

INTERIM REPORT Q1 2019

POLYTEC

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POLYTEC GROUP

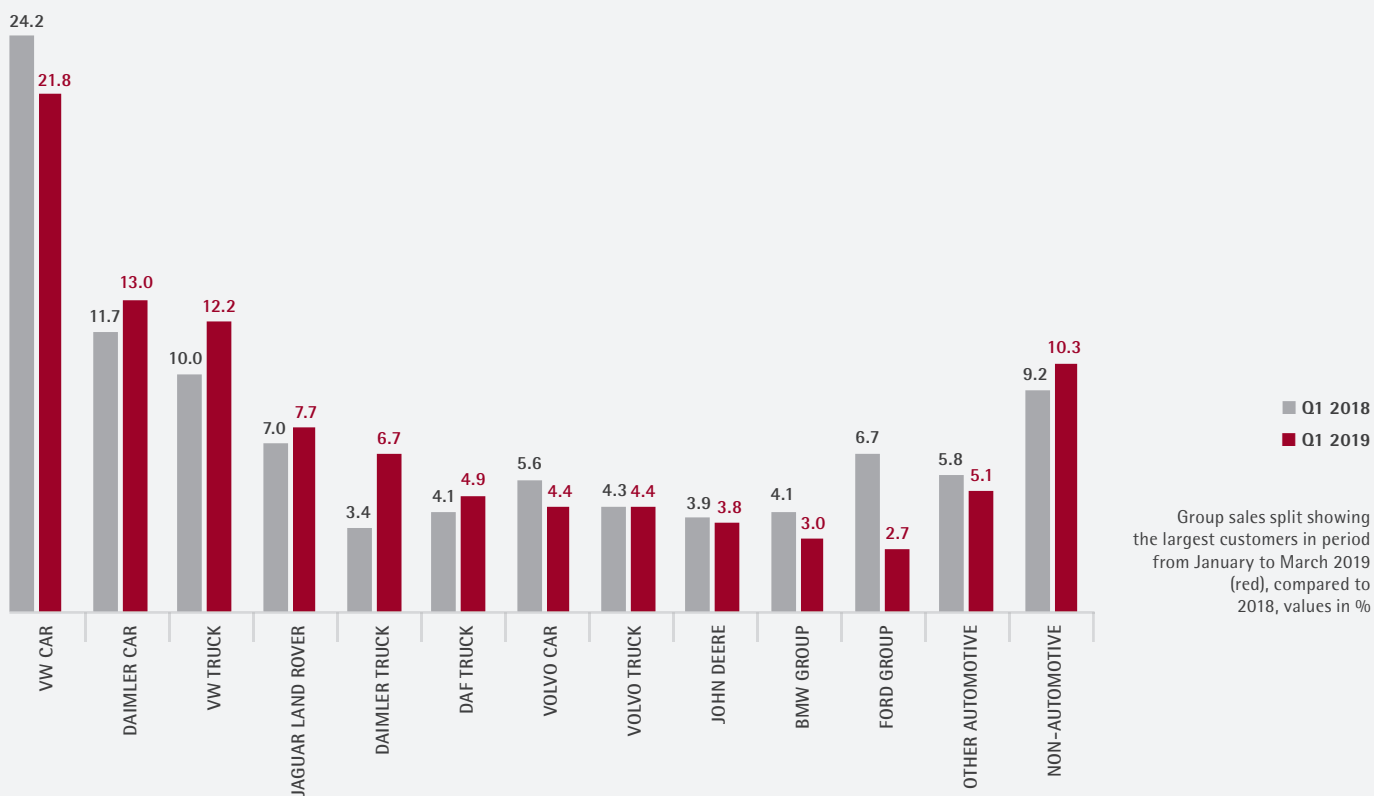
KEY FIGURES Q1 2019

Key figures Q1	Unit	Q1 2019	Q1 2018	Change
Sales	EUR m	161.3	169.5	-4.9%
EBITDA	EUR m	17.7	21.1	-15.9%
EBITDA margin (EBITDA/sales)	%	11.0%	12.4%	-1.4% points
EBIT	EUR m	9.1	14.6	-37.3%
EBIT margin (EBIT/sales)	%	5.7%	8.6%	-2.9% points
Earnings after tax	EUR m	6.1	10.6	-42.6%
Earnings per share	EUR	0.27	0.47	-42.6%
Investments in fixed assets	EUR m	8.1	8.3	-2.2%
Equity ratio (equity/balance sheet total)	%	40.3%	43.5%	-3.2% points
Net working capital (NWC)	EUR m	115.1	90.7	26.9%
Average capital employed	EUR m	383.0	327.8	16.8%
Net debt (+)/assets (-)	EUR m	130.0	82.5	57.7%
Employees (incl. leasing personnel) end of period	FTE	4,279	4,495	-4.8%

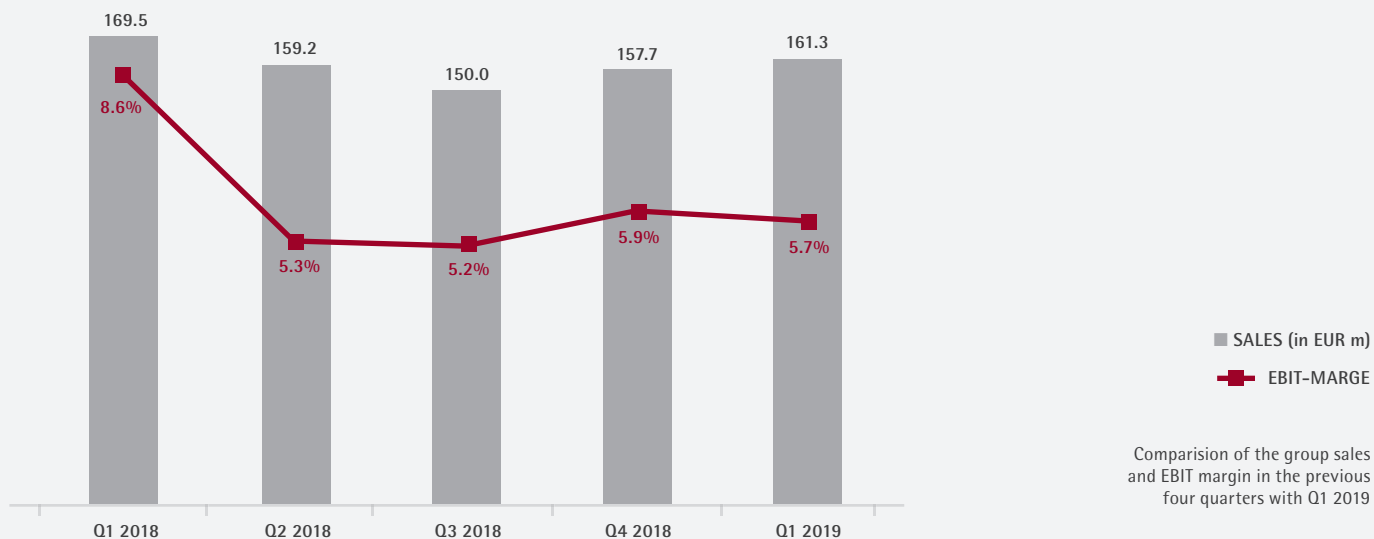
