

## M.A.X. Automation AG

### Interim report as per March 31, 2015

Securities identification number: 658 090  
 ISIN: DE0006580905

#### Overview of business development

- **M.A.X. Automation Group right on track following a successful first quarter of 2015**
- **Strategic focus on high-tech mechanical engineering continued and switch to the Prime Standard segment completed**
- **Management Board confirms targets for financial year 2015**

#### Overview of key figures (in accordance with IFRS)

in EUR mill.	Jan-March 2015	Jan-March 2014	Change in%
New order intake	90.9	66.6	+36.5
Order book position	174.4	148.0	+17.8
Revenue	75.6	73.0	+3.5
EBITDA	3.3	-0.3	-
EBIT before PPA	1.7	-1.8	-
EBIT after PPA	0.6	-2.8	-
Earnings for the period	-0.2	-2.7	-
Earnings per share (in EUR)	-0.01	-0.10	-
Earnings per share before PPA (Euro)	0.06	-0.07	-
Cash and cash equivalents	32.3	25.2	+ 28.1
Equity ratio in %	33.0	30.2	+2.8 percentage points
Net debt	64.7	78.2	-17.3
Employees (by headcount)	1,784	1,732	+3.0
of which trainees	139	135	+3.0

## Report by the Management Board

Dear shareholders,

M.A.X. Automation Group experienced a lively course of business in the first quarter of 2015 and thus maintained the momentum from the second half of 2014. After the first three months, our Group is developing fully in line with our expectations. Besides the progress we have made on strategically focusing on our core businesses, we also managed to improve key performance indicators, in some cases rather significantly, compared to the same quarter of the previous year:

- Group-wide new order intake reached EUR 90.9 million, which equates to 36.5% growth compared to the same quarter of the previous year.
- The order book position rose to the record level of EUR 174.4 million as per 31 March 2015, 17.8% more than on the same date in 2014. The book-to-bill ratio of 1.20 shows that the signs continue to point to further growth at M.A.X. Automation.
- Group revenue rose by 3.5% to EUR 75.6 million.
- EBITDA (consolidated earnings before interest, tax, depreciation and amortization) amounted to EUR 3.3 million (previous year EUR -0.3 million).
- Consolidated earnings before interest and tax (EBIT) before amortization from purchase price allocations (PPA-related amortization) amounted to EUR 1.7 million and thus improved by EUR 3.5 million compared to the same period last year.
- Our Group closed the first quarter, which is usually weaker in line with seasonal effects, with slightly negative results for the period of EUR 0.2 million. Last year, we posted a quarterly loss of EUR 2.7 million.

- Equity amounted to EUR 100.0 million as per the end of March. At a solid 33.0%, the equity ratio was still above the minimum mark of 30% that we had set for ourselves.

The Industrial Automation segment essentially developed as expected in the first quarter. Following a strong fourth quarter 2014, in which a number of orders were finally invoiced, the Group companies started working on new projects, which temporarily resulted in lower capacity utilization for process-related reasons. Against this backdrop, segment revenue in the first quarter was 8.1% lower than last year's level. By contrast, operating earnings before PPA-related amortization increased to EUR 0.7 million.

We expect to see considerably higher capacity utilization in the Industrial Automation segment in the quarters to come – not least due to the extremely encouraging development of orders: new order intake for the segment in the first quarter was 44.3% higher than in the same period last year. Furthermore, after the balance sheet date March 31, 2015, we signed two framework contracts with a well-known automotive manufacturer and a renowned supplier to the automotive industry with a total volume of approximately EUR 50 million. These contracts have term up until either 2018 or 2020 and thus provide us with a good foundation for the medium-term development of the segment. We consider the way in which orders are developing to be further proof of the excellent technological positioning that M.A.X. Automation has achieved in the field of industrial automation.

The course of business for the Environmental Technology segment also exceeded expectations in the first quarter. New order intake rose by 26.8%. This includes the large order we received to build a system for generating alternative energy in Reno, Nevada. Revenue rose by around 27%. Segment EBIT before PPA improved by EUR 2.9 million to EUR 1.9 million. This significant improvement in earnings was mainly the result of the higher sales of the Group company Vecoplan AG while fixed costs remained unchanged. Furthermore, currency effects and optimization measures also had a positive impact on earnings. In addition, Vecoplan AG acquired the remaining shares in Vecoplan LLC in the USA. Direct operational control of this company as part of our successful business in North America is therefore now possible.

During the first quarter, we continued with our strategy of aligning M.A.X. Automation more strongly to address high-tech mechanical engineering. By acquiring iNDAT Robotics GmbH in February of this year, we expanded our Group's service portfolio to include the promising area of future robotics solutions, which will become increasingly important in the automobile industry, in particular, and, at the same time, entered new target markets. In addition, we continue to work on realizing operational and strategic synergies between our Group companies in areas such as purchasing, group-wide foreign sites and financing, for example.

The M.A.X. Automation AG share has been listed in the Prime Standard segment of the German stock exchange since April 1. After we started clearly focusing on our core businesses of Industrial Automation and Environmental Technology and expanded the Group's product and service spectrum over the last year and a half, now is the right time to share our company's bright prospects with the capital market more actively than in the past. We are convinced that changing stock exchange segments will attract new groups of investors, institutional investors, in particular, to the M.A.X. share.

Due to the positive course of business in the first quarter and the good development of orders, we confirm our forecast for financial year 2015. On the basis of the current Group portfolio, we expect Group revenue of between EUR 360 million and EUR 380 million and Group earnings before interest and tax (EBIT) before PPA depreciation of between EUR 20 million and EUR 22 million. Here, the fact that the main contributions to revenue and earnings can be expected in the second half of the year due to the usual seasonal nature of our businesses must also be taken into consideration.

