The Offer expires at 17:40 hours CET on 9 January 2014, unless extended

OFFER MEMORANDUM
dated 6 November2013

RECOMMENDED MANDATORY CASH OFFER

by

XBC B.V.
indirectly controlled by
Bencis Capital Partners B.V.

FOR ALL THE ISSUED SHARES EACH WITH A NOMINAL VALUE OF EUR 4.00 IN THE SHARE CAPITAL OF

XEIKON N.V.

This offer memorandum (the **Offer Memorandum**) contains details of the recommended mandatory cash offer within the meaning of Article 5:70 of the Netherlands Financial Supervision Act (*Wet op het Financieel Toezicht*, **Wft**) by XBC B.V. (the **Offeror**), indirectly controlled by Bencis Capital Partners B.V. (**Bencis**), to all holders of issued shares (the **Shares**, holders of such **Shares** being referred to as **Shareholders**), each with a nominal value of EUR 4.00, in the share capital of Xeikon N.V. (**Xeikon** or the **Company**), to purchase for cash the Shares held by them subject to the terms and restrictions contained in this Offer Memorandum (the **Offer**). Capitalised terms used in this Offer Memorandum have the meanings as set out in Section 3 (Definitions) or elsewhere in this Offer Memorandum.

Shareholders tendering their Shares under the Offer will be paid, on the terms and subject to the terms and restrictions contained in this Offer Memorandum, in consideration of each Share validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) and transferred (*geleverd*), a cash amount of EUR 5.85 per Share, net to the Shareholder in cash, without any interest (the **Offer Price**). See Section 4 (Invitation to the Shareholders). The Offer Price is cum dividend. In the event any dividend or other distribution (a **Distribution**) on the Shares is declared by Xeikon (whereby the record date that is decisive for entitlement to such Distribution occurs on or prior to the Settlement Date (as defined below)), the Offer Price will be decreased by the full amount of such Distribution made by Xeikon in respect of each Share (before any applicable withholding tax). The Offer Price is equal to the highest price paid by the Offeror for Shares in the 12 months preceding the announcement of the Offer on 18 October 2013 and therefore constitutes a fair price (*billijke prijs*) pursuant to Article 5:80a Wft.

The acceptance period under the Offer commences at 09:00 hours CET, on 7 November 2013, and, expires at 17:40 hours CET, on 9 January 2014 (the **Acceptance Closing Date**), unless extended in accordance with article 15 of the Decree on public offers Wft (*Besluit openbare biedingen Wft*) (the **Takeover Decree**) (the **Acceptance Period**). Acceptance under the Offer must be made in the manner specified in this Offer Memorandum.

Shares tendered on or prior to the Acceptance Closing Date may not be withdrawn, subject to the right of withdrawal of any tender during an extension of the Acceptance Period in accordance with the provisions of Article 15, paragraph 3 and/or 8 of the Takeover Decree or following an increase of the Offer Price in accordance with Article 15a, paragraph 3 of the Takeover Decree.

The Offeror reserves the right to extend the Offer past the Acceptance Closing Date. If the Offer is extended past the Acceptance Closing Date, the Offeror will make an announcement to that effect in accordance with the Takeover Decree. See Section 4 (Invitation to the Shareholders). The provisions of Article 15 paragraph 2 of the Takeover Decree require that such an announcement be made within three Business Days following the Acceptance Closing Date.

Unless the Acceptance Period is extended, the Offeror will, in accordance with Article 16 of the Takeover Decree, announce within three Business Days following the Acceptance Closing Date, the aggregate value, the number and the corresponding percentage of Shares tendered and delivered to the Offeror prior to the Acceptance Closing Date (the **Acceptance Date**) and the number and the corresponding percentage of Shares then owned by the Offeror.

Announcements contemplated by the foregoing paragraphs will be (a) made by press release and (b) made public in Belgium, by means of a supplement to the Offer Memorandum, in accordance with Article 17 of the Belgian Law on public takeover bids of 1 April 2007. See Section 4.9 (Announcements).

The Shareholders who have validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) and delivered (*geleverd*) (as applicable) their Shares for acceptance to the Offeror prior to the Acceptance Closing Date (each of these Shares, a **Tendered Share**) will receive within five Business Days following the Acceptance Date (**Settlement** and the day on which Settlement occurs the **Settlement Date**) the Offer Price in respect of each Tendered Share.

This document consists of two separate parts: Part A and Part B, which taken together constitute the Offer Memorandum as referred to in Article 8 of the Takeover Decree.

This Offer Memorandum has been prepared in accordance with Article 5:76 of the Wft in conjunction with Article 8, paragraph 1 and Annexes A and E of the Takeover Decree and has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**) on 5 November 2013. The information required under Article 24, paragraph 2 and Annex G of the Takeover Decree, including a position statement by Xeikon regarding the Offer, will be provided by Xeikon separately in a press release on the date hereof. Such information does not form part of the Offer Memorandum and is not subject to review and approval the AFM. However, such information is subject to review by the AFM after publication thereof.

This Offer Memorandum was recognised by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten*, the **FSMA**) in accordance with Article 20 of the Belgian Law on public takeover bids of 1 April 2007 and the European passport mechanism set forth in the Prospectus Directive (No 2003/71/EC).

Neither the approval by the AFM nor the recognition by the FSMA entail an assessment of the advisability and quality of the transaction, or of the condition of the person who executes it.

SUMMARY OF THE OFFER MEMORANDUM

This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Offer Memorandum. Shareholders are advised to review the Offer Memorandum (including any information incorporated by reference therein) in detail and to seek independent advice where appropriate in order to reach a reasoned judgment in respect of the contents of the Offer Memorandum and the Offer itself. Unless the context requires otherwise, capitalised terms used in this Offer Memorandum shall have the meanings set out in Section 3 (Definitions).

Invitation to the Shareholders

With due reference to all statements, terms and restrictions included in this Offer Memorandum, Shareholders are hereby invited to tender their Shares under the Offer in the manner and subject to the terms and restrictions set out in this Offer Memorandum.

The Offer

The Offeror makes a mandatory public cash offer to purchase from the Shareholders all the Shares held by them, on the terms and subject to the terms and restrictions set out in this Offer Memorandum. Shareholders validly tendering their Shares under the Offer (or tendering defectively provided that such defect has been waived by the Offeror) will receive the Offer Price in respect of each Tendered Share. Reference is also made to Section 4.4 (Acceptance Period (*aanmeldingstermijn*)).

The Offer Price represents:

- a premium of 68.6% to the closing price per Share on Euronext Amsterdam on the Reference Date;
- a premium of 90.6% to the average VWAPs per Share on Euronext Amsterdam for the 3 (three) month period prior to and including the Reference Date;
- a premium of 103.6% to the average VWAPs per Share on Euronext Amsterdam for the 6 (six) month period prior to and including the Reference Date;
- a premium of 101.7% to the average VWAPs per Share on Euronext Amsterdam for the 12 (twelve) month period prior to and including the Reference Date;
- a premium of 26.6% to the average VWAPs per Share on Euronext Amsterdam for the 3 (three) month period prior to the day of the Initial Announcement;

- a premium of 31.9% to the average VWAPs per Share on Euronext Amsterdam for the 6 (six) month period prior to the day of the Initial Announcement;

- a premium of 83.0% to the average VWAPs per Share on Euronext Amsterdam since 18 July 2007 up to the day of the Initial Announcement;

- based on a net financial debt as at 31 December 2012 of EUR 10.8 million, the Offer Price represents an enterprise value for Xeikon of 5.0x EBITDA 2012 and 8.0x EBIT 2012;

- a premium of 26.6% to the lower end, a premium of 13.2% to the midpoint and a discount of 0.4% to the higher end of the valuation range based on a standalone DCF.

The enterprise value has been calculated based on 28,710,371 Shares issued as at the day of the Initial Announcement (excluding the 3,152,332 treasury stock held by Xeikon at the date of the Initial Announcement).

It should be noted that in the period up till 20 September 2013, as such including the Reference Date and the day of the Initial Announcement, the Xeikon share price may not have reflected completion of the carve-out of Accentis NV and the other disentanglement transactions forming part of the sale and purchase agreement between the Offeror and Punch dated 18 July 2013.

By comparison, the median premium to the unaffected share price (closing share price one day prior to the earlier of transaction announcement or material public speculation of a transaction, if any) is 52.2% for the all-cash, change of control public offers, on 100% of share capital for Dutch companies listed on the Euronext Amsterdam, with equity values in excess of EUR 50 million and less than EUR 600 million that were announced and completed in the period from 1 January 2007 to the day of the Initial Announcement. Selected transactions include: Gilde/TMC, Publicis/LBi, Mexichem/Wavin, SHV/Eriks, Adecco/DNC, Eriks/Econosto and Gilde/Nedschroef.

On 20 September 2013, the Offeror announced, in accordance with Article 7, paragraph 4 of the Takeover Decree, that it had taken all reasonable measures to pay the Offer Price under the Offer.

The Offeror will finance the Offer through a combination of fully committed equity and mezzanine and senior debt financing.

The equity for the financing of the Offer will be made available to the Offeror through XBHC B.V. (**XBHC**), the sole shareholder of the Offeror, by the shareholders of XBHC, being (i) UXBHC B.V. (**UXBHC**), (ii) Gimv-XL Fund and (iii) indirectly, certain members of senior management across Xeikon Group. See Section 7 (Information on the Offeror and its investors) for more details on the shareholders.

The equity funding (including 4.5% short term equity bridge) will be 47.8% of the total funding required to finance the Offer. The equity required to finance the Offer is committed by the shareholders of XBHC and will be made available to the Offeror before Settlement.

The Offeror has secured fully committed (subordinated) mezzanine debt financing and senior debt to finance the Offer. The subordinated mezzanine financing will be 10.5% of the total funding required to finance the Offer and the remaining required financing is funded with senior debt.

The mezzanine and senior debt financing for the financing of the Offer will be available to the Offeror, only upon certain customary conditions being satisfied. The Offeror has no reason to assume these conditions will not be fulfilled on or prior to Settlement in accordance with the terms set out in the Offer Memorandum. Reference is also made to Section 5.6 (Financing of the Offer).

Offer Price

Shareholders tendering Shares under the Offer will be offered, on the terms and subject to the restrictions contained in this Offer Memorandum, an amount of EUR 5.85 per Share, net to the Shareholder in cash, without any interest. Reference is also made to Section 4.1 (Offer Price).

The Offer Price is equal to the highest price paid by the Offeror for Shares in the 12 months preceding the announcement of the Offer and therefore constitutes a fair price (*billijke prijs*) pursuant to Article 5:80a Wft. Reference is also made to Section 5.3 (Substantiation of the Offer).

The Offer Price is cum dividend. In the event Distribution on the Shares is declared by Xeikon (whereby the record date that is decisive for entitlement to such Distribution occurs on or prior to the Settlement Date), the Offer Price will be decreased by the full amount of any such Distribution made by Xeikon in respect of each Share (before any applicable withholding tax).

Acceptance by Shareholders

Shareholders who hold their Shares through an Admitted Institution are requested to make their acceptance known through their financial intermediary no later than the Acceptance Closing Date, unless the Acceptance Period is extended in accordance with Section 4.5 (Extension of the Acceptance Period). The financial intermediary may set an earlier deadline for communication by Shareholders in order to permit the financial intermediary to communicate its acceptance to the Settlement Agent in a timely manner.

Admitted Institutions may tender Shares for acceptance only to the Settlement Agent. In submitting the acceptance, Admitted Institutions are required to declare that (i) they have the Tendered Shares in their administration, (ii) each Shareholder who accepts the Offer irrevocably represents and warrants that the Tendered Shares are being tendered in compliance with the restrictions set out in Section 1 (Restrictions) and Section 2 (Important information) and (iii) they undertake to transfer (*leveren*) the Tendered Shares to the Offeror prior to or ultimately on the Settlement Date. Reference is also made to Section 4.2.1 (Acceptance by Shareholders through Admitted Institutions).

Acceptance

Acceptance Period

The Acceptance Period commences at 09:00 hours CET on 7 November 2013. The Acceptance Period ends at 17:40 hours CET on 9 January 2014, subject to extension in accordance with Article 15, paragraph 2 of the Takeover Decree. See also Section 4.5 (Extension of the Acceptance Period).

The Offeror will accept all Tendered Shares. The acceptance will be made in accordance with the procedures set forth in Section 4.2 (Acceptance by Shareholders).

Extension

The Offeror may once extend the Offer past the Acceptance Closing Date at its discretion in accordance with Article 15 paragraph 2 of the Takeover Decree. An extension shall be for a minimum of two weeks and a maximum of ten weeks. Extension for more than one period is subject to clearance of the AFM, which will only be given in exceptional circumstances. If the Acceptance Period is extended all references in this Offer Memorandum to the Acceptance Closing Date or "17:40 hours CET, on 9 January 2014" shall, unless the context requires otherwise, be deemed to be moved to the latest date and time to which the Acceptance Period has been so extended.

If the Acceptance Period is extended, a public announcement to that effect shall be made no later than the third Business Day following the initial Acceptance Closing Date, in accordance with the provisions of Article 15, paragraph 2 of the Takeover Decree. Such a public announcement shall contain the date to which the Acceptance Period is extended. During such extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. In accordance with Article 15, paragraph 3 and/or 8 of the Takeover Decree, Shares tendered on or prior to the original Acceptance Closing Date may be withdrawn during the extended Acceptance Period.

Post-Closing Acceptance Period

The Offeror may, at its discretion, publicly announce, in accordance with Article 17 of the Takeover Decree, a Post Closing Acceptance Period (*na-aanmeldingstermijn*) within three Business Days after the Acceptance Date. The purpose of the Post Closing Acceptance Period is to enable Shareholders that did not tender their Shares in the Acceptance Period to tender Shares under the same terms and restrictions as the Offer. Such Post Closing Acceptance Period shall commence on the first Business Day following the announcement of a Post Closing Acceptance Period and will have a maximum duration of two weeks.

The Offeror will publicly announce the results of the Post Closing Acceptance Period and the total amount and total percentage of Shares held by it in accordance with Article 17 paragraph 4 of the Takeover Decree. This announcement shall ultimately be made on the third Business Day following the end of the Post Closing Acceptance Period. The Offeror shall continue to accept for payment all Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) during such Post Closing Acceptance Period.

Settlement of the Offer

Shareholders who have tendered their Shares for acceptance pursuant to the Offer on or prior to the Acceptance Closing Date will receive on the Settlement Date the Offer Price in respect of each Tendered Share. Reference is also made to Section 4.7 (Settlement).

Announcements

Any announcement contemplated by this Offer Memorandum will be (a) made by press release and (b) made public in Belgium, by means of a supplement to the Offer Memorandum, in accordance with Article 17 of the Belgian Law on public takeover bids of 1 April 2007. Subject to any applicable requirements of the Applicable Rules and without limiting the manner in which the Offeror may choose to make any public announcement, the Offeror will have no obligation to communicate any public announcement other than as described above.

Indicative timetable

Expected date and time (all times are CET)	**Event**
6 November 2013	Press release announcing the availability of this Offer Memorandum and the commencement of the Offer
09:00 hours, 7 November 2013	Commencement of the Acceptance Period in accordance with Article 14 of the Takeover Decree
17:40 hours, 9 January 2014, subject to extension	**Acceptance Closing Date**: deadline for Shareholders wishing to tender Shares, unless the Offer is extended in accordance with Article 15 of the Takeover Decree

No later than three Business Days after the Acceptance Closing Date	**Acceptance Date**: date on which the Offeror will publicly announce, in accordance with Article 16 of the Takeover Decree, the aggregate value, the number and the corresponding percentage of Tendered Shares and the number of Shares and the corresponding percentage of Shares then owned by the Offeror
No later than three Business Days after the Acceptance Date	**Post Closing Acceptance Period**: the Offeror may publicly announce a Post Closing Acceptance Period (*na-aanmeldingstermijn*) for a period of up to two weeks, in accordance with Article 17 of the Takeover Decree. During the Post Closing Acceptance Period, Shareholders that have not yet tendered their Shares under the Offer will have the opportunity to do so in the same manner as set out in this Offer Memorandum all in accordance with Article 17 of the Takeover Decree
No later than five Business Days after the Acceptance Date	**Settlement Date**: date on which, in accordance with the terms and restrictions of the Offer, the Offeror will pay the Offer Price for each Tendered Share

Availability of information

Digital copies of this Offer Memorandum are available on the websites of Xeikon (www.xeikon.com) and the Settlement Agent (www.kbc.be, www.kbcsecurities.be). Copies of this Offer Memorandum are also available free of charge at the offices of Xeikon and the Settlement Agent at the addresses mentioned below. The websites of Xeikon and the Settlement Agent do not constitute a part of, and are not incorporated by reference into, this Offer Memorandum.

Addresses:

Xeikon	**Settlement Agent**
Xeikon N.V. Brieversstraat 70 4529 GZ Eede The Netherlands	KBC Securities NV Havenlaan 12 1080 Brussels Belgium

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PART A: THE OFFER MEMORANDUM

1 RESTRICTIONS

The Offer is being made in and from the Netherlands and in Belgium with due observance of the statements, and restrictions included in this Offer Memorandum. The Offeror reserves the right to accept any tender under the Offer, which is made by or on behalf of a Shareholder, even if it has not been made in the manner set out in this Offer Memorandum.

The distribution of this Offer Memorandum and/or the making of the Offer in jurisdictions other than the Netherlands and Belgium may be restricted and/or prohibited by law. The Offer is not being made, and the Shares will not be accepted for purchase from or on behalf of any Shareholder, in any jurisdiction in which the making of the Offer or acceptance thereof would not be in compliance with the securities or other laws or regulations of such jurisdiction or would require any registration, approval or filing with any regulatory authority not expressly contemplated by the terms of this Offer Memorandum. However, acceptance of the Offer by Shareholders not residing in the Netherlands or Belgium will be accepted by the Offeror if such acceptances comply with (i) the acceptance procedure set out in this Offer Memorandum, and (ii) the applicable laws and regulations in the jurisdiction from which such acceptances have been made. Persons obtaining this Offer Memorandum are required to take due note and observe all such restrictions and obtain any necessary authorisations, approvals or consents (to the extent applicable). Neither the Offeror, nor Bencis, nor Xeikon, nor any of their respective affiliates or any of their respective supervisory or managing directors, employees or advisers accepts any liability for any violation by any person of any such restriction. Outside of the Netherlands and Belgium, no actions have been taken (nor will actions be taken) to make the Offer possible in any jurisdiction where such actions would be required. In addition, this Offer Memorandum has not been filed with or recognised by the authorities of any jurisdiction other than the Netherlands and Belgium.

Any person (including, without limitation, custodians, nominees and trustees) who forwards or intends to forward this Offer Memorandum or any related document to any jurisdiction outside the Netherlands and Belgium should carefully read Section 1 (Restrictions) and Section 2 (Important information) before taking any action. The release, publication or distribution of this Offer Memorandum and any documentation regarding the Offer or the making of the Offer in jurisdictions other than the Netherlands and Belgium may be restricted by law and therefore persons into whose possession this Offer Memorandum comes should inform themselves about and observe such restrictions. Any failure to comply with any such restriction may constitute a violation of the law of any such jurisdiction. Neither the Offeror, nor Bencis, nor Xeikon, nor any of their respective affiliates or any of their respective supervisory or managing directors, employees or advisors accepts any liability for any violation by any person of any such restriction.

1.1 United States of America

The Offer is not being made, directly or indirectly, in or into, or by use of the mailing systems of, or by any means or instrumentality (including, without limitation, electronic mail, post, telephone, facsimile, telex or electronic transmission) of interstate or foreign commerce of, or of any facility of a securities exchange of the United States of America, and the Offer cannot be accepted by any such use, means, instrumentality or facility of or from within the United States of America. Accordingly, this Offer Memorandum and any related documents are not being and must not be mailed or otherwise distributed or sent in or into the United States of America or in their capacities as such custodians, trustees or nominees holding shares for American persons and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute or send them into such jurisdictions and doing so will render invalid any relevant purported acceptance of the Offer.

This Offer Memorandum has not been submitted to or reviewed by the United States Securities and Exchange Commission (**SEC**) or any state securities commission. Neither the SEC nor any such state securities commission has approved or disapproved of the Offer, passed upon the fairness or merits of the Offer, or passed upon the adequacy or accuracy of the disclosure contained in this Offer Memorandum. Any representation to the contrary is a criminal offence in the United States of America.

1.2 Canada and Japan

The Offer and any solicitation in respect thereof is not being made, directly or indirectly, in or into Canada or Japan, or by use of the mailing systems, or by any means or instrumentality of interstate or foreign commerce, or any facilities of a national securities exchange, of Canada or Japan. This includes, but is not limited to, post, facsimile transmission, telex or any other electronic form of transmission and telephone. Accordingly, copies of this Offer Memorandum and any related press announcements, acceptance forms and other documents are not being sent and must not be mailed or otherwise distributed or sent in, into or from Canada or Japan or, in their capacities as such, to custodians, nominees or trustees holding Shares for persons residing in Canada or Japan. Persons receiving this Offer Memorandum and/or such other documents must not distribute or send them in, into or from Canada or Japan, or use such mailing systems or any such means, instrumentality or facilities for any purpose in connection with the Offer; so doing will invalidate any purported acceptance of the Offer. The Offeror will not accept any tender by any such use, means, instrumentality or facility from within Canada or Japan.

Tender and transfer of Shares constitutes a representation and warranty that the person tendering the Shares (i) has not received or sent copies of this Offer Memorandum or any related documents in, into or from Canada or Japan and (ii) has not otherwise utilised in connection with the Offer, directly or indirectly, the mailing systems or any means or instrumentality including, without limitation, facsimile transmission, telex and telephone of interstate or foreign commerce, or any facility of a national securities exchange of, Canada or Japan. The Offeror reserves the right to refuse to accept any purported acceptance that does not comply with the foregoing restrictions, any such purported acceptance will be null, void and without effect.

2 IMPORTANT INFORMATION

2.1 Information

This Offer Memorandum contains important information that should be read carefully before any Shareholder makes a decision to tender Shares under the Offer. Shareholders are advised to seek independent advice where necessary. In addition, Shareholders may wish to consult with their tax advisors regarding the tax consequences of tendering their Shares under the Offer.

2.2 Responsibility

The information included on pages 1 to 13 and in Sections 1 through 5 (excluding Sections 5.5.2, 5.5.3, 5.5.5 to 5.5.10 and 5.7), 7, 9, 10 and 11 has been solely prepared by the Offeror. The information included in Sections 5.7, 6, 12, 13 and 14 has been solely prepared by Xeikon. The information included on the cover page, the last page and in Sections 5.5.2, 5.5.3, 5.5.5 to 5.5.10 and 8 has been jointly prepared by the Offeror and Xeikon.

The Offeror and Xeikon are exclusively responsible for the accuracy and completeness of the information provided in this Offer Memorandum, each exclusively with respect to the information as it has provided individually, and jointly with respect to the information they have prepared jointly.

Both the Offeror and Xeikon confirm, each with respect to the information it has provided and jointly with respect to the information they have provided jointly, that to the best of their knowledge and belief, having taken all reasonable care to ensure that such is the case, as of the date hereof the information contained in this Offer Memorandum is in accordance with the facts and contains no omission likely to affect its import.

The information included in Sections 12.5 and 14.2 has been provided to Xeikon by BDO Audit & Assurance B.V. (**BDO**). Xeikon confirms that this information has been accurately reproduced and that no facts have been omitted which would render the reproduced information inaccurate or misleading.

No person, other than the Offeror, Bencis and Xeikon and without prejudice to the auditor's reports issued by BDO included in the Offer Memorandum, is authorised in connection with the Offer to provide any information or to make any statements on behalf of the Offeror, Bencis or Xeikon in connection with the Offer or any information contained in this Offer Memorandum. If any such information or statement is provided or made by parties other than the Offeror, Bencis or Xeikon, such information or statement should not be relied upon as having been provided by or made by or on behalf of the Offeror, Bencis or Xeikon. Any information or representation not contained in this Offer Memorandum must not be relied upon as having been provided by or made by or on behalf of the Offeror, Bencis or Xeikon.

2.3 Presentation of financial information and other information

The selected consolidated financial information of Xeikon is that of Xeikon and its consolidated subsidiaries. The selected consolidated financial information should be read in conjunction with the consolidated financial statements of Xeikon for the financial years 2012, 2011 and 2010, and the notes thereto. The year-end consolidated financial information of Xeikon is extracted from Xeikon's consolidated financial statements, which have been audited by BDO, Xeikon's independent auditor. The financial statements and accounts from which the selected consolidated financial information has been derived were prepared in accordance with IFRS.

The interim financial information of Xeikon for the first half of the financial year 2013 included in this Offer Memorandum has been derived from the unaudited condensed consolidated half-yearly report of Xeikon for the first half of 2013 ended on 30 June 2013. The half-yearly report of Xeikon was subject to limited review by BDO which issued an unqualified review report on 11 October 2013 in accordance with the requirements of the AFM. The half-yearly report of Xeikon and the associated review report are included in Section 14 (Interim financial information).

Certain numerical figures set out in this Offer Memorandum, including financial data presented in millions or thousands, have been subject to rounding adjustments and, as a result, should therefore not be regarded as exact. In addition, the rounding also means that the totals of the data in this Offer Memorandum may vary slightly from the actual arithmetic totals of such information.

The information included in this Offer Memorandum reflects the situation as at the date of this Offer Memorandum, unless specified otherwise. Neither the publication nor the distribution of this Offer Memorandum shall under any circumstances imply that the information contained herein is accurate and complete as of any time subsequent to the date of this Offer Memorandum or that there has been no change in the information set out in this Offer Memorandum or in the affairs of the Offeror, Xeikon and/or their respective subsidiaries and/or affiliates since the date of this Offer Memorandum. The foregoing does not affect the obligation of both the Offeror and Xeikon, each insofar as it concerns them, to make a public announcement pursuant to Article 5:25i Wft or Article 4, paragraph 3 of the Takeover Decree, if applicable.

2.4 Governing law

This Offer Memorandum and the Offer are, and any tender, purchase or transfer of Shares will be, governed by and construed in accordance with the laws of the Netherlands. The District Court of Amsterdam (*Rechtbank Amsterdam*) and its appellate courts shall have exclusive jurisdiction to settle any disputes which might arise out of or in connection with this Offer Memorandum, the Offer and/or any tender, purchase or transfer of Shares. Accordingly, any legal action or proceedings arising out of or in connection with this Offer Memorandum, the Offer and/or any tender, purchase or transfer of Shares may be brought exclusively in such courts.

2.5 Language

This Offer Memorandum is published in the English language. A summary in the Dutch language is included as Section 11 (*Nederlandse samenvatting van het Bod*). In the event of any differences, whether or not in interpretation, between the English text of this Offer Memorandum and the Dutch language summary of this Offer Memorandum, the English text of this Offer Memorandum shall prevail.

2.6 Contact details

KBC Securities NV has been appointed as Settlement Agent in the context of the Offer.

The Settlement Agent
KBC Securities NV
Havenlaan 12
1080 Brussels
Belgium
Email: francis.gens@kbcsecurities.be

The Offeror
XBC B.V.
Zuidplein 76
1077 XV Amsterdam
The Netherlands

Xeikon
Xeikon N.V.
Brieversstraat 70
4529 GZ Eede
The Netherlands

2.7 Availability of information

Digital copies of this Offer Memorandum are available on the websites of Xeikon (www.xeikon.com) and the Settlement Agent (www.kbc.be, www.kbcsecurities.be). Copies of this Offer Memorandum are also available free of charge at the offices of Xeikon and the Settlement Agent at the addresses mentioned above. The websites of Xeikon and the Settlement Agent do not constitute a part of, and are not incorporated by reference into, this Offer Memorandum.

2.8 Documentation incorporated by reference

A copy of the Xeikon Articles of Association and the consolidated financial statements of Xeikon for the financial years 2012, 2011 and 2010 including notes and auditor's reports (as referred to in Part B of this Offer Memorandum) are incorporated by reference in, and form an integral part of, this Offer Memorandum, and are available free of charge at the head office of Xeikon in Eede, the Netherlands. This information is also available on the website of Xeikon (www.xeikon.com).

2.9 Forward-looking statements

This Offer Memorandum includes "forward-looking statements", including statements about the expected timing and completion of the Offer. Forward-looking statements involve known or unknown risks and uncertainties because they relate to events and depend on circumstances that all occur in the future. Generally, words such as "may", "should", "aim", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue" or similar expressions identify forward-looking statements. Each of the Offeror, Bencis and Xeikon, and any of their respective affiliates, each with respect to the statements it has provided, believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions. Nevertheless, no assurance can be given that such statements will be fulfilled or prove to be correct, and no representations are made as to the future accuracy and completeness of such statements. The forward-looking statements involve unknown risks, uncertainties and other factors, many of which are outside the control of the Offeror, Bencis and Xeikon, and are difficult to predict. These forward-looking statements are not guarantees of future performance. Any such forward looking statements must be considered together with the fact that actual events or results may vary materially from such forward-looking statements due to, among other things, political, economic or legal changes in the markets and environments in which the Offeror, Bencis and/or Xeikon does business, to competitive developments or risks inherent to the business plans of the Offeror, Bencis or Xeikon, and to uncertainties, risk and volatility in financial markets and other factors affecting the Offeror, Bencis and/or Xeikon.

The Offeror, Bencis and Xeikon undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations or by any appropriate regulatory authority.

2.10 Financial advisors

KBC Securities NV is acting as financial advisor exclusively to the Offeror and Bencis and to no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Offer Memorandum) as a client in relation to the Offer or any other matter referred to in this Offer Memorandum and will not be responsible to anyone other than the Offeror and Bencis for providing advice in relation to the Offer or any other matter referred to in this Offer Memorandum.

KBC Securities NV has given and has not withdrawn its written consent to the publication of this Offer Memorandum with the references to its name in the form and context in which it appears.

Petercam has issued two fairness opinions to Xeikon dated 7 August 2013 and included in Xeikon's press release of 11 September 2011: one in relation to the disentanglement of Accentis NV and related transactions (see Section 6.6.1) and one in relation to the price paid per Share to Punch International NV (**Punch**), which is equal to the Offer Price (see Section 5). Petercam is acting as financial advisor exclusively to the Supervisory Board and to no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Offer Memorandum) as a client in relation to the Offer or any other matter referred to in this Offer Memorandum and will not be responsible to anyone other than the Supervisory Board for providing advice in relation to the Offer or any other matter referred to in this Offer Memorandum.

Petercam has given and has not withdrawn its written consent to the references to its name in the form and context in which they appear in this Offer Memorandum.

3 DEFINITIONS

Any reference in this Offer Memorandum to defined terms in plural form shall constitute a reference to such defined terms in singular form, and vice versa. All grammatical and other changes required by the use of a definition in singular form shall be deemed to have been made herein and the provisions hereof shall be applied as if such changes have been made. A reference to "including" means, where the context so permits, "including without limitation".

Defined terms used in this Offer Memorandum shall have the following meaning:

Acceptance Closing Date	the time and date on which the Offer expires, being at 17:40 hours CET, on 9 January 2014, unless extended by the Offeror in accordance with Article 15 of the Takeover Decree, in which case the closing date and time shall be the date and time on which the extended Offer expires;
Acceptance Date	the date on which the Offeror will publicly announce, in accordance with Article 16 of the Takeover Decree, the aggregate value, the number and the corresponding percentage of Tendered Shares and the number of Shares and the corresponding percentage of Shares then owned by the Offeror;
Acceptance Period	the period during which the Shareholders can tender their Shares to the Offeror, which commences on 09.00 CET on 7 November 2013 and ends on the Acceptance Closing Date;
Admitted Institutions	those institutions admitted to Euronext Amsterdam;
AFM	the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*);
Antitrust Laws	the German Act against Restraints of Competition and any other any other law, regulation or decree (whether national, international, federal, state or local) designed to prohibit, restrict or regulate actions for the purpose or effect of monopolisation or restraint of trade or the significant impediment of effective competition;
Applicable Rules	means all applicable laws and regulations, including without limitation, the applicable provisions of and any rules and regulations promulgated pursuant to the Wft, the Takeover Decree, the policy guidelines and instructions of the AFM, the Dutch Works Council Act (*Wet op de ondernemingsraden*), the SER-besluit Fusiegedragsregels 2000 (the Dutch code in respect of informing and consulting of trade unions), the rules and regulations of Euronext Amsterdam and, in as far as

	applicable, the Dutch Civil Code, the Belgian Law on public takeover bids of 1 April 2007, the Belgian Civil Code, the relevant securities and employee consultation rules and regulations in other applicable jurisdictions and any relevant Antitrust Laws;
Article 203 ITC Taxation Conditions	has the meaning ascribed thereto in Section 9.2.1;
Bencis	Bencis Capital Partners B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands, whose statutory seat (*statutaire zetel*) is in Amsterdam, the Netherlands, and its office address at Zuidplein 76, 1077 XV Amsterdam, the Netherlands, registered in the Dutch trade register under number 30194051;
BDO	BDO Audit & Assurance B.V.;
Boards	the Supervisory Board and the Management Board collectively;
Business Day	any day other than a Saturday and a Sunday on which banks in the Netherlands, as defined in respectively the collective agreements for the banking sector (*Algemene Bank-CAO*), and Euronext Amsterdam, are open for normal business;
CET	Central European Time;
Company	see definition of Xeikon;
DCF	discounted cash flow;
Distribution	any dividend or other distribution;
Dutch Corporate Governance Code	the Dutch corporate governance code dated 1 January 2009, as amended from time to time;
EBIT	earnings before interest and taxes;
EBITDA	earnings before interest, taxes, depreciation and amortisation;
EUR, Euro or €	euro, the legal currency of the European Economic and Monetary Union;
Euronext Amsterdam	the stock exchange of Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext N.V.;
FSMA	Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten*);
Gimv	Gimv NV, a limited liability company (*naamloze vennootschap/société anonyme*) under Belgian law, having its registered office at Karel Oomsstraat 37, 2018 Antwerp, Belgium and with company number VAT BE 0220.324.117 RLE Antwerp;
Gimv XL-Fund	has the meaning ascribed to it in Section 7.3;

Gimv-XL Partners Invest	is a closed-end investment company in the form of a limited liability corporate partnership (*commanditaire vennootschap op aandelen/société en commandite par actions*) under Belgian law, having its registered office at Karel Oomsstraat 37, 2018 Antwerp, Belgium and company number VAT BE 0527.982.975 RLE Antwerp;
IFRS	the international accounting standards, international financial reporting standards and the related interpretations of these standards issued by the International Accounting Standards Board from time to time as adopted by the European Union;
Initial Announcement	has the meaning ascribed to it in Section 5.1;
Management Board	the management board (*raad van bestuur*) of Xeikon;
Offer	the offer for the Shares as described in this Offer Memorandum;
Offer Memorandum	this offer memorandum (*biedingsbericht*) relating to the Offer, consisting of Part A (the Offer Memorandum) and Part B (Financial Information);
Offeror	XBC B.V., a private limited liability company under Dutch law, whose statutory seat is in Amsterdam, the Netherlands, and its office address at Zuidplein 76, 1077 XV Amsterdam, the Netherlands, registered in the Dutch trade register under number 58312218;
Offeror Group	the Offeror together with its group companies (*groepsmaatschappijen*) within the meaning of article 2:24b of the Dutch Civil Code;
Offer Price	a cash amount of EUR 5.85 cum dividend per Share in consideration for each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*) subject to the terms and restrictions of this Offer;
Partner Meeting	Bencis' investment committee;
Petercam	Petercam NV;
Post Closing Acceptance Period	a period of no more than two weeks after the Acceptance Date during which the Shareholders that have not yet tendered their Shares under the Offer may be given the opportunity to do so in the same manner and under the same terms as set out in this Offer Memorandum;
Punch	Punch International NV, a limited liability company under Belgian law, having its registered office at, Oostkaai 50, 8900 Ieper, Belgium and with company number VAT BE 0448.367.256 RLE Ieper;

Reference Date	7 January 2013, the last trading day before Xeikon's press release referring to a possible takeover bid;
SEC	the United States Securities and Exchange Commission;
Section	a (sub)section of this Offer Memorandum;
Settlement	the payment of the Offer Price by the Offeror to the Shareholders for each Tendered Share;
Settlement Agent	KBC Securities NV, in collaboration with KBC Bank NV;
Settlement Date	the date on which Settlement occurs, being no later than the fifth Business Day after the Acceptance Date;
Shareholders	the holders of one or more Share(s);
Shares	all issued ordinary shares with a nominal value of EUR 4.00 each in the share capital of Xeikon;
Supervisory Board	the supervisory board (*raad van commissarissen*) of Xeikon;
Takeover Decree	the Dutch Decree on public offers Wft (*Besluit openbare biedingen Wft*);
Tendered Share	each Share validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) and transferred (*geleverd*) for acceptance pursuant to the Offer on or prior to the Acceptance Closing Date;
UXBHC	UXBHC B.V., a private limited liability company under Dutch law, whose statutory seat is in Amsterdam, the Netherlands and its office address at Zuidplein 76, 1077 XV Amsterdam, the Netherlands, registered in the Dutch trade register under number 58309500 ;
VWAP	daily volume weighted average price, i.e. $\frac{\sum \text{(intraday prices x intraday volumes)}}{\sum \text{intraday volumes}}$
Wft	the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*);
XBHC	XBHC B.V., a private limited liability company under Dutch law, whose statutory seat is in Amsterdam, the Netherlands and its office address at Zuidplein 76, 1077 XV Amsterdam, the Netherlands, registered in the Dutch trade register under number 58311181;
Xeikon or Company	Xeikon N.V., a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, having its statutory seat in Sluis, the Netherlands, and its registered office at Brieversstraat

	70, 4529 GZ Eede, the Netherlands, registered in the Dutch Commercial Register under number 34100253;
Xeikon Articles of Association	the articles of association (*statuten*) of Xeikon, as amended from time to time; and
Xeikon Group	Xeikon N.V. together with its group companies within the meaning of article 2:24b of the Dutch Civil Code.