Key figures quarterly	Unit	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Sales	EUR m	169.5	159.2	150.0	157.7	161.3
EBITDA	EUR m	21.1	14.2	14.7	17.1	17.7
EBITDA margin (EBITDA/sales)	%	12.4%	8.9%	9.8%	10.9%	11.0%
EBIT	EUR m	14.6	8.5	7.8	9.2	9.1
EBIT margin (EBIT/sales)	%	8.6%	5.3%	5.2%	5.9%	5.7%
Earnings after tax	EUR m	10.6	6.0	5.6	7.8	6.1
Earnings per share	EUR	0.47	0.27	0.24	0.34	0.27
Investments in fixed assets	EUR m	8.3	10.5	10.1	13.7	8.1
Equity ratio (equity/balance sheet total)	%	43.5%	43.5%	45.2%	42.7%	40.3%
Net working capital (NWC)	EUR m	90.7	90.2	103.1	95.2	115.1
Capital employed	EUR m	336.8	340.4	356.7	364.7	401.2
Net debt (+)/assets (-)	EUR m	82.5	89.8	101.5	101.8	130.0
Employees (incl. leasing personnel) end of period	FTE	4,495	4,497	4,455	4,315	4,279

GROUP SALES BY CUSTOMERS

compared to previous year



SALES & EBIT MARGIN



INTERIM REPORT

Q1 2019

This interim report has not been subject to an audit or a review.