Mr. Bernd Priske stepped down from his position as the company's Management Board Spokesman after serving for 12 years and left the company on extremely amicable terms. He was largely responsible for driving alignment of the company's portfolio to focus on the promising future core segments Industrial Automation and Environmental Technology while creating a solid capital and financing basis. The Management and Supervisory Board would like to express their sincere thanks to him for his many years of successful dedication.

Düsseldorf, May 2015

Fabian Spilker  
(CEO)

## Interim management report as per March 31, 2015

### Principles of the Group

#### Business model

M.A.X. Automation AG with its headquarters in Düsseldorf is an internationally active high-tech mechanical engineering Group and a leading full-service supplier of integrated and sophisticated system and component solutions. Its operational business is divided into two segments. In the Industrial Automation segment, the Group is considered to be a trendsetter in the development and manufacturing of integrated and proprietary solutions for use in manufacturing and assembly in the automotive industry, medical technology and packaging machines due to its comprehensive technology portfolio. In the Environmental Technology segment, M.A.X. Automation develops and installs innovative systems for use by the recycling, energy and raw materials industries.

Development and manufacturing take place in Germany for the most part, but also at select foreign sites. The international M.A.X. Automation service branches offer the customers of its subsidiaries the same contacts all over the world. In total, the Group has several subsidiaries in industrial nations like the USA, as well as emerging countries like China. Shares of the company founded in 1991 that has been listed as M.A.X. Automation since 1994 have been trading on the Prime Standard of the Frankfurt Stock Exchange since 2015.

#### Employees

M.A.X. Automation Group employed 1,784 people, 139 of whom were trainees, on the reporting date March 31, 2015. This means the company had 52 more employees than on the same date in 2014 (1,732 employees, including 135 trainees). For the first time, the closing figure also includes the employees of iNDAT Robotics GmbH.

#### Macroeconomic environment

The global economy posted moderate growth in the first months of 2015 and thus continued its positive trend from the previous year. In April, the International Monetary Fund (IMF) determined that growth impulses are gradually also coming from industrial nations while the economies in

emerging nations such as China and Brazil are losing momentum. Overall, the IMF calculated global economic growth to be 3.5% for the year 2015 as a whole. Economic output in China was up by 6.8% (previous year: +7.4 %). Growth of 3.1% is expected for the USA, 0.7 percentage points more than last year, but 0.5 percentage points less than expected in January 2015.

According to the IMF, the economy in the eurozone will grow by 1.5% this year and thus somewhat more strongly than forecast most recently. The main influencing factors are said to be the significantly lower oil price and the European Central Bank's continued low interest policy, among other factors. Furthermore, the decline in the value of the euro, against the US dollar, in particular, provides support for the export economy.

According to the spring reports by economic research institutes, economic output in Germany will increase by 2.1%. The reasons for this positive development are said to be strong private consumption supported by the low oil price, the good condition of the labor market, and increases in wages, but also exports, which are benefiting from the low exchange rate of the euro.

Sources:

- International Monetary Fund (IMF): World Economic Outlook, April 2015
- Spring 2015 reports by the economic research institutes dated April 16, 2015

### **Trends in relevant sectors**

The German Engineering Federation (VDMA) reported to its member companies that the business developed positively overall to start the year. For example, new order intake in the months of January to March increased by 2% compared to the same period of the previous year. This development was based mainly on orders from abroad, which rose by 3%, while domestic orders declined by 2%.

German waste and recycling technology companies got off to a cautiously optimistic start in 2015. According to a survey on the economy conducted by the VDMA's Waste and Recycling Technology Association, a large share of its members expect sales to either remain at current levels or rise

this year. Based on this assumption, a 2% increase in revenue is claimed to be possible, thanks, in particular, to demand from abroad.

The global automotive markets continued to develop positively for the most part in the first quarter of 2015. According to the Automotive Industry Association (VDA), registrations of new vehicles in Europe (+8.5%), the USA (+5.6%), India (+4.5%) and China (+11.3%) rose compared to the respective values for the same period last year. On the other hand, significant declines were observed on the markets in Russia (-36.3%), Japan (-15.5%) and Brazil (-16.2%).

Expectations for the German medical technology field are quite restrained for 2015. The industry association Spectaris reports that its member companies expect to see a significant improvement in the current year, especially after how poorly business developed in the second half of 2014. Nonetheless, continued growth carried by strong export business is forecast in the medium term.

Sources:

- VDMA, press release dated April 28, 2015
- VDMA Waste and Recycling Technology Association, press release dated April 27, 2015
- VDA, press release dated April 16, 2015
- Spectaris, industry association on medical technology, Facts and Figures, [www.spectaris.de](http://www.spectaris.de)

## **Significant events in the reporting period**

### **Repayment of the syndicated loan**

M.A.X. Automation AG repaid the syndicated loan that was valued at EUR 48.2 million on December 31, 2014, prematurely in January 2015 by paying EUR 8.2 million. Repaying net debt strengthens M.A.X. Automation's balance sheet structure and creates a solid basis for further growth.

### **Purchase of the minority shares in Vecoplan LLC**

Vecoplan Holding Corporation, Wilmington, Delaware (USA), which belongs to the Vecoplan Group, signed a contract on January 2, 2015, on acquiring another 20% share in Vecoplan LLC, Archdale, North Carolina



(USA) for a purchase price of 2 million US dollars. This increased its share in Vecoplan LLC to 100%. Vecoplan LLC's main business activities consist of manufacturing and selling shredding and recycling technologies as well as related services in the North American region. Direct operational control of this company is thus possible.

#### **Rohwedder Micro Assembly becomes MA micro automation**

The company Rohwedder Micro Assembly GmbH, which was acquired as part of the purchase of the AIM Group, began trading under the name MA micro automation GmbH effective February 1, 2015. The change in name was associated with the modernization of the expert on automation solutions for use in microassemblies' complete brand appearance.