4 INVITATION TO THE SHAREHOLDERS

The Offeror hereby makes a mandatory public cash offer for all Shares. Shareholders are advised to review this Offer Memorandum (including all documents incorporated by reference herein) and in particular Sections 1 (Restrictions), 2 (Important information) and 5.5.2 (Post-Settlement restructuring measures) thoroughly and completely and to seek independent financial, tax or legal advice where appropriate in order to reach a balanced judgement with respect to the Offer and this Offer Memorandum. Shareholders who consider not tendering their Shares are advised to review Section 5.5 (Consequences of the Offer) in particular. With due reference to all statements, terms and restrictions included in this Offer Memorandum, Shareholders are hereby invited to tender their Shares under the Offer in the manner and subject to the terms and restrictions set out in this Offer Memorandum.

4.1 Offer Price

4.1.1 Consideration

Shareholders tendering Shares under the Offer will be offered, on the terms and subject to the restrictions contained in this Offer Memorandum, an amount of EUR 5.85 per Share, net to the Shareholder in cash, without any interest (the **Offer Price**).

The Offer Price is equal to the highest price paid by the Offeror for Shares in the 12 months preceding the announcement of the Offer and therefore constitutes a fair price (*billijke prijs*) pursuant to Article 5:80a Wft.

The Offer Price is furthermore equal to the price paid (a) by the Offeror to Punch for the Shares purchased from Punch (see Section 5) (Explanation and background of the Offer) and (b) for the Shares Xeikon repurchased on 18 October 2013. See the press releases of Xeikon of 20 September 2013 and 14 October 2013 in Section 10 (Press releases) for further details on the acquisition and repurchase.

4.1.2 Distributions

The Offer Price is cum dividend. In the event any Distribution on the Shares is declared by Xeikon (whereby the record date that is decisive for entitlement to such Distribution occurs on or prior to the Settlement Date), the Offer Price will be decreased by the full amount of any such Distribution made by Xeikon in respect of each Share (before any applicable withholding tax).

Any adjustment to the Offer Price resulting from a Distribution by Xeikon will be communicated by press release and made public in Belgium, by means of a supplement to the Offer Memorandum, in accordance with Article 17 of the Belgian Law on public takeover bids of 1 April 2007 in accordance with Section 4.9 (Announcements).

4.2 Acceptance by Shareholders

4.2.1 Acceptance by Shareholders through Admitted Institutions

Shareholders who hold their Shares through an Admitted Institution are requested to make their acceptance known through their financial intermediary no later than the Acceptance Closing Date, unless the Acceptance Period is extended in accordance with Section 4.5 (Extension of the Acceptance Period). The financial intermediary may set an earlier deadline for communication by Shareholders in order to permit the financial intermediary to communicate its acceptance to the Settlement Agent in a timely manner.

Admitted Institutions may tender Shares for acceptance only to the Settlement Agent. In submitting the acceptance, Admitted Institutions are required to declare that (i) they have the Tendered Shares in their administration, (ii) each Shareholder who accepts the Offer irrevocably represents and warrants that the Tendered Shares are being tendered in compliance with the restrictions set out in Section 1 (Restrictions) and Section 2 (Important information) and (iii) they undertake to transfer (*leveren*) the Tendered Shares to the Offeror prior to or ultimately on the Settlement Date.

Subject to Article 15, paragraph 3 and/or 8 and/or Article 15a, paragraph 3 of the Takeover Decree, the tendering of Shares in acceptance of the Offer shall constitute irrevocable instructions to block any attempt to transfer the Shares tendered. As a result of these instructions no transfer of such Shares may be effected between the tendering and the Settlement Date. Exceptions to this transfer prohibition are (i) transfer to the Settlement Agent on or prior to the Settlement Date if the Shares have been accepted for purchase, and (ii) transfer under withdrawal rights that are available under the Takeover Decree. These irrevocable instructions shall also include the instruction to debit the securities account in which such Shares are held on the Settlement Date in respect of all of the Tendered Shares, against payment by the Settlement Agent on behalf of the Offeror of the Offer Price in respect of those Shares.

4.2.2 Undertakings, representations and warranties by tendering Shareholders

Each Shareholder tendering Shares pursuant to the Offer, by such tender, undertakes, represents and warrants to the Offeror, on the date that such Shares are tendered up to and including the Settlement Date, subject to the proper withdrawal of any tender in accordance with Article 15, paragraph 3 and/or 8 and or Article 15a, paragraph 3 of the Takeover Decree, that:

(a) the tender of any Shares constitutes an acceptance by the Shareholder of the Offer, on and subject to the terms and restrictions of the Offer as set out in the Offer Memorandum;

(b) such Shareholder has full power and authority to tender, sell and transfer (*leveren*) the Shares tendered by it, and has not entered into any other agreement to tender, sell or transfer (*leveren*) the Shares stated to have been tendered to any party other than the Offeror (together with all rights attaching thereto) and, when the same are purchased by the Offeror under the Offer, the Offeror will acquire such Shares, with full title guarantee and free and clear of all third party rights and restrictions of any kind;

(c) such Shares are being tendered in compliance with the restrictions as set out in Section 1 (Restrictions) and Section 2 (Important information) and the securities and other applicable laws or regulations of the jurisdiction in which such Shareholder is located or of which it is a resident and no registration, approval or filing with any regulatory authority of such jurisdiction is required in connection with the tendering of such Shares; and

(d) such Shareholder acknowledges and agrees that having tendered its Shares, such Shareholder shall, as from the Settlement Date, be deemed to have waived (*doet afstand van recht*) any and all rights or entitlements that such Shareholder may have in its capacity as shareholder of Xeikon or otherwise in connection with its shareholding in Xeikon vis-à-vis Bencis, the Offeror, any member of the Xeikon Group and any member of the Boards.

4.3 Withdrawal rights

Shares tendered on or prior to the Acceptance Closing Date may not be withdrawn, subject to the right of withdrawal of any tendered Shares during an extension of the Acceptance Period in accordance with the provisions of Article 15, paragraph 3 and/or 8 of the Takeover Decree or within seven Business Days following public announcement of an increase of the Offer Price in accordance with Article 15a, paragraph 3 of the Takeover Decree.

During any extension of the Acceptance Period and during the aforementioned period of seven Business Days, Shares previously tendered and not withdrawn will remain subject to the Offer. Shares tendered during the extension of the Acceptance Period or following the public announcement of an increase of the Offer Price in accordance with the provisions of Article 15, paragraph 4 and Article 15a of the Takeover Decree may not be withdrawn.

4.4 Acceptance Period (*aanmeldingstermijn*)

The Acceptance Period commences at 09:00 hours CET on 7 November 2013. The Acceptance Period ends at 17:40 hours CET on 9 January 2014, subject to extension in accordance with Article 15, paragraph 2 of the Takeover Decree. See also Section 4.5 (Extension of the Acceptance Period).

The Offeror will accept all Shares that have been validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and not previously withdrawn pursuant to the provisions of Article 15, paragraph 3 and/or 8 and/or Article 15a, paragraph 3 of the Takeover Decree, and the terms of the Offer. The acceptance will be made in accordance with the procedures set forth in Section 4.2 (Acceptance by Shareholders).

4.5 Extension of the Acceptance Period

The Offeror may once extend the Offer past the Acceptance Closing Date at its discretion in accordance with Article 15 paragraph 1 and paragraph 2 of the Takeover Decree. An extension shall be for a minimum of two weeks and a maximum of ten weeks. Extension for more than one period is subject to clearance of the AFM, which will only be given in exceptional circumstances. If the Acceptance Period is extended all references in this Offer Memorandum to the Acceptance Closing Date or "17:40 hours CET, on 9 January 2014" shall, unless the context requires otherwise, be deemed to be moved to the latest date and time to which the Acceptance Period has been so extended.

If the Acceptance Period is extended, a public announcement to that effect shall be made no later than the third Business Day following the initial Acceptance Closing Date, in accordance with the provisions of Article 15, paragraph 2 of the Takeover Decree. Such a public announcement shall contain the date to which the Acceptance Period is extended. During such extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. In accordance with Article 15, paragraph 3 and/or 8 of the Takeover Decree, Shares tendered on or prior to the original Acceptance Closing Date may be withdrawn during the extended Acceptance Period.

4.6 Post Closing Acceptance Period (*na-aanmeldingstermijn*)

The Offeror may, at its discretion, publicly announce, in accordance with Article 17 of the Takeover Decree, a Post Closing Acceptance Period (*na-aanmeldingstermijn*) within three Business Days after the Acceptance Date. The purpose of the Post Closing Acceptance Period is to enable Shareholders that did not tender their Shares in the Acceptance Period to tender Shares under the same terms and restrictions as the Offer. Such Post Closing Acceptance Period shall commence on the first Business Day following the announcement of a Post Closing Acceptance Period and will have a maximum duration of two weeks.

The Offeror will publicly announce the results of the Post Closing Acceptance Period and the total amount and total percentage of Shares held by it in accordance with Article 17 paragraph 4 of the Takeover Decree. This announcement shall ultimately be made on the third Business Day following the end of the Post Closing Acceptance Period. The Offeror shall continue to accept for payment all Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) during such Post Closing Acceptance Period. The Offeror shall pay for such Shares within five Business Days after the end of the Post Closing Acceptance Period.

During the Post Closing Acceptance Period, neither Shareholders who tendered Shares during the Acceptance Period, if such Shares were accepted pursuant to the Offer, nor Shareholders who tender Shares during a Post Closing Acceptance Period, will have any right to withdraw such Shares from the Offer.

4.7 Settlement

Shareholders who have tendered their Shares for acceptance pursuant to the Offer on or prior to the Acceptance Closing Date will receive on the Settlement Date the Offer Price in respect of each Tendered Share, as of which moment dissolution or annulment of a Shareholder's tender or transfer (*levering*) shall not be permitted. Admitted Institutions receiving Shares from Shareholders tendering under this Offer shall receive these Shares as custodian. In turn, Admitted Institutions will submit such Shares by written instruction to the Settlement Agent. By tendering such Shares, the Admitted Institutions declare that they have the Shares in their custody and that they procure transfer of the Shares to the Offeror on the Settlement Date.

The Offeror shall bear the applicable tax on stock exchange transactions for Shares tendered in Belgium through a professional intermediary. In the event tax on stock exchange transactions applies to Shares tendered under the Offer by Shareholders in any jurisdiction other than Belgium, the Offeror will offer these Shareholders a reimbursement equal to the tax on stock exchange transactions that would apply if the relevant Shares would be tendered in Belgium through a professional intermediary. Reference is made to Section 9.2.2 (Tax on stock exchange transactions).

4.8 Dividends

Following the Settlement Date, the current dividend policy of Xeikon may be discontinued. Any Distribution made in respect of Shares not tendered under the Offer after the Settlement Date will pro rata be deducted from the price per Share for the purpose of establishing such price in any statutory merger, squeeze-out or other measure contemplated by Section 5.5.2 (Post-Settlement restructuring measures).

4.9 Announcements

Any announcement contemplated by this Offer Memorandum will be (a) made by press release and (b) made public in Belgium, by means of a supplement to the Offer Memorandum, in accordance with Article 17 of the Belgian Law on public takeover bids of 1 April 2007. Subject to any applicable requirements of the Applicable Rules and without limiting the manner in which the Offeror may choose to make any public announcement, the Offeror will have no obligation to communicate any public announcement other than as described above.

4.10 Commission

Admitted Institutions will receive from the Settlement Agent on behalf of the Offeror a commission in the amount of EUR 0.005800 in respect of each Tendered Share up to a maximum of EUR 1,000 per Shareholder tender. The commission must be claimed from the Offeror through the Settlement Agent upon the Settlement Date.

No costs will be charged to Shareholders by the Offeror or by Xeikon for the transfer and payment of each Tendered Share. However, Shareholders may be charged certain costs and fees by their financial intermediary. Shareholders should consult their financial intermediary regarding any such costs and fees.

4.11 Restrictions

The Offer is being made with due observance of the statements, terms and restrictions included in this Offer Memorandum. The Offeror reserves the right to accept any Shares tendered for acceptance, even if such tender has not been effected in the manner as set out in Section 4.2 (Acceptance by Shareholders).

4.12 Indicative timetable

Expected date and time (all times are CET)	**Event**
6 November 2013	Press release announcing the availability of this Offer Memorandum and the commencement of the Offer
09:00 hours, 7 November 2013	Commencement of the Acceptance Period in accordance with Article 14 of the Takeover Decree
17:40 hours, 9 January 2014, subject to extension	**Acceptance Closing Date**: deadline for Shareholders wishing to tender Shares, unless the Offer is extended in accordance with Article 15 of the Takeover Decree
No later than three Business Days after the Acceptance Closing Date	**Acceptance Date**: date on which the Offeror will publicly announce, in accordance with Article 16 of the Takeover Decree, the aggregate value, the number and the corresponding percentage of Tendered Shares and the number of Shares and the corresponding percentage of Shares then owned by the Offeror
No later than three Business Days after the Acceptance Date	**Post Closing Acceptance Period**: the Offeror may publicly announce a Post Closing Acceptance Period (*na-aanmeldingstermijn*) for a period of up to two weeks, in accordance with Article 17 of the Takeover Decree. During the Post Closing Acceptance Period, Shareholders that have not yet tendered their Shares under the Offer will have the opportunity to do so in the same manner as set out in this Offer Memorandum all in accordance with Article 17 of the Takeover Decree
No later than five Business Days after the Acceptance Date	**Settlement Date**: date on which, in accordance with the terms and restrictions of the Offer, the Offeror will pay the Offer Price for each Tendered Share

5 EXPLANATION AND BACKGROUND OF THE OFFER

5.1 Introduction

On 18 July 2013, Bencis and Punch jointly announced that they had entered into an agreement for the respective sale and purchase of the controlling interest that Punch holds in Xeikon (18,856,298 Shares, representing a total interest of 65.68%), at a price in cash of EUR 5.85 per Share (the **Initial Announcement**). The completion of this sale and purchase took place on 20 September 2013.

On 18 October 2013, Xeikon completed the repurchase of 5,324,423 Shares from the Offeror and the free float Shareholders. The repurchase was financed with external financing (see Section 5.6.2 (Debt financing of the Offer) and part of the cash proceeds from the disentanglement of Accentis NV and related disentanglement transactions forming part of the sale and purchase agreement between the Offeror and Punch dated 18 July 2013. The disentanglement and related disentanglement transactions were a condition for the Offeror and Punch to completing the sale and purchase of Shares by the Offeror from Punch. The repurchase of Shares by Xeikon decreased the number of Shares that were held by Shareholders and facilitated the financing required by the Offeror for effecting the Offer.

As a consequence, the Offeror currently holds a controlling interest of 85.8% of the issued Shares not held by Xeikon.

On 18 October 2013, Bencis announced that it, through the Offeror, will make a recommended mandatory public offer of EUR 5.85 per Share for all issued Shares.

As majority shareholder Bencis aims to support Xeikon in the execution of its strategy to enable Xeikon to realise its full potential and execute its growth strategy and the required investments. Bencis aims to strengthen Xeikon's competitive position and thereby creating a basis for long term value creation. See also Sections 5.4 (Rationale for the Offer) and 5.5.3 (Strategy).

See also Section 10 (Press releases).

5.2 The Offer

5.2.1 Introduction

The Offeror is required to make a mandatory public offer for the Shares at a fair price (*billijke prijs*). According to Article 5:80a Wft, the fair price (*billijke prijs*) is the highest price the Offeror, or those persons with whom the Offeror acted in concert, paid for the shares that are subject to the mandatory public offer in the 12 months preceding the public announcement of the mandatory public offer.

On 18 July 2013, the Offeror entered into a sale and purchase agreement with Punch for the acquisition of 18,856,298 Shares, representing a total interest of 65.68% at a price in cash of EUR 5.85 per Share. This price represents the highest price paid by the Offeror for Shares in the 12 months preceding the announcement of the Offer on 18 October 2013 and therefore constitutes a fair price (*billijke prijs*) pursuant to Article 5:80a Wft.

Shareholders tendering their Shares under the Offer will receive the Offer Price in respect of each Tendered Share. If, between the date of this Offer Memorandum and the Settlement Date, Xeikon, by any means whatsoever declares any Distribution (whereby the record date that is decisive for entitlement to such Distribution occurs on or prior to the Settlement Date), then the Offer Price will be decreased by the full amount of such Distribution made by Xeikon in respect of each Share (before any applicable withholding tax).

5.2.2 Bid premiums

The Offer Price represents:

- a premium of 68.6% to the closing price per Share on Euronext Amsterdam on the Reference Date;
- a premium of 90.6% to the average VWAPs per Share on Euronext Amsterdam for the 3 (three) month period prior to and including the Reference Date;
- a premium of 103.6% to the average VWAPs per Share on Euronext Amsterdam for the 6 (six) month period prior to and including the Reference Date;
- a premium of 101.7% to the average VWAPs per Share on Euronext Amsterdam for the 12 (twelve) month period prior to and including the Reference Date;
- a premium of 26.6% to the average VWAPs per Share on Euronext Amsterdam for the 3 (three) month period prior to the day of the Initial Announcement;
- a premium of 31.9% to the average VWAPs per Share on Euronext Amsterdam for the 6 (six) month period prior to the day of the Initial Announcement;
- a premium of 83.0% to the average VWAPs per Share on Euronext Amsterdam since 18 July 2007 up to the day of the Initial Announcement;
- based on a net financial debt as at 31 December 2012 of EUR 10.8 million, the Offer Price represents an enterprise value for Xeikon of 5.0x EBITDA 2012 and 8.0x EBIT 2012;
- a premium of 26.6% to the lower end, a premium of 13.2% to the midpoint and a discount of 0.4% to the higher end of the valuation range based on a standalone DCF.

The enterprise value has been calculated based on 28,710,371 Shares issued as at the day of the Initial Announcement (excluding the 3,152,332 treasury stock held by Xeikon at the date of the Initial Announcement).

It should be noted that in the period up till 20 September 2013, as such including the Reference Date and the day of the Initial Announcement, the Xeikon share price may not have reflected completion of the carve-out of Accentis NV and the other disentanglement transactions forming part of the sale and purchase agreement between the Offeror and Punch dated 18 July 2013.

By comparison, the median premium to the unaffected share price (closing share price one day prior to the earlier of transaction announcement or material public speculation of a transaction, if any) is 52.2% for the all-cash, change of control public offers, on 100% of share capital for Dutch companies listed on the Euronext Amsterdam, with equity values in excess of EUR 50 million and less than EUR 600 million that were announced and completed in the period from 1 January 2007 to the day of the Initial Announcement. Selected transactions include: Gilde/TMC, Publicis/LBi, Mexichem/Wavin, SHV/Eriks, Adecco/DNC, Eriks/Econosto and Gilde/Nedschroef.

5.3 Substantiation of the Offer

The following valuation methodologies have been considered to determine the Offer Price:

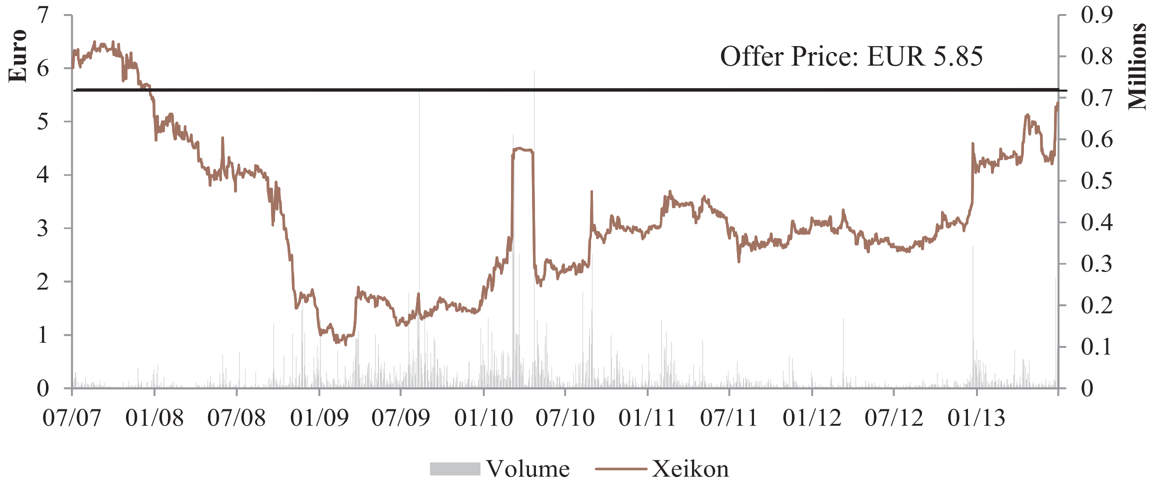
- historical share price performance of Xeikon;
- DCF method;
- bid premiums observed in selected Dutch public takeover bids;
- target share prices set by equity research analysts;
- trading multiples of comparable quoted companies; and
- transaction multiples for comparable transactions.

These valuation methodologies are each discussed in more detail below. The final Offer Price has been determined by two key methodologies: (i) the DCF method and (ii) bid premiums observed in selected Dutch public takeover bids. In addition, certain financial information as derived from annual and interim accounts, market reports[1] and press releases has been reviewed.

[1] Color Digital Label and Packaging (CDLP) Press Market Forecast: 2011-2016, InfoTrends, December 2012; "What Do Converters Want?", InfoTrends, August 2012; "The Future of Global Printing Markets 2016", Smithers Pira, December 2011 and "The Future of Global Print Equipment Markets to 2017", Smithers Pira, May 2013.

The probability of forward-looking statements or projections contained in this Section has been assessed by the Offeror against the background of general discussions with Xeikon's management.

(a) Historical share price performance of Xeikon since listing on Euronext Amsterdam up to the day of the Initial Announcement



Source: Bloomberg

The table below shows the lowest and the highest closing prices, as well as the average VWAPs of the Shares of Xeikon over a number of historical trading periods.

	Share price in EUR			Premium / (Discount) at Offer Price		
Period	**Low**	**High**	**VWAP**	**Low**	**High**	**VWAP**
18 July 2007[1] up to up to the day of the Initial Announcement	0.81	6.50	3.20	621.3%	-10.0%	83.0%
Last 12-months up to and including the Reference Date	2.56	3.47	2.90	129.0%	68.6%	101.7%
Last 6-months up to and including the Reference Date	2.56	3.47	2.87	128.4%	68.6%	103.6%
Last 3-months up to and including the Reference Date	2.75	3.47	3.07	112.7%	68.6%	90.6%
Last 6-months up to the day of the Initial Announcement	4.04	5.36	4.43	44.7%	9.2%	31.9%
Last 3-months up to the day of the Initial Announcement	4.19	5.36	4.62	39.7%	9.2%	26.6%

Closing price Reference Date	3.47
Premium at Offer Price of EUR 5.85	68.6%

Note 1: Listing of Xeikon on Euronext Amsterdam

Source: Bloomberg

The table above shows that the Offer Price implies the premiums as set out in Section 5.2.2 (Bid premiums).

It should be noted that in the period up till 20 September 2013, as such including the Reference Date and the day of the Initial Announcement, the Xeikon share price may not have reflected completion of the carve-out of Accentis NV and the other disentanglement transactions forming part of the sale and purchase agreement between the Offeror and Punch dated 18 July 2013.

(b) DCF method

A standalone DCF analysis for Xeikon, considering (i) historical financial developments for Xeikon, and assuming (ii) a financial forecast for Xeikon based on general discussions with Xeikon's management, (iii) a weighted average cost of capital ranging between 9.0% - 10.5%, and (iv) a long term growth rate ranging between 0.0% - 1.0%. The applied forecast period is six years (2013 to 2018), the residual value at the end of year six is based on perpetuity of the cash flow in year six.

Based on these assumptions, the DCF valuation gives an enterprise value between EUR 146 million and EUR 182 million, an implied equity value between EUR 133 million and EUR 169 million equal to a share price value between EUR 4.6 and EUR 5.9 (midpoint share price value of EUR 5.2).

(c) Bid premiums observed in selected Dutch pubic takeover bids

The table below provides an overview of bid premiums paid in the context of selected all-cash public takeover bids in the Netherlands since 1 July 2007 to the day of the Initial Announcement (equity values in excess of EUR 50 million and less than EUR 600 million), which effectively resulted in a change of control. The median premium paid in public takeover bids in the Netherlands during such time period was (i) 52.2% over the last closing price on the date preceding the unaffected share price (closing share price one day prior to the earlier of transaction announcement or material public speculation of a transaction, if any), (ii) 45.8% over the VWAP 3-months prior to the unaffected share price, (iii) 36.5% over the VWAP 6-months prior to the unaffected share price, and (iv) 41.4% over the VWAP 12-months prior to the unaffected share price. Hence, the table illustrates that the premium offered by the Offer Price (i.e. 68.6% over the closing price on the Reference Date) clearly exceeds the average premium paid on the Dutch market since 1 July 2007 to the day of the Initial Announcement.

Announcement Date	Unaffected Date	Bidder	Target	Equity value EUR m.	Stake	One day prior	VWAP last 3 months	VWAP last 6 months	VWAP last 12 months
22/10/2012	19/10/2012	Gilde	TMC	69	100.0%	25.0%	n.a.	n.a.	47.0%
20/09/2012	15/06/2012	Publicis	LBi	428	100.0%	20.4%	10.5%	24.5%	39.8%
8/02/2012	18/11/2011	Mexichem	Wavin	533	97.7%	176.8%	95.9%	38.3%	13.9%
20/05/2009	06/05/2009	SHV	Eriks	528	100.0%	65.1%	107.8%	93.8%	44.4%
1/09/2008	29/08/2008	Adecco	DNC	56	100.0%	52.2%	45.8%	33.9%	22.5%
28/03/2008	11/01/2008	Eriks	Econosto	133	91.4%	56.7%	n.a.	n.a.	n.a.
14/03/2007	12/01/2007	Gilde	Nedschroef	266	100.0%	26.9%	32.1%	36.5%	43.0%
					Average	60.4%	58.4%	45.4%	35.1%
					Median	52.2%	45.8%	36.5%	41.4%

Source: company data, Bloomberg, Merger Market, related Offer Memoranda

It should be noted that in the period up till 20 September 2013, as such including the Reference Date and the day of the Initial Announcement, the Xeikon share price may not have reflected completion of the carve-out of Accentis NV and the other disentanglement transactions forming part of the sale and purchase agreement between the Offeror and Punch dated 18 July 2013.

(d) Target share prices of equity research analysis

Currently, no research analyst is covering Xeikon. The most recent report was published by SNS Securities dating back to 12 November 2012, post the trading update Q3 2012. The Offer Price implies a premium of 109% over the target price set (EUR 2.80 per Share as of 28 August 2012). It should be noted that the target price reflects a price target in 12 months' time whereas the Offer Price is effective on the Initial Announcement. Taking into account time value of money, the Offer Price is considered to incorporate an even larger premium over the present value of the target price. Although this method points at a premium, the Offeror considers this method as less relevant.

(e) Trading and transaction multiples

Alternatively, the Offer Price may also be assessed by reference to the valuation of comparable publicly-listed companies and multiples paid in similar change of control transactions. However, trading multiples and multiples paid in precedent transactions in the digital printing and prepress equipment industry are viewed as less relevant benchmarks for Xeikon given the lack of relevant comparable companies. Therefore, they cannot be considered as relevant reference points.

In conclusion, having considered a number of valuation methodologies, the Offeror is convinced that the Offer Price of EUR 5.85 per Share, above the share price since 1 January 2008, is a substantially attractive offer to the Shareholders.

5.4 Rationale for the Offer

Xeikon has currently a leading position in certain digital printing market segments and offers prepress solutions for the traditional analogue printing market. The Company has further growth opportunities in niche segments of the digital document & commercial and digital labels & packaging printing markets. From a geographical perspective, growth opportunities exist in Latin America and Asia.

For Xeikon's digital printing activities, there are challenges of new emerging digital printing technologies (e.g. high-performance inkjet, nanography), growing competition (e.g. from big companies such as HP, Océ, Konica Minolta, Xerox, Fuji and from numerous new entrants in inkjet; from Landa) and the uncertain macro-economic environment. Whereas Xeikon has gained market share in labels & packaging over the past years, it is losing market share in document & commercial. For the prepress activities, overall markets are structurally declining and severe competition exists from lower cost manufacturers (e.g. companies like Cron, Luscher, Fuji) which puts pressure on the competitiveness of Xeikon's prepress solutions.

Bencis' support and resources can address the challenges Xeikon faces, realise its full potential and execute its growth strategy and the required investments. Bencis is well placed to support Xeikon into its next phase of development.

By supporting and executing Xeikon's strategy, Bencis aims to strengthen Xeikon's competitive position and thereby creating a basis for long term value creation. Such value creation would be of benefit to Xeikon, Bencis and the funds managed by Bencis as they will be the (indirect) shareholder of Xeikon.

The Offer will have a number of advantages for Xeikon and its stakeholders:

(a) Bencis has experience in the graphics and printing industries to support management teams in the execution of their strategic plans;

(b) Bencis is able to provide Xeikon with ample financial backing, expertise and support for capital expenditures, investments and acquisitions in accordance with Xeikon's strategy;

(c) Bencis is committed to structure the financial leverage in such a way that it provides the financial flexibility needed for growth in the next stage of the development of Xeikon;

(d) the transaction creates a more stable environment for Xeikon; it will enable management to focus on the day-to-day operations of the business and will create more certainty for employees and customers; and

(e) the Offer presents an attractive value proposition to Shareholders:

- the all cash Offer provides Shareholders the opportunity to realise immediate value in cash for their Shares, eliminating price risk related to the execution of Xeikon's strategy; and
- the Offer Price presents a premium to the closing price on the Reference Date, Xeikon's average closing prices over the 6 months prior to the day of the Initial Announcement, the equity analyst target price and the DCF valuation.

The acquisition of Xeikon fits well into Bencis' investment strategy as Xeikon is a leader in certain market niches and is well positioned for further international expansion. Bencis focuses on a broad range of industry sectors, but has substantial experience in the markets where Xeikon is active with current and past investments in Stork Prints, Biegelaar Neroc and Akzo Nobel Inks. Based on its current knowledge of Xeikon and its businesses, the overall aim of the Offeror and Xeikon is to maximise the operational performance of the Xeikon Group's current activities. The Offeror will actively work together with the Xeikon management team in realizing the company's growth ambitions and as such creating shareholder value.

5.5 Consequences of the Offer

Shareholders who do not tender their Shares under the Offer should carefully review this Section, which describes certain risks that such Shareholders will be subject to in the event they decide not to tender their Shares. These risks are in addition to the exposure to the risks deriving from the business of the Xeikon Group. The following is a summary of these key additional risks.

5.5.1 Liquidity and delisting

The purchase of Shares by the Offeror pursuant to the Offer, among other things, will reduce the number of Shareholders and the number of Shares that might otherwise trade publicly. This could adversely affect the liquidity and market value of the Shares not tendered and not held by the Offeror.

It is intended that Xeikon's listing on Euronext Amsterdam will be terminated as soon as possible. Such termination of the listing would further adversely affect the liquidity of any Shares not tendered under the Offer.

In addition, the Offeror may initiate any of the procedures set out in Section 5.5.2 following completion of the Offer, which will further adversely affect the liquidity and market value of the Shares.

5.5.2 Post-Settlement restructuring measures

It is the intention of the Offeror to acquire 100% of the Shares and the Offeror reserves the right to use any permitted method to acquire 100% of the Shares.

As soon as possible following the Offer, the Offeror and Xeikon intend to procure that Xeikon's listing on Euronext Amsterdam and the listing agreement between Xeikon and Euronext Amsterdam in relation to the listing of the Shares will be terminated. Delisting may be achieved on the basis of 95% or more of the issued share capital of Xeikon having been acquired by the Offeror or on the basis of a statutory merger.

If, following the Settlement Date, the Offeror holds at least 95% of Xeikon's aggregated issued share capital on a fully diluted basis, the Offeror may commence a squeeze-out procedure (*uitkoopprocedure*) in accordance with Article 2:92a or Article 2:201a of the Dutch Civil Code or a takeover buy-out procedure in accordance with Article 2:359c of the Dutch Civil Code in order to acquire the remaining Shares not tendered and not held by the Offeror or Xeikon. In such procedure, any remaining minority Shareholders of Xeikon will be offered at least the Offer Price for their Shares unless there would be financial, business or other developments or circumstances that would justify a different price (including the payment of dividends) in accordance with, respectively, Article 2:92a, paragraph 5, Article 2:201a, paragraph 5, or Article 2:359c, paragraph 6 of the Dutch Civil Code.

The Offeror shall be entitled to effect or cause to effect any other restructuring of the Xeikon Group for the purpose of obtaining 100% ownership of the Shares, as well as, for achieving an optimal operational, legal, financial and/or fiscal structure in accordance with the Applicable Rules and Dutch law in general, which may be applied cumulatively, alternatively, or not at all, at the discretion of the Offeror, including:

(a) a subsequent public offer for any Shares held by minority Shareholders;

(b) a statutory cross-border or domestic (bilateral or triangular) legal merger (*juridische (driehoeks-) fusie*) in accordance with Article 2:309 et seq of the Dutch Civil Code between Xeikon, the Offeror and/or one or more members of the Offeror Group;

(c) a statutory legal demerger (*juridische splitsing*) of Xeikon in accordance with Article 2:334a et seq of the Dutch Civil Code;

(d) a contribution of cash and/or assets to Xeikon in exchange for new Shares issued (in which case the existing Shareholders of Xeikon may not have pre-emptive rights);

(e) a sale of all, substantially all, or a substantial part of the assets of Xeikon which may or may not be followed by a distribution of proceeds to the Shareholders, all in accordance with Dutch law and the Xeikon Articles of Association;

(f) a distribution of proceeds, cash and/or assets to the Shareholders;

(g) a sale and transfer of assets and liabilities by the Offeror or any member of the Offeror Group to any member of the Xeikon Group, or a sale and transfer of assets and liabilities by any member of the Xeikon Group to the Offeror or any member of the Offeror Group;

(h) conversion of Xeikon into a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*);

(i) any combination of the foregoing; or

(j) any transactions, restructurings, share issues, procedures and/or proceedings in relation to Xeikon and/or one or more of its affiliates required to effect the aforementioned objective.

5.5.3 Strategy

Based on its current knowledge of Xeikon and its businesses, the overall aim of the Offeror and Xeikon is to maximise the operational performance of the Xeikon Group's current activities. Taking into account such overall aim, the Offeror will respect and support Xeikon with the realisation of its strategy, including in particular the following items:

(a) further develop and strengthen its sales and service network in emerging markets such as Latin America and Asia;

(b) focus on developing long-term relationships in niche segments in the labels & packaging market and refocus its activities in the document & commercial market by means of new technological developments and continuous innovation, such as Trillium; and

(c) remain focused on recurring income by offering integrated solutions, technical support, services and consumables.