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GROUP MANAGEMENT REPORT Q1 2019

AUTOMOTIVE INDUSTRY DEVELOPMENT

The tables below show registration numbers of new vehicles for the periode from January to March 2019 compared to the figures from the previous year:

REGISTRATIONS OF NEW CARS IN THE MAJOR INTERNATIONAL MARKETS

In pieces	Q1 2019	Share	Q1 2018	Share	Change
China	5,164,100	39.1%	5,994,100	42.0%	-13.8%
European Union	4,032,900	30.5%	4,171,900	29.3%	-3.3%
USA	4,008,200	30.4%	4,093,100	28.7%	-2.0%
Total three major markets	13,205,200	100%	14,259,100	100%	-7.4%
Other selected countries					
Japan	1,276,400		1,303,900		-2.1%
Indien	844,200		861,500		-2.0%
Brasilien	581,500		528,200		10.1%
Russland	391,700		392,900		-0.3%

REGISTRATIONS OF NEW CARS IN THE EUROPEAN UNION

In pieces	Q1 2019	Share	Q1 2018	Share	Change
Germany	880,100	21.8%	878,600	21.1%	0.2%
United Kingdom	701,000	17.4%	718,500	17.2%	-2.4%
France	553,300	13.7%	556,800	13.3%	-0.6%
Italy	537,300	13.3%	574,800	13.8%	-6.5%
Spain	316,900	7.9%	340,300	8.2%	-6.9%
Other EU countries	1,044,300	25.9%	1,102,900	26.4%	-5.3%
EUROPEAN UNION	4,032,900	100%	4,171,900	100%	-3.3%

REGISTRATIONS OF NEW COMMERCIAL VEHICLES IN THE EUROPEAN UNION

In pieces	Q1 2019	Share	Q1 2018	Share	Change
Light commercial vehicles <=3.5 t	544,100	83.1%	518,100	83.1%	5.0%
Medium commercial vehicles >3.5 t to <=16 t	17,700	2.7%	16,600	2.7%	6.6%
Heavy commercial vehicles >16 t	83,000	12.7%	78,700	12.6%	5.5%
Medium and heavy buses & coaches >3.5 t	9,900	1.5%	9,800	1.6%	0.4%
EUROPEAN UNION	654,700	100%	623,200	100%	5.1%

Sources: German Automotive Industry Association (VDA), European Automobile Manufacturers Association (ACEA)

GROUP RESULTS

SALES

In the first quarter of 2019, consolidated POLYTEC GROUP sales declined from the excellent level of the preceding year by 4.9% to stand at EUR 161.3 million (Q1 2018: EUR 169.5 million). In the first quarter of 2018, the transition to the WLTP exhaust emission

and fuel consumption standard had no significant impact upon the POLYTEC GROUP. However, in the course of 2018 the resultant effects increased and led to considerable reductions in call-offs and sales revenue losses in the passenger car market area, which

were then prolonged in the first quarter of 2019.

By contrast, the commercial vehicles market area remained positive and showed a marked increase in sales over the previous year.

SALES BY MARKET AREA

In EUR m	Q1 2019	Share	Q1 2018
Passenger cars	92.5	57.4%	109.8
Commercial vehicles	52.1	32.3%	44.0
Non-automotive	16.7	10.3%	15.7
POLYTEC GROUP	161.3	100%	169.5

Compared to the same period of the previous year, sales in the passenger car market area, which with 57.4% (Q1 2018: 64.8%) represents the strongest area within the POLYTEC GROUP, fell sharply by around 15.8% to EUR 92.5 million (Q1 2018:

EUR 109.8 million). By contrast, sales in the commercial vehicles market area (32.3%, Q1 2018: 26.0%) were considerably higher than in the comparative months from January to March 2018, rose by 18.4% from EUR 44.9 million to EUR 52.1 million. The

share of consolidated POLYTEC GROUP sales revenues from the non-automotive market area increased from 9.2% in the first quarter of 2018 to 10.3% in the current year.