#### **NSM Magnettechnik acquires iNDAT Robotics**

M.A.X. Automation AG acquired 100% of the shares in iNDAT Robotics GmbH, a company based in Ginsheim-Gustavsburg, Hesse, via its subsidiary NSM Magnettechnik GmbH at the beginning of February 2015. iNDAT Robotics specializes in robotics and manufacturing automation. Its solutions are used by well-known car manufacturers and suppliers to the automotive industry, in particular. This acquisition extends our spectrum of services for the automotive industry quite significantly. Besides NSM Magnettechnik, synergies result for other subsidiaries of M.A.X. Automation AG that are in need of high-performance robotics solutions.

#### **Change in the Management Board**

Mr. Bernd Priske, Management Board Spokesman of M.A.X. Automation, stepped down from his position effective the end of March 2015 and left the company on extremely amicable terms.

#### **Switch to the Prime Standard**

M.A.X. Automation AG announced on March 27, 2015, that it planned to switch from the General Standard to the Prime Standard segment of the Frankfurt Stock Exchange effective April 1, 2015. The company will thus be making itself accessible to a broader investor base. Prime Standard companies are subject to the highest transparency and publicity requirements, which are particularly important for institutional investors.

## Financial accounting and scope of consolidation

M.A.X. Automation AG prepared its consolidated financial statements for the period that ended on March 31, 2015, according to International Financial Reporting Standards (IFRS).

iNDAT Robotics GmbH was acquired on February 6, 2015, and included in the Group for the first time as of February 1, 2015. Detailed information on the consolidation of iNDAT Robotics GmbH is included in section 2.1 of the Notes to the Consolidated Financial Statements. Last year's figures still included Euroroll Dipl.-Ing. K.-H. Beckmann.

To pay tribute to M.A.X. Automation Group's greater international focus and as opposed to last year, currency differences are reported in operating results since January 1, 2015. This is common practice for other publicly listed companies. The previous year was adjusted accordingly. Further details are included in section 1 of the Notes to the Consolidated Financial Statements.

## The Group's order book position

### Consolidated new order intake

in EUR mill.	Jan-March 2015	Jan-March 2014	Change in %
Industrial Automation segment	53.1	36.8	44.3
Environmental Technology segment	37.8	29.8	26.8
Group (consolidated)	90.9	66.6	36.5

M.A.X. Automation Group recorded a dynamic increase in new order intake to EUR 90.9 million in total in the first three months of 2015. This represents an increase of EUR 24.3 million or 36.5% compared to the figure for the same period of last year (EUR 66.6 million).

The Industrial Automation segment achieved an increase of 44.3% to EUR 53.1 million (Q1 2014: EUR 36.8 million) in the first quarter 2015. In the Environmental Technology segment, orders rose by 26.8% to EUR 37.8 million (Q1 2014: EUR 29.8 million). This included, among other projects, a

major order to build a plant for generating alternative energy in Reno, Nevada.

The order book position for M.A.X. Automation Group reached the record level of EUR 174.4 million as of March 31, 2015. This was EUR 26.4 million or 17.8% higher than the figure of EUR 148.0 million reported as of March 31, 2014, and 21.8% higher than the figure at the end of 2014 (EUR 143.1 million). The book-to-bill ratio as of March 31, 2015, stood at 1.20 (March 31, 2014: 0.91)

In the Industrial Automation segment, the order book position increased by EUR 13.0 million or 11.4% to EUR 126.7 million as of March 31, 2015 (previous year's reporting date: EUR 113.7 million). In Environmental Technology, inventory increased by EUR 13.4 million or 39.0% to EUR 47.7 million (previous year's reporting date: EUR 34.3 million).

## Development of sales for the Group

### Group revenue

in EUR mill.	Jan-March 2015	Jan-March 2014	Change in %
Industrial Automation segment	45.0	48.9	-8.1
Environmental Technology segment	30.6	24.2	26.7
Group	75.6	73.0	3.5

After the first three months of 2015, Group revenue amounted to EUR 75.6 million and was thus EUR 2.6 million or 3.5% higher than in the comparable period of the previous year (EUR 73.0 million).

In the Industrial Automation segment, revenue declined by 8.1% to EUR 45.0 million (prior year period: EUR 48.9 million) due to the start-up of numerous new projects and the temporarily lower capacity utilization that they caused. The Environmental Technology segment reported a 26.7% increase in revenue to EUR 30.6 million (prior year period: EUR 24.2 million) for the first quarter.

In the first three months, the total operating revenue of M.A.X. Automation Group declined by EUR 1.7 million or 2.2% to EUR 77.6 million (Q1 2014: EUR 79.3 million).

## Results of operations for the Group

### Earnings figures

in EUR mill.	Jan-March 2015	Jan-March 2014	Change in %
EBIT Industrial Automation segment before PPA	0.7	-0.2	-
EBIT Environmental Technology segment before PPA	1.9	-1.0	-
Group EBIT before PPA	1.7	-1.8	-
Group EBIT after PPA	0.6	-2.8	-
Consolidated profit for the period	-0.2	-2.7	-

Other operating income in the first three months of 2015 increased to EUR 3.8 million (prior year period: EUR 0.9 million). The increase is due to foreign exchange gains with the US dollar, in particular, in the amount of EUR 2.6 million (prior year period: EUR 0.2 million). This is offset by exchange rate losses of EUR 1.5 million in other operating expenses.

The cost of materials decreased significantly from EUR 44.9 million to EUR 38.3 million. The previous year's figure had been influenced by the temporarily necessary purchase of third-party work. The cost of materials ratio in relation to total operating revenue increased significantly from 56.5% to 49.4%.

Personnel expenses rose by 5.1% to EUR 26.0 million (prior year period: EUR 25.6 million). The personnel expense ratio in relation to total operating revenue was 34.7% and thus slightly higher than in the same period of the previous year (32.3%).