5.5.4 Group structure

As a consequence of the acquisition of a controlling interest in Xeikon by the Offeror from Punch and the carve-out of Accentis NV and the other disentanglement transactions forming part of the sale and purchase agreement between the Offeror and Punch dated 18 July 2013, Xeikon has been released from its affiliation with Punch and Accentis, and their affiliates and affiliated persons. The acquisition of the controlling interest by the Offeror also caused Xeikon to become a subsidiary of the Offeror. As such, Xeikon, and its Boards, will also have to take into account the interest of the group to which it now belongs.

5.5.5 Dutch Corporate Governance Code

As long as the Shares remain listed on Euronext Amsterdam, it is the Offeror's intention that Xeikon shall continue to comply with the Dutch Corporate Governance Code in the same way as Xeikon currently complies with the Dutch Corporate Governance Code (as referenced on page 69 of the annual accounts of Xeikon for the financial year 2012, available on www.xeikon.com).

5.5.6 Dividend policy

The Shareholders should be aware that Xeikon may or may not pay cash dividends in the future. Future dividends paid may be of a one off nature only and the amount of any dividends will depend on a number of factors associated with the Offeror's tax and financial preferences from time to time. Any Distribution made in respect of Shares after the Settlement Date will be deducted for the purpose of establishing the value per Share in any statutory merger, takeover buy-out procedure, squeeze-out procedure or other measure contemplated by Section 5.5.2.

5.5.7 Tax treatment of distributions

The Offeror and Xeikon can give no assurances and have no responsibility with respect to the tax treatment of Shareholders with respect to any Distributions made by Xeikon or any successor entity to Xeikon on the Shares, which may include dividends, interest, repayments of principal, repayments of capital and liquidation distributions.

5.5.8 Arrangements relating to employees

The Offeror, Bencis and Xeikon expect that the Offer will not have any adverse consequences for employees of members of the Offeror Group or Xeikon Group, the relevant employment conditions or the locations where employees of the relevant companies are working. It is currently not envisaged by the Offeror, Bencis and Xeikon that as a result of the Offer employment agreements of the employees or management of the Offeror Group or Xeikon Group will be terminated or relevant employment conditions will be adversely affected.

5.5.9 Establishment of Xeikon

It is not contemplated that Xeikon's current establishment in Eede will change as a result of the Offer.

5.5.10 Future composition of the Boards

With effect of 20 September 2013, Frank Deschuytere resigned as CEO and member of the management board of Xeikon (the **Management Board**). With effect of 30 October 2013, Kees

Vlasblom resigned as CFO and member of the Management Board. Reference is made to Section 6.6.1 (Recent Developments).

Following the resignation of Kees Vlasblom, Wim Maes and Cees den Ouden were appointed to represent Xeikon until such date that a new member of the Management Board is appointed, in accordance with the Xeikon Articles of Association. Reference is made to Xeikon's press release of 30 October 2013.

Wim Maes is expected to be appointed as CEO and member of the Management Board at the extraordinary general meeting of Xeikon to be held on 8 November 2013. In anticipation of his appointment as CEO and statutory director of Xeikon, Wim Maes has commenced his duties as CEO of Xeikon on 23 September 2013.

Cees den Ouden is expected to be nominated for appointment by the general meeting of Xeikon as CFO and member of the Management Board in due course. As of 30 October 2013, he commenced his duties as CFO of Xeikon, but not yet as member of the Management Board.

As per the date of the Offer Memorandum, the Supervisory Board consists of Herman olde Bolhaar, Zoran van Gessel, Benoit Graulich and Tom van de Voorde.

It is currently not envisaged that the composition of the Supervisory Board will change in connection with the settlement of the Offer.

5.6 Financing of the Offer

On 20 September 2013, the Offeror announced, in accordance with Article 7, paragraph 4 of the Takeover Decree, that it had taken all reasonable measures to pay the Offer Price under the Offer.

The Offeror will finance the Offer through a combination of fully committed equity and mezzanine and senior debt financing.

5.6.1. Equity financing of the Offer

The equity for the financing of the Offer will be made available to the Offeror through XBHC, the sole shareholder of the Offeror, by the shareholders of XBHC, being (i) UXBHC, (ii) Gimv-XL Fund and (iii) indirectly, certain members of senior management across Xeikon Group. See Section 7 (Information on the Offeror and its investors) for more details on the shareholders.

The equity financing will include a short term equity bridge financing which can be repaid to the investors with the proceeds of additional committed senior debt when the Offeror has acquired 95% of the Shares.

The equity funding (including 4.5% short term equity bridge) will be 47.8% of the total funding required to finance the Offer. The equity required to finance the Offer is committed by the shareholders of XBHC and will be made available to the Offeror before Settlement.

5.6.2 Debt financing of the Offer

The Offeror has secured fully committed (subordinated) mezzanine debt financing and senior debt to finance the Offer. The subordinated mezzanine financing will be 10.5% of the total funding required to finance the Offer and the remaining required financing is funded with senior debt.

The mezzanine debt has been arranged by Capital@rent and is made available to the Offeror by a number of Belgian investors, including Capital@rent, Participatiemaatschappij Vlaanderen, Gimv-XL Fund and certain Belgian family offices.

The senior debt has been arranged and made available by ING Belgium NV/SA, KBC Bank NV, NIBC Bank N.V. and Belfius Bank SA/NV. The senior debt includes debt to fund the acquisition of the Shares by the Offeror and related costs. The senior debt also includes debt for the Company to fund the repurchase of Shares by the Company. It further includes financing available to the Company and its subsidiaries to re-finance existing financial indebtedness and to fund working capital.

The senior debt that is made available to the Company and its subsidiaries is secured by a cross-guarantee and security package granted by the Offeror, the Company and certain of its subsidiaries.

The senior debt that is made available to the Offeror is secured by a security package granted by the Offeror and, subject to financial assistance and certain corporate interest restrictions and with effect from the earlier of the date on which the Offeror has acquired 95% of the Shares and 20 April 2014, by certain non-Dutch subsidiaries of the Company.

The mezzanine and senior debt financing for the financing of the Offer will be available to the Offeror, only upon certain customary conditions being satisfied. The Offeror has no reason to assume these conditions will not be fulfilled on or prior to the Settlement in accordance with the terms set out in the Offer Memorandum.

5.7 Shareholdings of the members of the Boards

5.7.1 Information on Shares

None of the members of the Boards holds Shares in Xeikon.

The members of the Boards did not receive any information from the Offeror in connection with the Offer that is not included in this Offer Memorandum.

5.7.2 Share transaction in the year prior to the date of the Offer Memorandum

It is noted that Gerard Cok, former member of the Supervisory Board of Xeikon, sold and transferred 117,882 Shares through Summa NV and 4,249 Shares through Mohist B.V. in the repurchase of own Shares by Xeikon on 18 October 2013.

No further transactions were performed by the members of the Boards in Xeikon securities during the year preceding the date of this Offer Memorandum.

6 INFORMATION REGARDING XEIKON

6.1 Introduction

Xeikon develops, manufactures and distributes innovative, competitive and environmentally-friendly digital printing and prepress equipment for specific market segments in the global graphics industry. The Company is structured in two divisions, digital printing solutions and prepress solutions, each offering cutting edge products tailored to its target markets and backed up by a customer-oriented service.

Xeikon's head office is in the Netherlands, its research and development as well as manufacturing activities are based in Belgium. In addition Xeikon has a global sales and distribution network. Currently Xeikon employs about 391 people.

Xeikon is listed on the Euronext Amsterdam since 18 July 2007.

6.2 History of Xeikon

Xeikon is the result of a successful combination of unique and proven digital printing and prepress technology, valuable intellectual property and a long-standing track record in high-end product development and manufacturing. With the acquisitions of Strobbe Graphics, Xeikon and basysPrint between 2000 and 2004, former parent company Punch laid the foundation for what was to become a strong international graphics group: Punch Graphix plc.

In May 2005, Punch Graphix plc was admitted to AIM in London. Punch remained a shareholder of Punch Graphix plc with 49% of the shares. During 2007, Punch took back control of Punch Graphix plc and increased its shareholding, via Punch Graphix N.V., to 99.6%. In July 2007, Punch Graphix N.V. was listed on Euronext Amsterdam.

Since 15 November 2011, Punch Graphix N.V. trades under the name Xeikon N.V. This name fitted better with the Xeikon brand, which enjoys a good market reputation in the field of digital printing systems. End of 2012 Xeikon had sales of EUR 130 million.

On 20 September 2013, Punch transferred its 65.68% shareholding in Xeikon to the Offeror.

6.3 Business overview

Xeikon develops, manufactures and distributes innovative, competitive and environmentally-friendly digital printing and prepress equipment for specific market segments in the global graphics industry. The Company is structured in two divisions, digital printing solutions under the Xeikon brand name and prepress solutions under the basysPrint brand name. Each of this division is described below.

6.3.1 Digital printing solutions

The Xeikon brand name stands for sophisticated total solutions for professional digital color printing in commercial printing, document and transaction printing (document & commercial) and industrial applications such as labels and packaging (labels & packaging). Xeikon solutions consist of advanced digital color printing presses, workflow software based on open standards, application-specific toner and other consumables. On a consolidated basis, digital printing solutions generated around 76% of the annual sales for 2012.

6.3.2 Prepress solutions

The basysPrint brand name stands for high-quality computer-to-plate prepress systems for various printing techniques using UV-sensitive plates. basysPrint targets the commercial printing sector. With ThermoFlexX, Xeikon offers an alternative to computer-to-plate prepress systems for flexo and letterpress printing, mainly of labels, flexible packaging and corrugated cardboard. Together with Agfa, Xeikon develops and produces high-end computer-to-plate systems for newspaper offset printing. Agfa markets these systems globally under the Polaris X and Advantage N brand names. On a consolidated basis, prepress solutions generated around 24% of the annual sales for 2012.

6.4 Organisational structure

Xeikon is a public company with limited liability (*naamloze vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands. It is headquartered in Eede, the Netherlands. Xeikon's research and development as well as manufacturing activities are based in Belgium. In addition Xeikon has a global sales and distribution network.

The table below gives an overview of the direct and indirect subsidiaries of Xeikon.

Country	Percentage owned by Xeikon	Function of company
Austria		
Xeikon Austria GmbH[1]	99.98%	Sales & Marketing
Belgium		
Xeikon Manufacturing NV[1]	99.98%	Production
Xeikon Prepress NV[1]	99.98%	Production
Xeikon Belgium NV	100%	Sales & Marketing
Canada		
Punch Graphix Canada Inc[1]	99.98%	Sales & Marketing

China		
Xeikon Hong Kong Ltd[1]	99.98%	Sales & Marketing
Punch Trading Ltd	99.98%	Sales & Marketing
Cyprus		
Linomedia Cyprus Ltd[2]	66.63%	Sales & Marketing
Punch Graphix Cyprus Ltd[2]	95.18%	Sales & Marketing
Finland		
Xeikon Nordic Oy[1]	99.98%	Sales & Marketing
France		
Xeikon France S.A.[1]	99.98%	Sales & Marketing
Germany		
BasysPrint Service Germany GmbH	100%	Sales & Marketing
Xeikon Deutschland GmbH[1]	99.98%	Sales & Marketing
Greece		
Xeikon South East Europe SA[1]	95.18%	Sales & Marketing
Italy		
Xeikon Italia Srl[1]	99.98%	Sales & Marketing
Japan		
Xeikon Japan Co Ltd[1]	99.98%	Sales & Marketing
Romania		
Punch Graphix Romania Srl[2]	95.18%	Sales & Marketing
Serbia		
Punch Graphix SRB DOO[2]	95.18%	Sales & Marketing
Sweden		
Xeikon Scandinavia AB[1]	99.98%	Sales & Marketing
The Netherlands		
Strobbe Newspaper Systems B.V.	100%	Sales & Marketing
RMS Benelux B.V.[3]	100%	Sales & Marketing
Xeikon International B.V.	100%	Sales & Marketing
Xeikon IP B.V.[3]	100%	Sales & Marketing

Xeikon Nederland B.V. [1]	99.98%	Sales & Marketing
Punch Participatiemaatschappij B.V. [1]	99.98%	Holding
Turkey		
Punch Graphix Baski AS[2]	76.15%	Sales & Marketing
United Kingdom		
Punch Graphix Ltd	99.98%	Holding
Punch Graphix UK Ltd[1]	99.98%	Sales & Marketing
Xeikon Ltd[1]	99.98%	Sales & Marketing
United States of America		
Xeikon America Inc.[1]	99.98%	Sales & Marketing

(1) Participations held by Punch Graphix Ltd (old Punch Graphix plc)

(2) Participations held by Xeikon South East Europe SA

(3) Participations held by Strobbe Newspaper Systems B.V.

6.5 Strategy

Xeikon is committed to becoming and remaining a market leader by means of market and customer oriented innovations. A dedicated team of researchers and engineers anticipates the new technological developments and expectations of the chosen markets in close collaboration with the Company's sales and service organization. By ensuring continuous technological enhancement, Xeikon allows itself and its customers to maintain a competitive edge. Purposeful innovation and improvement are driving sustainable growth. The two pillars of Xeikon's long-term strategy are as follows:

(a) Worldwide presence and top three player in chosen niche markets

Close contact with customers through a streamlined and specialized sales and service organization is of decisive importance to deliver optimum customer service and sustained success. Particularly in the fast-growing markets of Latin America and Asia, Xeikon aims to further develop and strengthen its own service network. Xeikon aims to be a top three player in each market segment or niche market where it is active. Thanks to a successful combination of knowledge and technology, the Company concentrates on those niches where its proven technology and customer-oriented approach provide a competitive advantage for all those involved. Ultimately Xeikon wants to develop long-term relationships.

(b) Focus on recurrent income and growth

Xeikon wants to offer its customers the highest possible convenience and efficiency: in addition to integrated solutions, each division also offers technical support, service, and consumables. Recurrent income provides the Company with a stable basis for further growth. Continuous improvement and optimum exploitation of the synergies between the divisions, the sales and service organization and the partners support sustainable growth.

6.6 Recent developments and financial outlook

6.6.1 Recent developments

Below a brief overview is given of the significant business events during 2013.

Launch of new dry toner (ICE) and of ThermoFlexX 80

(a) The new dry toner is part of the Xeikon Self-Adhesive Label Suite (Xeikon's suite of solutions for self-adhesive labels), and was specially developed for the printing of heat-sensitive materials such as thermal labels and PE. It can be used in all new and existing presses in the 3000 Series, and opens up further possibilities for digital label printers.

(b) The ThermoFlexX 80 imager is the largest in the ThermoFlexX series. It exposes flexographic plates up to 1270 x 2032 mm, and is suitable for wide web applications such as flexible packaging and packaging made of corrugated and folded cardboard.

Trillium on schedule

It is expected that the first test machines will be installed at the premises of beta users during the second quarter of 2014. The official launch of the first Trillium presses is scheduled for 2014, and the presses should be brought onto the US market six months after the launch. Trillium presses use a system of high viscosity liquid toner that has several advantages over a dry toner system. High viscosity liquid toner is capable of even higher printing speeds without compromising on image quality. Moreover, the toner layer is thinner than with dry toner. This makes printing considerably cheaper, and the look and feel is closer to that of conventional offset printing.

Carve-outs

On 18 July 2013, Bencis and Punch announced that they had entered into an agreement for the sale and purchase of the controlling interest that Punch held in Xeikon. The agreement was conditional on inter alia (i) Bencis obtaining the necessary financing, (ii) the acquisition from Xeikon by Punch of certain customer receivables and (iii) a disentanglement of the remaining ties between Xeikon and Punch. Reference is made to the press release issued by Bencis and Punch on 18 July 2013 and the press release issued by Xeikon on 11 September 2013.

Changes to the Boards

On 17 September 2013, subject to the acquisition by the Offeror of 65.68% of the share capital of Xeikon from Punch, Arthur Vanhoutte and Gerard Cok resigned as members of the Supervisory Board. Following completion of this transaction on 20 September 2013, the composition of the Supervisory Board is as set out in Section 6.7.1.

On 18 September 2013, Frank Deschuytere resigned as CEO and member of the Management Board, subject to the acquisition by the Offeror of 65.68% of the share capital of Xeikon from Punch. His resignation became effective on 20 September 2013.

With effect of 30 October 2013, Kees Vlasblom resigned as CFO and member of the Management Board.

Following the resignation of Kees Vlasblom, Wim Maes and Cees den Ouden were appointed to represent Xeikon until such date that a new member of the Management Board is appointed, in accordance with the Xeikon Articles of Association.

For the future composition of the Management Board reference is made to Section 5.5.10 and the press releases issued by Xeikon on 20 September 2013 and 30 October 2013.

Repurchase

On 17 September 2013, subject to the acquisition by the Offeror of 65.68% of the share capital of Xeikon from Punch, Xeikon's general meeting of shareholders authorised the Management Board to repurchase Shares up to a maximum of 28.6% of the issued capital of Xeikon for a purchase price of EUR 5.85 per Share.

On 18 October 2013, Xeikon repurchased 5,324,423 of its own Shares in accordance with the mandate as granted on 17 September 2013.

Following settlement of the repurchase on 18 October 2013, the Offeror holds 85.8% of all issued Shares not held by Xeikon. Reference is made to the press release issued by Xeikon on 14 October 2013.

6.6.2 Financial outlook

On 23 August 2013, Xeikon announced its half-year financial results ending 30 June 2013. See also Section 14 (Interim financial information), in which it is mentioned that Xeikon does not wish to announce any concrete targets for 2013.

6.7 Supervisory Board

6.7.1 Members

The Supervisory Board consists of the following members:

Mr Z.J. (Zoran) van Gessel (1969), Chairman

Nationality: Dutch

Zoran van Gessel was appointed to the Supervisory Board as a member and Chairman in 2013. His term of office ends in 2017.

Zoran van Gessel currently is managing partner of Bencis Capital Partners. He is also a member of the supervisory boards of TE Holding B.V., BJJI B.V., AXA Stenman Group B.V., VDR Holding B.V. and Curaeos B.V.

Mr H.B. (Herman) olde Bolhaar (1948)

Nationality: Dutch

Herman olde Bolhaar was appointed to the Supervisory Board as a member in 2005. His term of office ends in 2014. He is also a member of the advisory board of Yacht and a member of Curatorium Nyenrode Business School.

Mr B. (Benoit) Graulich (1965)

Nationality: Belgian

Benoit Graulich was appointed to the Supervisory Board as a member in 2013. His term of office ends in 2017.

Benoit Graulich is partner of Bencis Capital Partners. He is also a member of the supervisory boards of Aannemingen Verelst NV, Winsol International NV, Infrahold NV, Lotus Bakeries NV and Omega Pharma NV.

Mr T. (Tom) Van de Voorde (1971)

Nationality: Belgian

Tom Van de Voorde was appointed to the Supervisory Board as a member in 2013. His term of office ends in 2017.

Tom Van de Voorde is partner Smart Industries at Gimv. He is also a member of the supervisory boards of Aquila NV, Grandeco Group Services NV, Grandeco UK Ltd., Grandeco Wallfashion Group – Belgium NV, Grandimmo NV, Green Leaf NV, Hecht NV, Impression International NV, Eden Chocolates Holding NV, Pinkplate SA and Vandemoortele NV.

6.7.2 Committees

The Supervisory Board has established from among its members two committees: the audit committee and the selection, appointment and remuneration committee. The audit committee consists of Herman olde Bolhaar (chairman) and Benoit Graulich. The selection, appointment and remuneration committee consists of Herman olde Bolhaar (chairman) and Zoran van Gessel.

6.8 Management Board

As set out in Section 5.5.10 (Future composition of the Boards), following the resignation of Kees Vlasblom as CFO and member of the Management Board, Wim Maes and Cees den Ouden were appointed to represent Xeikon until such date that a new member of the Management Board is appointed, in accordance with the Xeikon Articles of Association.

Wim Maes is expected to be appointed as CEO and member of the Management Board on 8 November 2013. As of 23 September 2013, he commenced his duties as CEO of Xeikon, but not yet as member of the Management Board.

Cees den Ouden is expected to be nominated for appointment by the general meeting of Xeikon as CFO and member of the Management Board in due course. As of 30 October 2013, he commenced his duties as CFO of Xeikon, but not yet as member of the Management Board.

6.9 Employees

As at the date of this Offer Memorandum, approximately 391 people are employed by Xeikon worldwide.

6.10 Capital and Shares

The authorised share capital of Xeikon amounts to EUR 240,000,000, and is divided into 60,000,000 ordinary shares all with a nominal value of EUR 4.00 each.

At the date of this Offer Memorandum, Xeikon has issued 28,710,371 Shares with a nominal value of EUR 4.00 each, of which 8,476,755 Shares are held by Xeikon. The Shares are listed on the official market of the stock exchange of Euronext Amsterdam (ISIN NL0006007247).

6.11 Major Shareholders

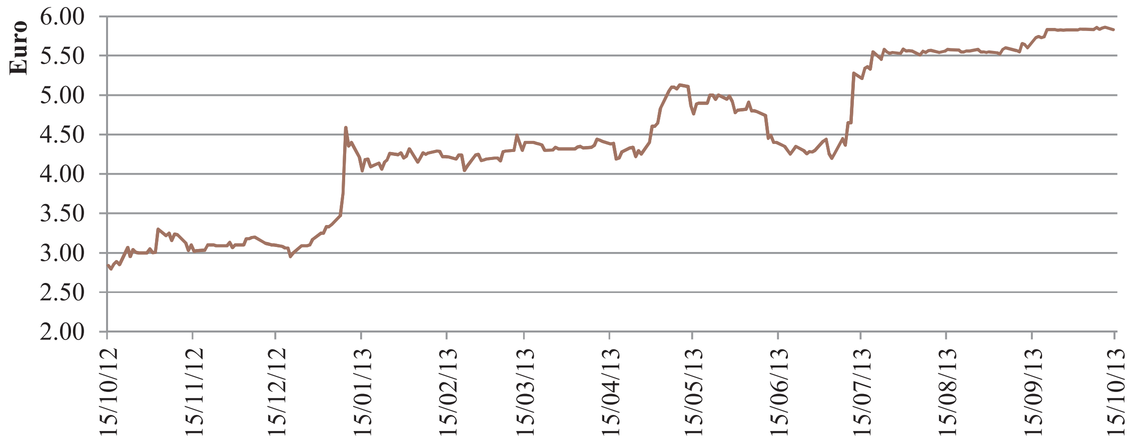
As at the date of this Offer Memorandum, the following holdings are registered in the public register of the AFM:

Shareholder	Interest	Date of notification
The Offeror	60.44%	18 October 2013
Xeikon	29.53%	18 October 2013

The shareholding of the Offeror set out above represents 85.8% of the voting rights attached to the issued Shares not held by Xeikon.

6.12 Share price development

This graph sets out the Share price development from 15 October 2012 to 15 October 2013.



Source: Bloomberg

7 INFORMATION ON THE OFFEROR AND ITS INVESTORS

7.1 General information on the Offeror

The Offeror is a private limited liability company under Dutch law (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated on 4 July 2013, with its statutory seat in Amsterdam, the Netherlands and its registered office at Zuidplein 76, 1077 XV Amsterdam, the Netherlands. The Offeror is registered with the Dutch trade register under number 58312218.

The Offeror was incorporated for the purpose of making the Offer and has not carried on any business prior to the date hereof, other than with respect to the Offer and related equity and debt financing arrangements.

The issued and paid up share capital of the Offeror amounts to EUR 2, divided into two ordinary shares with a nominal value of EUR 1 each.

The Offeror is a wholly-owned subsidiary of XBHC. All shares in XBHC are held by UXBHC, Gimv-XL Fund and, indirectly, by certain members of senior management across Xeikon Group (who will jointly hold approximately 2.6% in XBHC). UXBHC is controlled by the Bencis' funds Bencis Buyout Fund IV A C.V and Bencis Buyout Fund IV B C.V.

7.2 Information on the persons controlling the Offeror

7.2.1 Information on Bencis

Bencis is a private limited liability company under Dutch law (*besloten vennootschap met beperkte aansprakelijkheid*) with its statutory seat in Amsterdam, the Netherlands and its registered office at Zuidplein 76, 1077 XV Amsterdam, the Netherlands.

Founded in 1999, Bencis is an independent private equity firm targeting medium sized companies with their headquarters in the Benelux countries. The firm invests in solid and profitable companies that are led by strong, ambitious and committed management teams. Bencis invests in a broad range of industry sectors like industry & manufacturing, food & beverages, wholesale & retail, health & leisure and business services. Bencis actively works with the management teams to drive revenue growth and earnings improvements in its portfolio companies. Since inception, Bencis has raised EUR 1.2 billion in private equity capital and, through its buyout programs, has completed over 30 transactions.

Bencis is an experienced investor in the Netherlands with a strong reputation. Over the years, Bencis has gained relevant sector investment experience from previous transactions and through its investment in Stork Prints.

7.2.2 Governance

Bencis Buyout Fund IV A C.V and Bencis Buyout Fund IV B C.V., funds controlled by Bencis, ultimately indirectly control the Offeror. These funds, with their statutory seats in Amsterdam, the Netherlands, are advised by Bencis with aggregate capital commitments of around EUR 408 million.

The management, operation and implementation of the policy of Bencis Buyout Fund IV A C.V and Bencis Buyout Fund IV B C.V. are vested in their sole general partner, Bencis Buyout Fund IV GP B.V., who manages the funds' affairs. Bencis is the sole shareholder and management board director of Bencis Buyout Fund IV GP B.V.

The members of Bencis' management board are Zoran van Gessel, (indirectly) Benoit Graulich, and Lesley van Zutphen.

The members of Bencis' investment committee (the **Partner Meeting**) are Eric-Joost Ernst, Zoran van Gessel, Benoit Graulich, Rob van der Laan, Menno van der Meer, and Lesley van Zutphen.

The management board of Bencis has responsibility for the strategic oversight of the firm (but does not make day-to-day management decisions). The management board has given exclusive power and authority to the Partner Meeting to make all investment recommendations and decisions that are made on behalf of Bencis for the account of the funds.

XBHC, UXBHC, Bencis Buyout Fund IV A C.V., Bencis Buyout Fund IV B C.V. (which are all ultimately controlled by Bencis) and Bencis qualify as co-bidders of the Offeror in accordance with article 1:1 of the Wft. Each of the aforementioned co-bidders supports the Offer and the Offeror's underlying motives and intentions as set out in this Offer Memorandum.

7.3 Information on Gimv-XL Fund

7.3.1 Introduction

Gimv-XL Fund is a co-investment programme targeting investments in the growth strategy of (mid-cap) companies in the Flanders and Brussels region totaling EUR 609 million which started in December 2008. This co-investment programme consists of, on the one hand, Gimv-XL Partners Comm. VA (including its subsidiary Gimv-XL Partners Invest Comm. VA (**Gimv-XL Partners Invest**)) and, on the other hand Gimv NV (**Gimv**) (including its subsidiaries), and invests in portfolio companies according to a fixed ratio (Gimv-XL Partners Comm. VA 58.85% respectively Gimv 41.15%).

Gimv-XL Fund is not a co-bidder of the Offeror. Gimv-XL Fund nor any of its affiliates have been involved in the preparation of the Offer.

Gimv-XL Fund (i.e. Gimv-XL Partners Invest and Gimv (including its subsidiary Adviesbeheer Gimv-XL NV)) holds an indirect minority stake of approximately 20% via XBHC in the Offeror and does not control, directly or indirectly, the Offeror.

7.3.2 Gimv

Gimv is a limited liability company (*naamloze vennootschap/société anonyme*) under Belgian law, having its registered office at Karel Oomsstraat 37, 2018 Antwerp, Belgium and company number VAT BE 0220.324.117 RLE Antwerp.

Founded in 1980, Gimv is an independent investment company listed on Euronext Brussels and specialised in private equity and venture capital investments, focusing mainly on the European market. Gimv pursues active participation and an enterprise-driven approach, oriented towards value creation. This way, Gimv helps companies increase turnover and profitability. Over the past decades, Gimv has formed partnerships with top companies, helping them realise their strategic plans.

Gimv has approximately EUR 1.8 billion under management (including third party funds, such as Gimv-XL Partners Invest). Its activities are operated from four platforms, in each of which it has a clearly differentiated investment angle based on social and economic macro-trends that guarantee continuing strong growth. These four platforms are: Smart Industries, Consumer 2020, Sustainable Cities and Health & Care.

Vlaamse Participatiemaatschappij NV holds 26.83% of the total number of outstanding shares of Gimv. The free float currently amounts to 73.17%.

More information on Gimv can be found on its website www.gimv.com.

In its capacity as sponsor and manager, Gimv committed an amount of EUR 250 million to the Gimv-XL Fund co-investment programme.

7.3.3 Gimv-XL Partners Invest

Gimv-XL Partners Invest is a closed-end investment company in the form of a limited liability corporate partnership (*commanditaire vennootschap op aandelen/société en commandite par actions*) under Belgian law, having its registered office at Karel Oomsstraat 37, 2018 Antwerp, Belgium and company number VAT BE 0527.982.975 RLE Antwerp.

Gimv-XL Partners Invest was founded in December 2009. It is managed by Gimv-XL NV, a management company affiliated to Gimv. The shareholders are renowned institutional investors (among which insurance companies, banks, sovereign wealth funds and family offices).

7.3.4 Adviesbeheer Gimv-XL NV

Adviesbeheer Gimv-XL NV is a limited liability company (*naamloze vennootschap/société anonyme*) under Belgian law, having its registered office at Karel Oomsstraat 37, 2018 Antwerp, Belgium and with company number VAT BE 0823.740.430 RLE (Antwerp). Adviesbeheer Gimv-XL NV is a subsidiary of Gimv and as such part of the Gimv-XL co-investment programme.

7.3.5 Governance

7.3.5.1 Gimv

Gimv is governed by a board of directors, which takes the important investment decisions as well as the strategic decisions. The board of directors is composed of twelve members: Urbain Vandeurzen (chairman), Koen Dejonckheere (CEO), Dirk Boogmans, Christ'l Joris, Sophie Manigart, Martine Reynaers, Eric Spiessens, Christine Van Broeckhoeven, Johan Van den Driessche, Emile van der Burg, Francis Vanderhoydonck and Bart Van Hooland.

7.3.5.2 Gimv-XL Partners Invest

Gimv-XL Partners Invest is managed by its statutory manager Gimv-XL NV, with permanent representative Koen Dejonckheere.

7.3.5.3 Adviesbeheer Gimv-XL NV

Adviesbeheer Gimv-XL NV is governed by a board of directors. The board of directors is composed of four members: Koen Dejonckheere, Gimv (represented by its permanent representative, Koen Dejonckheere), Alex Brabers and Kristof Vande Capelle.

7.4 Management participation

As is customary in buy out transactions involving private equity investors, Bencis desires part of Xeikon Group's senior management to participate in the ownership of the business and accordingly has made equity available for investment by such senior management. Certain members of senior management across Xeikon Group participate indirectly in the Offeror via depositary receipts of shares (*certificaten van aandelen*) in the capital of XBHC, representing a joint interest of such members of senior management across Xeikon Group in XBHC of approximately 2.6%.

The investment by certain members of the senior management reflects their long term commitment to Xeikon and intends to incentivise senior management to contribute to the success and long term financial achievements of Xeikon going forward.

8 FURTHER DECLARATIONS PURSUANT TO THE TAKEOVER DECREE

In addition to the other statements set out in this Offer Memorandum, the Offeror with regard to subject (b), the Offeror and Bencis with regard to subject (d), Xeikon and the Boards in respect of subject (e) and Bencis, the Offeror, and Xeikon and the Boards jointly with regard to subjects (a) and (c), hereby declare as follows:

(a) There have been consultations between Bencis, the Offeror and Xeikon regarding the consequences of the transactions involving Xeikon, including the sale and purchase of a majority stake in Xeikon, the disentanglement of Accentis NV and the Offer. Xeikon has considered the consequences of the aforementioned transactions and has subsequently agreed to support and co-operate with the proposed disentanglement (which was a condition precedent to the sale and purchase of the majority stake in Xeikon) and the Offer, as communicated to the market in its press release dated 11 September 2013. Xeikon will issue a separate position statement with regard to the Offer in accordance with Section 24 paragraph 2 of the Takeover Decree.

(b) With due observance of and without prejudice to the restrictions referred to in Section 1 (Restrictions) and Section 2 (Important information), the Offer concerns all Shares and applies on an equal basis to all Shares.

(c) With reference to Annex A, paragraph 2, sub-paragraph 5, 6 and 7 of the Takeover Decree, no securities in Xeikon are held, and in the year preceding this Offer Memorandum no transactions or concluded agreements in respect of securities in Xeikon have been effected or have been concluded and no similar transactions have been effected in respect of securities in Xeikon by Bencis, the Offeror or the Boards, or individuals and/or legal persons within the meaning of Annex A, paragraph 2, sub-paragraph 5, 6 and 7 of the Takeover Decree, other than the 18,856,298 Shares acquired by the Offeror from Punch on 20 September 2013 and the 1,504,103 Shares sold and transferred by the Offeror to Xeikon on 18 October 2013.

(d) The costs incurred or expected to be incurred by Bencis and the Offeror in relation to the Offer are expected to amount to approximately EUR 1.1 million and comprise bank adviser fees, Settlement Agent fees, broker commissions, legal fees and legal publications. These costs will be borne by the Offeror.

(e) The costs of Xeikon's fees of legal advisers, financial advisers, tax advisers, accountants and communications advisers and other advisers incurred and expected to be incurred in relation to the Offer amount to approximately EUR 0.3 million. These costs will be borne by Xeikon.

9 TAX ASPECTS OF THE OFFER

9.1 Netherlands tax aspects of the Offer

9.1.1 General

The following summary outlines certain principal Netherlands tax consequences of the disposal of the Shares in connection with the Offer, but does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant. For purposes of Netherlands tax law, a holder of Shares may include an individual or entity who does not have the legal title of these Shares, but to whom nevertheless the Shares or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Shares or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the disposal of the Shares.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Offer Memorandum, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

(a) fiscal investment institutions (*fiscale beleggingsinstellingen*);

(b) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are not subject to or exempt from Netherlands corporate income tax;

(c) corporate holders of Shares which qualify for the participation exemption (*deelnemingsvrijstelling*) in respect of the Shares. Generally speaking, a holding in Shares is considered to qualify as a participation for the participation exemption if it represents an interest of 5% or more of the nominal paid-up share capital of Xeikon;

(d) holders of Shares holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in Xeikon and holders of Shares of whom a certain related person holds a substantial interest in Xeikon. Generally speaking, a substantial interest in Xeikon arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of Xeikon or of 5% or more of the issued capital of a certain class of shares of Xeikon, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in Xeikon;

(e) persons to whom the Shares and the income from the Shares are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);

(f) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, to which permanent establishment or permanent representative the Shares are attributable;

(g) holders of Shares which are not considered the beneficial owner (*uiteindelijk gerechtigde*) of these Shares or the benefits derived from or realised in respect of these Shares; and

(h) individuals to whom Shares or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom of the Netherlands.

9.1.2 Dividend tax

Gains realised upon the disposal of the Shares in connection with the Offer will not be subject to withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

9.1.3 Corporate and individual income tax

Residents of the Netherlands

If a holder of Shares is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands corporate income tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Shares are attributable, gains realised upon the disposal of the Shares are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands individual income tax purposes or has opted to be treated as a resident of the Netherlands for individual income tax purposes, gains realised upon the redemption or disposal of the Shares are taxable at the progressive rates (at up to a maximum rate of 52%) under the Netherlands Income Tax Act 2001 if:

(a) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Shares are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Shares are attributable; or

(b) such gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Shares that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (a) nor condition (b) above applies, an individual that holds the Shares must determine taxable income with regard to the Shares on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments has been fixed at a rate of 4% of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Shares will be included as an asset in the individual's yield basis. The 4% deemed return on income from savings and investments is taxed at a rate of 30%.

Non-residents of the Netherlands

If a person is not a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Netherlands corporate or individual income tax purposes, nor has opted to be treated as a resident of the Netherlands for individual income tax purposes, such person is not liable to Netherlands income tax in respect of gains realised upon the disposal of the Shares, unless:

(a) the person is not an individual and such person (i) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Shares are attributable, or (ii) is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Shares are attributable.