SALES BY CATEGORY

In EUR m	Q1 2019	Share	Q1 2018
Parts and other sales	148.3	91.9%	154.7
Tooling and other engineering sales	13.0	8.1%	14.8
POLYTEC GROUP	161.3	100%	169.5

As opposed to the same period of the previous year, parts and other sales were 4.1% lower at EUR 148.3 million. Tooling and other

engineering sales are subject to cyclical fluctuations and when compared to the level of the preceding year were 12.2% or EUR 1.8

million lower. While the passenger car sector demonstrated a fall, development in the commercial vehicles area was positive.

SALES BY REGION

In EUR m	Q1 2019	Share	Q1 2018
Austria	7.2	4.5%	6.3
Germany	88.7	55.0%	95.3
Other EU countries	55.1	34.1%	57.4
Other countries	10.3	6.4%	10.5
POLYTEC GROUP	161.3	100%	169.5

GROUP EARNINGS FIGURES

	Unit	Q1 2019	Q1 2018	Change
Sales	EUR m	161.3	169.5	-4.9%
EBITDA	EUR m	17.7	21.1	-15.9%
EBITDA-Marge (EBITDA/sales)	%	11.0	12.4	-1.4% points
EBIT	EUR m	9.1	14.6	-37.3%
EBIT-Marge (EBIT/sales)	%	5.7	8.6	-2.9% points
Earnings after tax	EUR m	6.1	10.6	-42.6%
Average capital employed	EUR m	383.0	327.8	16.8%
ROCE before tax (EBIT/ average capital employed)	%	9.0	16.4	-7.4% points
Earnings per share	EUR	0.27	0.47	-42.6%

MATERIAL AND PERSONNEL EXPENSES

At 45.9%, the material ratio remained at the level of the previous year (Q1 2018: 46.2%). In comparison with the preceding year, the group

personnel ratio was virtually unchanged at 33.9% (Q1 2018: 33.7%). This was due to the fact that in the wake of the decline in sales,

workforce numbers were adjusted and therefore 4.8% lower than in the first quarter of 2018.

EBITDA AND EBIT

In the first quarter of 2019, POLYTEC GROUP EBITDA amounted to EUR 17.7 million (Q1 2018: EUR 21.1 million). This fall was due largely to unrealised contribution margins resulting from lower sales revenues. At 11.0%, the EBITDA margin was down by

1.4 percentage points on the 12.4% of the previous year. In the months from January to March, Group EBIT stood at EUR 9.1 million (Q1 2018: EUR 14.6 million). The increase in depreciations emanated largely from the commissioning of new plants,

which occurred mainly in the second half of 2018, and in particular the new paint shop in the UK. As compared to the same period of 2018, the EBIT margin fell by 2.9 percentage points from 8.6% to 5.7%.

FINANCIAL AND GROUP RESULT

The financial result for the first quarter of 2019 amounted to minus EUR 0.9 million (Q1 2018: minus EUR 1.0 million). Despite a rise in financing volume, the financial result did not increase, as improved financing conditions were attained for the promissory

note bonds newly issued at the end of 2018 and the beginning of 2019. The POLYTEC GROUP tax ratio stood at 26.5%, which was 4.5 percentage points higher than in the same quarter of the previous year. This was due largely to the fact that the pre-tax

results were generated in high-taxation countries such as Germany. Consequently, earnings after tax totalled EUR 6.1 million (Q1 2018: EUR 10.6 million), which corresponded with earnings per share of EUR 0.27 (Q1 2018: EUR 0.47).