Amortization, depreciation and impairment losses amounted to EUR 1.6 million compared to EUR 1.4 million in the same period of the previous year.

Other operating expenses increased from EUR 10.1 million to EUR 12.9 million. This increase is mainly due to foreign exchange losses of EUR 1.5 million (prior year period: EUR 0.1 million). This is offset by exchange rate gains of EUR 2.6 million contained in other operating income. In relation to total operating revenue, this resulted in an increased expense ratio of 16.6% (Q1 2014: 12.7%).

EBITDA amounted to EUR 3.3 million compared to EUR -0.3 million the previous year.

M.A.X. Automation Group reports consolidated operating earnings before interest and tax (EBIT), as well as before amortization related to purchase price allocations (PPA-related amortization), of EUR 1.7 million for the first three months of 2015. This represents an improvement of EUR 3.5 million compared to the previous year's figure of EUR -1.8 million. PPA-related amortization amounted to EUR 1.1 million (first quarter of 2014: EUR 1.0 million) and resulted primarily from the acquisition of the companies of the AIM Group at the end of 2013 and the iNDAT Group at the beginning of 2015. Earnings per share after PPA-related amortization were EUR 0.06 after EUR -0.07 in the same quarter of the previous year.

EBIT after PPA-related amortization was EUR 0.6 million (prior year period: EUR -2.8 million).

The net interest result of the first three months amounted to EUR -0.8 million (prior year period: EUR -0.9 million).

Consolidated earnings before tax (EBT) amounted to EUR -0.1 million (prior year period: EUR -3.6 million).

For the first three months, the Group reports a tax burden of EUR 0.1 million following tax income of EUR 0.9 million in the first quarter of 2014.

At EUR -0.2 million, earnings for the period nearly reached the break-even point for the first three months of 2015 (same period of the previous year: EUR -2.7 million). This is equivalent to earnings per share of EUR -0.01 (Q1 2014: EUR -0.10).

### **Group net assets**

The total assets of M.A.X. Automation Group amounted to EUR 302.6 million as of the March 31, 2015, reporting date. This corresponds to an increase of EUR 7.2 million, or 2.5%, compared with this figure on December 31, 2014 (EUR 295.4 million).

Consolidated non-current assets amounted to a total of EUR 122.6 million (December 31, 2014: EUR 111.1 million). The 16.3% increase in goodwill to EUR 53.5 million (December 31, 2014: EUR 46.0 million) can be attributed to the acquisition of iNDAT Robotics.

Current assets declined to EUR 180.0 million (December 31, 2014: EUR 184.3 million; -2.3%). Inventories increased by 21.0% from EUR 42.0 million to EUR 50.8 million due to the launch of new projects. Trade receivables increased by 9.1% from EUR 82.0 million to EUR 89.4 million. The significant decrease in liquid assets by 38.3% to EUR 32.3 million (December 31, 2014: EUR 52.4 million) is essentially due to the acquisition of iNDAT Robotics GmbH, the acquisition of the minority interests of Vecoplan LLC and the premature repayment of long-term financial liabilities.

### **Group financial position**

M.A.X. Automation Group's equity totaled EUR 100.0 million as of March 31, 2015 (December 31, 2014: EUR 99.8 million). At 33.0%, the equity ratio was maintained at a solid level (December 31, 2014: 33.8%) and exceeded the targeted minimum figure of 30%.

Non-current liabilities decreased to EUR 73.1 million compared to EUR 77.6 million at the end of 2014. Here, non-current bank borrowings decreased from EUR 56.0 million to EUR 47.5 million mainly due to a special repayment of EUR 8.2 million towards the syndicated loan M.A.X. Automation AG had taken out.

Current liabilities rose from EUR 118.0 million to EUR 129.6 million (+9.8%). Trade payables increased by 11.5% to EUR 51.0 million due to prepayments in the amount of EUR 45.8 million. Current bank borrowings increased by 11.7% from EUR 44.3 million to EUR 49.5 million.

The Group's net debt amounted to EUR 64.7 million as of March 31, 2015 (December 31, 2014: EUR 47.9 million). This increase is primarily due to the purchase of iNDAT Robotics. Compared with the previous year's reporting date, however, net debt decreased by EUR 13.5 million (March 31, 2014: EUR 78.2 million).

### **Liquidity development for the Group**

M.A.X. Automation Group reported negative cash flow from operating activities of EUR 6.1 million for the first quarter of 2015 compared to EUR 9.8 million the previous year. This improvement in operating cash flow compared to the same quarter of last year was mainly the result of the approximately EUR 2.7 million increase in Group earnings for the period.

Investing activities generated cash outflow of EUR 9.1 million (same period of the previous year: EUR 1.0 million). Of this amount, EUR 1.7 million is attributable to investments and EUR 7.5 million in total to the purchase of iNDAT Robotics; EUR 9.0 million of this amount went toward the purchase price payment and EUR 1.5 million toward the acquired company's cash and cash equivalents.

Cash outflow from financing activities amounted to EUR 5.1 million (previous year: inflow of EUR 9.6 million). This cash outflow was mainly due to the repayment of the syndicated loan that M.A.X. Automation AG had taken out in the amount of EUR 8.2 million.

The total cash flows resulted in a decrease in cash and cash equivalents to EUR 32.3 million as of the end of the first quarter of 2015, compared to EUR 52.4 million at the start of the reporting period.

### **Supplementary report**

#### **Dividend continuity planned**

M.A.X. Automation AG announced on April 1, 2015, that the Management and Supervisory Boards will be proposing a dividend of 15 euro cents per share for the past financial year, as they did the previous year, at the

Ordinary Shareholders' General Meeting on June 30, 2015. This would equate to a payout ratio of 40% (previous year: 39%) in relation to consolidated net income.

