	3,192
Current		
Bank balances	-	1,020
Repayment obligations on bank loans	2,556	250
Total current	2,556	1,270
Total borrowings and long-term liabilities	3,681	5,774

In addition to the interest-bearing loans issued, the Group has credit facilities as at balance-sheet date of € 8,398 (31 March 2014: € 8,114) in the form of current-account credit. These commitments are provided by various international and local banks and have no expiration date. At balance sheet date, € - (31 March 2014: € 1,020) of the credit facilities was drawn down. See also notes 11, 14 and 15.

The total repayments of the Group in 2014/2015 amounted to € 250 (2013/2014: € 493).

The bank agreements and collateral provided in relation to the Group's financing agreement have not been changed since 31 March 2014.

An important ratio in the bank covenants is the ratio between debts to credit providers and the 12-month rolling earnings before interest, tax, depreciation and amortization, known as the Total Debt / EBITDA ratio. This ratio may not exceed 3.0 at any time. Holland Colours complied with this agreement at all times during the 2014/2015 financial year. This ratio stood at 0.5 (31 March 2014: 0.6) at the end of the 2014/2015 financial year, meaning that a key condition agreed with the banks was met.

The other agreements with the banks relate to the Tangible Net Worth ratio, which must be at least 40%, and the Debt Service Cover ratio, which must be higher than or equal to 1.0. Holland Colours also complied with these financial covenants in the 2014/2015 financial year. On 31 March 2015 these ratios stood at 64.0% and 1.9 respectively (31 March 2014: 62.2% and 6.7).

The interest margin on the credit facility in the Netherlands depends on the Total Debt / EBITDA ratio. The Group has provided collateral with a maximum of € 5,875 (31 March 2014: € 5,835) in the form of mortgage rights on buildings in the Netherlands, Hungary, and Indonesia. The trade debtor items of the facilities in the Netherlands and Hungary also serve as security for the obligations arising from the finance agreements concluded with the banks. See also notes 14 and 15.

The remaining term to maturity of the long-term loans can be classified as follows:

	31 March 2015	31 March 2014
Less than 1 year	2,556	250
Between 1 and 2 years	250	250
Between 2 and 5 years	750	2,567
Longer than 5 years	125	375
Total	3,681	3,442

At 31 March 2015, the repayment obligations due within one year of € 2,556 (31 March 2014: € 250) on interest-bearing loans were accounted for under current liabilities.

The long-term loans are subject to interest changes and contractual interest revisions as follows:

	31 March 2015	31 March 2014
6 months or less	3,681	3,442
Between 6 and 12 months	-	-
Between 1 and 5 years	-	-
Longer than 5 years	-	-
Total	3,681	3,442

The majority of the long-term loans are at a variable interest rate. The risk associated with this variability is hedged by means of a number of interest instruments (swaps), see also note 23: Derivative financial instruments The weighted average interest rate on the interest-bearing loans and borrowings was 5.1%, compared to 5.3% in the 2013/2014 financial year.

The effective interest rates at balance sheet date were as follows:

Interest rate in %	31 March 2015	
	EUR	USD
Loans from credit institutions	4.70%	5.4%

Interest rate in %	31 March 2014	
	EUR	USD
Loans from credit institutions	5.0%	5.5%

The carrying amounts and fair values of the non-current liabilities are as follows:

	31 March 2015		31 March 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Bank loans	3,681	3,830	3,442	3,669
Total	3,681	3,830	3,442	3,669

The fair values are based on cash flows, discounted at a loan interest rate of 1.3% (31 March 2014: 2.6%).

The carrying amounts of the short-term loans are essentially the same as the fair values.

The carrying amounts of the long-term debt are in the following currencies:

	31 March 2015	31 March 2014
Euro	1,375	1,625
US dollar	2,306	1,817
Total	3,681	3,442

22. EMPLOYEE BENEFIT OBLIGATIONS

Early retirement plan in the Netherlands
The early retirement plan in the Netherlands relates to the obligation to issue a conditional annual payment.

As explained in note 2, the originally agreed conditional financing of past service years in the early retirement plan has been converted into an equivalent annual payment, which is also conditional. At 31 March 2015, the resulting liability amounted to € 581 (excluding € 208 reclassification, which will be explained below). On 31 March 2014, the liability amounted to € 624.

Legal liability on termination of employment Indonesia
This mainly relates to the legal liability for the pay out in the event of termination of employment of Indonesian personnel. As of reporting date, the primary actuarial assumptions are:

	31 March 2015	31 March 2014
Discount rate	7.7 %	8.6 %
Expected return fund investments	7.7 %	8.6 %
Future salary increases	8.0 %	9.0 %
Average remaining period of employment	16.14	15.52

Assumptions relating to future mortality rates are based on published statistical data and mortality tables. The mortality table used is the TMI 2011 (2013: TMI 2011) table with a correction factor varying per age and gender. The total expected long-term return on investment amounts to 7.7% (31 March 2014: 8.6%).

Other employee benefits
The Other employee benefits item also includes a provision for future jubilee payments of € 232 (31 March 2014: € 249) and other future payments of € 97 (31 March 2014: € 238).

During the financial year, it was decided to convert the provision for conditional indexation of the former Defined Benefit scheme into a two-year extension of the already existing pre-pension scheme. This means it can be settled internally. Consequently, a reclassification has taken place of other employee provisions to the Dutch pre-pension scheme.