ASSETS AND FINANCIAL STATUS

INVESTMENTS

In EUR m	Q1 2019	Q1 2018	Change
Investments in tangible assets	8.1	8.3	-2.2%

Additions to tangible assets in the first quarter of 2019 totalled EUR 8.1 million (Q1 2018: EUR 8.3 million) and thus remained at

virtually the level of the previous year. In particular, the POLYTEC GROUP made preparatory investments for a major customer

project in the commercial vehicles market area, as well as implementing improvements to its production plants and infrastructure.

GROUP KEY BALANCE SHEET AND FINANCIAL FIGURES

	Unit	31.03.2019	31.12.2018	Change
Equity	EUR m	246.1	238.0	3.4%
Equity ratio (equity/balance sheet total)	%	40.3	42.7	-2.4% points
Balance sheet total	EUR m	610.7	557.6	9.5%
Net working capital ¹⁾	EUR m	115.1	95.2	20.9%
Net working capital/sales	%	18.3	15.0	3.3% points

¹⁾ Net working capital = current assets less current liabilities

As compared to 31 December 2018, at the end of the first quarter of 2019 balance sheet total was EUR 53.1 million higher at EUR 610.7 million. This increase can be traced primarily to the issue of a further promissory note bond at the beginning of 2019, which was employed for the financ-

ing of higher net working capital and the consolidation of liquidity reserves. Equally, the initial adoption of accounting and evaluation methods in line with IFRS 16 *Leases* also exerted an influence upon the balance sheet, as since 1 January 2019 it must disclose rights-of-use and leasing li-

abilities. More detailed information in this regard is contained in the selected notes to this interim report. The equity ratio as at 31 March 2019 was 2.4 percentage points lower than the figure for the 31 December 2018 reporting date at 40.3%.

	Unit	31.03.2019	31.12.2018	Change
Net debt (+)/-assets (-)	EUR m	130.0	101.8	27.7%
Net debt (+)/-assets (-)/EBITDA	-	2.04	1.52	34.2%
Gearing (net debt (+)/-assets (-)/equity)	-	0.53	0.43	23.3%

Among other factors, owing to the new IFRS 16 standard, as compared to the 31 December 2018 reporting date net debt

was EUR 28.2 million higher at EUR 130.0 million. Correspondingly, the key figure for the fictive debt repayment duration

increased from 1.52 to 2.04. The gearing ratio rose from 0.43 to 0.53.

EMPLOYEES

Employees (incl. leasing personnel) in terms of full-time equivalents (FTE)	End of period			Average period		
	31.03.2019	31.03.2018	Change	Q1 2019	Q1 2018	Change
Austria	548	568	-20	547	568	-21
Germany	2,026	2,161	-135	2,053	2,185	-132
Other EU countries	1,515	1,570	-55	1,514	1,575	-61
Other countries	190	196	-6	193	197	-4
POLYTEC GROUP	4,279	4,495	-216	4,307	4,525	-218

In terms of a comparison with the preceding year, average group workforce numbers (including leasing personnel) fell by

218 (FTE) to 4,307, which represented a drop of 4.8%. On the reporting date of 31 March 2019, the POLYTEC GROUP had

a total of 4,279 employees of whom 9.0%, or 384, were leasing personnel (Q1 2018: 10.2% or 460).

RISKS AND UNCERTAINTIES

The automotive industry is faced by massive challenges and changes. Since last year, this uncertain development has been evidenced by both the operative business figures and negative share performance amongst automotive manufacturers and suppliers alike.

Consumer insecurity during 2018 resulted in declining demand for diesel cars. Accordingly, since the beginning of last year the POLYTEC GROUP has also seen falling call-offs. In addition, the previous year was subject to the complications emanating from the transition to the new WLTP exhaust emission and fuel consumption standard. This testing procedure, which since the beginning of September 2018 applies to newly licensed vehicles in the European Union, has resulted in realisation delays amongst the automotive manufacturers and some have even been forced to temporarily reduce production.

The POLYTEC GROUP was affected transitively and confronted by fewer call-offs and sales revenue losses. Moreover, as customers are redesigning their fleet mixes on the basis of the lessons learned in the course of the introduction of the WLTP, some engine designs will no longer be manufactured and therefore further call-off reductions are highly likely in the near future.