### **Framework agreements in the automotive sector**

In April 2015, M.A.X. Automation signed two framework agreements to build machines for a renowned automotive manufacturer and a well-known supplier to the automotive industry. These agreements have a total volume of EUR 50 million and will have an impact on incoming orders and sales until the years 2018 and 2020. The agreements are another important component in the successful long-term development of the Industrial Automation segment.

Furthermore, no events of material importance to the financial position and performance of the Group occurred after the reporting period closed.

### **Opportunity and risk report**

The opportunity and risk profile of M.A.X. Automation Group has not changed significantly compared to the detailed explanations contained in the management report that M.A.X. Automation AG published as of December 31, 2014. Therefore, there is no need to point to any further opportunities or risks in this interim report.

### **Forecast report for 2015**

The Management Board is optimistic about the future development of M.A.X. Automation in 2015. It considers the positive business trend in the first quarter and the lively development of orders to be a good basis for achieving the objectives for the current year.

The Industrial Automation segment was further strengthened in strategic terms in the first quarter of 2015. Through the acquisition of iNDAT Robotics with its holistic solutions in robotics and manufacturing automation that are becoming increasingly important to the automotive industry, in particular, the segment can offer a wider range of services to its customers in several key industries. The operating performance in the Industrial Automation segment was still dominated by the launch of new projects in



the first three months. A more dynamic development is expected in the following quarters.

The Environmental Technology segment, with Vecoplan as its main segment company, will continue to develop and produce high-quality individual components as well as complex system solutions following the realignment of the product portfolio last year. The objective is to meet individual customer demands in an even more demand-oriented manner in the future.

The objective of the Management Board continues to be to constantly expand the international presence of its subsidiaries, continue aligning the Group to address the high-tech area and thus tap into new markets and customer segments. The value of M.A.X. Automation as a company is to be a sustainably increased. Important measures in this process include continuing to focus on the Group portfolio, realizing operational and strategic synergies between the various subsidiaries in areas such as purchasing, Group-wide foreign sites and financing.

Based on the current Group portfolio and the generally positive economic conditions in the Group's target markets it expects, the Management Board confirms its forecasts for 2015:

- Group revenue of between EUR 360 million and EUR 380 million, and
- Group earnings before interest and tax (EBIT) before PPA depreciation and amortization of between EUR 20 million and EUR 22 million

### **Forward-looking statements**

This report contains certain forward-looking statements that are based on the current expectations, assessments and forecasts of the management of M.A.X. Automation AG. Such statements are subject to risks and uncertainties. These and other factors could cause the actual results, financial position, developments or the company's performance to differ significantly from the assessments made here. The company assumes no

responsibility whatsoever to update these forward-looking statements and adapt them to future events or developments.

**2015 financial calendar**

Annual General Meeting, Düsseldorf	June 30, 2015
2015 Interim Financial Report	August 14, 2015
Financial report on the third quarter of 2015	November 13, 2015

**Consolidated balance sheet of M.A.X Automation AG, Düsseldorf,**
**as of March 31, 2015**

<b>ASSETS</b>	31.03.2015	31.12.2014
	<u>TEUR</u>	<u>TEUR</u>
<b>Non-current assets</b>		
Intangible assets	21,615	18,427
Goodwill	53,495	45,991
Property, plant and equipment	39,039	39,263
Financial assets recognized according to the equity method	0	0
Other financial investments	336	273
Deferred tax	7,411	6,251
Other non-current assets	699	895
<b>Total non-current assets</b>	<u>122,595</u>	<u>111,100</u>
<b>Current assets</b>		
Inventories	50,794	41,993
Trade receivables	89,445	81,959
Receivables due from related companies	4	15
Prepayments and accrued income, and other current assets	7,462	7,906
Cash and cash equivalents	32,306	52,377
<b>Total current assets</b>	<u>180,011</u>	<u>184,250</u>
<b>Total assets</b>	<u>302,606</u>	<u>295,350</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Subscribed capital	26,794	26,794
Capital reserves	3,055	3,055
Revenue reserve	21,192	21,166
Equity difference resulting from currency translation	701	393
Unappropriated retained earnings	48,213	48,389
<b>Total equity</b>	<u>99,955</u>	<u>99,797</u>
<b>Non-current liabilities</b>		
Non-current loans less current portion	47,470	56,006
Pension provisions	991	988
Other provisions	1,660	2,196
Deferred tax	17,276	15,585
Other non-current liabilities	5,663	2,798
<b>Total non-current liabilities</b>	<u>73,060</u>	<u>77,573</u>
<b>Current liabilities</b>		
Trade payables	51,044	45,784
Current loans and current portion of non-current loans	49,459	44,309
Liabilities to related companies	0	74
Current liabilities arising from minority shareholder settlement claims	403	2,029
Other current financial liabilities	13,907	10,850
Income tax provisions and liabilities	6,329	5,636
Other provisions	6,957	6,407
Other current liabilities	1,492	2,891
<b>Total current liabilities</b>	<u>129,591</u>	<u>117,980</u>
<b>Total equity and liabilities</b>	<u>302,606</u>	<u>295,350</u>

The attached Notes form an integral component of the consolidated financial statements.