Movements in the employee benefit obligations were as follows:

	Early retirement plan The Netherlands	Statutory termination of employment scheme Indonesia	Other employee benefits	Total
As at 01 April 2013	727	190	536	1,453
Additions	-	63	-	63
Withdrawals / Releases	(103)	(43)	(99)	(245)
Exchange-rate differences	-	(42)	33	(9)
As at 31 March 2014 / 01 April 2014	624	168	470	1,262
Reclassification	208	-	(208)	-
Additions	39	329*	8	376
Withdrawals / Releases	(82)	(64)	(18)	(164)
Exchange-rate differences	-	6	77	83
As at 31 March 2015	789	439	329	1,557

* The addition of the statutory termination of the employment scheme in Indonesia has been processed in the overview of comprehensive income to the sum of € 270 (2013/2014: € -).

Of this totals, the following amounts have been accounted for under current liabilities:

	Early retirement plan in the Netherlands	Statutory termination of employment scheme Indonesia	Other employee benefits	Total
as at 31 March 2015	103	-	37	140
as at 31 March 2014	80	-	216	296

23. DERIVATIVE FINANCIAL INSTRUMENTS

The Group has concluded derivative financial instruments with the bank in the Netherlands. Derivatives, valued using valuation methods based on observable market variables, are mainly interest-rate swaps. The most commonly used valuation methods include forward price and swap models based on cash value calculations. Various variables are used for these models, such as counterparty credit quality, cash and forward prices of foreign currencies and interest-rate curves.

The Group held the following financial instruments measured at fair value at 31 March 2015.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques whereby the lowest level input as significant for valuation at fair value, is directly or indirectly observable.
- Level 3: Valuation techniques whereby the lowest level input, which is significant for valuation at fair value, is not observable.

Liabilities included at fair value	31 March 2015 Liabilities	Level 1	Level 2	Level 3
Interest-rate swaps – cash-flow hedges	154	-	154	-

Liabilities included at fair value	31 March 2014 Liabilities	Level 1	Level 2	Level 3
Interest-rate swaps – cash-flow hedges	196	-	196	-

Regarding the financial instruments in level 2, of the decrease of € 42 in the 2014/2015 financial year (2013/2014: € 117), € 42 is recognised in the statement of other comprehensive income (2013/2014: € 112). There were no balance-sheet movements (2013/2014: € -). There were no transfers during the 2014/2015 financial year between valuations at fair value in levels 1 and 2, nor transfers to and from valuations at fair value in level 3.

The total fair value of derivative financial instruments used for hedging is included under non-current liabilities.

The notional principal amounts of the outstanding interest-rate swap contracts at 31 March 2015 are € 3,681 (31 March 2014: € 3,442). At 31 March 2015, the fixed interest rates ranged between 5.1% and 5.8% (31 March 2014: 4.6% to 5.3%); the main variable rates are Euribor and LIBOR.

The loans (see note 21: long-term debt) include a loan of USD 2,500, which is intended to partly hedge the Group's currency risk on this net investment. Gains or losses on the recalculation of this loan are transferred to equity to settle any conversion differences of the net investment in this subsidiary.

As at 31 March 2015, a sum of € - (2013/2014: € 1) was included in relation to ineffective cash flow hedges.

24. TRADE AND OTHER PAYABLES

	31 March 2015	31 March 2014
Trade creditors	6,163	4,920
Payables regarding other taxes	569	485
Other liabilities and accruals	3,302	2,790
Trade and other payables	10,034	8,195

The other tax payables concern mainly sales tax to be paid.

For the entity established in Indonesia in the 2012/2013 financial year, PT Holco Indo Jaya, the Dutch government granted a subsidy on the basis of the Private Sector Investment (PSI) program. In the current phase of development of PT Holco Indo Jaya as of 31 March 2015, it is not possible to make an accurate estimate as to whether the proposed subsidy conditions could be observed. The Board of Management does not consider it the right moment to include the PSI subsidy in the income statement. An advanced subsidy payment of € 377 (31 March 2014: € 377) received in 2013/2014 was therefore included under other liabilities and accruals.

The trade and other payables item also includes profit share to be paid to employees of € 1,075 (31 March 2014: € 1,089).

OTHER DISCLOSURES

25. COMMITMENTS AND CONTINGENCIES

Capital commitments
The Group had entered capital commitments regarding property, plant and equipment as at balance sheet date of € 39 (31 March 2014: € -).

Purchase contracts
The total commitment resulting from raw material purchase contracts was € 2,375 (31 March 2014: € 2,797).

Rent and operating lease obligations
At balance sheet date the Group had outstanding commitments regarding rents and operating leases, which can be classified as follows:

	31 March 2015	31 March 2014
Less than 1 year	424	439
Between 1 and 5 years	477	561
Longer than 5 years	0	19
Total	901	1,019

The Group rents buildings, vehicles and office equipment which can be classified as operational leases. The building leases have a maximum term of five years. The terms of the other lease contracts are also mostly up to five years.

The total costs of lease as included in the income statement is €429 (2013/2014: €543).

26. RELATED PARTIES

Identity of related parties
The related parties can be divided into the relations between the Group and its subsidiary companies, the members of the Board of Management and Supervisory Board and the investment company Holland Pigments BV.

Remuneration of key officers of the Group
The key officers are the members of the Group's Executive Team.

Remuneration policy
The remuneration policy for the Statutory Board is set by the Supervisory Board as a whole. There is no separate remuneration committee. Holland Colours strives for a remuneration that is in line with the market for a company of its size, and in proportion to its overall salary structure. The remuneration package consists of a fixed element and a variable element. Fixed salaries are assessed annually to see if any changes are required.

The variable payment for the Chief Executive Officer relates to a bonus scheme based on financial and non-financial targets. The bonus amounts to three times the monthly salary in the event that 100% of the targets are achieved, up to a maximum of six times the monthly salary in the event that 150% of the targets is achieved.