    This gain is subject to Netherlands corporate income tax at up to a maximum rate of 25%.

(b) the person is an individual and such individual (i) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Shares are attributable, or (ii) realises gains with respect to the Shares that qualify as income from miscellaneous activities in the Netherlands which includes activities with respect to the Shares that exceed regular, active portfolio management, or (iii) is other than by way of securities entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands and to which enterprise the Shares are attributable.

Gains realised with respect to the Shares as specified under (i) and (ii) by an individual is subject to individual income tax at progressive rates up to a maximum rate of 52%. Gains realised with respect to a share in the profits of an enterprise as specified under (iii) that is not already included under (i) or (ii) will be taxed on the basis of a deemed return on income from savings and investments (as described above under "Residents of the Netherlands"). The fair market value of the share in the profits of the enterprise (which includes the Shares) will be part of the individual's Netherlands yield basis.

9.1.4 Gift and inheritance tax

In general, no gift tax (*schenkbelasting*) or inheritance tax (*erfbelasting*) will be due as a result of the disposal of the Shares in connection with the Offer.

9.1.5 Value added tax

In general, no value added tax will arise in respect of payments in consideration for the disposal of the Shares in connection with the Offer.

9.1.6 Other taxes and duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder of Shares in respect of the disposal of the Shares in connection with the Offer.

9.2 Belgian tax aspects of the Offer

The following summary outlines certain principal Belgian tax considerations applicable at the date of the Offer Memorandum, under the laws of Belgium, to the disposal of the Shares in connection with the Offer and does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to tender the Shares in the Offer. It does not address specific rules, such as Belgian federal or regional estate and gift tax considerations or tax rules that may apply to special classes of holders of financial instruments, and is not to be read as extending by implication to matters not specifically discussed herein. As to individual consequences, including cross-border consequences, each Shareholder should consult its own tax advisor. This summary is based on the laws, regulations and applicable tax treaties as in effect in Belgium on the date of this Offer Memorandum, all of which are subject to change, possibly on a retroactive basis. It does not discuss or take into account tax laws of any jurisdiction other than Belgium, nor does it take into account individual circumstances of a Shareholder. The summary below is not intended as and should not be construed to be tax advice.

For purposes of this summary, (a) a Belgian individual means an individual subject to Belgian personal income tax (ie an individual having its domicile or seat of wealth in Belgium or assimilated individuals for purposes of Belgian tax law), (b) a Belgian company means a company subject to Belgian corporate income tax (ie a company having its registered seat, principal establishment, administrative seat or effective place of management in Belgium), and (c) a Belgian legal entity means a legal entity subject to the Belgian legal entities tax (ie a legal entity other than a company subject to Belgian corporate income tax having its registered seat, principal establishment, administrative seat or effective place of management in Belgium). A non-resident individual, company or legal entity means an individual, company or legal entity that does not fall in any of the three previous classes.

This summary does not address the tax regime applicable to Shares held by Belgian tax residents through a fixed basis or a permanent establishment situated outside Belgium.

9.2.1 Income tax upon transfer of the Shares

Belgian individuals

For Belgian individuals holding Shares as a private investment, capital gains realised upon the transfer of the Shares are generally not subject to Belgian income tax. Capital losses are not tax deductible.

However, Belgian individuals may be subject to a 33% income tax (plus local surcharges) if the capital gain on the Shares is deemed to be speculative or outside the scope of the normal management of the individual's private estate. Capital losses arising from such transactions are not tax deductible.

Capital gains realised upon transfer of Shares held for professional purposes are taxable at the ordinary progressive income tax rates (plus local surcharges), except for Shares held for more than five years, which are taxable at a separate rate of 16.5% (plus local surcharges). Capital losses on the Shares incurred by Belgian individuals holding the Shares for professional purposes are in principle tax deductible.

Belgian companies

Belgian companies (not being SMEs within the meaning of Article 15 of the Belgian Companies Code) are subject to Belgian capital gains taxation at a separate rate of 0.412% on gains realised upon the disposal of the Shares provided that (a) the conditions relating to the taxation of the underlying distributed income, as described in Article 203 of the Belgian Income Tax Code are met (the **Article 203 ITC Taxation Conditions**) and (b) the Shares have been held in full legal ownership for an uninterrupted period of at least one year. The 0.412% separate capital gains tax rate cannot be off-set by any tax assets (such as e.g. tax losses) or any tax credits.

Belgian resident companies qualifying as SMEs (within the meaning of Article 15 of the Belgian Companies Code) are normally not subject to Belgian capital gains taxation on gains realised upon the disposal of the Shares provided that (a) the Article 203 ITC Taxation Conditions are met and (b) the Shares have been held in full legal ownership for an uninterrupted period of at least one year.

If the one-year minimum holding period condition is not met (but the Article 203 ITC Taxation Conditions are met) then the capital gains realised upon the disposal of the Shares by Belgian companies (both non-SMEs and SMEs) will be taxable at a separate corporate income tax rate of 25.75%.

Capital losses on Shares incurred by Belgian companies (both non-SMEs and SMEs) are as a general rule not tax deductible.

If the Shares form part of the trading portfolio (*handelsportefeuille/portefeuille commercial*) of companies which are subject to the Royal Decree of 23 September 1992 on the annual accounts of credit institutions, investment firms and management companies of collective investment institutions (*jaarrekening van de kredietinstellingen, de beleggingsondernemingen en de beheervennootschappen van instellingen voor collectieve belegging/comptes annuels des établissements de crédit, des entreprises d'investissement et des sociétés de gestion d'organismes de placement collectif*), the capital gains realised upon the disposal of the Shares will taxable at the ordinary corporate income tax rate of 33.99%, and capital losses on the Shares will be tax deductible. Internal transfers to and from the trading portfolio are assimilated to a realisation.

Belgian legal entities

Capital gains realised upon transfer of the Shares by Belgian legal entities are in principle tax exempt and capital losses are not tax deductible.

Non-resident individuals or companies

Non-resident individuals or companies are, in principle, not subject to Belgian income tax on capital gains realised upon transfer of the Shares, unless the Shares are held as part of a business conducted in Belgium through a fixed base Belgium or a Belgian permanent establishment. In such a case, the same principles apply as described above with regard to Belgian individuals (holding the Shares for professional purposes) or Belgian companies.

9.2.2 Tax on stock exchange transactions

The purchase and the sale of the Shares tendered in the Offer (secondary market) in Belgium through a professional intermediary is subject to the tax on stock exchange transactions (*taxe sur les opérations de bourse/taks op de beursverrichtingen*), currently at a rate of 0.25% of the purchase price and with a cap of EUR 740 per taxable transaction. The tax is separately due from each party to any such transaction, ie the seller (transferor) and the purchaser (transferee), and is in both cases collected by the professional intermediary.

No tax on stock exchange transactions is due on transactions entered into by the following parties, provided they are acting for their own account: (a) professional intermediaries described in Article

2, 9° and 10° of the Belgian Law of 2 August 2002 on the supervision of the financial sector and on financial services, (b) insurance companies described in Article 2, §1 of the Belgian Law of 9 July 1975 on the supervision of insurance companies, (c) professional retirement institutions referred to in Article 2, 1° of the Belgian Law of 27 October 2006 on the supervision on institutions for occupational pension, (d) collective investment undertakings, and (e) non-residents provided they deliver a certificate to the financial intermediary in Belgium confirming their non-resident status.

10 PRESS RELEASES

10.1 Press release Xeikon of 8 January 2013

Xeikon engaged in initial discussions on possible takeover bid

Eede, the Netherlands – 8 January 2013 – Xeikon NV (**Xeikon**) announces that it has engaged in discussions with a party, who has indicated to Xeikon that it may be interested in entering into a potential transaction regarding Xeikon, by way of making a public takeover bid for all shares in the capital of Xeikon.

Parties are currently engaged in initial discussions on a potential transaction. Further announcements will be made if and when circumstances so require.

This announcement is made pursuant to article 5:25i, second paragraph of the Act on Financial Supervision (*Wet op het financieel toezicht*).

For information, please contact Mr H.B. olde Bolhaar, Chairman of the Supervisory Board, reachable via the head office of Xeikon at +31 (0)117 – 37 5020

About Xeikon

Xeikon NV (XEI: AEX) is an innovator in digital printing technology. The company designs, develops, and delivers web-fed digital color presses for labels and packaging applications, document printing, as well as commercial printing. These presses utilize LED-array-based dry toner electrophotography, open workflow software, and application-specific toners. As an OEM supplier, Xeikon designs and produces plate makers for newspaper offset printing applications. Xeikon also manufactures basysPrint computer-to-plate (CtP) solutions for the commercial printing market. These proven CtP systems combine the latest exposure techniques with cost-efficient UV plate technology, high imaging quality and flexibility. For the flexographic market, Xeikon offers digital platemaking systems under the ThermoFlexX brand name. ThermoFlexX systems provide high-resolution plate exposure including screening, color management, as well as workflow management. For more information, visit www.thermoflexx.com. All the Xeikon solutions are designed with the overarching principles of profitability, quality, flexibility, and sustainability in mind. With these guiding principles and a deep, intimate knowledge of its customers, Xeikon continues to be one of the industry's leading innovators of products and solutions. For more information, visit www.xeikon.com.

Cautionary statement regarding forward-looking statements

This press release contains certain forward-looking statements. Any forward-looking statement applies only on the date of this press release. Such statements are based on current expectations and convictions and, by their nature, are subject to a number of known and unknown risks and uncertainties as a result of which the actual results and performance may differ substantially from expected future results or performance expressed or implied in the forward-looking statements. The information and views contained in this press release may change without prior notice, and Xeikon NV has neither the intention nor the obligation to update forward-looking statements in this communication, except insofar as it is obliged to do so by any applicable legislation or by the rules of any stock exchange on which its shares may be traded.

10.2 Joint press release by Punch, Bencis and Gimv of 18 July 2013

Regulated information

Punch reaches agreement with Bencis on the transfer of shareholding in Xeikon

Gimv-XL Fund takes minority stake in Xeikon

18 July 2013 – 6pm CET – In accordance with the provisions of the Belgian Act of 2 August 2002 and the Dutch Financial Supervision Act, Punch International NV ('Punch'), on the one hand, and Bencis Capital Partners Belgium NV ('Bencis'), on the other hand, announce that they have entered into an agreement for the respective sale and purchase of the controlling interest that Punch holds in Xeikon N.V. ('Xeikon').

Structure and valuation

The purchase and sale transaction relates to all 18,856,298 Xeikon shares, i.e. 65.68% of the subscribed share capital held by Punch.

According to the agreement, Bencis will pay a price of EUR 5.85 for each Xeikon share. This means a premium of 69% versus Xeikon's closing price on 7 January 2013[2] and a 32% premium in relation to the average closing price of the Xeikon share in the last six months. The purchase price offered for the 18,856,298 shares held by Punch is EUR 110,309,343.30. No dividends or other distributions will be made prior to the transaction.

The Gimv-XL Fund (being Gimv NV and Gimv-XL Partners Comm.VA) will invest alongside Bencis and acquire an indirect minority stake of approximately 20% upon final closing of the transaction, through an investment vehicle held with Bencis.

Conditions

The agreement is subject to a number of conditions precedent that must be fulfilled by no later than 17 September 2013.

Among other things, the transaction is subject to the effective provision to and reception by Bencis of the necessary financing and that Xeikon's half year figures as at 30 June 2013 are in line with the average of the previous two years. With regard to the financing, Bencis is already at an advanced stage.

[2] Closing price of Xeikon share prior to Xeikon's press release with regards to a possible takeover bid

As part of the agreement, Punch will acquire customer receivables from Xeikon for a maximum amount of EUR 6,000,000. These receivables relate to machines supplied by Xeikon that customers have not yet paid for in full, i.e. under click-and-charge contracts, contracts with instalment payments or financial leases. As the receivables are repaid, Xeikon can transfer up to EUR 1,500,000 of extra receivables per year on condition that total outstanding balance does not exceed EUR 6,000,000. This facility reinforces Xeikon's working capital and would be made available until 2019.

A further condition is that the remaining ties between Xeikon and Punch must be carved out prior to the transfer of the controlling interest. For this reason, Punch is acquiring all of Xeikon's interests in Accentis at a price of EUR 9,600,000, namely 554,484,942 Accentis shares (i.e. 43.74% of the issued capital) at a price of EUR 0.01 per share and various claims against Accentis. Moreover, Xeikon is taking over Point-IT at a price of EUR 800,000. Point-IT provides IT services to Xeikon.

Under applicable rules, Punch is not under any obligation to launch a public offer on the remaining shares in Accentis.

The property on the Oostkaai in Ieper (Belgium), where the offices and production facilities of the Xeikon division Prepress Solutions are based, will be transferred, as planned, by Accentis to Xeikon for a gross price of EUR 9,200,000.

Lastly, the transaction is subject to the approval by the competent competition authorities in Germany.

Mandatory public bid – purchase of own shares – end of stock exchange listing

It is planned to complete the transaction by 17 September 2013.

In the transaction structure envisaged by Bencis, within two weeks from the expected completion of the transaction, and prior to the mandatory public bid, Xeikon will purchase a substantial part of its own shares. It expects to complete these purchases at the same price as the price agreed with Punch.

If the transaction materialises, and if and when the shares are being transferred, in accordance with Dutch legislation a public bid for the freely traded Xeikon shares will be made, at a price of EUR 5.85 per share. Moreover, after the end of the application period, it is the goal to launch a squeeze out on the remaining Xeikon shares, if possible.

Punch's position

Punch's board of directors has carefully evaluated the various aspects of the intended transaction and believes it is in the best interest of Punch's shareholders. The board of directors will still consider how the proceeds of the transaction can best accrue to Punch's shareholders.

Continuity – position of Bencis and Gimv-XL

Bencis and Gimv-XL aim at reinforcing Xeikon's competitive position by supporting Xeikon's strategy and growth plan on an independent basis, with the goal to create to create long-term value.

The transaction should not have a negative effect on the continuity and employment of the company.

For more information

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Frank De Leenheer — Gimv — Karel Oomsstraat 37 — 2018 Antwerpen — Belgium — Tel.: +32 3 290 22 18 — E-mail: frank.deleenheer@gimv.com

Investor Relations — Punch International — Oostkaai 50 — 8900 Ieper — Belgiëum — Tel.: +32 57 221 280 — E-mail: investor.relations@punchinternational.com

Reservation in relation to forward-looking statements

Certain statements in this announcement are forward-looking statements. Any forward-looking statement only applies on the date of this announcement. These statements are based on current expectations and beliefs and obviously entail a number of known and unknown risks and uncertainties, as a result of which actual results and performances may differ significantly from the expected future results or performances expressed or implied in forward-looking statements. The information and viewpoints in this announcement may change without any prior notice. Bencis Capital Partners NV and Punch International NV do not intend and are not obliged to update the forward-looking statements in this notice, except insofar as they are obliged to do so by any applicable legislation or by the regulations of any stock exchange on which the shares may be traded.

Disclaimer

This notice is for informative purposes only and is not intended and may not be construed as an offer to sell or a request to purchase or subscribe to any securities.

10.3 Press release by Xeikon of 11 September 2013

Reference is made to a digital copy of Xeikon's press release of 11 September 2013 as available on the website of Xeikon (www.xeikon.com). The website of Xeikon, including the press release referred to, does not constitute a part of, and is not incorporated by reference into, this Offer Memorandum.

10.4 Joint press release by Bencis and Gimv-XL Fund of 20 September 2013

Bencis and Gimv-XL complete acquisition of 65.68% stake in Xeikon N.V.

20 September 2013 – Bencis Capital Partners ('Bencis') and Gimv-XL announce that XBC B.V., a company controlled by Bencis and in which Gimv-XL indirectly holds a minority stake of approximately 20% ('XBC'), has completed the acquisition of 65.68% of the share capital of Xeikon N.V. ('Xeikon') from Punch International nv ('Punch').

Completion of acquisition of 65.68% stake in Xeikon

The acquisition by XBC of 65.68% of the share capital of Xeikon from Punch (the 'Transaction'), as referred to in Xeikon's press release of 11 September 2013 and as set out in the press release issued by Punch, Bencis and Gimv-XL on 18 July 2013, has been completed today. The conditions precedent to the Transaction, including the disentanglement of Accentis nv and the unconditional approval of the Transaction by the German competition authority, have been satisfied.

XBC has paid a purchase price of EUR 5.85 per share. The total purchase price paid for the 18,856,298 shares is EUR 110,309,343.30.

Mandatory public offer

As further described in the press release issued by Bencis, Punch and Gimv-XL on 18 July 2013, Bencis (through XBC) intends to launch a mandatory public offer at a price of EUR 5.85 per share shortly after completion of the repurchase of Shares by Xeikon as referred to in the press release issued by Xeikon today (except when all shares held by free float shareholders have been tendered).

After the application period for the mandatory public offer, Bencis (through XBC) intends to launch a squeeze out of the remaining Xeikon shares, if possible.

Certainty of funds

Bencis and XBC confirm that they have attracted committed financing to fully finance payment of the purchase price for the mandatory public offer. They will finance the mandatory public offer through a combination of fully committed equity and (senior and mezzanine) debt financing. The equity will primarily be funded by Bencis and Gimv-XL, the mezzanine debt financing will primarily be funded by Belgian mezzanine providers and the senior debt financing will be received from a consortium of initially four reputable European financial institutions. The senior and mezzanine debt financing is subject to customary conditions.

This announcement is made pursuant to Section 5:72a of the Act of Financial Supervision (*Wet op het financieel toezicht*) and Section 7 paragraph 4 of the Dutch Decree on Public Takeover Bids (*Besluit openbare biedingen Wft*).

About Bencis Capital Partners

Bencis Capital Partners (www.bencis.com) is an independent private equity firm in the Netherlands and Belgium. It is specialized in management buy-outs of medium sized companies in the Benelux countries. Bencis targets mature and internationally active companies in various industries. In doing so, it supports management teams in realizing their growth ambitions.

About Gimv

Gimv (www.gimv.com) is a European investment company with over three decades of experience in private equity and venture capital. Gimv is listed on NYSE Euronext Brussels. Gimv currently manages around 1.8 billion EUR (including third party funds) of investments in 75 portfolio companies, which jointly realise a turnover of more than EUR 6 billion and employ over 26,000 professionals. Gimv's four investment platforms are: Consumer 2020, Health & Care, Smart Industries and Sustainable Cities. Each of these platforms works with a skilled and dedicated team across Gimv's home markets of the Benelux, France and Germany and can count on an extended international network of experts.

Cautionary statement regarding forward-looking statements

This press release contains certain forward-looking statements. Any forward-looking statement applies only on the date of this press release. Such statements are based on current expectations and convictions and, by their nature, are subject to a number of known and unknown risks and uncertainties as a result of which the actual results and performance may differ substantially from expected future results or performance expressed or implied in the forward-looking statements. The information and views contained in this press release may change without prior notice, and Bencis and Gimv NV have neither the intention nor the obligation to update forward-looking statements in this communication, except insofar as it is obliged to do so by any applicable legislation or by the rules of any stock exchange on which its shares may be traded.

Disclaimer

This press release is for informative purposes only and is not intended and may not be construed as an offer to sell or a request to purchase or subscribe to any securities in Xeikon N.V. Any offer will be made only by means of a separate offer memorandum specifically published for this purpose, subject to the applicable rules and regulations in the Netherlands.

The distribution of this press release may in some countries be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. This press release is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, the United States, Canada and Japan.

10.5 Press release by Xeikon of 20 September 2013

XEIKON

Xeikon notes completion transaction between Bencis and Punch

Xeikon announces repurchase of own shares

20 September 2013 – Xeikon N.V. ('Xeikon') takes cognizance of the completion of the acquisition of 65.68% of Xeikon's share capital by XBC B.V., a company indirectly controlled by Bencis Capital Partners B.V. ('Bencis') from Punch International nv ('Punch'). Xeikon furthermore announces that it will start with the repurchase of a significant part of its own shares from 23 September 2013 (ending on 11 October 2013).

Completion of transaction between Bencis and Punch

According to the press release issued by Bencis today, the acquisition by Bencis of 65.68% of the share capital of Xeikon from Punch (the 'Transaction') as set out in the press release issued by Punch and Bencis on 18 July 2013 and as referred to in, inter alia, Xeikon's press releases of 18 July 2013 and 17 September 2013, is now completed. The conditions precedent to the Transaction, including the disentanglement of Accentis nv and the unconditional approval of the Transaction by the German competition authority, have been satisfied.

Bencis has paid a purchase price of EUR 5.85 per share. The total purchase price paid for the 18,856,298 shares is EUR 110,309,343.30.

Changes to the management board and supervisory board of Xeikon

As a consequence of the completion of the Transaction, the composition of Xeikon's management board (the 'Management Board') and supervisory board (the 'Supervisory Board') has changed.

Mr Deschuytere has resigned as CEO and member of the Management Board on 18 September 2013, subject to completion of the Transaction. Since the Transaction completed today, the resignation of Mr Deschuytere has become effective as of today.

The Supervisory Board has decided to propose the appointment of Mr Maes as CEO and member of the Management Board of Xeikon to the general meeting of shareholders of Xeikon at the next extraordinary general meeting of shareholders of Xeikon ('EGM'), which shall be held on 8 November 2013. In anticipation of his appointment as statutory director in the upcoming EGM, Mr Maes will commence the performance of his duties as CEO on 23 September 2013.

Mr Vanhoutte and Mr Cok have resigned as members of the Supervisory Board on 17 September 2013, subject to completion of the Transaction. During the EGM held on 17 September 2013, the general meeting of shareholders of Xeikon, also subject to completion of the Transaction, appointed Mr Van Gessel, Mr Graulich and Mr Van de Voorde as members of the Supervisory Board, each for a period of four years. Since the Transaction completed today, the resignations and appointments set out in this paragraph have become effective as of today.

Repurchase own shares by Xeikon

During the EGM held on 17 September 2013, the general meeting of shareholders of Xeikon authorised the Management Board to, for the account of Xeikon, repurchase own shares up to a maximum of 28.6% of Xeikon's issued share capital. The authorisation is granted for the period between 17 September 2013 and the date of the launch of the mandatory public offer and for a purchase price of EUR 5.85 per share.

Xeikon aims to repurchase between 4,922,906 and 8,205,844 own shares, which corresponds to 17.2% to 28.6% of the issued share capital of Xeikon. However, the repurchase will also take place if less than 17.2% of the issued share capital is tendered. This will allow all free float shareholders to tender all of their shares.

The repurchase of own shares will take place outside of the stock exchange via a separate process. The free float shareholders will be given preference over Bencis, subject to Bencis' right to tender 1,504,103 shares (5.2%) in the repurchase.

If and to the extent the free float shareholders tender less than 3,948,888 shares (13.8%), Bencis will have the right to tender at least the difference.

The repurchase will be financed with external financing available at the repurchase settlement date and part of the cash proceeds from the envisaged disentanglement transactions.

Further details on the repurchase process are set out below.

Price

For each Xeikon share offered, Xeikon pays a consideration of EUR 5.85 to the tendering shareholder in cash (without any interest), which is equal to the price per share that was paid by Bencis to Punch for the Transaction and to the price per share that will be offered by Bencis for all shares tendered under the mandatory public offer.

Tender period

The repurchase period begins at 09:00 hours Amsterdam time on 23 September 2013 and ends at 18:00 hours Amsterdam time on 11 October 2013 (the 'Closing Date'). Shareholders will be able to tender their shares (through admitted institutions) to ING Bank N.V. (the settlement agent).

Settlement and payment of the price for the shares

Shares should be submitted through an admitted institution and shareholders who wish to tender their shares must make their wish known through their bank or stockbroker at or before the end of the tender period and before the deadlines set by their relevant bank or stockbroker.

By submitting their shares for repurchase, shareholders warrant that they have full title, free from any encumbrances, over the relevant shares. Payment by Xeikon to the relevant shareholder will constitute a purchase agreement including the sale and transfer by the shareholder and the purchase and acceptance by Xeikon of the Shares paid for.

Shareholders who have offered and transferred their shares for acceptance on or prior to the Closing Date are expected to receive payment on 18 October 2013 in respect of each offered Xeikon share.

New financing arrangement

Pursuant to the Transaction, Xeikon, as of 20 September 2013, has together with Bencis entered into a new financing arrangement with a consortium of four reputable Benelux financial institutions. This senior facilities agreement will replace the previous syndicated loan agreement referred to in Xeikon's semi-annual results 2013. In the context of this new financing arrangement, Xeikon (and certain of its subsidiaries) will grant certain guarantees and security interests.

Mandatory public offer

As further described in the press release issued by Bencis, Punch and Gimv on 18 July 2013 and the press release issued by Bencis today, Bencis intends to launch a mandatory public offer at a price of EUR 5.85 per share (except when all shares held by free float shareholders have been tendered).

Further announcements will be made if and when circumstances so require.

This announcement is made pursuant to Section 5:25i, second paragraph of the Act on Financial Supervision (*Wet op het financieel toezicht*).

For information, please contact Mr H.B. olde Bolhaar, Independent member of the Supervisory Board, or Mr C. Vlasblom, CFO, reachable via the head office of Xeikon at +31 (0)117 – 37 5020.

About Xeikon

Xeikon NV (XEI: AEX) is an innovator in digital printing technology. The company designs, develops and delivers web-fed digital color presses for labels and packaging applications, document printing, as well as commercial printing. These presses utilize LED-array-based dry toner electrophotography, open workflow software and application-specific toners. As an OEM supplier, Xeikon designs and produces plate makers for newspaper offset printing applications. Xeikon also manufactures basysPrint computer-to-plate (CtP) solutions for the commercial printing market. These proven CtP systems combine the latest exposure techniques with cost-efficient UV plate technology, high imaging quality and flexibility. For the flexographic market, Xeikon offers digital platemaking systems under the ThermoFlexX brand name. ThermoFlexX systems provide high resolution plate exposure including screening, colour management, as well as workflow management. All the Xeikon solutions are designed with the overarching principles of profitability, quality, flexibility and sustainability in mind. With these guiding principles and a deep, intimate knowledge of its customers, Xeikon continues to be one of the industry's leading innovators of products and solutions.

Cautionary statement regarding forward-looking statements

This press release contains certain forward-looking statements. Any forward-looking statement applies only on the date of this press release. Such statements are based on current expectations and convictions and, by their nature, are subject to a number of known and unknown risks and uncertainties as a result of which the actual results and performance may differ substantially from expected future results or performance expressed or implied in the forward-looking statements. The information and views contained in this press release may change without prior notice, and Xeikon NV has neither the intention nor the obligation to update forward-looking statements in this communication, except insofar as it is obliged to do so by any applicable legislation or by the rules of any stock exchange on which its shares may be traded.

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10.6 Press release by Xeikon of 14 October 2013

XEIKON

Xeikon will repurchase 5,324,423 own shares

14 October 2013 – Xeikon N.V. ('Xeikon') will repurchase 5,324,423 own shares, which corresponds to 18.5% of the issued share capital of Xeikon, for a consideration of EUR 5.85 per share.

Repurchase own shares by Xeikon

On 20 September 2013 Xeikon announced the repurchase of a significant part of its own shares, whereby Xeikon aimed to repurchase between 4,922,906 and 8,205,844 own shares, corresponding to 17.2% to 28.6% of the issued share capital of Xeikon.

The tender period of the repurchase ended on 11 October 2013 (the 'Closing Date'). The shareholders tendered 5,324,423 shares, of which 3,820,320 shares were tendered by the free float shareholders and 1,504,103 by Xeikon's major shareholder XBC B.V. ('XBC').

Settlement and payment

Subject to the provisions contained in Xeikon's press release of 20 September 2013, shareholders who have offered and transferred their shares for acceptance prior to the Closing Date will receive payment on 18 October 2013 in respect of each offered Xeikon share.

Following settlement of the repurchase, XBC will hold 85.8% of all issued shares not held by Xeikon.

This announcement is made pursuant to Section 5:25i, second paragraph of the Act on Financial Supervision (*Wet op het financieel toezicht*).

For information, please contact Mr H.B. olde Bolhaar, Independent member of the Supervisory Board, or Mr C. Vlasblom, CFO, reachable via the head office of Xeikon at +31 (0)117 – 37 5020.

About Xeikon

Xeikon NV (XEI: AEX) is an innovator in digital printing technology. The company designs, develops and delivers web-fed digital color presses for labels and packaging applications, document printing, as well as commercial printing. These presses utilize LED-array-based dry toner electrophotography, open workflow software and application-specific toners. As an OEM supplier, Xeikon designs and produces plate makers for newspaper offset printing applications. Xeikon also manufactures basysPrint computer-to-plate (CtP) solutions for the commercial printing market. These proven CtP systems combine the latest exposure techniques with cost-efficient UV plate technology, high imaging quality and flexibility. For the flexographic market, Xeikon offers digital platemaking systems under the ThermoFlexX brand name. ThermoFlexX systems provide high resolution plate exposure including screening, colour management, as well as workflow management. All the Xeikon solutions are designed with the overarching principles of profitability, quality, flexibility and sustainability in mind. With these guiding principles and a deep, intimate knowledge of its customers, Xeikon continues to be one of the industry's leading innovators of products and solutions.

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10.7 Press release by Bencis of 18 October 2013

This press release is for informative purposes only and is not intended and may not be construed as an offer to sell or a request to purchase or subscribe to any securities in Xeikon N.V. Any offer will be made only by means of a separate offer memorandum specifically published for this purpose, subject to the applicable rules and regulations in the Netherlands. This press release is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, the United States, Canada and Japan.

Bencis announces all-cash public offer for all shares of Xeikon

18 October 2013 – Bencis Capital Partners ('Bencis') announces today that it, through its indirectly controlled entity XBC B.V. ('XBC'), will make a recommended mandatory public offer of EUR 5.85 per share for all issued and outstanding shares in the share capital of Xeikon N.V. ('Xeikon').

Public offer

As further described in the press release issued by Bencis and Gimv-XL on 20 September 2013, the acquisition by XBC of 65.68% of the share capital of Xeikon from Punch International NV (the 'Transaction') was completed on 20 September 2013. XBC paid a purchase price of EUR 5.85 per share.

As further described in the press release issued by Xeikon on 14 October 2013, Xeikon has repurchased 5,324,423 own shares, 1,504,103 of which were tendered by XBC, for a consideration of EUR 5.85 per share. According to the aforementioned press release, Xeikon settled the repurchase today and XBC now holds 85.8% of all issued shares not held by Xeikon.

Bencis today announces that it, through XBC, will make a recommended mandatory public offer for all issued and outstanding shares in the share capital of Xeikon for a purchase price of EUR 5.85 per share (the 'Offer').

The Offer Price is equal to the highest price paid by XBC for shares in the share capital of Xeikon in the 12 months preceding the date of this press release and therefore constitutes a fair price pursuant to Section 5:80a paragraph 1 of the Act on Financial Supervision (*Wet op het financieel toezicht*).

Support and recommendation

The supervisory board and the management board of Xeikon, with the exception of Mr F.S.M.A. Deschuytere (who resigned as statutory director of Xeikon as of 20 September 2013), fully support and recommend the Offer for acceptance to Xeikon's shareholders. A fairness opinion rendered to the supervisory board of Xeikon by Petercam, as announced by Xeikon in its press release of 11 September 2013, supports this recommendation from a financial point of view.

Indicative timetable

No conditions will be attached to the Offer. The Offer is expected to be made within two weeks from the date of this press release by publication of an offer memorandum, following approval by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*) and recognition by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten*).

Financing of the Offer

Reference is made to the press release issued by Bencis on 20 September 2013, in which Bencis confirmed having obtained certainty of funds to settle the Offer and pay the aggregate Offer Price.

Public listing

It is intended that Xeikon's listing on Euronext Amsterdam will be terminated as soon as possible following settlement of the Offer, if more than 95% of Xeikon's shares have been acquired by XBC. In addition, if 95% or more of Xeikon's shares have been acquired, XBC intends to commence a squeeze-out procedure to acquire any Xeikon shares held by free float shareholders after settlement of the Offer.

This announcement is made pursuant to Section 5:70 paragraph 1 of the Act on Financial Supervision (*Wet op het financieel toezicht*) and Section 5 paragraph 3 and Section 5a of the Dutch Decree on Public Takeover Bids (*Besluit openbare biedingen Wft*).

About Bencis Capital Partners

Bencis Capital Partners (www.bencis.com) is an independent private equity firm in the Netherlands and Belgium. It is specialized in management buy-outs of medium sized companies in the Benelux countries. Bencis targets mature and internationally active companies in various industries. In doing so, it supports management teams in realizing their growth ambitions.

Cautionary statement regarding forward-looking statements

This press release contains certain forward-looking statements. Any forward-looking statement applies only on the date of this press release. Such statements are based on current expectations and convictions and, by their nature, are subject to a number of known and unknown risks and uncertainties as a result of which the actual results and performance may differ substantially from expected future results or performance expressed or implied in the forward-looking statements. The information and views contained in this press release may change without prior notice, and Bencis has neither the intention nor the obligation to update forward-looking statements in this communication, except insofar as it is obliged to do so by any applicable legislation or by the rules of any stock exchange on which its shares may be traded.

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10.8 Press release by Xeikon of 30 October 2013 (*only available in Dutch*)

Xeikon NV

Wijziging in het bestuur

30 Oktober 2013 – Xeikon N.V. ('Xeikon') maakt bekend dat Kees Vlasblom met onmiddellijke ingang terugtreedt als bestuurder en CFO.

Kees Vlasblom trad aan als CFO van Xeikon in november 2009. Namens de raad van commissarissen verklaart voorzitter Zoran Van Gessel: “Wij zijn Kees zeer erkentelijk voor wat hij de afgelopen 4 jaar tot stand heeft gebracht en willen hem daarvoor uitdrukkelijk bedanken.”

De raad van commissarissen heeft, naar aanleiding van het terugtreden van Kees Vlasblom als bestuurder van Xeikon, in overeenstemming met de statuten, beslist dat het bestuur vanaf heden tijdelijk berust bij Wim Maes en Cees den Ouden, die beiden onafhankelijk bevoegd zullen zijn Xeikon te vertegenwoordigen.

Zoals in het persbericht van Xeikon van 20 september 2013 al is vermeld, is Wim Maes reeds vanaf 23 september jl. de facto actief als CEO, zulks in afwachting van zijn benoeming als formeel bestuurder/CEO, welke is geagendeerd voor de buitengewone vergadering van aandeelhouders van 8 november a.s.

Cees den Ouden (51 jaar) is tijdelijk aangetrokken als CFO ad interim. Cees den Ouden was voorheen o.a. actief bij Argos, Robeco Group en Maetis Arbo.

Dit is een openbare mededeling ingevolge artikel 5:25i lid 2 van de Wet op het financieel toezicht.

Voor bijkomende informatie kan u contact opnemen met dhr. H.B. olde Bolhaar, onafhankelijk lid van de raad van commissarissen, of met dhr. Van Gessel, voorzitter van de raad van commissarissen, te bereiken via de hoofdzetel van Xeikon op +31 (0)117 – 37 5020.

Over Xeikon

Als innovator op het gebied van digitaal drukken ontwerpt, ontwikkelt en levert Xeikon NV (XEI: AEX) hoogwaardige digitale kleurendruksystemen voor etiketten en verpakkingen, documenten en commercieel drukwerk. Deze systemen bestaan uit geavanceerde rotatiepersen op basis van elektrofotografie met LEDarrays en droge toner, aangevuld met open workflowsoftware, toepassingsspecifieke toners en andere verbruiksartikelen van exclusieve kwaliteit. Als OEM-toeleverancier ontwerpt en ontwikkelt Xeikon plaatbelichtingssystemen voor krantenoffsetdruk. De firma produceert ook computer-to-plate-systemen (CtP) voor de drukindustrie onder de merknaam basysPrint. Deze beproefde CtP-systemen voor de belichting van conventionele UV-platen combineren de nieuwste belichtingstechnieken met de kostengunstige, flexibele en kwalitatief hoogwaardige UV-plaattechnologie. Xeikon is - onder de merknaam ThermoflexX - ook actief in de flexomarkt. Het ThermoflexX-gamma bevat een aantal flexoplaatbelichtingssystemen in hoge resolutie met de bijbehorende geavanceerde screeningtechnologie, kleurmanagement- en workflowmanagementoplossingen. Bezoek www.xeikon.com voor meer informatie.