**Consolidated statement of comprehensive income of M.A.X. Automation AG, Düsseldorf,  
for the period from January 1, to March 31, 2015**

	01.01.-31.03.2015	01.01.-31.03.2014
	<u>TEUR</u>	<u>TEUR</u>
<b>Revenue</b>	75,573	73,048
Change in finished goods and work in progress	1,586	6,126
Work performed by the company and capitalized	<u>456</u>	<u>158</u>
<b>Total output</b>	<b>77,615</b>	<b>79,332</b>
Other operating revenue	3,768	902
Materials expenses	-38,307	-44,853
Personnel expenses	-26,917	-25,613
Depreciation and amortization	-1,565	-1,439
Other operating expenses	-12,855	-10,107
<b>Operating profit</b>	<b>1,739</b>	<b>-1,778</b>
PPA depreciation and amortization	-1,095	-977
<b>Operating profit after PPA depreciation and amortization</b>	<b>644</b>	<b>-2,755</b>
Miscellaneous investment income	0	0
Net interest result	-777	-876
Other financial profit/loss	<u>0</u>	<u>0</u>
<b>Earnings before tax</b>	<b>-133</b>	<b>-3,631</b>
Income tax	<u>-43</u>	<u>923</u>
<b>Net income</b>	<b>-176</b>	<b>-2,708</b>
<b>Other comprehensive income that is never recycled to the income statement</b>		
Actuarial gains and losses on employee benefits	0	0
Income taxes on actuarial gains and losses	0	0
Change in settlement obligations to minority shareholders	<u>26</u>	<u>-22</u>
	26	-22
<b>Other comprehensive income that can be recycled to the income statement</b>		
Change arising from currency translation	308	-8
<b>Total comprehensive income</b>	<b>158</b>	<b>-2,738</b>
Earnings per share (diluted and undiluted) in EUR	-0.01	-0.10

The attached Notes form an integral component of the consolidated financial statements.

Adjustments to the previous year's figures are explained in Section 1 to the notes to the consolidated financial statements.

**Consolidated Statement of Changes in Equity**  
**of M.A.X. Automation AG, Düsseldorf,**  
**as of March 31, 2015**

	Subscribed capital TEUR	Capital reserves TEUR	Revenue reserve TEUR	Currency translation difference TEUR	Unappropriated retained earnings TEUR	Total TEUR
<b>As of January 1, 2014</b>	26,794	3,055	15,755	-262	48,687	94,029
Dividend payments					0	0
Transfer to retained earnings			0		0	0
Total comprehensive income			-22	-8	-2,708	-2,738
<b>As of March 31, 2014</b>	26,794	3,055	15,733	-270	45,979	91,291
<b>As of January 1, 2015</b>	26,794	3,055	21,166	393	48,389	99,797
Dividend payments					0	0
Transfer to retained earnings						0
Total comprehensive income			26	308	-176	158
<b>As of March 31, 2015</b>	26,794	3,055	21,192	701	48,213	99,955

The attached notes form an integral component of the consolidated financial statements.  
Adjustments to the previous year's figures are explained in item 1 of the notes.

Consolidated statement of cash flows of M.A.X. Automation AG, Düsseldorf,  
for the period from January 1, to March 31, 2015

	01.01.-31.03.2015	01.01.-31.03.2014
	TEUR	TEUR
<b>Cash flow from operating activities</b>		
Consolidated net income for the year	-176	-2,708
Adjustments relating to the reconciliation of consolidated net income for the year to cash flow from operating activities:		
Amortization	1,460	1,212
Depreciation/impairment of property, plant and equipment	1,200	1,204
Profit (-) loss (+) arising from the disposal of property, plant and equipment and intangible assets	106	-14
Deferred tax changes carried through P&L	-746	-1,070
Other non-cash expenses (+) and income (-)	631	12
Changes in assets and liabilities		
Increase (-) decrease (+) in other non-current assets	23	7
Increase (-) decrease (+) in inventories	-7,129	-7,812
Increase (-) decrease (+) in trade receivables	-3,189	3,762
Increase (-) decrease (+) in receivables due from related companies	11	-2
Increase (-) decrease (+) in prepayments, accrued income and other assets	670	-1,037
Increase (+) decrease (-) in pension provisions	3	9
Increase (+) decrease (-) in other provisions and liabilities	-489	-3,016
Increase (+) decrease (-) in trade payables	1,004	-391
Increase (+) decrease (-) in liabilities to related companies	-74	3
Increase (+) decrease (-) in liabilities and provisions arising from income taxes	605	72
<b>= Cash flow from operating activities</b>	<b>-6,090</b>	<b>-9,769</b>
<b>Cash flow from investing activities</b>		
Outgoing payments for investments in intangible assets	-881	-129
Outgoing payments for investments in property, plant and equipment	-776	-814
Outgoing payments for investments in financial assets	-38	-11
Incoming payments from the sale of intangible assets	0	0
Incoming payments from disposals of property, plant and equipment	143	31
Incoming payments from disposals of financial assets	0	0
Outgoing payments from the acquisition of subsidiaries less cash	-7,574	-33
<b>= Cash flow from investing activities</b>	<b>-9,126</b>	<b>-956</b>
<b>Cash flow from financing activities</b>		
Outgoing payments for dividends	0	0
Draw-down of non-current borrowings	0	2,200
Redemption of non-current borrowings	-8,657	-466
Change in current finance debt	5,177	11,088
Increase (-) decrease (+) in restricted cash and cash equivalents	130	-3,186
Payments arising from settlement claims for minority interests	-1,775	0
<b>= Cash flow from financing activities</b>	<b>-5,125</b>	<b>9,636</b>
<b>Increase/decrease in cash and cash equivalents</b>	<b>-20,341</b>	<b>-1,089</b>
Effect of changes in exchange rates	270	1
<b>Cash and cash equivalents at the start of the financial year</b>	<b>52,377</b>	<b>26,310</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>32,306</b>	<b>25,222</b>
<b>Composition of cash and cash equivalents</b>		
Cash and cash equivalents	<b>32,306</b>	<b>25,222</b>
<b>Additional disclosures regarding cash flow</b>		
Income tax paid	576	438
Income tax reimbursed	156	0
Interest paid	575	750
Interest received	31	47

The accompanying notes are an integral part of the consolidated financial statements.