For the other Statutory Board Member, there is a variable fraction of the profit-share scheme, which can amount to a maximum of one and a half month's salary for the Group's eligible employees, depending on ROI and operating result, 75% of which is paid in Holland Pigments shares. In addition, a bonus scheme exists for this Group Statutory Board Member, which only takes effect if a profit share is paid to all of the Group's employees. The amount of bonus depends on whether or not the following objectives are met:

Sales growth 8–12%	two-thirds of monthly salary
Return (EBIT) on average invested capital (ROI) >15%	two-thirds of monthly salary
Growth of earnings per share more than proportionate to sales growth	two-thirds of gross salary
Maximum total	two months' salary

Based on the results for the 2014/2015 financial year, the Statutory Board will receive such a payment. This bonus was also paid to the Statutory Board over the 2013/2014 financial year.

There is no option plan.

The contract with the Chief Executive Officer states a term of appointment of four years (with an option of reappointment) and a severance payment which is in accordance with the recommendations of the Dutch Corporate Governance Code. The employment contracts of the other Statutory Board Member do not stipulate a predefined term or a limitation of the severance payment.

The remuneration of the Statutory Board Members and other members of the Executive Team and the Supervisory Board as charged to the operating result can be specified as follows:

Statutory Board Members

	R. Harmsen		A.J. Veldhuis-Hagedoorn*		Other members of the Executive Team	
	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014
Fixed salary	292	285	235	229	528	390
Pension costs	75	75	51	44	51	18
Variable bonus	32	50	32	44	53	36
Non-recurring payment	-	-	-	-	40	-
Total	399	410	318	317	672	444

*) An interest-free loan of USD 250 was provided to Mrs Veldhuis-Hagedoorn in connection with her expatriation in 1999 to finance her accommodation, on which no repayment has yet been made. No security has been provided for this loan.
**) The Executive Team consists of: S. Kho-Pangkey, R.P. Karrenbeld, M.M. Kok (until 31 December 2014), M.G. Kleinsman (from 1 November 2014) and J. Leugs (from 1 November 2014).

Transactions with key officers
No transactions with key officers took place during the financial year.

Other interests of members of the Board of Management

No transactions were effected during the financial year with parties in which any of the supervisory directors, members of the Board of Management or their partners have an interest.

Supervisory Board
The General Meeting of Shareholders determines the remuneration of the supervisory directors. A fixed remuneration is contemplated that is in line with the market and to the size of the company.

	2014/2015	2013/2014
C.G. van Luijk	10	38
J.W. de Heer	26	26
M.G.R. Kemper	26	26
J.D. Kleyn	26	26
Total	88	116

Holland Pigments BV
As at 31 March 2015 the investment company Holland Pigments BV, in which among others all 401 employees of Holland Colours participate, owned 50.01% of the shares in Holland Colours NV. At balance sheet date Holland Pigments held 430,274 (31 March 2014: 430,263) shares in Holland Colours NV.

The costs incurred by Holland Pigments BV in connection with the maintenance and administration of the employee participation are partly reimbursed by Holland Colours NV to Holland Pigments BV. A payment of € 83 was accordingly made to Holland Pigments BV in the 2014/2015 financial year (2013/2014: € 89) On 31 March 2015, the Group had a receivable of € 15 on Holland Pigments BV (31 March 2014: € 19 receivable). Receivables from and liabilities to Holland Pigments BV are not covered by commercial collateral, are non interest-bearing and are settled in cash.

27. OTHER INFORMATION

Profit-sharing scheme

Holland Colours Group operates a profit-sharing scheme for its employees. The scheme is the same for nearly all Group employees and may, depending on the ROI and net profit, result in a payment of up to six weeks' salary. Depending on the individual employee's position, 25% to 75% of this payment is made in Holland Pigments BV shares.

A profit-sharing payment will be made to the employees on the basis of the results in the 2014/2015 financial year. Settlement will take place after the 2014/2015 financial statements have been drawn up and approved, with payment being made directly to the employee, partly through conversion into Holland Pigments BV shares. The conversion will be made by paying the position-related part of the payment to Holland Pigments BV. Shares in Holland Pigments BV will subsequently be purchased for the employee at the last calculated price of Holland Pigments BV shares. The remainder of the profit-sharing payment will be paid in cash by Holland Colours NV after the statutory deductions.

The value of the interest held by Holland Pigments BV in Holland Colours NV is specified as follows:

	2014/2015	2013/2014
Number of shares in Holland Colours NV held by Holland Pigments BV		
Situation at 1 April	430,263	430,253
Purchased by Holland Pigments BV	11	10
Situation at 31 March	430,274	430,263
In EUR		
Share price of Holland Colours NV at balance sheet date	€ 45.29	€28.50
Value	€19,487,109	€12,262,496

Employees of the Holland Colours Group hold 20.09% (31 March 2014: 20.02%) of the shares in Holland Pigments BV and the indirect holding by the employees in Holland Colours NV after conversion amounts to 10.05% (31 March 2014: 10.01%). Employees can buy and sell shares of Holland Pigments BV at a value per share calculated using a formula agreed by Holland Pigments shareholders. The value of Holland Pigments BV shares calculated on the basis of this formula differs from the value calculated on the basis of the market share price of Holland Colours NV. At balance sheet date, this difference for the shares in Holland Pigments BV held by employees was € 479 negative (31 March 2014: € 674 positive). Since the costs for Holland Colours are unaffected by this, this difference is not recognised. The costs for Holland Colours are equal to the amount paid out in Holland Pigments BV shares under the profit-sharing scheme.

Events after the reporting period

No events took place after the reporting period that could materially affect the financial statements.