11 NEDERLANDSE SAMENVATTING VAN HET BOD

Dit hoofdstuk 11 behelst de Nederlandse samenvatting van het Biedingsbericht, dat is uitgegeven ter zake van het verplichte openbaar bod uitgebracht door de Bieder op alle geplaatste aandelen in Xeikon N.V. onder de bepalingen en restricties zoals beschreven in dit Biedingsbericht (het **Bod**). De belangrijkste kenmerken van het Bod zijn beschreven in deze samenvatting.

De gedefinieerde termen in dit hoofdstuk 11 van het Biedingsbericht hebben de betekenis die daaraan wordt gegeven in Paragraaf 11.2 (Nederlandse definities). Deze Nederlandse samenvatting maakt deel uit van het Biedingsbericht, maar vervangt dit niet. Deze Nederlandse samenvatting is niet volledig en bevat niet alle informatie die voor Aandeelhouders van belang zou kunnen zijn om een afgewogen oordeel te kunnen vormen omtrent het Bod.

Het lezen van deze Nederlandse samenvatting mag derhalve niet worden beschouwd als een alternatief voor het bestuderen van het volledige Biedingsbericht. Aandeelhouders wordt geadviseerd het volledige Biedingsbericht (inclusief alle documenten die daarin door middel van verwijzing zijn opgenomen) zorgvuldig te bestuderen en zo nodig onafhankelijk advies in te winnen teneinde een afgewogen oordeel te kunnen vormen omtrent het Bod, alsmede omtrent de beschrijving van het Bod in deze samenvatting en in het Biedingsbericht.

In geval van verschillen tussen deze Nederlandse samenvatting en de Engelse tekst van het Biedingsbericht, prevaleert de Engelse tekst van het Biedingsbericht (inclusief alle documenten die daarin door middel van verwijzing zijn opgenomen).

11.1 Restricties en belangrijke informatie

Het Bod wordt gedaan in en vanuit Nederland en België met inachtneming van de verklaringen en binnen de restricties die zijn beschreven in dit Biedingsbericht. De Bieder behoudt zich het recht voor om iedere aanmelding van of namens een Aandeelhouder onder het Bod te aanvaarden, ook indien de aanmelding niet is geschied op de wijze die is beschreven in dit Biedingsbericht.

De verspreiding van dit Biedingsbericht en/of het doen van het Bod in andere jurisdicties dan Nederland en België kan wettelijk beperkt of uitgesloten zijn. Het Bod wordt niet gedaan in, en mag niet worden aanvaard door, of namens Aandeelhouders vanuit een jurisdictie waarin het doen van het Bod of het aanvaarden daarvan niet in overeenstemming is met de in die jurisdictie geldende effecten regelgeving of andere wet- en regelgeving, of waarvoor enige registratie bij, goedkeuring van of kennisgeving aan een toezichthoudende instantie door de Bieder is vereist en waarin niet expliciet door dit Biedingsbericht is voorzien. Echter, aanmeldingen onder het Bod door Aandeelhouders buiten Nederland of België zullen worden aanvaard door de Bieder, indien de aanmelding is geschied (i) op de wijze die is beschreven in dit Biedingsbericht, en (ii) in overeenstemming met de wet- en regelgeving in de jurisdictie waaruit de aanmelding wordt gedaan.

Personen die het Biedingsbericht verkrijgen, dienen alle restricties te respecteren en iedere vereiste autorisatie, goedkeuring of instemming te verkrijgen. Noch de Bieder, noch Bencis, noch Xeikon, noch ieder van hun respectievelijke gelieerde entiteiten, bestuurders en commissarissen, werknemers en adviseurs aanvaarden enige aansprakelijkheid ter zake van overtredingen van voornoemde restricties. Behalve in Nederland en België hebben er geen handelingen plaatsgevonden (noch zullen deze plaatsvinden) om het Bod mogelijk te maken in enig andere jurisdictie waar dergelijke handelingen vereist zouden zijn. In aanvulling daarop, dit Biedingsbericht is niet toegestuurd nog erkend door de autoriteiten van enig andere jurisdictie dan de Nederlandse en de Belgische.

Elke persoon (waaronder begrepen, zonder beperkingen, bewaarders, gevolmachtigden en beheerders) die dit Biedingsbericht of enig hieraan gerelateerd document naar een jurisdictie buiten Nederland en België wenst te zenden, of van plan zou zijn dit te doen, dient zorgvuldig hoofdstuk 1 (Restrictions) en hoofdstuk 2 (Important information) te lezen voordat hij hiertoe overgaat. De uitgifte, publicatie of distributie van dit Biedingsbericht in of naar een jurisdictie kan wettelijk zijn beperkt en daarom dienen personen buiten Nederland en België die dit Biedingsbericht ontvangen kennis te nemen van deze restricties en deze na te leven. Indien deze restricties niet worden nageleefd, kan dit een strafbaar feit opleveren naar het recht van de desbetreffende jurisdictie. Noch de Bieder, noch Bencis, noch Xeikon, noch ieder van hun respectievelijke gelieerde entiteiten, bestuurders en commissarissen, werknemers en adviseurs aanvaarden enige aansprakelijkheid ter zake van overtredingen van voornoemde restricties.

Het Biedingsbericht bevat belangrijke informatie die men zorgvuldig dient te lezen alvorens een besluit te nemen over het aanmelden van Aandelen onder het Bod. Aandeelhouders wordt aangeraden waar nodig onafhankelijk advies in te winnen. Daarnaast zullen Aandeelhouders mogelijk hun belastingadviseur willen raadplegen met betrekking tot de fiscale gevolgen van het aanmelden van Aandelen onder het Bod.

De informatie opgenomen op pagina 1 tot en met 13 en in de Paragrafen 1 tot en met 5 (uitgezonderd de paragrafen 5.5.2, 5.5.3, 5.5.5 tot en met 5.5.10 en 5.7), 7, 9, 10 en 11 is uitsluitend door de Bieder verstrekt. De informatie opgenomen in de Paragrafen 5.7, 6, 12, 13 en 14 is uitsluitend door Xeikon verstrekt. De informatie op het voorblad, de laatste pagina en de informatie opgenomen in de Paragrafen 5.5.2, 5.5.3, 5.5.5 tot en met 5.5.10 en 8 is door de Bieder en Xeikon gezamenlijk verstrekt.

Uitsluitend de Bieder en Xeikon zijn verantwoordelijk voor de juistheid en volledigheid van de informatie die in het Biedingsbericht is opgenomen, elk voor de informatie die door haar zelf werd verstrekt en gezamenlijk voor de informatie die door hen gezamenlijk is verstrekt.

De Bieder en Xeikon verklaren beiden, ieder afzonderlijk ten aanzien van de gegevens die door hen in het Biedingsbericht zijn verstrekt en gezamenlijk ten aanzien van de informatie die door hen gezamenlijk is verstrekt, dat voorzover hun redelijkerwijs bekend kan zijn, dat de informatie in dit

Biedingsbericht in overeenstemming is met de werkelijkheid en dat geen informatie is weggelaten waarvan de vermelding de strekking van het Biedingsbericht zou wijzigen.

De informatie opgenomen in de Paragrafen 12.5 en 14.2 van Deel B is door Xeikon verkregen van BDO. Xeikon bevestigt dat deze informatie op accurate wijze is geproduceerd en dat geen feiten zijn weggelaten die ervoor zouden zorgen dat de gereproduceerde informatie niet accuraat of misleidend zou zijn.

De informatie in het Biedingsbericht geeft de situatie weer op de datum van het Biedingsbericht. Indien de opgenomen informatie niet de situatie weergeeft op de datum van het Biedingsbericht, dan is dat specifiek vermeld. Onder geen beding houden de publicatie en verspreiding van het Biedingsbericht in dat de hierin opgenomen informatie ook na de datum van het Biedingsbericht juist en volledig is of dat er sinds deze datum geen wijziging is opgetreden in de in het Biedingsbericht uiteengezette informatie of in de gang van zaken bij de Bieder en/of Xeikon en/of hun dochtermaatschappijen en/of aan hen gelieerde ondernemingen. Het voorgaande laat echter onverlet de verplichting van zowel de Bieder als Xeikon om, indien zulks van toepassing is, een openbare mededeling te doen ingevolge artikel 5:25i Wft of artikel 4 lid 3 van het Bob Wft voor zover van toepassing.

11.2 Nederlandse definities

In dit Biedingsbericht zal een verwijzing naar gedefinieerde termen in het meervoud gelijk staan aan verwijzingen naar dergelijk gedefinieerde termen in het enkelvoud en vice versa. Alle grammaticale en andere veranderingen die nodig zijn bij het gebruiken van een definitie in het enkelvoud zullen worden beschouwd hierin te zijn gemaakt en zullen worden toegepast alsof zulke veranderingen zijn gemaakt. Een verwijzing naar "inclusief" betekent een verwijzing naar "inclusief maar niet beperkt tot".

De gedefinieerde termen in dit hoofdstuk 11 van het Biedingsbericht hebben de volgende betekenis:

Aandelen	alle geplaatste aandelen in het kapitaal van Xeikon, elk met een nominale waarde van EUR 4,00;
Aandeelhouder	houder(s) van één of meer Aandelen;
Aangemelde Aandelen	elk Aandeel dat voorafgaand aan de Sluitingsdatum op de juiste wijze is aangemeld (of op onjuiste wijze, indien de Bieder de aanmelding desalniettemin heeft aanvaard) en geleverd onder het Bod;
Aanmeldingstermijn	de periode waarin de Aandeelhouders hun Aandelen bij de Bieder kunnen aanmelden, welke begint op 7 november 2013

	om 9:00, CET, en eindigt op de Sluitingsdatum;
AFM	de Stichting Autoriteit Financiële Markten;
Afwikkelingskantoor	KBC Securities NV, in samenwerking met KBC Bank NV;
Bencis	Bencis Capital Partners B.V., een besloten vennootschap met beperkte aansprakelijkheid opgericht naar Nederlands recht, statutair gevestigd te Amsterdam, Nederland en met adres aan Zuidplein 76, 1077 XV Amsterdam, Nederland, geregistreerd in het handelsregister onder nummer 30194051;
Bieder	XBC B.V., een besloten vennootschap met beperkte aansprakelijkheid opgericht naar Nederlands recht, statutair gevestigd te Amsterdam, Nederland, met adres aan Zuidplein 76, 1077 XV Amsterdam, Nederland en geregistreerd in het handelsregister onder nummer 58312218;
Biedingsbericht	dit biedingsbericht (inclusief de Engelse tekst) met betrekking tot het Bod bestaande uit Deel A en Deel B;
Biedprijs	een bedrag in contanten van EUR 5,85 cum dividend per Aandeel voor elk Aandeel dat op geldige wijze is aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin aanvaardt) en geleverd onder de voorwaarden van het Bod;
Bob Wft	Besluit openbare biedingen Wft;
Bod	het bod op de Aandelen zoals in dit Biedingsbericht beschreven;
CET	Centrale Europese Tijd;
Dag van Acceptatie	de datum waarop de Bieder overeenkomstig artikel 16 van het Bob Wft de totale waarde, het aantal en het corresponderende percentage Aandelen dat voor de Sluitingsdatum is aangeboden en geleverd aan de Bieder alsmede het corresponderende percentage Aandelen dat op dat moment wordt gehouden door de Bieder openbaar zal mededelen;

Dag van Overdracht	de datum waarop de Bieder overeenkomstig de bepalingen en restricties van het Bod, de Biedprijs zal betalen aan de Aandeelhouders voor elk Aangemeld Aandeel, zijnde niet later dan de vijfde Werkdag na de Dag van Acceptatie;
EUR, Euro of €	de Euro, het wettig betaalmiddel in de lidstaten van de Europese Monetaire Unie;
Euronext Amsterdam	de beurs van Euronext Amsterdam door NYSE Euronext, de gereglementeerde markt van Euronext N.V.;
Initiële Bekendmaking	de gezamenlijke bekendmaking van Bencis en Punch International NV dat zij een koop- en verkoopovereenkomst zijn aangegaan betreffende de verkoop van het meerderheidsbelang dat Punch International NV houdt in Xeikon (18.856.298 Aandelen, vertegenwoordigend een belang van 65,68%) tegen een prijs in contanten van EUR 5,85 per Aandeel;
Mededingingswetgeving	de Duitse Wet tegen beperkingen van mededinging en elke andere wet, regelgeving of besluit (nationaal, internationaal, federaal, statelijk of lokaal) ingesteld ter verbieding, beperking of regulering van handelingen met als doel of effect het monopoliseren of beperken van handel of significante beperking van effectieve mededinging;
Na-aanmeldingstermijn;	een periode van niet meer dan twee weken na afloop van de Aanmeldingstermijn gedurende welke Aandeelhouders die hun Aandelen nog niet hebben aangemeld onder het Bod de kans wordt gegeven dit alsnog te doen, op dezelfde wijze en onder dezelfde voorwaarden als opgenomen in het Biedingsbericht;
Paragraaf	een paragraaf (Section) van dit Biedingsbericht;
Peildatum	7 januari 2013, de laatste handelsdag voorafgaand aan Xeikon's persbericht inzake een mogelijk openbaar bod;
Sluitingsdatum	de tijd en datum waarop het Bod afloopt, zijnde om 17:40 uur, CET, op 9 januari 2014, tenzij de Aanmeldingstermijn is verlengd overeenkomstig artikel 15 van het Bob Wft, in welk geval de Sluitingsdatum zal zijn de dag waarop de verlengde

	Aanmeldingstermijn afloopt;
Toegelaten Instellingen	de tot Euronext Amsterdam toegelaten instellingen;
Toepasselijke Regelgeving	alle toepasselijke wet en regelgeving, inclusief maar niet beperkt tot de toepasselijke artikelen van en alle nadere regelgeving en beleidsregels die zijn vastgesteld of anderszins gelding hebben krachtens de Wft, het Bob Wft, de beleidsregels en instructies van de AFM, de Wet op de ondernemingsraden, het SER-besluit Fusiegedragsregels 2000, de regelgeving en beleidsregels van Euronext Amsterdam, en voor zover van toepassing, het Nederlands Burgerlijk Wetboek, de Belgische wet op de openbare overnamebiedingen van 1 april 2007, het Belgisch Burgerlijk Wetboek, de relevante effecten en medezeggenschap-regelgeving in andere relevante jurisdicties en relevante Mededingingswetgeving;
Uitkering	elk dividend of andere uitkering op de Aandelen;
Werkdag	een dag, anders dan een zaterdag of zondag waarop banken in Nederland, ingevolge de Algemene Bank-cao en Euronext Amsterdam open zijn;
Wft	Wet op het financieel toezicht; en
Xeikon	Xeikon N.V., een naamloze vennootschap opgericht naar Nederlands recht, statutair gevestigd in Sluis, Nederland, met adres aan Brieversstraat 70, 4529 GZ Eede, Nederland, geregistreerd in het handelsregister onder nummer 34100253.

11.3 Uitnodiging aan de Aandeelhouders

Onder verwijzing naar de verklaringen en beperkingen zoals opgenomen in hoofdstuk 1 (Restrictions) en hoofdstuk 2 (Important information) worden Aandeelhouders uitgenodigd om hun Aandelen aan te bieden op de wijze en onder de voorwaarden zoals in dit Biedingsbericht beschreven.

11.4 Het Bod

De Bieder doet een verplicht openbaar bod tot koop van alle Aandelen van Aandeelhouders conform de bepalingen en beperkingen in dit Biedingsbericht.

Aan de Aandeelhouders die hun Aandelen onder het Bod op geldige wijze hebben aangemeld en geleverd (of op ongeldige wijze, indien de Bieder de aanmelding daarvan desalniettemin aanvaardt), zal betaling in contanten plaatsvinden van de Biedprijs. Zie tevens Paragraaf 4.4 (Acceptance Period (*aanmeldingstermijn*)).

De Biedprijs vertegenwoordigt:

- een premie van 68,6% ten opzichte van de slotkoers per Aandeel op Euronext Amsterdam op de Peildatum;

- een premie van 90,6% ten opzichte van de gemiddelde volume gewogen gemiddelde prijzen per Aandeel op Euronext Amsterdam gedurende de drie maanden voorafgaand aan en met inbegrip van de Peildatum;

- een premie van 103,6% ten opzichte van de gemiddelde volume gewogen gemiddelde prijzen per Aandeel op Euronext Amsterdam gedurende de zes maanden voorafgaand aan en met inbegrip van de Peildatum;

- een premie van 101,7% ten opzichte van de gemiddelde volume gewogen gemiddelde prijzen per Aandeel op Euronext Amsterdam gedurende de twaalf maanden voorafgaand aan en met inbegrip van de Peildatum;

- een premie van 26,6% ten opzichte van de gemiddelde volume gewogen gemiddelde prijzen per Aandeel op Euronext Amsterdam gedurende de drie maanden voorafgaand aan de dag van de Initiële Bekendmaking;

- een premie van 31,9% ten opzichte van de gemiddelde volume gewogen gemiddelde prijzen per Aandeel op Euronext Amsterdam gedurende de zes maanden voorafgaand aan de dag van de Initiële Bekendmaking;

- een premie van 83,0% ten opzichte van de gemiddelde volume gewogen gemiddelde prijzen per Aandeel op Euronext Amsterdam gedurende de periode beginnend op 18 juli 2007 en eindigend op de dag voorafgaand aan de Initiële Bekendmaking;

- gebaseerd op de netto schuldpositie per 31 december 2012 van EUR 10,8 miljoen, vertegenwoordigt de Biedprijs een *enterprise value* van Xeikon van 5,0x EBITDA 2012 en 8,0x EBIT 2012; en

- een premie van 26,6% ten opzichte van de laagste waarde, een premie van 13,2% ten opzichte van de middelste waarde en een korting van 0,4% ten opzichte van de hoogste waarde van de waarderingsmarge gebaseerd op een *standalone discounted cashflow*.

De *enterprise value* is berekend op basis van 28.710.371 geplaatste Aandelen per de datum van de Initiële Bekendmaking (met uitzondering van de 3.152.332 door Xeikon gehouden Aandelen op de dag van de Initiële Bekendmaking).

Merk op dat in de periode tot 20 september 2013, bijgevolg ook op de Peildatum en op de dag van de Initiële Bekendmaking, de prijs van het Xeikon aandeel wellicht niet de voltooiing van de afwikkeling van de banden met Accentis NV en de andere transacties die deel uitmaakten van de koop- en verkoopovereenkomst tussen de Bieder en Punch van 18 juli 2013 reflecteerde.

Ter vergelijking, de mediaan van de premie betaald over de genormaliseerde aandelenkoers (slotkoers per aandeel op de dag voorafgaand aan het eerdere van de aankondiging van de transactie en enige materiële openbare speculatie over een transactie, indien van toepassing) is 52,2% op basis van *all cash* openbare biedingen op 100% van de aandelen van Nederlandse vennootschappen genoteerd aan Euronext Amsterdam met een *equity value* groter dan EUR 50 miljoen en kleiner dan EUR 600 miljoen die werden aangekondigd en afgerond in de periode tussen 1 januari 2007 en de dag van de Initiële Bekendmaking. De geselecteerde transacties omvatten: Gilde/TMC, Publicis/LBi, Mexichem/Wavin, SHV/Eriks, Adecco/DNC, Eriks/Econosto en Gilde/Nedschroef.

Op 20 september 2013, hebben de Bieder en Bencis bekendgemaakt dat de Bieder, conform artikel 7 lid 4 van het Bob Wft, alle redelijke maatregelen heeft genomen om het Bod gestand te kunnen doen.

De Bieder zal het Bod financieren door een combinatie van eigen vermogen en senior en mezzanine schuldfinanciering.

Het eigen vermogen voor de financiering van het Bod zal aan de Bieder worden verstrekt via XBHC B.V. door de aandeelhouders van XBHC B.V., te weten: UXBHC B.V., Gimv-XL Fund en, indirect, bepaalde leden van het senior management van de Xeikon groep. Het verstrekte eigen vermogen (waaronder een 4,5% korte termijn *equity bridge*) zal 47,8% van de totale financiering van het Bod bedragen. Het voor de financiering van het Bod vereiste eigen vermogen is toegezegd door de aandeelhouders van XBHC B.V. en zal voorafgaand aan de Dag van Overdracht ter beschikking worden gesteld aan de Bieder.

De Bieder heeft volledig gecommitteerde (achtergestelde) mezzanine schuldfinanciering en senior schuldfinanciering zekergesteld ter financiering van het Bod. De achtergestelde mezzanine schuldfinanciering zal 10,5% van de totale financiering van het Bod bedragen. Het resterende deel van het Bod is gefinancierd door senior schuldfinanciering. De senior en mezzanine schuldfinanciering zijn onderworpen aan de voor deze schuldfinanciering gebruikelijke voorwaarden. De senior en mezzanine schuldfinanciering zijn onderworpen aan de voor deze schuldfinanciering gebruikelijke voorwaarden. De Bieder heeft geen reden om aan te nemen dat deze voorwaarden niet zullen worden vervuld op of voorafgaand aan de Dag van Overdracht conform de voorwaarden zoals deze zijn uiteengezet in het Biedingsbericht. Zie tevens paragraaf 5.6 (Financing of the Offer).

11.5 Biedprijs

Voor elk Aangemeld Aandeel biedt de Bieder een bedrag van EUR 5,85 in contanten cum dividend (de **Biedprijs**), onder de condities zoals uiteengezet in dit Biedingsbericht, zonder rente.

De Biedprijs van EUR 5,85 per Aandeel is gelijk aan de hoogste prijs die de Bieder tijdens een periode van 12 maanden voorafgaande aan de aankondiging van het verplichte bod heeft betaald voor de Aandelen als waarop het Bod betrekking heeft en vertegenwoordigt overeenkomstig artikel 5:80a Wft de billijke prijs. Zie tevens Paragraaf 5.3 (Substantiation of the Offer).

De Biedprijs is inclusief dividend. Indien enige dividenduitkering of andere uitkering (elk een **Uitkering**) op de Aandelen wordt vastgesteld door Xeikon (waarbij de record date die bepalend is voor gerechtigheid tot een dergelijke Uitkering gelegen is vóór de Dag van Overdracht), zal de Biedprijs worden verminderd met het volledige bedrag van een dergelijke Uitkering gedaan door Xeikon per Aandeel (vóór toepassing van enige relevante heffingen).

11.6 Aanvaarding door Aandeelhouders

Aandeelhouders die Aandelen houden via een Toegelaten Instelling worden verzocht hun aanmelding kenbaar te maken via hun bank of commissionair niet later dan de Sluitingsdatum, tenzij de Aanmeldingstermijn is verlengd met in achtneming van Paragraaf 4.5 (Extension of the Acceptance Period). De relevante bank of commissionair kan een eerdere uiterste datum stellen voor de Aandeelhouders om de bank of commissionair in de gelegenheid te stellen de aanmelding van die Aandelen op tijd aan het Afwikkelingskantoor te communiceren. Zie tevens Paragraaf 4.2.1 (Acceptance by holders of Shares through Admitted Institutions).

De desbetreffende Toegelaten Instellingen mogen de Aanmeldingen slechts indienen bij het Afwikkelingskantoor. Bij het indienen van de Aanmeldingen dient iedere Toegelaten Instelling te verklaren dat: (i) zij de Aangemelde Aandelen in hun administratie hebben opgenomen; (ii) de betrokken Aandeelhouder onherroepelijk garandeert dat hij/zij zal voldoen aan alle restricties die worden genoemd in de hoofdstuk 1 (Restrictions) en hoofdstuk 2 (Important information); en (iii) zij zich verplicht om de Aangemelde Aandelen te leveren aan de Bieder op de Dag van Overdracht.

11.7 Aanmelding

11.7.1 Aanmeldingstermijn

De Aanmeldingstermijn vangt aan op 7 november 2013 om 9:00 uur, CET, en eindigt, op 9 januari 2014 om 17:40 uur, CET, tenzij de Aanmeldingstermijn wordt verlengd conform artikel 15 lid 2 van het Bob Wft. Zie tevens Paragraaf 4.5 (Extension of the Acceptance Period).

De Bieder zal alle Aangemelde Aandelen aanvaarden, met inachtneming van de procedures zoals uiteengezet in Paragraaf 4.2 (Acceptance by Shareholders).

11.7.2 Verlenging

De Bieder kan het Bod slechts eenmalig verlengen tot na de Sluitingsdatum in overeenstemming met artikel 15 lid 1 en 2 van het Bob Wft. Een verlenging van de Aanmeldingstermijn is voor een minimale periode van twee weken en een maximale periode van tien weken. Verlenging voor meer dan één periode is slechts mogelijke met goedkeuring van de AFM, welke alleen in uitzonderlijke omstandigheden gegeven zal worden. Ingeval van een dergelijke verlenging zullen alle verwijzingen in dit Biedingsbericht naar de "Sluitingsdatum" of naar "17:40 uur CET 9 januari 2014" worden verschoven naar de uiterste datum en tijd waarnaar het Bod is verlengd, tenzij uit de context anders blijkt. Indien de Aanmeldingstermijn wordt verlengd, zal een openbare mededeling in die zin uiterlijk dienen te worden gedaan op de derde Werkdag na de oorspronkelijke Sluitingsdatum, in overeenstemming met de bepalingen van artikel 15 lid 2 van het Bob Wft. Gedurende een verlenging van de Aanmeldingstermijn blijft elk Aandeel dat is aangemeld en niet is ingetrokken onderworpen aan het Bod, behoudens het recht van de Aandeelhouder om de Aandelen die hij of zij reeds heeft aangemeld in te trekken conform artikel 15 leden 3 tot en met 8 van het Bob Wft.

11.7.3 Na-aanmeldingstermijn

De Bieder kan, naar eigen inzicht, in overeenstemming met artikel 17 van het Bob Wft, binnen drie Werkdagen na de Dag van Acceptatie een Na-aanmeldingstermijn aankondigen. Het doel van deze Na-aanmeldingstermijn is om Aandeelhouders die geen Aandelen hebben aangemeld gedurende de Aanmeldingstermijn in staat te stellen hun Aandelen alsnog aan te melden onder dezelfde voorwaarden als het Bod. Een dergelijke Na-aanmeldingstermijn zal aanvangen op de eerste Werkdag volgend op de aankondiging van de Na-aanmeldingstermijn en zal maximaal twee weken duren.

De Bieder zal de resultaten van de Na-aanmeldingstermijn en het totale aantal en percentage van de door haar gehouden Aandelen uiterlijk op de derde Werkdag na afloop van de Na-aanmeldingstermijn publiekelijk mededelen, in overeenstemming met artikel 17, lid 4 van het Bob Wft. Tijdens een dergelijke Na-aanmeldingstermijn zal de Bieder doorgaan met het aanvaarden van, en het betalen voor, alle Aandelen die op geldige wijze zijn aangemeld (of op ongeldige wijze, indien de Bieder de aanmelding desalniettemin heeft aanvaard).

11.7.4 Overdracht

Aandeelhouders die hun Aandelen voor of op de Sluitingsdatum hebben aangemeld en geleverd conform het Bod zullen op de Dag van Overdracht de Biedprijs ontvangen voor elk aangemeld Aandeel. Zie ook Paragraaf 4.7 (Settlement).

11.8 Aankondigingen

Aankondigingen in verband met het Bod zullen (a) door middel van een persbericht worden uitgebracht en (b) openbaar worden gemaakt in België door middel van een supplement bij het Biedingsbericht conform artikel 17 van de Belgische wet op de openbare overnamebiedingen van 1 april 2007. Onder voorbehoud van de wettelijke vereisten op grond van de Toepasselijke Regelgeving en zonder de wijze waarop de Bieder een publieke aankondiging wenst te doen te beperken, zal op de Bieder geen enkele verplichting rusten om enige publieke aankondiging te doen anders dan hierboven beschreven.

11.9 Beoogd tijdschema

Verwachte datum en tijd (alle tijden zijn in CET)	**Gebeurtenis**
6 november 2013	Persbericht met betrekking tot de verkrijgbaarstelling van het Biedingsbericht en de aanvang van het Bod
09:00 uur, 7 november 2013	Aanvang van de Aanmeldingstermijn onder het Bod overeenkomstig artikel 14 van het Bob Wft
17:40 uur, 9 januari 2014, behoudens verlenging	**Sluitingsdatum**: uiterste datum waarop Aandeelhouders hun Aandelen onder het Bod kunnen aanmelden, tenzij de Aanmeldingstermijn is verlengd overeenkomstig artikel 15 van het Bob Wft
Uiterlijk drie Werkdagen na de Sluitingsdatum	**Dag van Acceptatie**: datum waarop de Bieder overeenkomstig artikel 16 van het Bob Wft de totale waarde, het aantal en het corresponderende percentage Aandelen dat voor de Sluitingsdatum is aangeboden en geleverd aan de Bieder alsmede het corresponderende percentage Aandelen dat op dat moment wordt gehouden door de Bieder openbaar zal mededelen
Uiterlijk drie Werkdagen na de Dag van Acceptatie	**Na-aanmeldingstermijn**: de Bieder kan een Na-aanmeldingstermijn voor het Bod aankondigen voor maximaal twee weken in overeenstemming met artikel 17 van het Bob Wft. Tijdens de Na-aanmeldingstermijn

	hebben Aandeelhouders die hun Aandelen niet hebben aangemeld onder het Bod, de mogelijkheid dit alsnog te doen conform de bepalingen en restricties zoals die zijn uiteengezet in het Biedingsbericht en in overeenstemming met artikel 17 van het Bob Wft
Uiterlijk vijf Werkdagen na de Dag van Acceptatie	**Dag van Overdracht**: de datum waarop, overeenkomstig de bepalingen en restricties van het Bod, de Bieder de Biedprijs zal betalen voor elk Aangemeld Aandeel

11.10 Verkrijgbaarheid informatie

Digitale exemplaren van dit Biedingsbericht zijn verkrijgbaar op de websites van Xeikon (www.xeikon.com) en het Afwikkelingskantoor (www.kbc.be, www.kbcsecurities.be). Exemplaren van dit Biedingsbericht zijn verder kosteloos verkrijgbaar op het hoofdkantoor van Xeikon en op het kantoor van het Afwikkelingskantoor op onderstaande adressen. De websites van Xeikon en het Afwikkelingskantoor maken op geen enkele wijze deel uit van dit Biedingsbericht.

Adressen:

Xeikon	**Afwikkelingskantoor**
Xeikon N.V. Brieversstraat 70 4529 GZ Eede Nederland	KBC Securities NV Havenlaan 12 1080 Brussel België

PART B: FINANCIAL INFORMATION

12 SELECTED CONSOLIDATED INFORMATION

12.1 Basis for preparation

In accordance with the Takeover Decree, selected consolidated financial information of Xeikon has been prepared comprising summaries of the consolidated income statements, consolidated balance sheets, and the consolidated statements of cash flows for the financial years 2012, 2011 and 2010. This selected consolidated financial information has been derived from:

(a) the consolidated financial statements for the financial year 2012 as audited by BDO, which issued an independent auditor's report thereon, without qualification, on 16 April 2013;

(b) the consolidated financial statements for the financial year 2011 as audited by BDO, which issued an independent auditor's report thereon, without qualification, on 16 April 2012; and

(c) the consolidated financial statements for the financial year 2010 as audited by BDO, which issued an independent auditor's report thereon, without qualification, on 27 April 2011. The financial information which has been summarized in the Offer Memorandum comprise the financial information according to the comparative figures of the consolidated financial statements for the financial year 2011. For an explanation of the differences reference is made to page 117 of the consolidated financial statements for the financial year 2011.

The selected consolidated financial information set out below contains summaries only of the consolidated income statements, the consolidated balance sheets and the consolidated statements of cash flows, excluding related note disclosures and a description of significant accounting policies. For a better understanding of Xeikon's financial position, results and cash flows, these summary financial statements should be read in conjunction with the unabbreviated audited consolidated financial statements for the financial year 2012, the financial year 2011, and the financial year 2010, including the related note disclosures and a description of significant accounting policies applied for each of these years. A summary of the significant accounting policies of the Xeikon consolidated financial statements for the financial year 2012 is outlined in Section 13.

12.2 Consolidated income statement relating to the financial years 2012, 2011 and 2010

	Year ended 31 December		
	2012	2011	2010
	('€000)		
	(audited)		
Revenues:			
Total sales	130,227	129,780	139,268
Other operating income	2,615	4,195	3,743
Total revenues	**132,842**	**133,975**	**143,011**
Change in inventories	2,244	1,055	2,467
Purchases	44,705	48,492	53,514
Salaries & employee benefits	24,822	24,309	24,811
Depreciation & amortization	8,225	9,010	12,685
Impairment losses on current assets	3,236	1,918	2,795
Provisions	423	26	1,036
Other operating charges	29,027	29,651	30,895
Total operating expenses	**(112,682)**	**(114,461)**	**(128,203)**
Operating result	**20,160**	**19,514**	**14,808**
Financial income (net)	554	(284)	1,540
Share in the result of associates	(7,725)	(7,713)	(7,865)
Result before tax	**12,989**	**11,517**	**8,483**
Taxes	(4,060)	(4,559)	(3,827)
Net result	**8,929**	**6,958**	**4,656**
Attributable to:			
Shareholders in Xeikon N.V.	8,953	7,103	4,822
Minority interest	(24)	(145)	(166)
IN EUROS			
Basic earnings per share	0.35	0.28	0.18
Diluted earnings per share	0.35	0.28	0.18
Currency translation differences recognized in shareholder's equity	(153)	820	(126)
Overall result	**8,776**	**7,778**	**4,530**
Attributable to:			
Shareholders in Xeikon N.V.	8,800	7,923	4,696
Minority interest	(24)	(145)	(166)

12.3 Consolidated balance sheet relating to the financial years 2012, 2011 and 2010

	Year ended 31 December		
	2012	2011	2010
	('€000)		
	(audited)		
Non-current assets	**176,987**	**187,518**	**197,587**
Intangible assets	116,077	114,106	111,462
PPE: Property, Plant & Equipment	9,297	11,959	10,369
Investments in associates	5,545	13,270	21,083
Receivables (non-current)	39,312	38,219	41,543
Deferred tax assets	6,756	9,964	13,130
Current assets:	**84,109**	**74,909**	**73,217**
Inventories	23,259	25,605	24,241
Trade debtors	25,164	22,434	24,018
Other amounts receivable	6,045	5,277	3,379
Cash and cash equivalents	29,641	21,593	21,579
Total assets	**261,096**	**262,427**	**270,804**
Shareholder's Equity	**186,246**	**177,782**	**171,261**
Ordinary shares	114,841	114,841	114,841
Share premium account	140,269	140,269	140,269
Consolidated reserves	(57,820)	(66,437)	(72,138)
Translation differences	(11,044)	(10,891)	(11,711)
Minority interests	**(565)**	**(546)**	**(394)**
Total equity	**185,681**	**177,236**	**170,867**
Non-current liabilities	**8,861**	**43,638**	**50,265**
Interest bearing loans & borrowings (non-current)	5,216	40,275	46,746
Deferred tax liabilities	3,645	3,363	3,519
Current liabilities	**66,554**	**41,553**	**49,672**
Trade payables	20,291	16,293	18,939
Other current payables	5,802	7,697	11,185
Current tax liabilities	2,274	2,872	2,021
Borrowings	35,214	10,330	10,104
Provisions	2,736	3,278	6,014
Financial instruments	237	1,083	1,409
Total equity and liabilities	**261,096**	**262,427**	**270,804**

12.4 Consolidated cash flow statement relating to the financial years 2012, 2011 and 2010

	Year ended 31 December		
	2012	2011	2010
	('€000)		
	(audited)		
Cash flow from operating activities			
Profit before taxes	12,989	11,517	8,483
Adjustments for:			
Share in the result of associates	7,725	7,713	7,865
Depreciations & impairments	11,459	10,928	15,480
Provisions	423	26	1,036
(Gains)/losses on sale of PPE	-	20	(12)
Interests in income statement	(1,153)	(82)	(1,513)
Taxes paid	(558)	(1,493)	(1,828)
Financial instruments	(844)	(324)	600
Subtotal	**30,041**	**28,305**	**30,111**
Movements trade & other receivables	(4,774)	(3,128)	(1,887)
Movements inventories	606	(2,969)	(3,856)
Movements trade & other payables	1,455	(5,425)	4,797
Movement provisions	(941)	(2,748)	(4,231)
Subtotal	**(3,654)**	**(14,270)**	**(5,177)**
Net cash flow from operating activities	**26,387**	**14,035**	**24,934**
Cash flow from investing activities			
Purchase of participations	-	-	(8,680)
Purchase of intangible assets	(1,171)	(1,680)	(3,156)
Capitalized R&D expenses	(5,631)	(5,094)	(4,115)
Purchase of PPE	(1,617)	(1,632)	(4,047)
Loan granted to Punch International NV	(1,155)	-	(10,000)
Subtotal	**(9,574)**	**(8,406)**	**(29,998)**
Sale of participations	-	100	-
Sale of PPE	720	726	271
Reimbursement of loan granted to Punch International NV	-	3,000	-
Reimbursement of loan to Accentis NV			3,700
Capital element of finance leases received	283	1,045	1,134
Interest paid/received	980	492	1,331
Subtotal	**1,983**	**5,363**	**6,436**
Net cash flow from investing activities	**(7,591)**	**(3,043)**	**(23,562)**

Cash flow from financing activities			
Purchase of treasury shares	(332)	(1,402)	(686)
Subtotal	**(332)**	**(1,402)**	**(686)**
New loans	-	115	-
Loan reimbursements	(10,179)	(10,428)	(10,999)
Capital element of finance leases paid	-	(40)	(31)
Reimbursement of loan granted to Punch International NV	-	-	(7,014)
Subtotal	**(10,179)**	**(10,173)**	**(18,044)**
Net cash flow from financing activities	**(10,511)**	**(11,575)**	**(18,730)**
Foreign exchange	(237)	597	(898)
Net cash flow	**8,048**	**14**	**(18,256)**
Cash and cash equivalents			
At the beginning of the period	21,593	21,579	39,835
At the end of the period	29,641	21,593	21,579
Net cash flow	**8,048**	**14**	**(18,256)**

12.5 Independent Auditor's report from BDO on the selected consolidated financial information for the financial years 2012, 2011 and 2010

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BDO Audit & Assurance B.V.
Postbus 71730, 1008 DE Amsterdam
Krijgsman 9, 1186 DM Amstelveen
Nederland

Independent auditor's report relating to Xeikon N.V.'s consolidated income statements, balance sheets and statements of cash flows for the Financial Year 2010, 2011 and 2012

To: the Board of Management of Xeikon N.V.