In the first quarter of 2019, all the main international car markets registered a drop in new passenger car registrations. The largest of these falls occurred in China, where the volume was approx. 14% down on the same period of the previous year. Consequently, car industry analysts and experts anticipate a challenging year in 2019.

As opposed to the passenger car segment, the positive trend in the European Union with regard to new commercial vehicle reg-

istrations continued in the first quarter of 2019.

At present, it is impossible to fully assess the effects of the potential departure of the UK from the European Union, the consequences of any restrictions on the global exchange of goods, or the general weakening in the economic development. Likewise, a comprehensive estimate of whether or not in future these and other risks and uncertainties will exert an influence on the development of the POLYTEC GROUP's sales revenues and income cannot be given at present. However, the executive management is monitoring these developments very closely.

As far as risk reporting is concerned, we would also refer you to the information contained under G. 2 in the group notes of the 2018 Annual Report, published on 29 March 2019.

MATERIAL TRANSACTIONS WITH RELATED PARTIES AND COMPANIES

As compared to 31 December 2018, there were no material changes regarding business transactions with related com-

panies and persons and therefore reference should be made to the notes to the consolidated financial statements of

POLYTEC Holding AG as at 31 December 2018.

OUTLOOK

From a current perspective, the POLYTEC GROUP executive management continues to anticipate that in the 2019 financial year, group sales revenues and EBIT (operating result before interest and taxes) will em-

ulate the level of the 2018 financial year. The fulfilment of this outlook will depend largely upon successful negotiations concerning outstanding claims against customers, which have been and will continue to

be caused largely by the sales losses relating to the WLTP and higher material prices. In addition, the effects of a possible Brexit also constitute a significant factor in connection with outlook realisation.

INTERIM CONSOLIDATED FINANCIAL STATEMENT ACCORDING TO IAS 34

This interim report has not been subject to an audit or a review.

CONSOLIDATED INCOME STATEMENT

for the period from 1 January to 31 March 2019 compared to the figures from the previous year

In EUR k	1.1. - 31.3.	
	2019	2018
Sales	161,266	169,527
Other operating income	774	1,517
Changes in inventory	2,583	642
Own work capitalised	17	560
Expenses for materials and services received	-76,527	-78,403
Personnel expenses	-55,505	-57,168
Other operating expenses	-14,884	-15,600
Earnings before interest, taxes and depreciation (EBITDA)	17,726	21,076
Depreciation	-8,592	-6,511
Earnings before interest and taxes = operating result (EBIT)	9,133	14,564
Interest result	-966	-1,066
Other financial income	106	73
Financial result	-860	-993
Earnings before tax	8,273	13,571
Taxes on income	-2,190	-2,980
Earnings after tax	6,083	10,591
thereof result of non-controlling interests	-230	-202
thereof result of the parent company	5,853	10,389
Earnings per share in EUR	0.27	0.47

CONSOLIDATED BALANCE SHEET AS AT 31.03.2019

with comparative figures from the last balance sheet as at 31.12.2018

ASSETS (In EUR k)		31.3.2019	31.12.2018
A. Non-current assets:			
I.	Intangible assets	19,437	5,302
II.	Goodwill	19,180	19,180
III.	Tangible assets	247,521	245,062
IV.	Other non-current receivables	126	126
V.	Deferred tax assets	7,802	8,225
		294,068	277,895

B. Current assets:			
I.	Inventories	44,266	41,632
II.	Trade accounts receivable	63,090	54,036
III.	Contract assets	93,232	86,491
IV.	Other current receivables	26,105	23,367
V.	Income tax receivables	1,811	644
VI.	Cash and cash equivalents	88,129	73,572
		316,633	279,741
		610,701	557,636

EQUITY AND LIABILITIES (in EUR k)		31.3.2019	31.12.2018
A. Shareholder's equity:			
I.	Share capital	22,330	22,330
II.	Capital reserves	37,563	37,563
III.	Treasury stock	-1,855	-1,855
IV.	Retained earnings	190,057	184,204
V.	Other reserves	-9,581	-11,599
		238,515	230,644
VI.	Non-controlling interests	7,568	7,363
		246,083	238,007