Employee numbers

During the 2014/2015 financial year, the Company employed an average of 401 FTE (2013/2014: 397 FTE). Of these, 134 FTE (2013/2014 129 FTE) work in the Netherlands.

Apeldoorn, 28 May 2015

Supervisory Board	**Statutory Board**
J.W. de Heer	R. Harmsen
M.G.R. Kemper	A.J. Veldhuis-Hagedoorn
J.D. Kleyn	

COMPANY INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Net result from group companies	3,546	3,223
Other income and expense after tax	(84)	318
Net result	3,462	3,541

COMPANY BALANCE SHEET

BEFORE PROPOSED PROFIT APPROPRIATION

In thousands of euros	note	31 March 2015	31 March 2014
Non-current assets			
Intangible fixed assets	31	343	294
Property, plant and equipment	32	1,696	1,849
Financial fixed assets	33	26,702	22,208
		28,741	24,351
Current assets			
Receivables from group companies		5,904	6,360
Other receivables and prepayments		277	235
Income tax receivables		-	-
Cash and cash equivalents		1,814	226
		7,995	6,821
Total assets		36,736	31,172
Equity			
Share capital	34	1,953	1,953
Share premium reserve	34	1,219	1,219
Statutory reserves	34	818	(2,574)
Retained earnings		3,462	3,541
Other reserves	34	23,207	21,752
		30,659	25,891
Provisions			
Employee benefit obligations	36	348	140
Long-term debt			
Long-term debt	35	1,125	3,192
Deferred tax liabilities		36	41
Derivative financial instruments	37	154	196
		1,315	3,429
Current liabilities			
Credit institutions		-	-
Repayment obligations for long-term debt	35	2,556	250
Payables to group companies		926	405
Other liabilities and accrued income		932	1,057
		4,414	1,712
Total equity and liabilities		36,736	31,172

NOTES TO THE COMPANY FINANCIAL STATEMENTS

28. GENERAL INFORMATION

The company financial statements are part of the financial statements of Holland Colours NV and are prepared in accordance with the legal requirements of Title 9, Book 2 of the Dutch Civil Code. Use is thereby made of the possibility given in article 2:362 paragraph 8 of the Dutch Civil Code to apply the same standards of valuation and determination of the result to the company financial statements as those used in the consolidated financial statements, with the exception of accounting standards relating to participation in group companies. Participating interests in group companies are recognised at net asset value.

The 2014/2015 Company financial statements have been presented to the Supervisory Board before publication on 28 May 2015. The financial statements will be presented to the General Meeting of Shareholders for adoption on 09 July 2015.

Under article 402 of Title 2, Book 2 of the Dutch Civil Code, it suffices for the company income statement to state the 'net result from participations', and the 'other income and expenses after taxation'. The latter item represents the balance of income and expenses of Holland Colours NV.

29. SUMMARY OF ACCOUNTING PRINCIPLES

The standards of valuation and determination of the result used for the company financial statements are the same as those used for the consolidated financial statements. Unless other standards are stated, the reader is referred to the standards stated in the consolidated financial statements.

30. PARTICIPATING INTERESTS

Participating interests in group companies
Participating interests in group companies and other companies over which the Company has dominant control or exercises central management, are measured at net asset value. The net asset value is measured by valuing the assets, provisions and liabilities and calculating the net profit in accordance with the accounting policies used in the consolidated financial statements.

31. INTANGIBLE FIXED ASSETS

	Development costs	Other	Total
Situation at 01 April 2013			
Initial cost	1,206	1,291	2,497
Cumulative amortisation	(910)	(1,276)	(2,186)
Carrying amount	296	15	311
Movements in balance sheet value			
Investments	87	-	87
Carrying amount of disposals	-	-	-
Impairments	-	-	-
Amortisation	(98)	(6)	(104)
Exchange-rate differences	-	-	-
Balance	(11)	(6)	(17)
As at 31 March 2014 / 01 April 2014			
Initial cost	1,293	1,291	2,584
Cumulative amortisation	(1,008)	(1,282)	(2,290)
Carrying amount	285	9	294
Movements in balance sheet value			
Investments	148	-	148
Carrying amount of disposals	-	-	-
Impairments	-	-	-
Amortisation	(93)	(6)	(99)
Exchange-rate differences	-	-	-
Balance	55	(6)	49
As at 31 March 2015			
Initial cost	1,441	1,291	2,732
Cumulative amortisation	(1,101)	(1,288)	(2,389)
Carrying amount	340	3	343

The Company's total expenses for research and development were €1,006 in the financial year (2013/2014: €863). Of this amount € 148 (2013/2014: € 87) is capitalised, whereas the remainder is included in the other income and expenses after tax in the company financial statements.

The cost of amortisation and impairments of € 99 (2013/2014: € 104) are included in the other income and expenses after tax in the company financial statements.

There were no write offs in the 2014/2015 financial year in relation to impairment of capitalised development costs (2013/2014: € -).

The other intangible fixed assets consist of the costs of computer software and licenses, as well as the external costs related to their implementation and use. The costs are amortised over the estimated useful life of the assets, which is five years.