**Additional information:**

	<b>01.01.-31.03.2015</b>	<b>01.01.-31.03.2014</b>
	<b>TEUR</b>	<b>TEUR</b>
<b>Acquisition of subsidiaries:</b>		
Goodwill	7,460	0
Intangible assets	3,759	0
Property, plant and equipment	97	0
Deferred tax	0	0
Other non-current assets	24,0	0
Inventories	1,572	0
Trade receivables	4,180	0
Prepayments and accrued income, and other current assets	192	0
Cash and cash equivalents	1,456	0
Non-current liabilities	0	0
Non-current provisions	0	0
Deferred tax	-1,277	0
Trade payables	-4,097	0
Current loans	0	0
Other current financial liabilities	-234	0
Tax provisions and liabilities	-88	0
Other provisions	-240	0
Other current liabilities	-432	0
Purchase price	12,372	0
Purchase price payment outstanding	-3,372	0
Cash and cash equivalents acquired	-1,456	0
<b>Purchase price paid less cash and cash equivalents acquired</b>	<b>7,544</b>	<b>0</b>

Adjustments to the previous year's figures are explained in Section 1 to the notes to the consolidated financial statements.

M.A.X. Automation AG, Düsseldorf,  
Segment reporting as of March 31, 2015

Segment	Industrial Automation		Environmental Technology		M.A.X. Automation AG		Reconciliation		Total	
	Q1.2015	Q1.2014	Q1.2015	Q1.2014	Q1.2015	Q1.2014	Q1.2015	Q1.2014	Q1.2015	Q1.2014
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
<b>New order intake</b>	53,127	36,810	37,781	29,800	0	0	0	0	90,908	66,610
<b>Order book position</b>	126,675	113,715	47,677	34,307	0	0	0	0	174,352	148,022
<b>Segment revenue</b>	44,958	48,905	30,627	24,171	0	0	-12	-28	75,573	73,048
- with external customers	44,946	48,877	30,627	24,171	0	0	0	0	75,573	73,048
- of which Germany	16,973	23,215	5,835	6,175	0	0	0	0	22,808	29,390
- of which other EU countries	14,159	10,032	7,178	8,637	0	0	0	0	21,337	18,669
- of which North America	6,219	2,151	14,375	8,144	0	0	0	0	20,594	10,295
- of which China	5,549	6,933	0	0	0	0	0	0	5,549	6,933
- of which rest of the world	2,046	6,546	3,239	1,215	0	0	0	0	5,285	7,761
- Inter segment revenue	12	28	0	0	0	0	-12	-28	0	0
<b>EBITDA</b>	1,539	555	2,662	-267	-897	-626	0	-1	3,304	-339
<b>Segment operating profit (EBIT before PPA depreciation and amortization)</b>	694	-155	1,949	-988	-904	-634	0	-1	1,739	-1,778
Including:										
° Depreciation/amortization	-845	-710	-713	-721	-7	-8	0	0	-1,565	-1,439
° Additions to other provisions and pension provisions	-770	-435	-389	-1,562	-137	-253	0	0	-1,296	-2,250
<b>Segment operating profit after PPA depreciation and amortization</b>	-306	-1,019	1,904	-1,050	-904	-634	-50	-52	644	-2,755
Including:										
° PPA depreciation and amortization	-1,000	-864	-45	-62	0	0	-50	-51	-1,095	-977
<b>Segment result for ordinary activities (EBT)</b>	-660	-1,452	1,687	-1,223	-1,110	-902	-50	-54	-133	-3,631
Including:										
° Interest and similar income	16	9	15	40	21	47	-20	-47	32	49
° Interest and similar expenses	-370	-441	-232	-212	-227	-316	20	44	-809	-925
Income tax	1,101	907	-352	282	-802	-333	10	67	-43	923
° Additions to income tax provisions	-24	-7	-116	0	-554	-169	0	0	-694	-176
<b>Net profit/loss for the period</b>	441	-544	1,335	-942	-1,912	-1,235	-40	13	-176	-2,708
<b>Non-current segment assets (excluding deferred taxes)</b>	49,249	47,044	25,954	27,078	96,506	99,074	-56,525	-59,140	115,184	114,056
- of which Germany	48,781	46,667	22,592	24,048	96,506	99,074	-56,525	-59,140	111,354	110,649
- of which other EU countries	115	160	197	2,638	0	0	0	0	312	2,798
- of which North America	176	102	3,165	392	0	0	0	0	3,341	494
- of which rest of the world	177	115	0	0	0	0	0	0	177	115
<b>Investments in non-current segment assets</b>	12,535	593	436	349	4	4	0	0	12,975	946
<b>Working Capital</b>	59,132	58,178	30,210	31,356	-179	-52	32	-3	89,195	89,479
<b>Average number of personnel excluding trainees</b>	1,001	971	521	535	3	4	0	0	1,525	1,510

Segment reporting is included in the notes.

Adjustments to the previous year's figures are explained in Section 1 to the notes.



## **Notes to the Consolidated Financial Statements**

### **1. Accounting policies**

The accounting and valuation contained in this quarterly Group financial report by M.A.X. Automation AG published as of March 31, 2015, were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board, London (IASB), that were valid on the balance sheet date taking the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC) into account. The respective comparative figures for the previous year were determined on the basis of the same principles. Accordingly, these consolidated interim financial statements were prepared in accordance with IAS 34.

In taking the intent and the purpose of quarterly financial reporting into consideration as an information instrument that follows up on the annual financial statements, we would like to refer to the Notes to the Consolidated Financial Statements as of December 31, 2014, in which the accounting, valuation and consolidation methods, but also the options allowed under IFRS, are explained.

To pay tribute to M.A.X. Automation Group's greater international focus, as opposed to last year, exchange rate differences are shown in operating income as is common practice for other listed companies. Other operating income now includes earnings from exchange rate differences in the amount of EUR 2,552 thousand (previous year: EUR 219 thousand) and the respective offsetting item in the amount of EUR 1,466 thousand in other operating expenses. In total, earnings from exchange rate differences in the amount of EUR 1,086 thousand (previous year: EUR 79,000) thus have an impact on operating income.