B. Non-current liabilities:			
I.	Non-current, interest-bearing liabilities	164,743	127,046
II.	Provision for deferred taxes	5,399	5,829
III.	Provisions for employees	27,638	27,447
IV.	Other long-term provisions	3,853	4,430
		201,633	164,753

C. Current liabilities:			
I.	Current interest-bearing liabilities	53,385	48,337
II.	Liabilities on income taxes	2,471	1,622
III.	Trade accounts payable	49,391	54,306
IV.	Contract liabilities	3,232	2,382
V.	Other current liabilities	37,953	28,597
VI.	Current provisions	16,553	19,634
		162,984	154,877
		610,701	557,636

CONSOLIDATED CASH FLOW STATEMENT

For the period from 1 January to 31 March 2019 compared to the figures from the the previous year

	In EUR k	1.1. – 31.3.	
		2019	2018
	Earnings before tax	8,273	13,571
+(-)	Depreciation on fixed assets	8,592	6,511
-(+)	Interest result	966	1,066
+(-)	Other non-cash expenses and earnings	-210	-283
+(-)	Increase (decrease) in non-current provisions for employees	103	5
-(+)	Profit (loss) from fixed asset disposals	-19	-116
-(+)	Increase (decrease) in inventories	-2,385	-2,923
-(+)	Increase (decrease) in trade and other receivables and contract assets	-17,928	-11,160
+(-)	Increase (decrease) in trade and other payables and contract liabilities	1,991	-3
+(-)	Increase (decrease) in current provisions	-795	-102
=	Consolidated cash flow from current activities	-1,412	6,566
+	Interest received	20	34
-	Interest paid	-584	-711
-	Taxes paid	-2,521	-1,137
=	Consolidated cash flow from operating activities	-4,497	4,752
-	Investments in fixed assets	-8,131	-8,318
+	Payments from the disposal of intangible and tangible assets	48	186
=	Consolidated cash flow from investing activities	-8,083	-8,132
+	Inflows from promissory note loans	28,500	0
-	Repayments of loan financing	-1,298	-1,138
-	Repayments of real estate loans	-446	-443
-	Outflows from leasing agreements	-1,321	-319
+(-)	Change in current financial liabilities	1,586	306
-	Third party dividends	-25	0
=	Consolidated cash flow from financing activities	26,996	-1,594
+(-)	Consolidated cash flow from operating activities	-4,497	4,752
+(-)	Consolidated cash flow from investing activities	-8,083	-8,132
+(-)	Consolidated cash flow from financing activities	26,996	-1,594
=	Change in cash and cash equivalents	14,416	-4,974
+(-)	Effect from currency translations	141	1
+	Opening balance of cash and cash equivalents	73,572	56,899
=	Closing balance of cash and cash equivalents	88,129	51,926

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In EUR k	Share capital	Capital reserves	Treasury stock	Retained earnings	Other reserves	Shares of POLYTEC Holding AG stockholders	Non controlling interests	Total
As at 1.1.2019	22,330	37,563	-1,855	184,204	-11,600	230,643	7,363	238,006
Comprehensive income after tax	0	0	0	5,853	0	5,853	230	6,083
Other result after tax	0	0	0	0	2,019	2,019	0	2,019
Dividend	0	0	0	0	0	0	-25	-25
As at 31.3.2019	22,330	37,563	-1,855	190,057	-9,581	238,515	7,568	246,083

In EUR k	Share capital	Capital reserves	Treasury stock	Retained earnings	Other reserves	Shares of POLYTEC Holding AG stockholders	Non controlling interests	Total
As at 1.1.2018	22,330	37,563	-1,855	163,359	-10,369	211,028	6,465	217,493
Impact due to change of accounting method	0	0	0	1,623	0	1,623	0	1,623
Adjusted amounts as at 1.1.2018	22,330	37,563	-1,855	164,982	-10,369	212,651	6,465	219,116
Comprehensive income after tax	0	0	0	10,389	0	10,389	202	10,591
Other result after tax	0	0	0	0	225	225	0	225
As at 31.3.2018	22,330	37,563	-1,855	175,371	-10,144	223,265	6,667	229,932

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1.1. -31.3.2019 In EUR k	Group	Non controlling interests	Total
Earnings after tax	5,853	230	6,083
Currency translations	2,019	0	2,019
Total result	7,872	230	8,102

1.1. -31.3.2018 ¹⁾ In EUR k	Group	Non controlling interests	Total
Earnings after tax	10,389	202	10,591
Currency translations	225	0	225
Total result	10,614	202	10,816

¹⁾ POLYTEC GROUP has applied IFRS 15 using the modified retrospective method. Under this method, the comparative information is not restated.