32. PROPERTY, PLANT AND EQUIPMENT

	Buildings and land	Machinery and equipment	Other capital assets	Assets under construction	Total
As at 01 April 2013					
Initial cost	3,712	1,248	346	49	5,355
Cumulative depreciation	(2,272)	(940)	(308)	-	(3,520)
Carrying amount	1,440	308	38	49	1,835
Movements in balance sheet value					
Investments	56	244	-	(18)	282
Carrying amount of disposals	-	-	-	-	-
Impairments	-	-	-	-	-
Depreciation	(137)	(119)	(12)	-	(268)
Exchange-rate differences	-	-	-	-	-
Balance	(81)	125	(12)	(18)	14
As at 31 March 2014 / 01 April 2014					
Initial cost	3,768	1,492	346	31	5,637
Cumulative depreciation	(2,409)	(1,059)	(320)	-	(3,788)
Carrying amount	1,359	433	26	31	1,849
Movements in balance sheet value					
Investments	34	59	28	(20)	101
Carrying amount of disposals	-	-	-	-	-
Impairments	-	-	-	-	-
Depreciation	(139)	(106)	(8)	(1)	(254)
Exchange-rate differences	-	-	-	-	-
Balance	(105)	(47)	20	(19)	(153)
As at 31 March 2015					
Initial cost	3,802	1,551	374	11	5,738
Cumulative depreciation	(2,548)	(1,165)	(328)	(1)	(4,042)
Carrying amount	1,254	386	46	10	1,696

Depreciation is applied to buildings on a straight-line basis over a period of 33 years; plant and equipment and other assets over 10 years; and fixtures, computers and office furniture and equipment over a maximum of 5 years. Depreciation of € 254 (2013/2014: € 268) is applied to the other income and expenses after tax in the company financial statements.

As in the 2013/2014 financial year, no impairments occurred in the 2014/2015 financial year.

33. FINANCIAL FIXED ASSETS

The financial fixed assets can be specified as follows:

	31 March 2015	31 March 2014
Value of participating interests	24,915	20,432
Other financial assets and deferred tax assets	1,787	1,776
Total	26,702	22,208

Movements in the value of the group companies were as follows:

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Opening balance	20,432	21,769
Movements:		
- capital payments to group companies	-	-
- result from participating interests	3,546	3,223
- direct change in equity	(204)	-
- dividends declared	(2,479)	(3,300)
- repayment of capital	(60)	-
- exchange-rate differences	3,680	(1,260)
Closing balance	24,915	20,432

Movements in the loans to group companies were as follows:

	01 April 14 / 31 March 15	01 April 13 / 31 March 14
Opening balance	-	132
Movements:		
- loans granted this year	-	-
- repayments during the year	-	(132)
- exchange-rate differences	-	-
Closing balance	-	-

The movements in the other financial assets and deferred tax assets can be specified as follows:

	Deferred tax assets	Other long-term receivables	Total
As at 01 April 2013	1,884	196	2,080
Additions	134	-	134
Withdrawals	(424)	-	(424)
Currency translation differences	-	(14)	(14)
As at 31 March 2014 / 01 April 2014	1,594	182	1,776
Additions	116	-	116
Withdrawals	(154)	-	(154)
Currency translation differences	-	49	49
As at 31 March 2015	1,556	231	1,787

34. EQUITY

For notes on the share capital and share premium, as well as on the movement of the currency conversion reserve, hedge reserve and other reserves, see notes 17 and 18 of the consolidated balance sheet, as there are no differences between company equity and consolidated equity.

35. LONG-TERM DEBT

The total of the Company's long-term debt from credit institutions can be divided as follows:

	31 March 2015	31 March 2014
Non-current		
Bank loans	1,125	3,192
Current		
Repayment obligations on bank loans	2,556	250
Total current	2,556	250
Total borrowings and long-term liabilities	3,681	3,442

The Company has a credit facility in the Netherlands of € 7,000 (31 March 2014: € 7,000) for which collateral has been provided. See also notes 11, 14 and 15.

The bank agreements and collateral provided in relation to the Company's financing agreement have not changed since 31 March 2014.

An important ratio in the bank covenants is the ratio between debts to credit providers and the 12-month rolling earnings before interest, tax, depreciation and amortisation, known as the Total Debt / EBITDA ratio. This ratio may not exceed 3.0 at any time. Holland Colours complied with this agreement at all times during the 2014/2015 financial year. This ratio stood at 0.5 (31 March 2014: 0.6) at the end of the 2014/2015 financial year, meaning that a key condition agreed with the banks was met.

The other agreements with the banks relate to the Tangible Net Worth ratio, which must be at least 40%, and the Debt Service Cover ratio, which must be higher than or equal to 1.0. Holland Colours also complied with these financial covenants in the 2014/2015 financial year. On 31 March 2015 these ratios stood at 64.0% and 1.9 respectively (31 March 2014:. 62.2% and 6.7).

The interest margin depends on the Total Debt / EBITDA ratio.

The maturities of the interest-bearing loans and borrowings can be specified as follows:

	31 March 2015	31 March 2014
Less than 1 year	2,556	250
Between 1 and 2 years	250	250
Between 2 and 5 years	750	2,567
Longer than 5 years	125	375
Total	3,681	3,442

The carrying amounts and fair values of the non-current liabilities are as follows:

	31 March 2015		31 March 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Bank loans	3,681	3,830	3,442	3,669
Total	3,681	3,830	3,442	3,669

The carrying amounts of the non-current liabilities are in the following currencies:

	31 March 2015	31 March 2014
Euro	1,375	1,625
US dollar	2,306	1,817
Total	3,681	3,442

The fair values are based on cash flows, discounted at a loan interest rate of 1.3% (31 March 2014: 2.6%). The carrying amounts of the short-term loans do not differ materially from the fair values.

36. EMPLOYEE BENEFIT OBLIGATIONS

As explained in note 22, the originally agreed conditional financing of past service years in the early retirement plan has been converted into an equivalent annual payment, which is also conditional. At 31 March 2015, the resulting liability amounted to € 208 (31 March 2014: € 131).

This employee benefits provision relates to the obligation to issue a conditional annual payment.