Introduction
The accompanying Comparative overview of consolidated financial information, which comprise the consolidated income statements, balance sheets and statements of cash flows for the financial years ended 31 December 2010, 2011 and 2012 (as set out in section 12.1 to 12.4 of the Offer Memorandum) are derived from the audited financial statements of Xeikon N.V. for the financials years ended 31 December 2010, 2011 and 2012. The information with respect to the financial year ended 31 December 2010 has been adjusted in the 2011 financial statements for comparative purposes and is as such included in the Comparative overview of consolidated financial information. We expressed unqualified audit opinions on the consolidated financial statements in our reports dated 27 April 2011, 16 April 2012 and 16 April 2013. Those consolidated financial statements, and the Comparative overview of the consolidated financial information do not reflect the effects of events that occurred subsequent to the date of our reports on those financial statements.

The Comparative overview of consolidated financial information does not contain all the disclosures required by the International Financial Reporting Standards as adopted by the European Union and Part 9 of Book 2 of the Dutch Civil Code. Reading the Comparative overview of consolidated financial information, therefore, is not a substitute for reading the audited consolidated financial statements of Xeikon N.V.

Management's responsibility
Management is responsible for the preparation of the Comparative overview of the consolidated income statements, balance sheets and statements of cash flows for the financial years ended 31 December 2010, 2011 and 2012 in accordance with Article 5:76 Wft in conjunction with the provisions of Article 8 of the Takeover Decree.

Auditor's responsibility
Our responsibility is to express an opinion on the Comparative overview of the consolidated financial information for the financial years ended 31 December 2010, 2011 and 2012 of Xeikon N.V. based on our procedures, which were conducted in accordance with Dutch law, including the Dutch standard on Auditing 810 "Engagement to report on summary financial statements"

Opinion
In our opinion, the Comparative overview of consolidated financial information for the financial years ended 31 December 2010, 2011 and 2012 derived from the financial statements for the years ended 31 December 2010, 2011 and 2012 of Xeikon N.V. and as prepared in accordance with Article 5:76 Wft in conjunction with the provisions of Article 8 of the Takeover Decree, is consistent, in all material respect with those financial statements.

Other matter - restriction of use
The Xeikon N.V. Comparative overview of consolidated financial information for the financial years ended 31 December 2010, 2011 and 2012 of Xeikon N.V. and our auditor's report thereon are intended solely for the Board of Management of Xeikon N.V. for inclusion in the Offer Memorandum and are not suitable for any other purpose.

Amstelveen, 11 October 2013

For and on behalf of BDO Audit & Assurance B.V.,

O. van Agthoven RA

Consolidated income statement

	Note	2012	2011
in thousand euros			
Total sales	1, 2, 3	130,227	129,780
Other operating income	3	2,615	4,195
Total revenues		**132,842**	**133,975**
Change in inventory	15	2,244	1,055
Purchases	15,16	44,705	48,492
Salaries & employee benefits	5	24,822	24,309
Depreciation & amortization	10,12	8,225	9,010
Impairment losses on current assets		3,236	1,918
Provisions	24	423	26
Other operating charges	4	29,027	29,651
Total operating expenses		**112,682**	**114,461**
Operating result (EBIT)		**20,160**	**19,514**
Finance income/cost	6	554	-284
Share in the result of associates	13	-7,725	-7,713
Result before taxes		**12,989**	**11,517**
Taxes	7	-4,060	-4,559
Net result		**8,929**	**6,958**
Attributable to:			
- shareholders in Xeikon N.V.		8,953	7,103
- minority interest		-24	-145
EBITDA (*)		**32,044**	**30,468**
Result per share - ordinary (euros per share)	8	0.35	0.28
Result per share - diluted (euros per share)	8	0.35	0.28

(*)EBITDA is not a defined IFRS term. Xeikon N.V. defines it as the result obtained by taking the operating result, adding depreciation and amortization costs, impairments of current assets and provisions and subtracting any reductions of these items.

Consolidated summary of overall result

	Note	2012	2011
in thousand euros			
Net result		8,929	6,958
Foreign exchange translation differences included in equity		-153	820
Overall result		**8,776**	**7,778**
Attributable to:			
- shareholders in Xeikon N.V.		8,800	7,923
- minority interest		-24	-145

Consolidated balance sheet

	Note	2012	2011
in thousand euros			
Non-current assets		**176,987**	**187,518**
Intangible assets	10,11	116,077	114,10[illegible]
PPE: Property, Plant & Equipment	12	9,297	11,959
Investments in associates	13	5,545	13,270
Receivables (non-current)	14	39,312	38,219
Deferred tax assets	25	6,756	9,964
Current assets		**84,109**	**74,909**
Inventories	15	23,259	25,605
Trade debtors	16	25,164	22,434
Other amounts receivable	16	6,045	5,277
Cash and cash equivalents	18	29,641	21,593
Total assets		**261,096**	**262,427**

	Note	2012	2011
in thousand euros			
Shareholders' equity		**186,246**	**177,782**
Ordinary shares	19	114,841	114,841
Share premium account		140,269	140,269
Consolidated reserves		-57,820	-66,437
Translation differences		-11,044	-10,891
Minority interests	22	**-565**	**-546**
Total equity		**185,681**	**177,236**
Non-current liabilities		**8,861**	**43,638**
Interest bearing loans & borrowings (non-current)	23	5,216	40,275
Deferred tax liabilities	25	3,645	3,363
Current liabilities		**66,554**	**41,553**
Trade payables	26	20,291	16,293
Other current payables	26	5,802	7,697
Current tax liabilities		2,274	2,872
Borrowings	23	35,214	10,330
Provisions	24	2,736	3,278
Financial instruments	27	237	1,083
Total equity & liabilities		**261,096**	**262,427**

Consolidated cash flow statement

	Note	2012	2011
in thousand euros			
Cash flow from operating activities			
Profit before taxes		12,989	11,517
Adjustments for:			
Share in the result of associates	13	7,725	7,713
Depreciation of non-current assets and impairments of current assets	10,12,15,16	11,459	10,928
Provisions	24	423	26
Result on decommissioning and disposal of tangible non-current assets	12	-	20
Interests in income statement		-1,153	-82
Taxes paid		-558	-1,493
Financial instruments		-844	-324
Subtotal		**30,041**	**28,305**
Movement in trade & other receivables		-4,774	-3,128
Movement in inventory		606	-2,969
Movement in trade & other payables		1,455	-5,425
Movement in provisions		-941	-2,748
Subtotal		**-3,654**	**-14,270**
Net cash flow from operating activities		**26,387**	**14,035**
Cash flow from investing activities			
Purchase of intangible assets	10	-1,171	-1,680
Capitalized development costs	10	-5,631	-5,094
Purchase of property, plant & equipment	12	-1,617	-1,632
Loan granted to Punch International nv	14	-1,155	-
Subtotal		**-9,574**	**-8,406**
Sale of participations	13	-	100
Sale of property, plant & equipment	12	720	726
Reimbursement of loan granted to Punch International nv	14	-	3,000
Capital component of finance leases received		283	1,045
Interest received / paid		980	492
Subtotal		**1,983**	**5,363**
Net cash flow from investing activities		**-7,591**	**-3,043**

	Note	2012	2011
in thousand euros			
Cash flow from financing activities			
Purchase of treasury shares	19	-332	-1,402
Subtotal		-332	-1,402
New loans		-	115
Loan reimbursements	23	-10,179	-[illegible]
Capital component of finance leases paid		-	-40
Subtotal		**-10,179**	**-10,173**
Net cash flow from financing activities		**-10,511**	**-11,575**
Foreign exchange		-237	597
Net cash flow		**8,048**	**14**
Cash and cash equivalents			
At the beginning of the period	18	21,593	21,579
At the end of the period	18	29,641	21,593
Net cash flow		**8,048**	**14**

Statement of changes in equity

in thousand euros	Ordinary Shares	Share premium account	Consolidated reserves	Translation differences	Share holders' equity	Minority interests	Total equity
December 31, 2010	**114,841**	**140,269**	**-72,138**	**-11,711**	**171,261**	**-394**	**166,963**
Result of the year	-	-	7,103	-	7,103	-145	4,656
Treasury shares (*)	-	-	-1,402	-	-1,402	-	-686
Change in scope	-	-	-	-	-	-7	59
Change in translation differences	-	-	-	820	820	-	-126
December 31, 2011	**114,841**	**140,269**	**-66,437**	**-10,891**	**177,782**	**-546**	**177,236**
Result of the year	-	-	8,953	-	8,953	-24	8,929
Treasury shares (*)	-	-	-332	-	-332	-	-332
Change in scope	-	-	-	-	-	5	5
Change in translation differences	-	-	-4	-153	-157	-	-157
December 31, 2012	**114,841**	**140,269**	**-57,820**	**-11,044**	**186,246**	**-565**	**186,681**

(*)The Executive Board has decided to avail itself of the authority granted it to purchase treasury shares. Under this authority, which was extended at the General Meeting of May 30, 2012, the Executive Board is empowered to purchase treasury shares up to the maximum quantity that may be vested in the company according to the law and the articles of association at the time of acquisition, at a price between their par value and 110% of the stock-market price at the time of acquisition. The company will report periodically on the number of treasury shares purchased and the average purchase price in its quarterly trading updates. At the end of 2012, the company had purchased a total of 3,152,332 (2011: 3,032,752) treasury shares at an average price of 2.68 euros (2011: 2.67 euros). This represents 10.98% (2011: 10.56%) of the total out-standing shares. 119,580 (2011: 430,047) treasury shares were purchased in 2012.

Principles of consolidation and accounting policies

Principles of consolidation

The group applies the following methods for the consolidation of its accounts:

A. Full consolidation

Full consolidation is applied to those entities in which the group holds the majority of the voting rights or over which the group exercises legal or actual control.

Under this method of consolidation all assets and liabilities of the subsidiary concerned are recorded in the books of the parent company against the carrying value of the investment. Where applicable, this method results in the determination of a consolidation difference and the recognition of a minority interest.

Following the same principle, the items of the respective income statements of the subsidiary and the parent company are added up, and the result of the consolidated companies over the financial period is divided into a share of the parent company and a minority share. The intercompany accounts and transactions are eliminated in the consolidation.

B. Equity method

This method is applied in all cases where the criteria valid for full or proportionate consolidation do not apply. It is applied to entities in which a consolidated company holds a share and over which it has significant control.
The assets and liabilities of the company accounted for using the equity method are not included in each item of the consolidated balance sheet, but the account 'participating interests' of the consolidating company is recalculated in the consolidated financial statements in such a way that the part of the equity capital of the companies concerned is accounted for. Instead of the dividends received the consolidated income statement reflects the share of the group in the realized results of the company accounted for using the equity method.

Accounting policies

A. General

Xeikon N.V. (the 'Company'), formerly Punch Graphix nv, has its statutory seat in Sluis. The Company has its headquarters in Eede, Brieversstraat 70, 4529 GZ, Netherlands. The activities of the Company include the development and sale of digital printing and CtP solutions.

The complete consolidated balance sheet and income statement is included in the consolidated financial statements of Punch International nv (Euronext Brussels), Xeikon N.V.'s majority shareholder.

The consolidated financial statements of the Company for the year ended December 31, 2012 comprise the Company and its subsidiaries (together referred to as 'the group'). The financial statements have been prepared by the Executive Board and authorized for issue on April 16, 2013 by the Supervisory Board.

The financial statements will be submitted for approval to the Annual General Meeting of Shareholders on May 28, 2013 In accordance with Article 2:402 Book 2 of the Netherlands Civil Code a condensed income statement is included in the Company's statutory financial statements.

B. Basis of preparation

The financial information has been prepared in accordance with those International Financial Reporting Standards (IFRS) and IFRIC interpretations in force issued by the International Accounting Standards Board (IASB) and as adopted within the EU.

The financial information has been prepared under the historical cost convention. 'Group' should be read as Xeikon N.V. and its subsidiaries.

The cash flow statement has been prepared using the indirect method.

The group's companies maintain their books and records in the currency of and in compliance with statutory regulations of the countries in which they are incorporated and registered. The functional currencies are determined separately for each business on the basis of the relevant IFRS provisions.

The Company's consolidated financial statements are expressed in euros, the functional and presentation currency of the group.

The introduction of the following new or amended standards and interpretations with effect from January 1, 2012 had no impact on the principles of the group's financial reporting, financial position or performance:

- IFRS 7: Financial Instruments: Disclosures
- IAS 1: Presentation of Financial Statements
- IAS 12: Income Taxes

At the time of approval of the financial statements, the following standards and interpretations had been published but were not yet in force:

- IFRS 9: Financial Instruments
- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint Arrangements
- IFRS 12: Disclosure of Interests in Other Entities
- IFRS 13: Fair Value Measurement
- Revision of IAS 1: Presentation of Financial Statements
- Revision of IAS 19: Employee Benefits
- Revision of IAS 27: Separate Financial Statements
- Revision of IAS 28: Investments in Associates and Joint Ventures
- Revision of IFRIC 20: Stripping Costs in the Phase of a Surface Mine

Xeikon does not expect the application of this modification of standards and IFRIC interpretations in future financial years to entail any material consequences for the consolidated annual accounts. The exception to this is IFRS 10. The possible consequences of the introduction of IFRS 10 will be analyzed in more detail prior to its effective date of entry into force.

The preparation of the group's financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is reviewed if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

For critical accounting estimates and judgments, see the relevant individual notes, more specifically note 10 [Intangibles], note 11 [Goodwill], note 24 [Provisions], note 25 [Deferred tax liabilities and deferred tax assets] and the chapter on 'Financial risk management' on page 105 of this report. Other estimates relate to the valuation of investments in associates, the provision for commercial bad debts, the inventory provision and the estimated economic life of fixed assets.

IAS 36 'Impairment of assets' requires management to estimate inputs into valuation models concerning matters such as forecast cash flows and profit margins. The directors base their estimates both on past experience and expected market trends going forward.
Management must also make assumptions concerning inventory valuation, the valuation of receivables and the valuation of the warranty provision. In each instance, management take account of the historical performance of the group in respect of these matters, together with current information concerning, for example, product mix and performance and exposure to credit risk.

The accounting principles have been applied consistently throughout the relevant period. A summary of the more important accounting policies is set out below.

C. Basis of combination

The financial statements have been prepared on a consolidated basis. Corporate entities meeting the definition of a subsidiary set out in IAS 27 'Consolidated and Separate Financial Statements' and being members of the group have been included in the consolidated financial statements from the date that control passed to the Xeikon N.V. group of companies and are excluded from the consolidated financial statements from the date that control ceases. Intercompany transactions and balances have been eliminated on combination including unrealized profits and losses, except to the extent that unrealized losses cannot be recovered.

D. Business combinations - Goodwill

(i) Business combinations

The results of business combinations are shown in the consolidated annual accounts according to the acquisition method. The acquired party's identifiable assets, liabilities and contingent liabilities are included in the consolidated balance sheet at their actual value on the acquisition date. The results produced by the acquired activities are included in the consolidated results from the date they came under control.

(ii) Goodwill

Goodwill represents the excess of the cost of a business combination over the interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Goodwill is capitalized as an intangible asset with any impairment in carrying value being charged to the income statement. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the income statement. Costs relating to the acquisition are charged to the income statement.

E. Investments in group companies, associated undertakings and joint ventures

(i) Group companies

It is assumed that control is exercised over a group company with regard to its financial and operating policy. Generally, this is associated with holding more than half the voting rights in the company. Even if more than half of the voting rights have not been acquired, control may be demonstrated by power:

- over more than half the voting rights on the basis of an agreement with other investors; or
- to control the other company's financial and operating policy on the basis of the articles of association or an agreement; or
- to appoint or dismiss the majority of members of the Supervisory Board/Executive Board; or
- to cast the majority of votes at meetings of the Supervisory Board/Executive Board.

If a business from the group performs transactions with group companies, profits and losses are eliminated up to the amount of the group's interest in the affiliated company in question. Intercompany balance-sheet accounts are also eliminated.
The minority holding of third parties in the net assets of group companies is presented as a separate element of the shareholders' equity.

(ii) Investments in associated undertakings

An associate is an entity over which the group can exercise significant influence, but not control or joint control, via participation in the entity's financial and operating policy decisions. The results and assets and liabilities of associated undertakings are treated in these financial statements according to the equity method, unless they are classified as 'held for sale'.
The goodwill identified on the acquisition date minus cumulative impairments is accounted for in the book value of the associate. The share in the profits or losses of the associate generated after the acquisition date is shown in the income statement.

The book value of associates is adjusted for cumulative changes after the acquisition date. If the group's share in the losses of associates is greater than or equal to the stake in the associate, the group no longer recognizes any share in further losses, unless the group has undertaken liabilities, which could result in the expenditure of funds.

On the balance sheet date, a test is conducted to assess whether the value of the associates should be impaired. Whenever the book value of an associate exceeds its realizable value (the realizable value is the fair value of the asset minus sale costs, or the economic value of the asset if this latter value is higher), an impairment loss is recorded under the share in the result of associates in the income statement. The fair value minus the sale costs is the amount that can be obtained from the sale of an asset on a commercial, objective basis between independent parties. The economic value is based on Xeikon's share in the cash value of estimated future cash flows that are expected to be generated by the associate.

Write-backs of impairment losses that were recorded in previous years are recognized in the income statement if there is an indication that the impairment losses which were recorded for the associates no longer apply or have decreased.

Property investments in associates

Property investments are recorded at fair value. The fair value of property investments is determined on the basis of a calculation of returns, in which rental income is capitalized. When determining the fair value, account is taken of the difference between market rent and contractual rent, vacancy, state of maintenance and necessary future replacement investments.

The property portfolio is appraised at the end of the financial year by an independent external valuer. The estimates are carried out in accordance with the guidelines of IAS 40 and the latest guidelines of the Valuation Standards compiled by the Royal Institute of Chartered Surveyors (RICS). The method used is the 'Hardcore Valuation Technique'. This consists of determining a building's market value by capitalizing its rental income, which is divided into two components: a 'sustainable rent' and an 'excess rent' if the property is leased out at a rent higher than the market or sustainable rent. For each property, an estimated rental value (ERV) and a capitalization rate or yield that reflects market conditions are determined on the basis of points of comparison. The sustainable rent is capitalized at a market yield rate. The excess rent is then capitalized at a higher yield rate because of the higher risk of this portion of the income stream. Finally, the two values are added together to work out the property's market value.

Changes in the fair value of property investments are recorded in the income statement in the period in which they occur. Realized gains or losses on the sale of a property investment are accounted for in the period in which the sale takes place as the difference between the net proceeds from the sale and the most recently published fair value. Property investments are not depreciated, as they are recorded at fair value in accordance with IAS 40.

(iii) Interests in joint ventures

The group's share of jointly controlled assets and any liabilities are consolidated using the method of proportionate consolidation for investments in joint ventures.

F. Discontinued operations

A discontinuing operation is a clearly distinguishable component of the group's business:

- that is disposed of or terminated pursuant to a single plan;
- that represents a major line of business or geographical area of operations; and
- that can be distinguished operationally and for financial reporting purposes.

Non-current assets held for sale and discontinued activities are valued at the lower of their carrying value and their fair value less cost to sell. These assets are no longer amortized.

G. Revenue recognition

Revenue is recognized when it is probable that the economic benefits associated with a transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

Sales are recognized net of sales tax and discounts. Revenue from sales of goods is recognized when delivery has taken place and the transfer of risks and rewards has been completed. Revenue from rendering services is recognized by reference to the stage of completion when this can be measured by reference to labor hours incurred prior to the year end as a percentage of total estimated labor hours for the contract. When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable.

No revenue is recognized on barter transactions involving the exchange of similar goods and services.

Interest is recognized on a time proportion basis that reflects the effective yield of the asset. Royalties are recognized on an accrual basis in accordance with the terms of agreements. Dividends are recognized when the shareholders' right to receive payment is established.

The geographical segmentation of sales is determined by the geographical position of the group's companies.

H. Leases

(i) As a lessee

Finance leases

Leases of property, plant and equipment where a company in the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and the finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long term payables. The interest element of the finance cost is charged to the income statement over the lease period. The leased assets are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. If there is no reasonable certainty that ownership will be acquired by the end of the lease term, the asset is depreciated over the shorter of the lease term and its useful life.

Operating leases

Payments made under operating leases are recognized as an expense on a straight-line basis over the term of the lease.

(ii) As a lessor

Finance leases

When assets are leased out under a finance lease, the present value of the lease payment is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned financial income. Financial income is recognized over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Profits arising on sales under finance leases are recognized in the period that the sale occurs.

Operating leases

Assets leased out under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to the lessee) is recognized on a straight-line basis over the lease term.

I. Foreign exchange

Foreign currency transactions are accounted for at the exchange rate prevailing at the date of the transactions; gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement, except when deferred in equity as qualifying cash flow hedges.

Income statements of foreign entities are translated into the group's reporting currency at the weighted average exchanges rates for the year and balance sheets are translated at the exchange rates applying on the balance sheet date. Translation differences compared with the starting position of equity of foreign entities and the results for the year are included in equity. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as local currency assets and liabilities of the foreign entity and are translated at the closing rate. When foreign entities are sold, the cumulative conversion difference included in the equity is transferred to the income statement on the transaction date, as part of the sale result.

The following table summarizes the most important exchange rates as applied during the year and during the previous year:

	2012	2011
USD as at year end	1.3218	1.2950
USD average	1.2861	1.3928
GBP as at year end	0.8184	0.8380
GBP average	0.8116	0.8682
JPY as at year end	113.5400	100.2500
JPY average	102.6600	111.0600

J. Borrowing costs and interest

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortized cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowing. When borrowings are repurchased or settled before maturity, any difference between the amount repaid and the carrying amount is recognized immediately in the income statement.

Neither the interests paid or incurred nor the borrowings costs are eligible for capitalization.

K. Government grants

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

Government grants relating to capitalized development costs are offset against those development costs. Government grants relating to costs are offset against those costs.

L. Employee benefit costs

(i) Pension obligations

The group operates a number of 'defined benefit' and 'defined contribution' plans, the assets of which are held in separate trustee-administered funds or group insurances. The pension plans are funded by payments from employees and by the relevant companies in the group, taking into account the recommendations of independent qualified actuaries. For the 'defined benefit' plans, pension costs are assessed using the 'projected unit credit method': the cost of providing pensions is charged to the income statement so as to spread the regular cost over the service lives of the employees based on actuarial calculations. The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of government securities, which have terms to maturity approximating the terms of the related liabilities. Actuarial gains and losses are recognized over the average remaining service lives of employees. Net assets resulting from the overfunding of the pension obligations are recognized to the extent of the net present value of the future savings on the employer's contribution using the 'closed group method' on the personnel at year-end. The group no longer has any 'defined benefit' plans.

The group's contributions to 'defined contribution' plans are charged to the income statement in the period to which the contributions relate. Pre-retirement pensions are treated as termination benefits. The costs are recognized when individuals agree to terminate their employment under these programs.

(ii) Other benefits

The group's net obligation in respect of long-term employee benefits, other than pension plans, is the amount of future benefits that employees have earned in return for their service in current and prior periods. The obligation is calculated using the 'projected unit credit' method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate used is the yield at balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the group's obligations.

(iii) Employee compensation benefits

All employees benefit payments were paid in cash and expensed to the profit and loss account.

M. Taxation including deferred tax

Deferred income tax is provided for in full using the balance sheet liability method, on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases.

Deferred taxes are not calculated on the following temporary differences:

- the initial recognition of goodwill that is not deductible for tax purposes; and
- the initial recognition of assets or liabilities that are not a business combination and affect neither accounting nor taxable profit.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.
The current tax payable is based on taxable profit of the year. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are only set off against each other if the following circumstances apply. The group has a right, enforceable in law, to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities concern taxes levied by the same tax authority on the same taxable entity. Alternatively, they concern taxes levied on different taxable entities that either intend to set current tax assets and liabilities off against each other or to realize tax assets at the same moment that tax liabilities are settled and to do this for every future period where deferred tax assets and liabilities for considerable sums are respectively realized and settled.

N. Property, plant and equipment

Items of property, plant and equipment are stated at purchase price or production cost less accumulated depreciation and impairment losses.
Expenses for the repair of property, plant and equipment are usually charged against income when incurred. They are, however, capitalized when they increase the future economic benefits expected to arise from the item of property, plant and equipment.
Property, plant and equipment are depreciated on a straight-line basis over the estimated useful life of the item. Land is not depreciated.
Assets under construction represent plant and properties under construction and are stated at cost. This includes cost of construction, plant and equipment and other direct costs, including the related borrowing cost. Assets under construction are not depreciated until such time as the relevant assets are available for their intended use.

The estimated useful lives, which are subject to annual review, of the various identified asset categories are as follows:

Buildings	25 to 40 years
Equipment in buildings	10 years
Decoration of buildings	10 years
Production machines	8 years
Supporting material	8 years
Demonstration machinery	2 years
Office machinery	5 years
Office machinery hardware	5 years
Furniture production department	5 years
Furniture offices	5 years
Vehicles production department	5 years
Other vehicles	3 years

Depreciation is calculated on a straight-line basis, taking account of any estimated residual value and starting from the month of purchase. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable value.

O. Intangibles

(i) Research and development costs

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge, is recognized in the income statement as an expense as incurred.
Costs incurred on development projects (relating to the design and testing of new or improved products) are recognized as intangible assets to the extent that such expenditure is expected to generate future economic benefits and meets the recognition criteria set out in IAS 38 'Intangible Assets'.

Other development expenditures are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as assets in a subsequent period. Development costs that have been capitalized are amortized from the commencement of the commercial production of the product on a straight-line basis over the period of its expected benefit. The amortization periods adopted do not exceed five years. The capitalized development costs are assessed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

(ii) Computer software development costs

Generally, costs associated with developing or maintaining computer software programs are recognized as an expense as incurred. However, costs that are directly associated with identifiable and unique software products controlled by the group that have probable economic benefits exceeding the cost beyond one year, are recognized as assets. Direct costs include staff costs of the software development team. Computer software costs that have been capitalized are amortized on a straight-line basis over the period of their expected useful lives, not exceeding a period of three years.

(iii) Other intangible assets

Expenses relating to acquired patents and licenses are capitalized and amortized on a straight-line basis over their expected useful lives, not exceeding a period of 20 years. Expenses relating to acquired trademarks are capitalized and, in view of their indeterminate useful life, are not amortized. For intangible assets that are amortized, an assessment is made of whether they have undergone impairment whenever events or changed circumstances indicate that their book value may not be realizable. For intangible assets with an indefinite economic life, an annual assessment is made of whether they have undergone impairment. The amortization and impairment of intangible assets is accounted for under 'Depreciation' in the income statement.

P. Impairment of non-financial assets (other than inventories, deferred tax assets, employee benefits and derivative financial instruments)

Every year at balance sheet date, goodwill and other intangible non-current assets with indefinite useful lives are reviewed for impairment. All other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount (being the higher of its fair value less cost to sell and its value in use), an impairment loss is recognized under 'amortizations' in the income statement. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Recoverable amounts are estimated for individual assets or, if this is not possible, for the cash generating unit to which the assets belong. Reversal of impairment losses recognized in prior years is recorded in income when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. As an exception, an impairment loss recognized for goodwill is not reversed in a subsequent period.

Q. Loans granted (non-current other receivables)

Loans are initially shown at fair value, including transaction costs incurred. They are subsequently recorded at amortized cost price; any difference between the income (minus transaction costs) and the redemption value is taken to the income statement over the period of the loan by means of the effective interest rate method.

Loans are included under short-term receivables if they will be repaid within 12 months of the balance sheet date.

R. Inventories

Inventories are valued at cost, following the 'lower of cost or net realizable value' principle, with the cost being determined according to the weighted average cost method. Work in progress and finished goods are valued at full production cost. The cost of production comprises the direct cost of materials, direct manufacturing expenses, appropriate allocation of material and manufacturing overhead, and an appropriate share of the depreciation and write-downs of assets used for production. If the purchase or production cost is higher than the net realizable value, inventories are written down to net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

S. Trade and other receivables

Trade receivables are carried at original invoice amount less impairment losses as a result of a past event that occurred subsequent to the assets' recognition, such as evidence of deterioration in counterparty credit risk. Other receivables are recorded at amortized cost price minus any bad debt provision.

T. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, other short-term highly liquid investments, and bank overdrafts. In the balance sheet, bank overdrafts are included in borrowings in current liabilities.

U. Share capital and share premium

External costs directly attributable to the issue of new shares are shown as a deduction, net of tax, in equity from the proceeds. Share issue costs directly incurred in connection with a business combination are deducted directly from equity. Dividends on ordinary shares are recognized in equity in the period in which they are declared. Where the Company or its subsidiaries purchase its own or its parent company's equity share capital, the consideration paid, including any attributable transaction costs, net of income taxes, is deducted from the total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

V. Provisions

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

V.1. Warranty

The group recognizes the estimated liability to repair or replace its products still under warranty at the balance sheet date. This provision is calculated based on the past history of the level of repairs and replacements or on basis of best estimates.

V.2. Onerous contracts

The group recognizes a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

V.3. Restructuring

Restructuring provisions mainly comprise lease termination penalties and employee termination payments, and are recognized in the period in which the group becomes legally or constructively committed to payment.
A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for restructuring;
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Costs relating to the ongoing activities of the group are not provided for in advance. Any non-current assets that are no longer required for their original use are transferred to current assets provided their sale is likely and active sales efforts are being carried on to sell the assets in their current state. These assets are carried at the lower of the carrying amount or the fair value less costs to sell.

V.4. Other provisions

Other provisions are recorded for liabilities that can be estimated with sufficient reliability. The provisions include legal claims and tax risks for which it is more likely than not that an outflow of resources will be required to settle the obligation.

W. Trade and other payables

Trade and other payables are shown at amortized cost price.

X. Financial risk management

(i) Financial risk factors

The group entities seek to minimize potential adverse effects on the financial performance of their local business, however, fluctuations in market prices, foreign currency exchange rates on sales and purchases or intercompany loans are inherent risks in the performance of the business.

The group uses derivative financial instruments to hedge its exposure and interest rate risks arising from its operational, financing and investment activities. The net exposure is managed on a central basis in accordance with the principles laid down by general management. As a policy, the group does not engage in speculative or leveraged transactions, nor does it hold or issue derivative financial instruments for trading purposes.

(ii) Foreign exchange rate risk

Due to the international character of the group, its business is exposed to different foreign exchange risks arising from various currency exposures primarily with respect to the US dollar and the pound sterling. Companies in the group might use forward contracts or other instruments, concluded with local banks to hedge their exposure to foreign currency risks in the local reporting currency.

See note I on the treatment of foreign currencies.

(iii) Interest rate risk

Interest rate risk is managed using derivative financial instruments to hedge its exposure to interest rate fluctuations.

(iv) Credit risk

The group has no significant concentration of credit risks and has policies in place to monitor the credit risks on customers. For major projects the intervention of credit insurance companies or similar organizations is requested.

(v) Liquidity risk

Liquidity risk is linked to the evolution of the group's working capital. The group monitors the change in working capital through focused actions.

Y. Derivative financial instruments and hedge accounting

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The group enters into foreign exchange forward contracts and interest swap agreements in order to hedge these risks if this is regarded as desirable by the Executive Board. The group does not use derivative financial instruments for speculative purposes.

The use of financial derivatives will be governed by the group's policies approved by the Executive Board which provides written principles on the use of financial derivatives. Gains or losses from re-measuring the derivative, or for non-derivatives the foreign currency component of its carrying amount, will be recognized in profit or loss. Changes in the fair value of derivative financial instruments will be recognized in the income statement as they arise.

Z. Fair value estimation

Fair value estimation is based on third parties estimations, when available. For hedging contracts fair value is the mark to market value.

AA. Profit per share

The result per share and result per share after dilution are accounted for. The result per ordinary share is calculated on the basis of the profit or loss attributable to the group's shareholders, divided by the weighted average number of ordinary shares during the reporting period (corrected for retained treasury shares). In the calculation of the result per share after dilution, the profit or loss attributable to the group's shareholders and the weighted average number of ordinary shares during the reporting period (corrected for retained treasury shares) are corrected for all potentially dilutory effects on the ordinary shares.

Notes to the accounts

1. Segment information

In accordance with IFRS 8 'Operational segments', the management approach for the financial reporting of segmented information has been used. This standard states that the segmented information to be reported must be consistent with internal reports used by the key operational decision-making officers, on the basis of which the internal performance of Xeikon's operational segments is assessed and resources are allocated to the different segments.

Detailed sales information

2012	Q1	Q2	Q3	Q4	Year	H1	H2
in thousand euros							
Sales per segment							
Digital Printing Solutions	20,298	21,706	24,586	32,053	98,643	42,004	56,639
Prepress Solutions (CtP)	6,992	7,373	7,332	9,887	31,584	14,365	17,219
Total sales	**27,290**	**29,079**	**31,918**	**41,940**	**130,227**	**56,369**	**73,858**
Sales per activity/product							
Equipment	9,873	11,731	14,129	23,471	59,204	21,604	37,600
Consumables and service	17,417	17,348	17,789	18,469	71,023	34,765	36,258
Total sales	**27,290**	**29,079**	**31,918**	**41,940**	**130,227**	**56,369**	**73,858**
Sales per region							
Europe	17,074	20,788	17,336	26,662	81,860	37,862	43,998
Americas	7,420	6,335	10,451	13,305	37,511	13,755	23,756
Asia (including Australia and New-Zealand)	2,796	1,956	4,131	1,973	10,856	4,752	6,104
Total sales	**27,290**	**29,079**	**31,918**	**41,940**	**130,227**	**56,369**	**73,858**

Due to its restructuring programs, involving extensive centralization and the integration of operational departments, Xeikon discontinued operational segmentation (Digital Printing Solutions, Prepress Solutions and Other) at the start of 2009 in internal reporting to the key operational decision-making officers, with the exception of the sales figures. Digital Printing Solutions and Prepress Solutions therefore do not constitute separate operational segments within the meaning of IFRS 8.