Income tax is determined on the basis of current legislation. To ensure accurate and appropriate presentation of income taxes, these taxes are not calculated on the basis of estimated average annual income tax rates, but rather calculated exactly.

## 2. Consolidation scope

The consolidation scope includes all active Group subsidiaries. As of December 31, 2014, this included a total of 29 subsidiaries besides M.A.X. Automation AG.

In the Industrial Automation segment, NSM Magnettechnik GmbH, Olfen, acquired 100% of the shares in iNDAT Robotics GmbH, a company based in Ginsheim-Gustavsburg, on February 6, 2015, as well as iNDAT Engineering + Service GmbH, Braunschweig. The iNDAT Group includes the wholly-owned subsidiary of iNDAT Robotics GmbH, iNDAT Systems + Research GmbH, Ginsheim-Gustavsburg. The iNDAT Group was consolidated for the first time on February 1, 2015, and assigned to the subgroup NSM Magnettechnik.

As of March 31, 2015, the consolidation scope was as follows:

<b>Number of companies included</b>	<b>03/31/2015</b>	<b>12/31/2014</b>
Industrial Automation	21	18
Environmental Technology	11	11
<b>Group</b>	<b>32</b>	<b>29</b>

### 2.1 iNDAT Robotics Group

iNDAT Robotics Group specializes in robotics and manufacturing automation. Its solutions are used by well-known car manufacturers and suppliers to the automotive industry, in particular.

iNDAT Robotics develops products its own products, including standardized, flexible robot cells for fully automated deburring of metallic parts or for stamping out plastic parts. Furthermore, the company is also a system supplier of complete assembly units for use in manufacturing lines and fully automated facilities, including those used in automotive stamping plants.

With this acquisition, M.A.X. Automation Group will be able to offer sophisticated software applications and holistic plant systems that include integrated, future-oriented robotics solutions in the future. This will expand our range of services for the automobile industry quite significantly. iNDAT Robotics has around 80 employees and is debt-free.

The maximum purchase price amounts to EUR 12.800 thousand and includes earn-out components that depend on how EBIT develops, incoming orders in financial year 2015 and personnel-related indicators. Part of the fixed purchase price was paid in February 2015 in the amount of EUR 9,000 thousand. Another payment will be made in August 2016. The variable purchase price components that amount to EUR 2,300 thousand in total were fully recognized as part of the purchase price allocation based on the plan figures submitted are due for payment at the beginning of 2016 and in 2017. The non-current purchase price components were discounted.

As part of the purchase price allocation, hidden reserves were identified for technology, customer base and order backlog in the amount of EUR 3,692 thousand in total. The useful lives of the assets are between two and four years. Deferred tax assets in the amount of EUR 1,127 arise on these.

The reassessed equity of iNDAT Group amounts to EUR 4,912 thousand. EUR 7,460 in goodwill therefore remains.

	<b>in EUR thousands</b>
Consideration provided	12,372
Less acquired assets	11,280
In addition to acquired loan capital	6,368
<b>Goodwill</b>	<b>7,460</b>

Goodwill includes components that are not independently deductible. These include primarily the company's know-how on automation components, process automation and handling automation, but also the expansion of its service spectrum for the automobile industry and therefore access to new customers and markets.

Deferred taxes on goodwill did not result from the purchase price allocation and will not be incurred in the future either.

Because it will take more time to prepare and audit the financial information, the purchase price allocation is preliminary. Therefore, changes might need to be made to individual assets and liabilities. In accordance with IFRS 3, the purchase price allocation is to be finalized no later than one year after completion of the transaction.

The following assets were acquired by M.A.X. Automation Group as part of the first time consolidation of iNDAT Robotics Group on February 1, 2015:

	<b>in EUR thousands</b>
<b>Non-current assets</b>	<b>11,340</b>
Goodwill	7,460
Intangible assets	3,759
Property, plant and equipment	97
Other non-current assets	24
<b>Current assets</b>	<b>7,400</b>
Inventories	1,572
Trade receivables	4,180
Prepaid expenses and other current assets	192
Cash and cash equivalents	1,456
<b>Long-term liabilities</b>	<b>1,277</b>
Deferred taxes	1,277
<b>Short-term liabilities</b>	<b>5,091</b>
Trade payables	4,097
Other current financial liabilities	234
Provisions for taxes and tax liabilities	88
Other provisions	240
Other current liabilities	432

Had the iNDAT Robotics Group belonged to M.A.X. Automation Group already at the beginning of the fiscal year, the result for the first quarter of 2015 would have developed as follows:

	<b>in EUR thousands</b>
Pro forma revenues	76,657
Pro forma annual earnings	-25

The following amounts from iNDAT Robotics Group are included in consolidated earnings as of March 31, 2015:

	<b>in EUR thousands</b>
Revenue	3,249
Result for the period	142

### **3. Events of major importance**

Events of major importance are listed in the quarterly financial report under important events in the reporting period.

### **4. Earnings per share**

Calculation of earnings per share is based on the following data:

	<b>Q1 2015</b>	<b>Q1 2014</b>
Basis for undiluted earnings per share in EUR thousands	-176	-2,708
Number of shares	26,794,415	26,794,415
Earnings per share	-0.01	-0.10

No dilution in the share according to IAS 33 arose in the years 2014 and 2015.

## 5. Related party transactions

The value of related party transactions amounted to EUR 39 thousand (previous year: EUR 76 thousand). These pertain to consulting services (management consulting) and travel expenses for Supervisory Board members. No business transactions took place with related parties in the first quarter of 2015. Revenue of EUR 393 thousand was generated by Vecoplan Fueltrack the previous year. This company now finds itself in liquidation following liquidation of the joint venture.

A gratuitous consulting contract was signed with Günther Holding GmbH on September 1, 2014.

## 6. Events after the reporting date, March 31, 2015

There were no further transactions of major importance after the reporting date.

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