The liabilities regarding employee benefits also include an item Other employee benefits, which relates to a provision for future jubilee payments of € 28 (31 March 2014: € 30) and other future payments of € 52 (31 March 2014: € 208).

During the financial year, it was decided to convert the provision for conditional indexation of the former Defined Benefit (final salary) scheme into a two-year extension of the already existing pre-pension scheme. This means it can be settled internally. Consequently, a reclassification has taken place of other employee provisions to the Dutch pre-pension scheme.

Movements in the employee benefit obligations were as follows:

	Early retirement plan in the Netherlands	Other employee benefits	Total
As at 01 April 2013	172	251	423
Additions	-	14	14
Withdrawals	(41)	(27)	(68)
As at 31 March 2014 / 01 April 2014	131	238	369
Reclassification	208	(208)	0
Additions	94	4	98
Withdrawals	(48)	(6)	(54)
As at 31 March 2015	385	28	413

The following amounts have been accounted for under other liabilities and deferred charges:

	Early retirement plan The Netherlands	Other employee benefits	Total
as at 31 March 2015	52	13	65
as at 31 March 2014	21	208	229

37. DERIVATIVE FINANCIAL INSTRUMENTS

	31 March 2015		31 March 2014	
	Assets	Liabilities	Assets	Liabilities
Interest-rate swaps – cash-flow hedges	-	154	-	196
Total financial instruments	-	154	-	196

The total fair value of derivative financial instruments used for hedging is included under non-current liabilities.

The notional principal amount of the outstanding interest-rate swap contracts at 31 March 2015 are € 3,681 (31 March 2014: € 3,442). At 31 March 2015, the fixed interest rates ranged between 5.1% and 5.8% (31 March 2014: 4.6% to 5.3%); the main variable rates are Euribor and LIBOR.

38. EMPLOYEES

The average number of employees in the Company in the 2014/2015 financial year was 19 FTE (2013/2014: 17 FTE). For an explanation of the remuneration of management, please refer to note 26 Affiliated Parties of the consolidated financial statements.

39. AUDITOR'S FEES

In the 2014/2015 financial year, the following auditor's fees were charged to the results in accordance with article 382a Title 9 Book 2 of the Dutch Civil Code.

2014/2015	PwC*
Auditing of the financial statements	176
Other non-auditing services	47
Total	223
2013/2014	Ernst & Young Accountants LLP
Auditing of the financial statements	182
Other non-auditing services	30
Total	212

* The total costs of PricewaterhouseCoopers Accountants NV amount to € 92.

40. OTHER DISCLOSURES

Rent and operating lease obligations
At balance sheet date the Company had outstanding commitments regarding rents and operating leases, which can be classified as follows:

	31 March 2015	31 March 2014
Less than 1 year	80	88
Between 1 and 5 years	109	127
Longer than 5 years	0	2
Total	189	217

The Group rents vehicles and office equipment which can be classified as operational leases. The terms of the lease contracts are generally up to five years.

The total costs of lease agreements as included in the income statement is €117 (2013/2014: €87).

Events after the reporting period
No events took place after the reporting period that could materially affect the financial statements.

Guarantee declarations
Holland Colours NV has given a guarantee for its subsidiary Holland Colours Europe BV in accordance with article 403, Title 9, Book 2 of the Dutch Civil Code.

Holland Colours NV has not issued any guarantee declarations as security for the payment obligations of foreign companies.

Other Information
The Company forms a tax group together with Holland Colours Europe BV with regard to income tax and sales tax. Both the Company and its subsidiary are jointly and severally liable for tax payable by all companies that are part of the tax group.

Apeldoorn, 28 May 2015

Supervisory Board
J.W. de Heer
M.G.R. Kemper
J.D. Kleyn

Statutory Board
R. Harmsen
A.J. Veldhuis-Hagedoorn

OTHER INFORMATION

STATUTORY PROVISIONS REGARDING THE APPROPRIATION OF PROFITS

Regarding the appropriation of profits, the following is determined in the Articles of Association:

Article 21:

1. From the profit established in the approved financial statements, reserves are formed as determined by the Statutory Board with the approval of the Supervisory Board.
2. The profit remaining after the transfer to the reserves and distribution as stated in paragraph 1 is at the disposal of the General Meeting of Shareholders, with due regard to the provisions of Article 105, Book 2 of the Dutch Civil Code.
3. The Statutory Board, with the approval of the Supervisory Board, is authorised to resolve to distribute an interim dividend with due regard to the provisions of Article 105 Book 2 of the Dutch Civil Code.
4. The dividend will be made payable within one month after it has been set, in the manner and at the place determined by the Statutory Board.
5. Claims for profit distribution expire after a period of five years from the date on which the dividend was made payable has elapsed.
6. A decision regarding the disposal of any reserve may be taken by the General Meeting of Shareholders with due regard to the legal and statutory provisions.

Proposal for the appropriation of profit
With due regard to Article 21 of the Articles of Association, it is proposed to distribute the profit as follows:

- A cash dividend of € 2.00 per share of € 2.27, which amounts to € 1,721.
- Transfer to the other reserves: €1,741.

The proposal for appropriation of profit has not been included in the balance sheet.

INDEPENDENT AUDITOR'S REPORT

To: the general meeting and supervisory board of Holland Colours N.V.

REPORT ON THE FINANCIAL STATEMENTS 2014/2015

OUR OPINION

In our opinion:
- the consolidated financial statements give a true and fair view of the financial position of Holland Colours N.V. as at 31 March 2015 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements give a true and fair view of the financial position of Holland Colours N.V. as at 31 March 2015 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited
We have audited the financial statements 2014/2015 of Holland Colours N.V., Apeldoorn ('the company'). The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:
- the consolidated statement of financial position as at 31 March 2015;
- the following statements for the year then ended: the consolidated income statement and the consolidated statements of comprehensive income, changes in equity and cash flows; and
- the notes, comprising a summary of significant accounting policies and other explanatory information.