2011	Q1	Q2	Q3	Q4	Year	H1	H2
in thousand euros							
Sales per segment							
Digital Printing Solutions	22,668	24,596	19,619	28,811	95,694	47,264	48,430
Prepress Solutions (CtP)	9,439	9,305	7,206	8,136	34,086	18,744	15,342
Total sales	**32,107**	**33,901**	**26,825**	**36,947**	**129,780**	**66,008**	**63,772**
Sales per activity/product							
Equipment	12,459	15,079	10,113	18,575	56,226	27,538	28,688
Consumables and service	19,648	18,822	16,712	18,372	73,554	38,470	35,084
Total sales	**32,107**	**33,901**	**26,825**	**36,947**	**129,780**	**66,008**	**63,772**
Sales per region							
Europe	20,648	20,498	11,961	24,016	77,123	41,146	35,977
Americas	9,406	9,930	11,305	10,329	40,970	19,336	21,634
Asia (including Australia and New-Zealand)	2,053	3,473	3,559	2,602	11,687	5,526	6,161
Total sales	**32,107**	**33,901**	**26,825**	**36,947**	**129,780**	**66,008**	**63,772**

2. Geographical segment information

	Consolidated		Netherlands		Belgium		Rest of Europe		America (1)		Asia Pacific (2)	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
in thousand euros												
Sales to external customers	130,227	129,780	5,019	4,758	18,592	17,617	58,249	54,748	37,511	40,970	10,856	11,687
Non-current assets	176,987	187,518	55,517	64,859	32,867	31,459	85,711	87,257	1,939	2,344	953	1,599
Total assets	261,096	262,427	121,913	116,566	35,069	33,505	88,080	91,334	13,423	16,828	2,611	4,194

(1) North and South America
(2) Including Australia and New Zealand

The group's head office is in the Netherlands. Research, development and manufacturing for the Digital Printing Solutions division (Xeikon solutions) is based in Belgium. Globally Xeikon is represented by Xeikon subsidiaries as well as through a network of distribution partners who distribute Xeikon solutions on a regionally exclusive basis. basysPrint's (Prepress Solutions division) research and development department is based in Belgium. Manufacturing takes place in Belgium as well. A network of distribution partners distributes basysPrint solutions globally on a non-exclusive basis. In some countries, basysPrint solutions are distributed and supported by Xeikon subsidiaries, which also distribute and support Xeikon solutions. The systems developed in collaboration with Agfa (Prepress Solutions) are manufactured in Belgium and distributed and supported globally by Agfa.

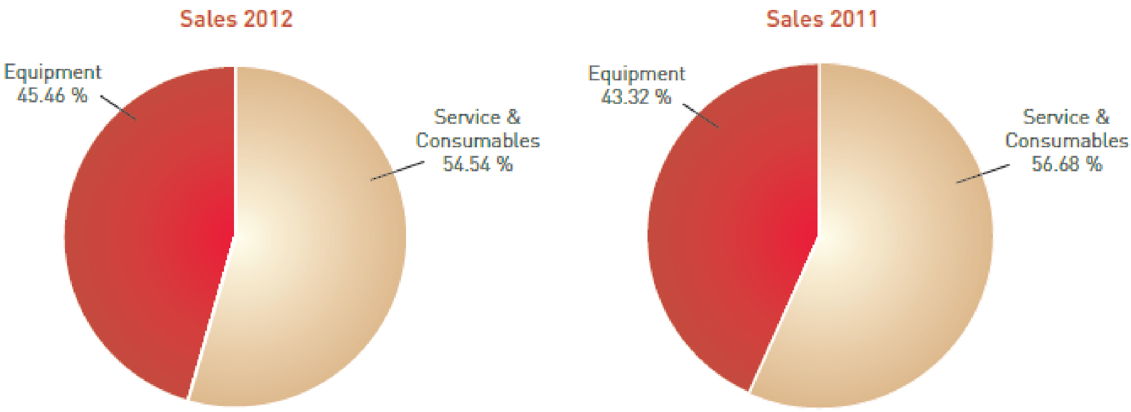
3. Sales and other operating income

3.1 Sales

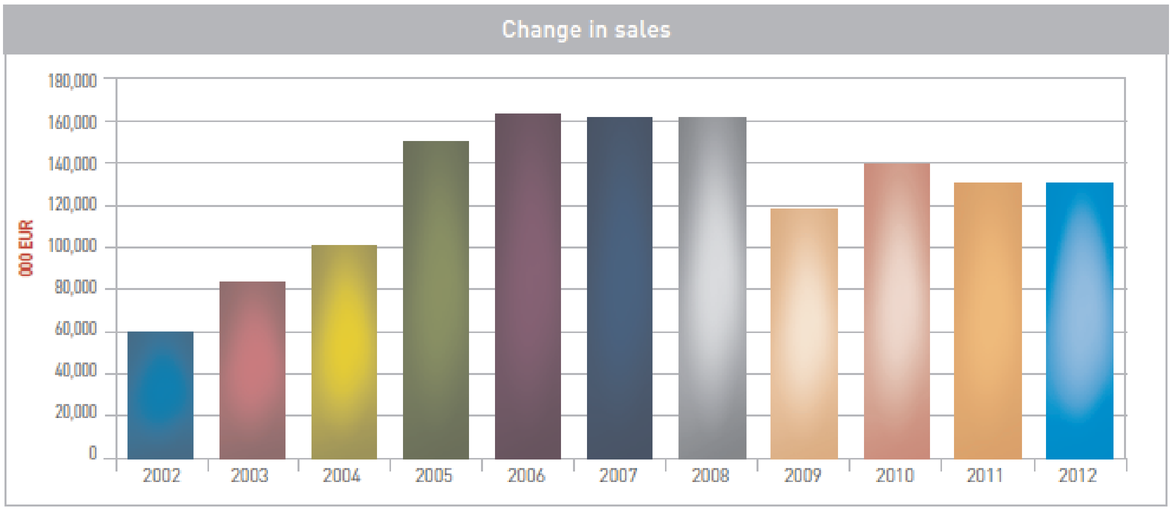
	2012	2011
in thousand euros		
Equipment	59,204	56,226
Consumables and service	71,023	73,554
Sales	**130,227**	**129,780**

Compared with 2011, sales remained constant. Digital Printing Solutions sales rose by 3%, while those at Prepress Solutions were down. The main developments are as follows:

- Prepress Solutions sales during 2012 fell by more than 7% from their 2011 level. This drop was due to increasing competition from Chinese suppliers and the difficult market conditions in the conventional offset printing market. Sales during 2012 for the Digital Printing Solutions segment increased further despite difficult market conditions.
- Equipment sales in 2012 were up 5% compared with 2011.
- Recurring income from consumables and service activities fell by 3.4%. This fall mainly took place during the first quarter, and was due to a number of specific customers from North America that experienced sales losses. In the other regions, recurring income remained stable. In the second half of the year, recurring income was up 3.3% on its level in the second half of 2011.
- In geographical terms, sales rose in Europe (+6.1%), but fell in North and South America (-8.4%) and Asia (-7.1%).
- Sales in the second half of the year represent 57% of the total for the year.



Change in sales



2002- April 2005: graphic division of Punch International | May 2005 – January 2007: Punch Graphix plc | from February 2007: Xeikon N.V.

3.2 Other operating income

Other operating income was 2.6 million euros in 2012 (2011: 4.2 million euros) and consisted mainly of grants received and R&D costs passed on.

Grants are provided by the government and are recorded in the income statement when they have definitely been acquired and do not relate to capitalized development costs. Xeikon mainly applies for grants in connection with scientific and technological research. Other income under this heading relates to various amounts passed on to associated and external parties, statutory grants for R&D personnel and other charges passed on.

4. Other operating charges

	2012	2011
in thousand euros		
Rental, leasing and maintenance of land, property, and equipment	7,055	7,080
Utility and service costs of land, property, and equipment	2,893	2,719
Transport costs	3,490	3,436
Research & development	1,089	1,997
Sales, marketing and representation costs	5,738	5,109
Other fees and expenses	8,762	9,310
Total other operating charges	**29,027**	**29,651**

In comparison with 2012, other operating charges fell by 0.6 million euros. The decrease in other operating charges is due to strict cost management.

During 2012, Xeikon paid audit fees of 278,000 euros to BDO Audit & Assurance B.V. and associated companies (2011: 227,000 euros). In addition, 23,000 euros non-audit fees were charged in 2012 for the provision of tax advice (2011: 11,000 euros).

5. Salaries & employee benefits

	2012	2011
in thousand euros		
Wages and salaries	18,943	18,369
Social securities costs	3,895	3,711
Other staff costs	1,272	1,564
Pension costs	712	665
Salaries & employee benefits	**24,822**	**24,309**

Compared with 2011, personnel costs fell by 0.5 million euros or 2%.

The contributions for pension schemes consist of defined contribution schemes, more details of which are given in note 28.

The workforce size at the year end was as follows:

	2012	2011
Number of personnel members	**391**	**420**

The average number of personnel members during 2012 was 398 (2011: 429).

The total remuneration of the Supervisory Board and Executive Board during 2012 came to 753,780 euros (2011: 664,430 euros).

	Fixed remuneration	Variable remuneration	Total remuneration	Budgeted fixed remuneration for 2013
in euros				
Supervisory Board	**80,000**	**-**	**80,000**	**65,000**
Herman olde Bolhaar	25,000	-	25,000	25,000
Creafim bvba, Wim Deblauwe	15,000	-	15,000	-
Arthur Vanhoutte	20,000	-	20,000	20,000
Gerard Cok	20,000	-	20,000	20,000

Remuneration of the Supervisory Board consists of periodically paid remuneration. No remuneration payable at a future date was allocated, and no severance pay, profit shares or bonuses. The remuneration of members of the Supervisory Board is approved by the General Meeting of Shareholders and has been 25,000 euros per year for the chairman and 20,000 euros for the other members since 2008.

	Fram bvba, Wim Maes (CEO)	Kees Vlasblom (CFO)
in euros		
Executive Board		
Short-term employee benefits	386,000	271,550
Benefits on retirement	-	16,230
Other long-term employee benefits	-	-
Severance pay	-	-
Share-based payments	-	-
Total remuneration	**386,000**	**287,780**

Bonus payments were issued to the statutory directors in view of the achievement of the targets for EBITDA and cash flow. No share options were assigned to the statutory directors during 2012 and/or during 2011, and there were no other forms of long-term remuneration. Members of the Executive Board also hold key management positions. There are no obligations towards former directors. The statutory directors did not hold any options on December 31, 2012 and/or on December 31, 2011.

6. Net financial result

	2012	2011
in thousand euros		
Interest on bank accounts	59	27
Interest income on related parties	1,812	1,556
Interest income on finance leases	211	236
Exchange differences	424	3,017
Change in the actual value of derivative financial instruments	846	326
Other financial income	241	59
Total financial income	**3,593**	**5,221**
Interest on bank borrowings	-839	-1,618
Interest cost on finance leases	-91	-118
Exchange differences	-1,838	-3,427
Other financial charges	-271	-342
Total financial charges	**-3,039**	**-5,505**
Net financial result	**554**	**-284**

Interest income on loans to related parties consists firstly of income on the loan of 26.6 million euros to Accentis and secondly of interest on the loan of 8.3 million euros to Punch International (2011: 7 million euros). The loan to Accentis has a 20-year term and is interest-bearing at a nominal annual rate of 6% during the first five years (2008–2012) of the term. From the sixth year (2013) onwards, the interest rate is determined on the basis of Euribor + 2%. Interest income in 2012 from the loan to Accentis was 1.6 million euros (2011: 1.5 million euros). Interest income in 2012 from the loan to Punch International was 0.2 million euros (2011: 0.4 million euros).

During 2008, a syndicated loan of 75 million euros was arranged. At the end of 2012, 35 million euros had been taken. 10 million euros were repaid in 2012. See also note 23 – Interest-bearing loans and borrowings.

The foreign exchange result was -1,414,000 euros (2011: -410,000 euros), and was mainly due to the strengthening of the US dollar against the euro during 2012.

Other financial results came to -31,000 euros (2011: -283,000 euros).

Xeikon grants leases to its customers and charges an effective interest rate of 6.5% (2011: 6.5%). In 2012, Xeikon received 211,000 euros (2011: 236,000 euros) of interest income on finance leases.

7. Taxes

Tax in the income statement

	2012	2011
in thousand euros		
Current tax	538	1,494
Deferred tax	3,522	3,065
Taxes	**4,060**	**4,559**

Proof of tax

	2012	%	2011	%
in thousand euros				
Result before tax	**12,989**		**11,517**	
Untaxed result of associates accounted for by the equity method	7,725		7,713	
Adjusted result before tax	**20,714**		**19,230**	
Income tax calculated using the Dutch tax rate	5,178	25.0	4,807	25.0
Effect of non-deductible expenses	390	2	314	1
Effect of movements in taxed reserves	-133	-1	-716	-4
Effect of valuation of previously unvalued losses which can be offset against tax	-1,588	-8	-226	1
Corrections of previous years and other effects (*)	-460	-2	-516	-3
Effect of difference from tax rates in foreign jurisdictions	672	3	896	4
Income tax according to the income statement	**4,060**	**19**	**4,559**	**24**

(*) Mainly relates to the effect of the notional interest deduction on Belgian group companies.

The average tax rate was 19% (2011: 24%).

8. Earnings per share

	2012	2011
Result for the period (in thousand euros)	**8,953**	**7,103**
Weighted average number of shares - basic	25,558,039	25,799,010
Weighted average number of shares - diluted	25,558,039	25,799,010
Earnings per share - basic (eurocents per share)	**35**	**28**
Earnings per share - diluted (eurocents per share)	**35**	**28**

9. Dividends

The Executive Board proposes that no dividend be distributed for the 2012 financial year (2011: no dividend distributed).

10. Intangibles

	Development costs	Brand names, software, licenses, ...	Goodwill	Total intangibles
in thousand euros				
Acquisition value				
At December 31, 2010	**47,586**	**15,803**	**116,421**	**179,810**
Additions - acquisitions	-	1,680	-	1,680
Additions - internally generated	5,093	-	-	5,093
Currency translation adjustments	-	198	18	216
Disposals	-1,043	-1,048	-	-2,091
Other changes	-1,146	1,146	-	0
At December 31, 2011	**50,490**	**17,779**	**116,439**	**184,708**
Additions - acquisitions	-	1,171	-	1,171
Additions - internally generated	5,631	-	-	5,631
Currency translation adjustments	-	-3	23	20
Disposals	-	-75	-	-75
Other changes	-39	-	-	-39
At December 31, 2012	**56,082**	**18,872**	**116,462**	**191,416**
Amortizations				
At December 31, 2010	**-39,665**	**-3,911**	**-24,772**	**-68,348**
Charge for the year	-3,525	-742	-	-4,267
Disposals	1,043	1,048	-	2,091
Currency translation adjustments	-	-71	-7	-78
At December 31, 2011	**-42,147**	**-3,676**	**-24,779**	**-70,602**
Charge for the year	-2,599	-1,330	-	-3,929
Impairment	-940	-	-	-940
Disposals	-	75	-	75
Currency translation adjustments	39	21	-3	57
At December 31, 2012	**-45,647**	**-4,910**	**-24,782**	**-75,339**
Book value				
At December 31, 2011	8,343	14,103	91,660	114,106
At December 31, 2012	10,435	13,962	91,680	116,077

Capitalized development costs consist of internal expenditure on major projects which are expected to generate sufficient future economic benefits. Amortization charges have been determined in accordance with the accounting policies described on page 133. The impairment was applied to capitalized costs of an R&D project that was stopped following an internal study by the R&D department which showed that implementation was economically and commercially unfeasible. The recoverable value of these capitalized costs is nil.

The capitalized development costs can mainly be summarized as belonging to three categories:

- equipment – Xeikon and Prepress
- toner
- software development

The item 'Brand names, software, licenses, etc.' contains both software licenses and brand names of unlimited duration. The book value and purchase value of these brand names is subject to annual impairment testing. For other assets in this category, the maximum amortization term is twenty years. See note 11 for a detailed discussion of the goodwill.

The relative values of the capitalized development costs and the development costs included in the income statement are as follows:

	2012	2011
in thousand euros		
Capitalized development costs	5,631	5,093
Development costs in income statement	1,089	1,997
Total development costs	**6,720**	**7,090**

11. Goodwill

	2012	2011
in thousand euros		
Goodwill	**91,680**	**91,661**

The goodwill mainly arose through the acquisition by public offer on the part of Punch International nv of the shares in Punch Graphix Plc in January 2007. As a result of this transaction, and in accordance with IFRS 3, the assets of Punch Graphix plc had to be revalued by Punch International nv on the transaction date. The impact of the first valuation by Xeikon N.V. was the generation of goodwill of 81 million euros. This goodwill has not been assigned to a cash flow-generating unit.

On the acquisition of the shares in Punch Graphix plc by Xeikon, it was decided that the goodwill recognized in the books of Punch International nv (91 million euros) should be taken over by Xeikon N.V.; of this amount, 10 million euros was assigned to intangible assets for the Xeikon and basysPrint brand names.

The realizable values are based on the value in use, using cash flow projections based on the five-year strategic business plan. The strategic business plan was approved by the Supervisory Board on February 14, 2013.

The underlying assumptions used for impairment calculation are as follows:

	2012	2011
Sales growth compared with previous year	2.4%-9.9%	3.6%-4.6%
Weighted average cost of capital	9.1%	9.6%

Other assumptions used in the cash flow projections are as follows:

- The expected future sales growth percentages have increased from last year's impairment calculation because the effect of the introduction of the Trillium product line on sales has been taken into account.
- Gross margin percentages for sales are expected to show a downward trend compared with those recorded in 2012, due to the expected future change in product mix.
- A terminal value is taken into account for the calculations. A growth rate of 1.5% is used when calculating the residual value (2011: 1.5%);
- The net assets in calculating the WACC method are approximately 70% (2011: 69%) of the total assets used in the WACC calculation.

The strategic business plan was subjected to a sensitivity analysis, testing the sensitivity of both the weighted average cost of capital (post tax WACC) and sales growth in the strategic business plan for the next five years.

Sensitivity analysis WACC				
WACC	7.0%	8.0%	9.0%	10.0%
Difference between realizable value and book value (in million euros)	246	189	144	109

Sensitivity analysis sales growth next five years				
Annual sales growth	1.0%	2.0%	3.0%	4.0%
Difference between realizable value and book value (in million euros)	28	46	88	132

The calculations show that no special impairments need to be recorded.

12. Property, plant and equipment

	Land & buildings	Machinery & equipment	Furniture & fixtures	Other non-current assets	Total PPE
in thousand euros					
Acquisition value					
At December 31, 2010	**3,213**	**32,451**	**5,241**	**5,773**	**46,678**
Acquisitions	4,305	862	165	188	5,520
Sales and disposals	-	-3,519	-370	-254	-4,143
Currency translation adjustments	10	-33	17	-2	-8
Other changes	-	-292	40	1,802	1,550
At December 31, 2011	**7,528**	**29,469**	**5,093**	**7,507**	**49,597**
Acquisitions	25	1,323	156	113	1,617
Sales and disposals	-	-1,873	-170	-819	-2,862
Currency translation adjustments	-8	-46	-17	-5	-76
Other changes	-	55	-5	-204	-154
At December 31, 2012	**7,545**	**28,928**	**5,057**	**6,592**	**48,122**
Amortizations					
At December 31, 2010	**-1,410**	**-24,994**	**-4,366**	**-5,539**	**-36,309**
Disposals and cancellation	-	2,788	355	254	3,397
Charge for the year	-308	-2,740	-653	-1,041	-4,742
Currency translation adjustments	-10	24	-17	19	16
Other changes	-	-92	-34	126	0
At December 31, 2011	**-1,728**	**-25,014**	**-4,715**	**-6,181**	**-37,638**
Disposals and cancellation	-	1,703	157	283	2,143
Charge for the year	-393	-2,528	-249	-185	-3,355
Currency translation adjustments	9	35	15	3	62
Other changes	-	-37	-	-	-37
At December 31, 2012	**-2,112**	**-25,841**	**-4,792**	**-6,080**	**-38,825**
Book value					
At December 31, 2011	5,800	4,455	378	1,326	11,959
At December 31, 2012	5,433	3,087	265	512	9,297

The book value of property, plant and equipment acquired under finance lease is as follows:

	2012	2011
in thousand euros		
Land and buildings	4,920	5,097
Machinery and equipment	91	170
Book value of fixed assets acquired under finance lease	**5,011**	**5,267**

On January 14, 2011, Xeikon acquired the land and premises at Heultje (Westerlo, Belgium), where the group's strategically important toner factory is based, from the property company Accentis. The price was 4.2 million euros and was paid partly via the acquisition of existing financing (3.9 million euros) and partly in cash.

The other land and buildings acquired by finance leasing relate to the Xeikon SE Europe building in Athens, Greece. The equipment acquired by finance leasing includes equipment for Xeikon Prepress. Most finance leases include purchase options.

On the balance sheet date, the group had an investment liability in tangible assets: the purchase of the land in Heultje for 300,000 euros, for which an installment of 10% had already been paid in 2012.

No special impairments were recorded in 2012 (2011: nil).

Apart from the mortgage on the property at Heultje as security for the financing, there are no restrictions or securities on fixed assets.

13. Investments in associated undertakings

At the end of 2012 the holding in the share capital of Accentis was 43.74% (2011: 43.74%).

As the fair value of Accentis is structurally lower than its equity value, at the end of 2012 Xeikon performed a special impairment test. In this test, the economic value is based on Xeikon's share in the cash value of Accentis' estimated future cash flows expected to result from dividends and/or a future disposal of the stake in Accentis. The result was a special impairment of 7.7 million euros, recognized under 'Share in the result of associates accounted for by the equity method' in the income statement.

Accentis nv's complete financial statements can be consulted at www.accentis.com.

	2012	2011
in thousand euros		
At January 1	**13,270**	**21,083**
Sales of shares - income	**-**	**-100**
Share in result of associated undertakings	-	-7,311
Sales of shares - result	-	-88
Special impairment	-7,725	-314
Amount recognized in income statement	**-7,725**	**-7,713**
At December 31	**5,545**	**13,270**
Summary financial information on the basis of Accentis financial statements for 2012:		
Total assets	185,953	189,722
Total liabilities	143,102	147,504
Income	20,775	21,802
Net result	632	-38,453
Stock price in euros	0,01	0,02
Number of shares	554,484,942	554,484,942
Stock market value of participation	5,545	11,090
Equity value of participation	13,600	13,584

14. Non-current receivables

	2012	2011
in thousand euros		
Finance lease receivables (see note 17)	4,638	4,449
Long-term loans to related parties	34,260	32,887
Other non-current receivables	414	883
Non-current receivables	**39,312**	**38,219**

The long-term loans to related parties consist of a loan to Punch International of 8.3 million euros (2011: 7 million euros) and a loan to Accentis of 26.0 million euros (2011: 25,9 million euros).

The loan to Punch International increased by 1.3 million euros in 2012.

The loan to Accentis was originally 30.4 million euros and was acquired from Punch International for 29.5 million euros on December 31, 2008. The difference of 0.9 million euros will be recognized in the income statement over the term of the loan (20 years). The loan to Accentis bears interest at a nominal rate of 6% per annum during the first five years (2008-2012). From the sixth year, the interest rate is determined on the basis of Euribor +2%. The loan to Punch International nv relates to a credit facility of 15 million euros which has been made available until December 31, 2015. The interest is fixed as the 6-monthly Euribor rate +1.95%.
As security, a lien has been acquired via a specially set up foundation, Stichting Punch Graphix, on the Xeikon shares held by Punch International.

The item 'Other non-current receivables' mainly consists of advance payments of long-term loans to customers.

15. Inventory

	2012	2011
in thousand euros		
Raw materials and components	14,137	14,239
Work in progress	1,163	742
Finished goods	7,959	10,624
Inventories	**23,259**	**25,605**
Cost of sales	46,949	49,547
Inventory turnover ratio (in days at cost price)	**181**	**189**

During 2012 an amount of 1.7 million euros in inventory write-downs were recorded (2011: 1.6 million euros).
Where the net realizable value of inventory items is lower than the purchase or production cost, the difference is recorded as an impairment in the income statement.

Xeikon has no inventories which are pledged as security for liabilities.

16. Trade and other receivables

	Note	2012	2011
in thousand euros			
Trade receivables		24,565	22,616
Trade debtors to related parties	30	104	188
Provisions for impairments of trade receivables		-3,607	-4,066
Finance lease receivables	17	3,840	3,328
Advances received		262	368
Total trade receivables		**25,164**	**22,434**
Other amounts receivable		4,935	4,518
Provisions for impairments of other receivables		-	-79
Deferred charges and accruals		1,110	838
Total other receivables		**6,045**	**5,277**
Total trade and other receivables		**31,209**	**27,711**
Number of days to customer payment		70	63

Movements in the provisions for impairments of trade receivables and other amounts receivable:

	2012	2011
in thousand euros		
As at January 1	**4,145**	**4,776**
Additional impairment provisions recorded in the result	1,989	1,151
Use of existing provisions	-2,022	-950
Reversal of impairment provisions recorded in the result	-493	-838
Currency conversion differences	-12	6
As at December 31	**3,607**	**4,145**

Ageing analysis of trade receivables:

	2012	2012	2011	2011
	Gross	Impairment	Gross	Impairment
in thousand euros				
Not due	17,186	-	14,726	-
0 to 30 days	3,432	-	2,625	-
30 to 90 days	1,339	-	989	-
More than 90 days	2,608	3,607	4,276	4,066
Total	**24,565**	**3,607**	**22,616**	**4,066**

Transactions with related parties primarily involve Punch International nv and Accentis nv.

Trade and other receivables on the balance sheet are net amounts, and Xeikon expects all receivables to be collected within a period of 12 months. The management bases its assessment of doubtful debts on past payment behavior and the current economic situation. The credit risk is attributable to trade receivables and receivables from finance leases. The group's credit risk is not concentrated as it is spread over a large number of customers. One specific customer represents a significant credit risk which has been entirely covered by a credit insurance policy. The receivables in respect of Agfa Graphics have been passed on to Belfius Commercial Finance sa/nv for a maximum of 85% of the invoice total.

Debtor days rose slightly compared with the previous year.

Credit control has been and remains a priority for the management. See also note 27 on the credit risk.

17. Financial lease receivables

	Minimum lease receivables		Present value of minimum lease receivables	
	2012	2011	2012	2011
in thousand euros				
Within one year	4,101	3,693	3,840	3,328
First to fifth year	4,910	4,925	4,638	4,449
After five years	-	-	-	-
Total lease receivables	**9,011**	**8,618**	**8,478**	**7,777**
Financial income	533	841		
Total future lease payments	**8,478**	**7,777**		
Lease payments in short term	3,840	3,328		
Lease payments in long term	4,638	4,449		
Total	**8,478**	**7,777**		

Future financial income falling due:

	2012	2011
in thousand euros		
Within one year	261	365
Second to fifth year	272	476
After five years	-	-
Financial income	**533**	**841**

The group has a number of finance lease receivables in respect of its digital printing systems. The average term of such leases is five years and the contracts are entered into at a fixed interest rate. As at December 31, 2012, the average effective interest rate of the contracts was about 6.5% (2011: 6.5%). The customer has a purchase option on the machines, the nature of which depends on the various contract specifications. Legally speaking, the group retains ownership of machines provided under finance lease. No impairments have been recorded on the finance lease receivables.

18. Cash and cash equivalents

	2012	2011
in thousand euros		
Short-term bank deposits	7,556	3,028
Cash at bank and in hand	22,085	18,565
Cash and cash equivalents	**29,641**	**21,593**

The average effective rate interest rate on short-term bank deposits varies between 2% and 3%. These deposits have an average maturity date of one month. The complete balance of cash and cash equivalents is freely available, apart from an amount of 208,000 euros (2011: 1,565,000 euros) which is blocked under the terms of a (bank)guarantee.

19. Share capital

	2012	2011
in thousand euros		
Authorized share capital	**340,000**	**340,000**
85,000,000 shares of 4 euros each		
Issued and fully paid share capital	**114,841**	**114,841**
28,710,371 shares with a nominal value of 4,00 euros each		

Movement in share capital

Date	Transaction	Number of shares	Share capital
in thousand euros			
At January 1, 2007		**4,591,764**	**18,367**
July 23, 2007	new shares issued following public placement and contribution	12,743,742	50,975
December 13, 2007	new shares issued following private placement and debt conversion	10,909,090	43,636
December 21, 2007	new shares issued following the exercise of the over-allotment option	465,774	1,863
At December 31, 2007		**28,710,370**	**114,841**
At December 31, 2008		**28,710,370**	**114,841**
At December 31, 2009		**28,710,370**	**114,841**
At December 31, 2010	Abolition of the 40 priority shares and conversion into 1 share in the group's capital. This share was transferred to the company.	**28,710,371**	**114,841**
At December 31, 2011		**28,710,371**	**114,841**
At December 31, 2012		**28,710,371**	**114,841**

All shares are fully paid up. For a description of the rights associated with the different types of share, see chapter 10 on page 110.

The Executive Board has resolved to avail itself of the authority granted it to purchase treasury shares. Under this authority, which was extended at the General Meeting on May 30, 2012, the members of the Executive Board are empowered to purchase treasury shares up to the maximum quantity that may be vested in the company by virtue of statute and the articles of association at the time of acquisition, at a price between their par value and 110% of the stock-market price at the time of acquisition. The company will periodically report on the number of treasury shares purchased and the average acquisition price in its quarterly trading updates. At the end of 2012 the company had purchased a total of 3,152,332 treasury shares at an average price of 2.68 euros. This represents 10.98% of the total outstanding shares. 119,580 treasury shares were purchased in 2012 (2011: 430,047). (2011: 3,032,752 shares or 10.56% of the shares at an average price of 2.67 euros). These purchased treasury shares are deducted from the issued shares to arrive at the number of outstanding shares for the calculation of the result per share.

20. Reserves

Xeikon N.V. is a company incorporated under Dutch law. In accordance with the Civil Code, statutory reserves must be formed for certain situations.

The translation differences reserve and other statutory reserves are statutory reserves which limit distributions to shareholders. The other statutory reserves are constituted at the level of capitalized development costs in accordance with Dutch law.

For movements in equity and reserves, see page 122 'Statement of changes in equity 2012'.

21. Share-based payments

Xeikon did not have any share option schemes either for its management or for its staff during the financial years 2011 and 2012.

22. Minority interests

	2012	2011
in thousand euros		
At January 1	**-546**	**-394**
Change in consolidation scope	5	-7
Share in the net result of associates	-24	-145
At December 31	**-565**	**-546**

23. Interest-bearing loans & borrowings

	Leasing debts	Bank debts	Total non-current borrowings	Leasing debts	Bank debts and overdrafts	Total current borrowings	Total interest-bearing loans & borrowings
in thousand euros							
Movement schedule							
At December 31, 2010	**1,746**	**45,000**	**46,746**	**104**	**10,000**	**10,104**	**56,850**
New debts	3,906	-	3,906	97		97	4,003
Repayments	-	-	-	-248	-10,000	-10,248	-10,248
Transfers	-377	-10,000	-10,377	377	10,000	10,377	-
Currency translation adjustments	-	-	-	-	-	-	-
At December 31, 2011	**5,275**	**35,000**	**40,275**	**330**	**10,000**	**10,330**	**50,605**
New debts	14	-	14	7	-	7	21
Repayments				-179	-10,000	-10,179	-10,179
Transfers	-73	-35,000	-35,073	73	35,000	35,073	0
Currency translation adjustments	-	-	-	-17	-	-17	-17
At December 31, 2012	**5,216**	**-**	**5,216**	**214**	**35,000**	**35,214**	**40,430**
Maturity							
Within 1 year	-	-	-	330	10,000	10,330	10,330
Between 1 and 5 years	850	35,000	35,850	-	-	-	35,850
More than 5 years	4,425	-	4,425	-	-	-	4,425
At December 31, 2011	**5,275**	**35,000**	**40,275**	**330**	**10,000**	**10,330**	**50,605**
Within 1 year	-	-	-	214	35,000	35,214	35,214
Between 1 and 5 years	922	-	922	-	-	-	922
More than 5 years	4,294	-	4,294	-	-	-	4,294
At December 31, 2012	**5,216**	**-**	**5,216**	**214**	**35,000**	**35,214**	**40,430**

The minimum lease payments under finance leases fall due as follows:

	2012	2011
in thousand euros		
Within 1 year	522	666
Between 1 and 5 years	2,054	2,020
More than 5 years	5,530	6,081
	8,106	**8,767**
Financial charges	2,676	3,162
Financial lease payables	**5,430**	**5,605**

Future finance charges falling due:

	2012	2011
in thousand euros		
Within 1 year	308	336
Within the 2nd and 5th year	1,132	1,170
After 5 years	1,236	1,656
Financial charges	**2,676**	**3,162**

In the course of 2008, a syndicated loan of 75 million euros was taken out with a bank consortium. At the end of December 2012, 35 million euros of this loan was taken. 10 million euros was paid off during the year. Xeikon has to comply with a number of ratios in order to take up this loan:

- Solvency ratio: 30%
- Leverage on basis of net financial debt to EBITDA:
  - Maximum ratio 3/1 up to December 31, 2008
  - Maximum ratio 2.75/1 up to December 31, 2009
  - Maximum ratio 2.5/1 from January 1, 2010
- Interest coverage: ratio of EBITDA to net financial costs must never exceed 4 during the term of the loan agreement.

The group complied with the conditions of the loan agreement during 2012.

The item short-term loans with credit institutions records 35 million euros of the syndicated loan, which is to be paid off in the course of 2013. The first repayment in 2013 of 5 million euros was carried out in mid-January 2013.

24. Provisions

	Pensions	Warranty	Other	Total provisions
in thousand euros				
At December 31, 2010	**499**	**3,507**	**2,008**	**6,014**
New provisions recognized in result	82	-	150	232
Use of provisions in the course of the year	-75	-1,096	-1,577	-2,748
Reversal of provisions recognized in result	-	-204	-2	-206
Currency translation adjustment	14	-1	-27	-14
At December 31, 2011	**520**	**2,206**	**552**	**3,278**
New provisions recognized in result	80	398		478
Use of provisions in the course of the year	-84	-631	-226	-941
Reversal of provisions recognized in result			-55	-55
Currency translation adjustment	-21		-3	-24
At December 31, 2012	**495**	**1,973**	**268**	**2,736**

The pension provision as at the end of 2012, in the amount of 495,000 euros (2011: 520,000 euros), principally relates to the group's obligation in connection with certain early-retirement arrangements. Pension commitments are discussed in note 28. The group has no more defined benefit schemes.

The expected term of this provision depends on when the persons concerned retire and is largely long-term in nature.

The warranty provision represents a best estimate of the group's liabilities under 12 month warranties granted on the sale of systems, based on past experience. The expected term of this provision is 0.5 years on average.

The other provisions primarily relate to restructurings and legal disputes. The expected term of these provisions is usually a maximum of two years.

25. Deferred tax liabilities and deferred tax assets

Deferred tax is calculated based on the temporary differences, using the tax rates applicable in each country. The movements in deferred tax assets and liabilities during 2012 are shown below. As allowed under IAS12, they are shown after the offsetting of different balances within the same legal entity.