The company financial statements comprise:
- the company balance sheet as at 31 March 2015;
- the company profit and loss account for the year then ended; and
- the notes, comprising a summary of the accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

THE BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Holland Colours N.V. in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA).

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

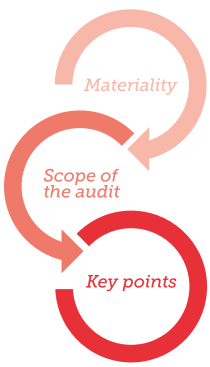
OUR AUDIT APPROACH

Overview
We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the management board made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the management board that may represent a risk of material misstatement due to fraud.

Since the audit of the 2014/2015 financial statements was our first year as auditors of Holland Colours N.V., we performed specific transition procedures in addition to the recurring audit procedures. These mainly relate to:

- procedures to obtain sufficient appropriate audit evidence concerning the 1 April 2014 opening balance sheet, including communications with the predecessor auditor;
- procedures to gain an understanding of the entity and its environment, including internal controls and IT systems. Based on these procedures, we have prepared our risk assessment and audit plan which has been discussed with the management board and supervisory board. We have visited the locations in the United States and Indonesia as part of our transition procedures.



Materiality
Overall materiality: € 450,000

Audit scope
We conducted audit work in 3 countries. Site visits were conducted to locations in the Netherlands, as well as locations in the United States and Indonesia.

Key points
- Revenue recognition.
- Valuation of inventory.

Materiality
The scope of our audit is influenced by the application of materiality. Our audit opinion aims on providing reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on our opinion.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall group materiality	€450,000
How we determined it	Combination of 5% of profit before tax and 1% of total revenues.
Rationale for benchmark applied	We have applied this benchmark based on our analysis of the common information needs of users of the financial statements. On this basis we believe that profit before tax as well as revenues are important metrics for the financial performance of the company.

We also take account of deviations and/or possible deviations that are in our opinion material for qualitative reasons. We agreed with the Supervisory Board that we would report to the Board any deviations identified during the audit of above € 25,000 as well as smaller deviations that are in our opinion relevant for qualitative reasons.

The scope of our group audit
Holland Colours N.V. is head of a group of entities. The financial information of this group is included in the consolidated financial statements of Holland Colours N.V.

Considering our ultimate responsibility for the opinion on the company's consolidated financial statements we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

The group audit focussed on the significant components Holland Colours N.V. (stand-alone), Holland Colours Europe B.V., Holland Colours Americas Inc. and PT Holland Colours Asia. Due to their significance and/or risk characteristics within the group, these components required an audit of their complete financial information. The audit work at the components Holland Colours N.V. (stand-alone) and Holland Colours Europe B.V. has been performed by ourselves. We used component auditors from other PwC network firms to perform the audits at Holland Colours Americas Inc. and PT Holland Colours Asia and to attend the stock count related to the Holland Colours Europe B.V. inventory located in Hungary.

Where the work was performed by component auditors, we determined the level of involvement we needed to have in their audit work to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the group financial statements as a whole. The group engagement team visited the locations in the United States and Indonesia.

The group consolidation, financial statement disclosures and a number of complex items are audited by the group engagement team at the head office. These include, hedge accounting, remuneration and (deferred) tax positions. By performing the procedures above at components, combined with additional procedures at group level, we have obtained sufficient and appropriate audit evidence regarding the financial information of the group as a whole to provide a basis for our opinion on the consolidated financial statements.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board, but they are not a comprehensive reflection of all matters that were identified by our audit and that we discussed. We described the key audit matters and included a summary of the audit procedures we performed on those matters.

The key audit matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on these matters.

Key audit matter
Revenue recognition
Holland Colours applies various delivery terms and conditions for invoicing and delivery of its products to customers. Because of the wide variety of customer contracts, cut-off and accuracy of revenue recognition is inherently more complex and as such considered as a key audit matter.

In addition to testing the controls, including the IT environment, that Holland Colours has put in place over its process to enter into and record customer contracts and related revenues, our audit procedures included, amongst others, performing a goods movement analysis, in which audit procedures on the purchase/production and the attendance of stock counts are key elements.

We tested the accuracy and cut-off of revenues by performing detailed testing on the invoiced revenues and credit notes send, as per year end as well as during the year, by amongst others reconciliation to order confirmation, price agreements, picking slips and delivery notes .

Valuation of inventory
At € 7.8 million, inventories form an important part of the assets of Holland Colours NV. Inherent to the production environment, the valuation of inventories is a key point of our audit. On the one hand, this is related to the correctness of the cost prices used. But on the other hand, it has to do with the fact that inventories are subject to obsolescence, which is expressed in the lower valuation against net revenues via the inventory provision (€ 1 million).

In addition to testing the controls, including the IT environment, that Holland Colours has put in place over its process to determine and change its inventory costing, we performed detailed testing on the calculation of the standard cost prices and the surcharge for direct and indirect production costs to inventory, including the assessment whether the inventory is accurately valued at historical cost and an analysis of price- and efficiency variances.

Furthermore, we challenged the assumptions used to calculate the inventory provision by assessing the internal analysis of the net realisable value and obsolescence as well as through detailed analyses of ageing, inventory turnover rates, developments in the product portfolio and price developments. In addition we assessed the condition of the inventory, to the extent possible, by the attendance of stock counts. For more information on (the valuation of) inventory reference is made to note 14.

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and for
- such internal control as the management board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the management board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going concern basis of accounting unless the management board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The management board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our responsibility is to plan and perform an audit engagement to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit has been performed with a high but not absolute level of assurance which makes it possible that we did not detect all frauds or errors.

A more detailed description of our responsibilities is set out in the appendix to our report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

OUR REPORT ON THE MANAGEMENT BOARD REPORT AND THE OTHER INFORMATION

Pursuant to the legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the management board report and other information):

- We have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required by Part 9 of Book 2 of the Dutch Civil Code has been annexed.
- We report that the management board report, to the extent we can assess, is consistent with the financial statements.

OUR APPOINTMENT

We were appointed as auditors of Holland Colours N.V. by the supervisory board following the passing of a resolution by the shareholders at the annual meeting held on 10 July 2014. The audit of the financial statements 2014/2015 was our first year as external auditor of the group.

Amsterdam, 28 May 2015
PricewaterhouseCoopers Accountants N.V.

Original has been signed by:

drs. F.S. van der Ploeg RA

APPENDIX TO OUR AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS 2014/2015 OF HOLLAND COLOURS N.V.

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have exercised professional judgment and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Our audit consisted, among others of:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

ORGANISATION CHART AS AT 01 APRIL 2015

STATUTORY BOARD

R. Harmsen*
President

A.J. Veldhuis-Hagedoorn*
Director Division Americas

INNOVATION & TECHNOLOGY

J. Leugs*
Director Innovation & Technology

FINANCE & ICT

M.G. Kleinsman*
CFO

BUSINESS PROCESSES & ICT

G.J. Luiten
Manager Business Processes & ICT

GLOBAL OPERATIONS

R.P. Karrenbeld*
Director Global Operations

LEGAL AFFAIRS

M. J. Bos-Westenenk
Manager Legal affairs

FINANCE

J.H. Pap
Corporate Controller

GLOBAL PURCHASING

H. van Vliet
Global Purchase Manager

NEW MARKET DEVELOPMENT

M. Albers
Technical New Market Developer
S. Bosman
Commercial New Market Developer

DIVISION EUROPE

R. Harmsen*
Division Director
R.P. Karrenbeld*
Operations Manager
M.G. Kleinsman*
Division Controller
W.A. Grob
Sales & Marketing Manager
T. Chiang
Technical Manager
R. van Aartrijk-Strootman
Human Recource Manager

DIVISION AMERICAS

A.J. Veldhuis-Hagedoorn*
Division Director
R. Hetisimer
Plant Manager
D.L. Marshall
Sales & Marketing Manager
J.K. Gleeson
Manager Business Processes & Compliance
J. Bitner
Human Resource Manager
A. Wagner
Office Manager Canada
A. Wesseldine
Office Manager Mexico

DIVISION ASIA

S. Kho-Pangkey*
Division Director
H.M. Jacobs
Manager General Affairs Indonesia/ Regional Controller Asia
F. Balogh
General Manager China

* Members of Executive Team

CONTACT

HOLLAND COLOURS NV
Halvemaanweg 1
7323 RW Apeldoorn
P.O. Box 720
7300 AS Apeldoorn
The Netherlands
T (31) 55 368 0700
F (31) 55 366 2981
E info@hollandcolours.com

HOLLAND COLOURS EUROPE BV
Halvemaanweg 1
7323 RW Apeldoorn
P.O. Box 720
7300 AS Apeldoorn
The Netherlands
T (31) 55 368 0700
F (31) 55 366 2981
E info@hollandcolours.com

HOLLAND COLOURS UK LTD
Unit 16/17/18, Sabre Court
Valentine Close, Gillingham Business Park
Gillingham, Kent ME8 0RW
United Kingdom
T (44) 1634 368 727
E uk@hollandcolours.com

HOLLAND COLOURS HUNGARIA KFT
Tószegi út 51
P.O. Box 8
5007 Szolnok
Hungary
T (36) 56 420 644
E szolnok@hollandcolours.com

HOLLAND COLOURS AMERICAS INC
1501 Progress Drive
Richmond, Indiana, 47374
USA
T (1) 765 935 0329
Toll-free (1) 800 723 0329
E richmond@hollandcolours.com

HOLLAND COLOURS CANADA INC
1370 Don Mills Rd., Suite 201
Don Mills, Ontario, M3B 3N7
Canada
T (1) 416 449 4344
Toll-free (1) 800 361 3967
E canada@hollandcolours.com

HOLLAND COLOURS MEXICANA SA DE CV
Tezosomoc #4
(Bodega 3)
Col. Recursos Hidráulicos
Tultitlán, Edo de México
México
CP 54913
T 52 (55) 5894 3641
E mexico@hollandcolours.com

PT HOLLAND COLOURS ASIA
Jl. Berbek Industri II/2
(Surabaya Industrial Estate Rungkut)
Sidoarjo 61256-East Java
Indonesia
T (62) 31 849 3939
E surabaya@hollandcolours.com

Export department Surabaya:
T (62) 31 841 1801
E exportasia@hollandcolours.com

Jl. Industri III/88 Blok A1-3
Kompl. Industri Facto, Jatake
Tangerang 15136-West Java
Indonesia
T (62) 21 590 5135

PT HOLCO INDO JAYA
Jl. Berbek Industri IV No 1
(Surabaya Industrial Estate Rungkut)
Sidoarjo 61256-East Java
Indonesia
T (62) 31 849 3939
E indojaya@hollandcolours.com

HOLLAND COLOURS CHINA LTD
Factory Building 7#
No. 65 Baiyun Road,
Spark Development Zone,
Fengxian District, Shanghai 201419
China
T (86) 21 5750 5962 / 5750 5963
E china@hollandcolours.com

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