Deferred tax liabilities

	Depreciation and impairment	Provisions	Rental and leasing	Intangibles	Other	Total deferred tax liabilities
in thousand euros						
At December 31, 2010 prior to offsetting	**507**	**160**	**2,295**	**2,349**	**1,197**	**6,508**
Setoffs permitted by IAS 12	-	-	-	-	-	-2,989
At December 31, 2010 after offsetting	**-**	**-**	**-**	**-**	**-**	**3,514**
Charged to income statement	-	-150	-351	534	-1,147	-1,114
Other differences	-	-	-	-	-	-
Exchange differences	-	-	-2	-	-1	-3
At December 31, 2011 prior to offsetting	**507**	**10**	**1,942**	**2,883**	**49**	**5,391**
Setoffs permitted by IAS 12	-	-	-	-	-	-2,028
At December 31, 2011 after offsetting	**-**	**-**	**-**	**-**	**-**	**3,363**
Charged to income statement	-210	60	1089	718	320	1,977
Other differences	-	-	-	-	-68	-68
Exchange differences	-	-	-	4	4	8
At December 31, 2012 prior to offsetting	**297**	**70**	**3,031**	**3,605**	**305**	**7,308**
Setoffs permitted by IAS 12	-	-	-	-	-	-3,663
At December 31, 2012 after offsetting	-	-	-	-	-	**3,645**

Deferred tax assets

	Depreciation and impairment	Provisions	Rental and leasing	Intangibles	Other	Tax losses	Total deferred tax assets
in thousand euros							
At December 31, 2010 prior to offsetting	**173**	**210**	**1,546**	**562**	**2,218**	**11,410**	**16,119**
Setoffs permitted by IAS 12	-	-	-	-	-	-	-2,989
At December 31, 2010 after offsetting	-	-	-	-	-	-	**13,130**
Charged to income statement	-8	-73	-498	242	-952	-2,890	-4,179
Other differences	-	34	-	-	-	-	34
Exchange differences	-	-2	-	-	-	20	18
At December 31, 2011 prior to offsetting	**165**	**169**	**1,048**	**804**	**1,266**	**8,540**	**11,992**
Setoffs permitted by IAS 12	-	-	-	-	-	-	-2,028
At December 31, 2011 after offsetting	-	-	-	-	-	-	**9,964**
Charged to income statement	-37	-43	1,153	-82	-403	-2,125	-1,537
Other differences	-	-34	-	-	30	-	-4
Exchange differences	-	-2	-4	-	-	-27	-33
At December 31, 2012 prior to offsetting	**128**	**90**	**2,197**	**722**	**893**	**6,389**	**10,419**
Setoffs permitted by IAS 12	-	-	-	-	-	-	-3,663
At December 31, 2012 after offsetting	-	-	-	-	-	-	**6,756**

Unrecognized tax losses and their maturity

2012	Total	2013	2014	2015	2016	2017	2018	2019	Unlimited
in thousand euros									
Unrecognized tax losses	17,600	1,937	1,230	1,675	1,908	105	468	596	9,681
Unrecognized tax assets	4,890	391	250	406	384	21	117	165	3,156

2011	Total	2012	2013	2014	2015	2016	2017	2018	2019	After 2019	Unlimited
in thousand euros											
Unrecognized tax losses	21,762	98	2,985	1,914	2,016	1,107	-	151	662	3,667	9,162
Unrecognized tax assets	6,310	21	740	464	533	224	-	38	195	1,291	2,803

The unrecognized tax assets amount to approximately 4.9 million euros (2011: 6.3 million euros).

26. Trade and other payables

	2012	2011
in thousand euros		
Trade payables	19,407	15,554
Trade payables to related parties (see note 30)	884	739
Total trade payables	**20,291**	**16,293**
Other tax and social security payables	3,590	2,789
Advances received	736	738
Other debts	424	1,700
Accruals and deferred income	1,052	2,470
Total other payables	**5,802**	**7,697**

Xeikon expects to settle all these short-term liabilities within 12 months of the balance-sheet date.

27. Financial instruments

(i) Financial risk factors

The group entities seek to minimize potential adverse effects on the financial performance of their local business, however, fluctuations in market prices, foreign currency exchange rates on sales and purchases or intercompany loans are inherent risks in the performance of the business.
The group uses derivative financial instruments to hedge its exposure and interest rate risks arising from its operational, financing and investment activities. The net exposure is managed on a central basis in accordance with the principles laid down by general management. As a policy, the group does not engage in speculative or leveraged transactions, nor does it hold or issue derivative financial instruments for trading purposes.

(ii) Foreign exchange risk

Due to the international character of the group, its business is exposed to different foreign exchange risks arising from various currency exposures primarily with respect to the US dollar and the pound sterling. Companies in the group might use forward contracts or other instruments, concluded with local banks to hedge their exposure to foreign currency risks in the local reporting currency.

The group's financial liabilities and assets can be analyzed by currency as follows:

2012	EUR	GBP	USD	CAD	SEK	JPY	AUD	BRL	CHF	CNY	Total
in thousand euros											
Finance leases	7,617	-	547	148	166	-	-	-	-	-	8,478
Non-current receivables	34,373	-	-	-	-	299	-	-	-	-	34,672
Trade & other receivables	22,350	36	4,498	-	260	225	-	-	-	-	27,369
Total financial assets	**64,340**	**36**	**5,045**	**148**	**426**	**524**	**-**	**-**	**-**	**-**	**70,519**

2012	EUR	GBP	USD	CAD	SEK	JPY	AUD	BRL	CHF	CNY	Total
in thousand euros											
Finance leases	5,430	-	-	-	-	-	-	-	-	-	5,430
Borrowings	35,000	-	-	-	-	-	-	-	-	-	35,000
Trade & other payables	24,998	102	733	-	191	69	-	-	-	-	26,093
Total financial liabilities	**65,428**	**102**	**733**	**-**	**191**	**69**	**-**	**-**	**-**	**-**	**66,523**

2011	EUR	GBP	USD	CAD	SEK	JPY	AUD	BRL	CHF	CNY	Total
in thousand euros											
Finance leases	7,777	-	-	-	-	-	-	-	-	-	7,777
Non-current receivables	33,770	-	-	-	-	-	-	-	-	-	33,770
Trade & other receivables	16,000	4	6,519	43	443	1,284	-	10	-	80	24,383
Total financial assets	**57,547**	**4**	**6,519**	**43**	**443**	**1,284**	**-**	**10**	**-**	**80**	**65,930**

2011	EUR	GBP	USD	CAD	SEK	JPY	AUD	BRL	CHF	CNY	Total
in thousand euros											
Finance leases	5,605	-	-	-	-	-	-	-	-	-	5,605
Borrowings	45,000	-	-	-	-	-	-	-	-	-	45,000
Trade & other payables	20,538	1,927	949	-	183	172	131	26	-	64	23,990
Total financial liabilities	**71,143**	**1,927**	**949**	**-**	**183**	**172**	**131**	**26**	**-**	**64**	**74,595**

(iii) Credit risk

With the exception of one customer, the group has no significant concentration of credit risks and has policies in place to monitor customer credit risks. For major projects the intervention of credit insurance companies or similar organizations is requested.

One specific customer represents a significant credit risk which has been entirely covered by a credit insurance policy.

The total credit risk is 70.5 million euros (2011: 65.9 million euros). For finance leases, Xeikon has the machines as security. Credit control is one of the tasks of the finance department at Xeikon. The finance department, in consultation with the commercial department, makes assessments of the existing credit risk at regular intervals, and undertakes the appropriate action to limit the credit risk for Xeikon as far as possible. Xeikon has no reason to believe on the publication date that additional significant impairments on receivables (including the loans to Accentis nv and Punch International nv) need to be recorded. Legally speaking, Xeikon retains ownership of the machines which are provided under finance lease. No impairments have been recorded on the finance lease receivables.

(iv) Liquidity risk

Liquidity risk is linked to changes in the group's working capital. The group closely monitors the change in working capital through focused actions.

Liquidity risks can arise when there is a clear difference between the goods and services delivered and the payments and advances received, or when investments in progress and in working capital place great pressure on available financial means and/or operational cash flow.

The scale of transactions can cause short-term fluctuations in the liquidity position. In general, Xeikon is able to counter such fluctuations using control mechanisms. The organization has sufficient credit facilities available to cope with these fluctuations. Every month, a liquidity forecast is drawn up for the coming twelve months, partly in order to control the liquidity risk. The liquidity risk is analyzed so as to take account of available liquid assets, credit facilities and typical fluctuations in working capital requirements. This gives Xeikon sufficient opportunity to use the available liquidity and credit facilities as flexibly as possible and to identify any shortcomings in time. Outgoing cash flows for derivatives or financial liabilities consist of repayments (contractual or otherwise) and interest payments (actual and expected). On the basis of the current operating results and liquidity position, Xeikon is convinced that the cash flow from operating activities and available liquid assets is sufficient to meet all liabilities with respect to working capital, investments, interest payments, dividends and scheduled repayments in the next twelve months and the near future.

	Net book value	Contractual cash flows (*)	Within 1 year	1 to 5 years	More than 5 years
in thousand euros					
December 31, 2011					
Long-term loans	40,275	45,226	-	39,145	6,081
Short-term loans	10,330	12,542	12,542	-	-
Recovered arrears	-	-	-	-	-
Total	**50,605**	**57,768**	**12,542**	**39,145**	**6,081**
December 31, 2012					
Long-term loans	5,216	7,584	-	2,054	5,530
Short-term loans	35,214	35,694	35,694	-	-
Recovered arrears	-				
Total	**40,430**	**43,278**	**35,694**	**2,054**	**5,530**

(*) including interest

(v) Interest rate risk

The interest rate risk policy aims to limit the interest rate risks arising from the financing of the business, and hence also to optimize the net interest results. At the end of 2012, Xeikon had interest-bearing debts of 40.4 million euros (2011: 50.6 million euros), including the syndicated loan of 45 million euros (2011: 45 million euros). A fall in interest rates by 100 base points would result in a change for the syndicated loan of 175,000 euros in financial income and charges (2011: 450,000 euros).

The conditions the group must meet in connection with the syndicated loan are described in note 23 'Interest-bearing loans & borrowings'.

(vi) Fair value interest risk

The group enters into lease arrangements as both lessee and lessor. These leases are transacted at fixed rate thereby exposing the group to fair value interest rate risk. Currently, the group does not hedge any of this risk.

For more details on the finance leases in respect of which the group is exposed to the fair value risk, see note 17 (as lessor) and note 23 (as lessee).

There is no significant difference between the book and fair value of financial assets and liabilities that are included in the balance sheet at fair value, with movements in fair value being recognized in the income statement on the basis of the slight fluctuations in the risk-free rate since the conclusion of the lease contracts.

Hedging activities

At December 31, 2012, Xeikon Japan held several foreign exchange contracts to hedge future cash outflows in JPY. The hedged items concern recognized transactions and highly probable future transactions. Future cash outflows, before their maturity date, are covered by a combination of forwards, consisting of combinations of put options and call options. Hedge items that are recognized at year-end are included in the balance sheet at fair value and movements in fair value are taken directly to net profit or loss for the period.

At the end of the accounting period, the following foreign exchange contracts were outstanding:

Description	Currency	Maturity	Fair value *in thousand euros*
Foreign exchange contracts	JPY	13-08-2013	237
Total			**237**

At the end of 2011, the following foreign exchange contracts were included in the balance sheet:

Description	Currency	Maturity	Fair value *in thousand euros*
Foreign exchange contracts	JPY	13-08-2013	1,083
Total			**1,083**

The fair value calculation of the abovementioned exchange rate contract is based on a level 2 valuation.

(vii) Capital requirements

The group manages its capital, i.e. its equity, to ensure that entities in the group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance, taking account of any agreements that have been made.

The capital structure of the group consists of debt, which includes the interest-bearing loans & borrowings disclosed in note 23, cash and cash equivalents and equity comprising issued capital, reserves and retained earnings as disclosed in "Statement of changes in equity 2012" on page 122. Xeikon aims to achieve a net debt-to-capital ratio of at least 15%.

	2012	2011
in thousand euros		
Debts	40,430	50,605
Cash and cash equivalents	-29,641	-21,593
Net debt	10,789	29,012
Equity	185,682	177,236
Net debt / equity	**6%**	**16%**

28. Pensions

Pension commitments are as follows:

	2012	2011
in thousand euros		
Defined contribution plans	712	665
Total pension commitments	**712**	**665**

28.1 Defined contribution plans

The operational group established a number of pension schemes around the world covering many of its employees. The group's pension arrangements are principally defined contributions in nature. The assets of these schemes are held separately from those of the group in funds administered and under control of trustees.

At December 31, 2012, no contributions were outstanding to these schemes.

28.2 Defined benefit plans

The group does not have a defined benefit scheme.

29. Operational lease

	2012		2011	
	Property	Vehicles, plant and equipment	Property	Vehicles, plant and equipment
in thousand euros				
Within 1 year	5,265	-	5,265	448
Within the 2nd and 5th year	15,795	-	21,060	-
After 5 years	-	-	-	-
Total	**21,060**	**-**	**26,325**	**448**

Operational lease costs are included in the item 'Rental, leasing and maintenance of land, property and equipment' in note 4 and amounted to 5.7 million euros in 2012 (2011: 5.9 million euros).
Xeikon has concluded a lease agreement until 2017 for the office and production building of Xeikon Manufacturing (formerly Punch Graphix International) in Lier (Belgium) and the buildings in Ypres (Belgium) for Xeikon Prepress (formerly Punch Graphix Prepress Belgium).

Xeikon also still leases office buildings in Eede for Xeikon N.V. (formerly Punch Graphix nv) and Xeikon International B.V. (formerly Punch Graphix Europe B.V.). On the expiry of these agreements, they must be formally terminated, or they will be automatically extended for a period of three years.

The minimum lease payments due in the future on the basis of non-cancellable leases contracted by the group as a lessee mainly relate to conditional leases.

30. Transactions with related parties

	2012	2011
in thousand euros		
Directors' emoluments	754	664
Punch International and affiliated undertakings	942	1,252
Accentis and affiliated undertakings	5,698	5,467
Total expenses		**7,397**
Punch International and affiliated undertakings	273	494
Accentis and affiliated undertakings	1,626	1,283
Total income	**1,899**	**1,777**
Punch International and affiliated undertakings	8,432	7,146
Accentis and affiliated undertakings	27,619	26,694
Total receivables	**36,051**	**33,840**
Punch International and affiliated undertakings	302	410
Accentis and affiliated undertakings	583	329
Total payables	**885**	**739**

Accentis

Xeikon has a number of contracts with Accentis or affiliated companies:

- Lease for the offices in Eede, the Netherlands, for an initial period of 9 years ending in 2016 and an annual rental charge of 37,000 euros.
- Facility provision agreement for the offices and production premises in Lier, Belgium, for the period up to 2017 and an annual rent of 4,200,000 euros.
- Facility provision agreement for the offices and production premises in Ypres, Belgium, for the period up to 2017 and an annual rent of 1,220,000 euros.
- Loan agreement with Accentis nv for 30,360,000 euros with a term of 20 years. The Accentis loan of 30.4 million euros was taken over by Xeikon from Punch International in 2008 at a discount of 3%, or 0.9 million euros, after negotiations between the parties. The difference of 0.9 million euros will be taken to the income statement over the term of the loan (20 years). The interest rate on the Accentis loan is 6% for the first five years of the loan agreement. From the sixth year, the interest rate is determined on the basis of Euribor +2%. During the first five years there will be no capital repayments, after which there will be quarterly repayments of 1/60 of the capital. The interest on the Accentis loan is 1.6 million euros for 2012 (2011: 1.5 million euros).

Punch International

At the end of the year, Xeikon had a long-term debt receivable from Punch International of 8.3 million euros (2011: 7.0 million euros). The loan relates to a credit facility of 15 million euros which has been made available until December 31, 2015. The interest is fixed as the 6-monthly Euribor rate +1.95%.

31. Principal companies, joint ventures and associates

31.1 Fully consolidated subsidiaries

Company	Country of incor-poration	Ownership 31-12-2012 %	Ownership 31-12-2011 %		Principal activity
Xeikon N.V.(formerly Punch Graphix nv)	**NL**				**Holding**
Strobbe Newspaper Systems bv	NL	100.00	100.00		Sales & Marketing
RMS Roboter Vertriebs GmbH	DE	100.00	100.00	(4)	Sales & Marketing
RMS sas	FR	100.00	100.00	(4)	Sales & Marketing
RMS Benelux bv	NL	100.00	100.00		Sales & Marketing
Xeikon International bv (formerly Punch Graphix Europe bv)	NL	100.00	100.00		Sales & Marketing
Xeikon IP bv	NL	100.00	100.00		Sales & Marketing
Punch Graphix Ltd	UK	99.98	99.98		Holding
Xeikon Manufacturing nv (formerly Punch Graphix International nv)	BE	99.98	99.98	(2)	Production
Xeikon Prepress nv (formerly Punch Graphix Prepress Belgium nv)	BE	99.98	99.98	(2)	Production
Xeikon America Inc (formerly Punch Graphix Americas Inc)	US	99.98	99.98	(2)	Sales & Marketing
Xeikon Japan Co Ltd (formerly Punch Graphix Japan Co Ltd)	JP	99.98	99.98	(2)	Sales & Marketing
Xeikon Deutschland GmbH (formerly Punch Graphix Deutschland GmbH)	DE	99.98	99.98	(2)	Sales & Marketing
Xeikon Nordic Oy (formerly Punch Graphix Nordic Oy)	FI	99.98	99.98	(2)	Sales & Marketing
Xeikon Scandinavia AB (formerly Punch Graphix Scandinavia AB)	SE	99.98	99.98	(2)	Sales & Marketing
Punch Graphix UK Ltd	UK	99.98	99.98	(2)	Sales & Marketing
Xeikon Nederland bv (formerly Punch Graphix Nederland bv)	NL	99.98	99.98	(2)	Sales & Marketing
Xeikon Italia Srl (formerly Punch Graphix Italia Srl)	IT	99.98	99.98	(2)	Sales & Marketing
Xeikon France sa (formerly Punch Graphix France sa)	FR	99.98	99.98	(2)	Sales & Marketing
Xeikon Austria GmbH (formerly Punch Graphix Austria GmbH)	AT	99.98	99.98	(2)	Sales & Marketing

Company	Country of incor-poration	Ownership 31-12-2012 %	Ownership 31-12-2011 %		Principal activity
Xeikon Hong Kong Ltd (formerly Punch Graphix Hong Kong Ltd)	CN	99.98	99.98	(2)	Sales & Marketing
Punch Participatiemaatschappij bv	NL	99.98	99.98	(2)	Holding
Punch Graphix Canada Inc	CA	99.98	99.98	(2)	Sales & Marketing
Xeikon Ltd	UK	99.98	99.98	(2)	Sales & Marketing
Punch Graphix Brasil Comercio de Maquinas Grafica Ltd.a	BR	99.98	99.98	(4)	Sales & Marketing
Xeikon South East Europe sa (formerly Punch Graphix South East Europe sa)	EL	95.18	95.18	(2)	Sales & Marketing
Punch Graphix Baski as	TR	76.15	76.15	(3)	Sales & Marketing
Linomedia Cyprus Ltd	CY	66.63	66.63	(3)	Sales & Marketing
Punch Graphix Bulgaria Ltd	BG	-	95.18	(4)	Sales & Marketing
Punch Graphix Romania Srl	RO	95.18	95.18	(3)	Sales & Marketing
Punch Graphix Serbia-Montenegro	YU	95.18	95.18	(3)	Sales & Marketing
Punch Graphix Cyprus Ltd	CY	95.18	95.18	(3)	Sales & Marketing
Punch Trading Ltd	CN	99.98	99.98		Sales & Marketing
BasysPrint Service Germany GmbH	DE	100.00	100.00		Sales & Marketing
Xeikon Belgium nv	BE	100.00	100.00		Sales & Marketing

(1) Participations under liquidation
(1) Participations held by Punch Graphix plc
(3) Participations held by Punch Graphix South East Europe sa
(4) Participations liquidated in 2012

31.2 Interests in associated undertakings

Company	Country of incorporation	Ownership 31-12-2012 %	Ownership 31-12-2011 %
Accentis nv	BE	43.74	43.74

Xeikon SE Europe sa has the following participating interests, which are not included in the scope of consolidation:

- Exin AEBE (9.12%)
- Anax AEBE (9.12%)
- Apex AEBE (9.12%)
- Technological Park of Thessaly sa (2.25%)
- High Technological Park Acropolis sa (0.20%)

The participations in the above companies are fully written down.

32. Post-balance sheet events

No events entailing an adjustment of the figures took place between the balance sheet date and the date on which the consolidated reports were approved for publication.

33. Contingent liabilities

From time to time, Xeikon is involved in disputes with third parties. However, the management believes that no additional provisions are needed for these beyond those already included in the financial statements.

Independent auditor's report

"To: the General Meeting of Shareholders and the Management of Xeikon N.V.

Report on the financial statements

We have audited the accompanying financial statements 2012 of Xeikon N.V., Sluis. 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 December 2012, the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements comprise the company balance sheet as at December 31, 2012 the company income statement for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union 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. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Xeikon N.V. as at December 31, 2012 its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of Xeikon N.V. as at December 31, 2012 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, 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 under Section 2:392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Amstelveen, 16 April 2013

BDO Audit & Assurance B.V.
on its behalf,

O. van Agthoven RA"

14 INTERIM FINANCIAL INFORMATION

14.1 Consolidated half-yearly report for the first half of 2013

Xeikon NV

Half-yearly report 2013

Increasing sales accompanied by strong increase in net profit

Eede, The Netherlands - August 23, 2013 8:00 CET - Xeikon NV ('Xeikon') has today published its half-yearly report for 2013. Sales during the first half were EUR 57.6 million (H2-2012: EUR 56.4 million). The group's operational cash flow (EBITDA) increased during the same period to EUR 12.6 million (H1-2012 EUR 10.1 million). The net profit for the first half of 2013 was EUR 7.3 million, compared with EUR 4.6 million for the first half of 2012.

Key figures (unaudited)

IFRS *in million euros*	1st half of 2013	1st half of 2012	Difference %
Sales	57.6	56.4	+2
Operating income	59.6	57.7	
EBITDA (1)	12.6	10.1	+25
Operating result (EBIT)	8.6	5.3	+62
Result before taxes	9.2	5.9	
Net result – group share	7.3	4.6	
Earnings per share (in euro per share)	0.28	0.17	
REBITDA (2)	12.6	10.1	
REBIT (3)	9.1	6.5	

(1) EBITDA is not a defined IFRS term. Xeikon defines it as the result obtained by taking the operating result, adding depreciation and amortization costs, impairments of current assets and provisions and subtracting any reductions of these items
(2) REBITDA - recurrent EBITDA: EBITDA adjusted for one-off (non-recurring) elements.
(3) REBIT - recurrent EBIT: EBIT adjusted for one-off (non-recurring) elements.

HALF-YEARLY REPORT 2013

Contents

1. Significant events during the first six months of 2013

New toner: ICE

At a press conference on June 13, which formed part of the press campaign in the run-up to Labelexpo Europe 2013, Xeikon launched a new dry toner: ICE. This toner is part of the Xeikon Self-Adhesive Label Suite (Xeikon's suite of solutions for self-adhesive labels), and was specially developed for the printing of heat-sensitive materials such as thermal labels and PE. The ICE toner builds on Xeikon's tried and tested QA toner technology. It can be used in all new and existing presses in the 3000 Series, and opens up further possibilities for digital label printers. ICE will be demonstrated at Labelexpo Europe 2013 in Brussels (September 24-27, 2013), and will be available in the course of the fourth quarter of this year.

Launch of the ThermoFlexX 80

During the same press conference in June, Xeikon also announced that it would demonstrate its first ThermoFlexX 80 at Labelexpo. This imager, the largest in the ThermoFlexX series, has been further developed in recent months. The ThermoFlexX 80 exposes flexographic plates up to 1270 x 2032 mm, and is suitable for wide web applications such as flexible packaging and packaging made of corrugated and folded cardboard.

Trillium on schedule

In early July, Xeikon issued a status update on Trillium, the liquid toner technology it had announced at DRUPA 2012. During an online press conference attended by over 30 experts and journalists from the sector, Xeikon confirmed that development work is on schedule. The first test machines will be installed at the premises of beta users during the first quarter of 2014. The official launch of the first Trillium presses is scheduled for spring 2014, and the presses should be brought onto the US market six months later.

Trillium presses use of a system of high viscosity liquid toner that has several advantages over a dry toner system. High viscosity liquid toner is capable of even higher printing speeds without compromising on image quality. Moreover, the toner layer is thinner than with dry toner. This makes printing considerably cheaper, and the look and feel is closer to that of conventional offset printing. Trillium is therefore the perfect answer to the competition on the document market from high-volume inkjet systems (transactional printing and direct marketing), in which printing on coated paper with water-based inks and printing of pages with high page coverage cause problems. The Trillium presses print the same widths as those in the Xeikon 8000 Series. The test machines have initially achieved a printing speed of 60m/min, or 800 A4 pages/min in one-pass-duplex, and a monthly capacity of at least 5 million pages.

2. Discussion of the half-yearly results

Sales

in thousand euros	Consolidated H1-2013	H1-2012
Sales per segment		
Digital Printing Solutions	47,002	42,004
Prepress Solutions (CtP)	10,552	14,365
Total sales	**57,554**	**56,369**
Sales per activity/product		
Equipment	23,356	21,604
Consumables and service	34,198	34,765
Total sales	**57,554**	**56,369**
Sales per region		
Europe	30,313	37,862
Americas	19,627	13,755
Asia (including Australia and New Zealand)	7,614	4,752
Total sales	**57,554**	**56,369**

Sales for the first half of 2013 were 2% higher than in the same period last year.

Digital Printing Solutions sales rose by 12% from their 2012 level, while Prepress Solutions sales fell by 26%.

Analysis per activity shows that equipment sales were up 8% compared with the first half of 2012.

Recurring income from consumables and service activities fell slightly, by around 2%.

The decrease in sales in Europe is mainly due to lower sales of Prepress Solutions. The sales growth reported for North and South America is mainly due to South America.

EBITDA

in thousand EUR	Consolidated H1-2013	H1-2012
Consolidated	**12,649**	**10,089**
Non-recurring elements:		
Other	-	-
REBITDA	**12,649**	**10,089**

REBITDA - recurrent EBITDA: EBITDA adjusted for one-off (non-recurring) cash elements

Compared with the same period in the previous financial year, EBITDA rose by 25% to EUR 12.6 million (H1-2012: EUR 10.1 million).

This increase is a consequence of the higher sales, a better product mix and strict cost management.

Operating result (EBIT)

in thousand EUR	Consolidated H1-2013	H1-2012
Consolidated	**8,639**	**5,333**
Non-recurring elements:		
On EBITDA	-	-
Non-recurring amortizations and provisions	432	1,144
REBIT	**9,071**	**6,477**

REBIT - recurrent EBIT: EBIT adjusted for one-off (non-recurring) cash and non-cash elements

The operating result (EBIT) was EUR 8.6 million, which represents a 62% increase compared with the same period last year (H1-2012: EUR 5.3 million). This increase was due to higher sales, a better product mix and strict cost management.

Depreciation, impairments and provisions came to EUR 4.0 million (H1-2012: EUR 4.7 million).

Financial result

Due to the positive interest result and (modest) exchange rate gains in the first half of 2013, the financial result was a gain of EUR 0.5 million (H1-2012: gain of EUR 0.5 million). The exchange rate gains were limited due to the slight rise in the US dollar against the euro.

Result of associates accounted for by the equity method and result before tax

The share in the result of associates accounted for by the equity method consists of the share in the net result of the real estate holding company Accentis nv, in which Xeikon holds a 43.74% stake (as of June 30, 2013). For the first half of 2013, the result of associates accounted for by the equity method was nil (H1-2012: EUR 0.1 million).

The result before tax for the first half of 2013 was EUR 9.2 million (H1-2012: EUR 5.9 million).

Net result

The net result (group share) was EUR 7.3 million (H1-2012: EUR 4.6 million).

Balance sheet

	Consolidated	
in million euros	H1-2013	2012
Non-current assets	179.6	177.0
Current assets	55.9	54.5
Cash and cash equivalents	20.6	29.6
Total assets	**256.1**	**261.1**
Shareholders' equity	192.9	185.7
Interest bearing loans & borrowings	35.2	40.4
Other liabilities	28.0	35.0
Total liabilities & equity	**256.1**	**261.1**
Net financial debt	**14.6**	**10.8**
Net financial debt / EBITDA (12 months)	**0.42**	**0.33**
Solvency	**75%**	**71%**

Shareholders' equity at the end of the reporting period was EUR 192.9 million. The net increase compared with the end of December 2012 arises from the net profit for the first half (EUR 7.3 million).

Investments for the first half of 2013 totaled EUR 4.6 million (H1-2012: EUR 4.4 million).

On June 30, 2013, Xeikon held a receivable from Punch International nv of EUR 9.4 million (December 31, 2012: EUR 8.3 million) and a receivable from Accentis nv of EUR 26.0 million (December 31, 2012: EUR 26.0 million). Both are shown under long-term receivables.

Cash flow statement

	Consolidated	
in million euros	H1-2013	H1-2012
Operational cash flow	11.6	9.5
Cash from working capital	-10.6	-5.7
Cash from operating activities	1.0	3.8
Cash used in investing activities	-4.8	-2.5
Cash from financing activities	-5.2	-5.1
Foreign exchange	-	-0.4
Net cash flow	**-9.0**	**-4.2**
Cash and cash equivalents end of period	**20.6**	**17.4**

Cash from operating activities was EUR 1.0 million for the first half of 2013, resulting from an operational cash flow of EUR 11.6 million and an increase in working capital of EUR 10.6 million.

Cash used in investing activities totaled EUR 4.8 million and consisted among other items of EUR 2.7 million of capitalized R&D projects.

Cash from financing activities came to EUR -5.2 million (H1-2012: EUR -5.1 million), and included the repayment of EUR 5 million on the syndicated loan taken out with a bank consortium.

3. Forecasts

The group does not wish to announce any concrete targets for 2013.

4. Purchase of treasury shares

The management has decided to make use of the authority granted to it to purchase treasury shares. Under this authority, the management is empowered to purchase treasury shares up to the maximum quantity that may be vested in the company by virtue of the law and the articles of association at the time of acquisition, at a price between their par value and 110% of the stock-market price at the time of acquisition. In its quarterly trading updates, the company will report periodically on the number of treasury shares purchased and the average acquisition price. Since the authority was granted, the company has purchased a total of 3,152,332 treasury shares at an average price of EUR 2.68 (as at the end of August 2013). This represents 10.98% of the total number of shares outstanding. Xeikon has not purchased any treasury shares in the course of 2013.

5. Consolidated income statement Xeikon NV (unaudited)

IFRS *in thousand euros*	1st half of 2013	1st half of 2012
Total sales	57,554	56,369
Other operating income	2,088	1,298
Total revenues	**59,642**	**57,667**
Change in inventories	-3,046	1,703
Purchases	-17,582	-21,282
Salaries & employee benefits	-11,379	-12,606
Depreciation & amortization	-3,578	-3,612
Impairment losses on current assets	-332	-1,118
Provisions	-100	-26
Other operating charges	-14,986	-15,393
Total operating expenses	**-51,003**	**-52,334**
Operating result (EBIT)	**8,639**	**5,333**
Finance income/cost	546	461
Share in the result of associates	-	146
Result before taxes	**9,185**	**5,940**
Taxes	1,929	1,283
Net result	**7,256**	**4,657**
Attributable to:		
- shareholders of Xeikon NV	7,282	4,673
- minority interests	-26	-16
EBITDA	**12,649**	**10,089**
Result per share – ordinary and diluted (euros per share)	0,28	0,17
Net result	7,256	4,657
Items that will in future be presented in the income statement when specific conditions are satisfied:		
- foreign exchange translation differences included in equity	6	467
Overall result	**7,262**	**5,124**
Attributable to:		
- shareholders in Xeikon NV	7,270	5,135
- minority interest	-8	-11

EBITDA is not a defined IFRS term. Xeikon defines it as the result obtained by taking the operating result, adding depreciation and amortization costs, impairments of current assets and provisions and subtracting any reductions of these items

6. Consolidated balance sheet Xeikon NV (unaudited)

IFRS *in thousand euros*	June 30, 2013	December 31, 2012	June 30, 2012
Non-current assets	**179,598**	**176,987**	**186,488**
Intangible assets	116,891	116,077	116,057
PPE: Property, Plant & Equipment	9,488	9,297	10,818
Investments in associates	5,545	5,545	13,416
Receivables (non-current)	42,287	39,312	36,505
Deferred tax assets	5,387	6,756	9,692
Current assets	**76,543**	**84,109**	**71,327**
Inventories	23,684	23,259	27,126
Trade debtors	25,059	25,164	20,954
Other amounts receivable	7,202	6,045	5,869
Cash and cash equivalents	20,598	29,641	17,378
Total assets	**256,141**	**261,096**	**257,815**
Shareholders' equity	**193,516**	**186,246**	**182,917**
Ordinary shares	114,841	114,841	114,841
Share premium account	140,269	140,269	140,269
Other reserves	-50,564	-57,820	-61,764
Translation differences	-11,030	-11,044	-10,429
Minority interests	**-573**	**-565**	**-557**
Total equity	**192,943**	**185,681**	**182,360**
Non-current liabilities	**9,087**	**8,861**	**39,288**
Interest bearing loans & borrowings (non-current)	5,111	5,216	35,266
Deferred tax liabilities	3,976	3,645	4,022
Current liabilities	**54,111**	**66,554**	**36,167**
Trade payables	15,342	20,291	14,284
Other current payables	5,201	5,802	6,362
Current tax liabilities	1,176	2,274	1,703
Borrowings	30,105	35,214	10,213
Provisions	2,262	2,736	2,818
Financial instruments	25	237	786
Total equity & liabilities	**256,141**	**261,096**	**257,815**

7. Consolidated cash flow statement Xeikon NV (unaudited)

IFRS *in thousand euros*	1st half 2013	1st half 2012
Cash flow from operating activities		
Profit before taxes	9,229	5,940
Adjustments for:		
Share in the result of associates	-	-146
Depreciations & impairments	3,910	4,730
Provisions	100	26
(Gains)/losses on sale of property, plant & equipment	-302	4
Interests in income statement	-845	-219
Taxes paid	-265	-1,169
Financial instruments	-212	297
Subtotal	**11,615**	**9,463**
Movement trade & other receivables	-2,366	438
Movement inventories	-1,052	-2,189
Movement trade & other payables	-6,644	-3,465
Movement provisions	-551	-486
Subtotal	**-10,613**	**-5,702**
Net cash flow from operating activities	**1,002**	**3,761**
Cash flow from investing activities		
Purchase of participations	-308	-1,005
Capitalized R&D expenses	-2,724	-2,867
Purchase of property, plant & equipment	-1,608	-763
Loan granted to Punch International nv	-920	-
Subtotal	**-5,560**	**-4,635**
Sale of property, plant & equipment	344	212
Reimbursement of loan granted to Punch International nv		1,035
Capital element of finance leases received and movement in other long-term loans receivable	-342	679
Interest paid/received	741	254
Subtotal	**743**	**2,180**
Net cash flow from investing activities	**-4,817**	**-2,455**
Cash flow from financing activities		
Purchase of treasury shares	-	-
Subtotal	**-**	**-**
New loans	-	-
Loan reimbursements	-5,163	-5,126
Capital element of finance leases paid	-53	-8
Subtotal	**-5,216**	**-5,134**
Net cash flow from financing activities	**-5,216**	**-5,134**
Foreign exchange	-12	-387
Net cash flow	**-9,043**	**-4,215**
Cash and cash equivalents		
At the beginning of the period	29,641	21,593
At the end of the period	20,598	17,378
Net cash flow	**-9,043**	**-4,215**

14.2 Review report relating to the consolidated half-yearly report for the first half of 2013

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Review report relating to the consolidated interim financial statements for the period ended 30 June 2013.

To: the Board of Management of Xeikon N.V.

Introduction
We have reviewed the consolidated interim financial information of Xeikon N.V., Sluis, for the six-month period ended 30 June 2013 ("Half-yearly report 2013"). The Board of Management is responsible for the preparation and presentation of this consolidated interim financial information in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated interim financial information based on our review. We have not performed a review of the consolidated interim financial information for the six-month period ended 30 June 2012. The amounts included for comparative purposes have therefore not been reviewed.

Scope
We conducted our review in accordance with Dutch Law, including the Dutch Standard 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information as at 30 June 2013 are not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting' as adopted by the European Union.

Corresponding figures not reviewed
We have not performed a review engagement on the consolidated interim financial information of the previous year. Consequently the corresponding figures in the income statement, balance sheet and the cash flow statement and changes in equity included in the consolidated interim financial information for the six-month period ended 30 June 2012 have not been reviewed.

Other matter - restriction of use
The consolidated interim financial information of Xeikon N.V., Sluis, for the six-month period ended 30 June 2013 and our review report thereon are intended solely for the Board of Management of Xeikon N.V. for inclusion in the Offer Memorandum and are not suitable for any other purpose.

Amstelveen, 11 October 2013

For and on behalf of BDO Audit & Assurance B.V.,

O. van Agthoven RA

JHL/SvdS/138579

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