SELECTED NOTES

GENERAL INFORMATION

POLYTEC Holding AG (listed in the Commercial Registry of the City of Linz under

the number FN 197646 g) is an Austrian holding company, which together with its

subsidiaries is mainly operating in the automotive and plastics industry.

ACCOUNTING AND VALUATION METHODS

The interim report as at 31 March 2019 was prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS) and in particular IAS 34 (Interim Financial Reporting).

With effect from 1 January 2019, the POLYTEC GROUP adopted IFRS 16 *Leases* and this has resulted in changes to the accounting and evaluation methodology. For the adoption of IFRS 16, the POLYTEC GROUP applied the modified retrospecti-

ve method and practical expedient in line with IFRS 16.C10 a), c), d) was also employed.

The rights-of-use, which were first recorded as per 1 January 2019, are reported in the consolidated balance sheet from 31 March 2019 as non-current assets under the position **intangible assets**. The leasing liabilities are reported under the positions **non-current, interest-bearing liabilities** and **current, interest-bearing liabilities**.

With regard to leasing agreements concluded prior to the date of transition, the group decided not to re-examine whether at the date of initial use these represented or contained a leasing agreement. Instead, it opted to retain the previous estimations made subject to IAS 17 and IFRIC 4.

The adjustments in the balance sheet relating to the initial adoption of IFRS are as follows:

Consolidated balance sheet

31.3.2019 2019 (in EUR k)	As reported	Adjustments	Balances without adoption of IFRS 16
Intangible assets	19,437	14,099	5,338
Non-current, interest-bearing liabilities	164,743	9,671	155,072
Current, interest-bearing liabilities	53,385	4,428	48,957
Balance sheet total	610,701	14,099	596,602

The rights-of-use refer to asset types as shown below:

Carrying values (in EUR k)	31.3.2019	1.1.2019
Land and buildings	11,412	12,024
Technical equipment and machinery (incl. vehicles)	2,687	3,127
Rights-of-use total	14,099	15,151

The rights-of-use developed in the first quarter 2019 as follows:

In EUR k	Land and buildings	Technical equipment and machinery (incl. vehicles)	Total
As at 1.1.2019	12,024	3,127	15,155
Additions	0	67	67
Depreciations	-612	-507	-1,119
As at 31.3.2019	11,412	2,687	14,099

Consolidated statement of comprehensive income

31.3.2019 (in EUR k)	As reported	Adjustments	Balances without adoption of IFRS 16
Other operating expenses	-14,884	1,138	-16,022
Depreciations	-8,592	-1,119	-7,473
Interest result	-966	-19	-947

Consolidated cash flow

31.3.2019 (in EUR k)	As reported	Adjustments	Balances without adoption of IFRS 16
Depreciations on fixed assets	8,592	1,119	7,473
Interest result	966	19	947
Consolidated cash flow from current activities	-1,412	1,138	-2,550
Interest paid	-584	-19	-565
Consolidated cash flow from operating activities	-4,497	1,119	-5,616
Outflows from leasing agreements	-1,321	-1,119	-202
Consolidated cash flow from financing activities	26,996	-1,119	28,115

The remaining accounting and valuation methods from 31 December 2018 were retained. The interim report does not

contain all the information and statements issued in the POLYTEC Holding AG consolidated financial statements as

at 31 December 2018 and therefore this should be referred to for further details.

SCOPE OF CONSOLIDATION

The consolidated financial statement includes all major Austrian and foreign companies, where POLYTEC Holding AG directly or

indirectly holds a majority of voting rights. Between 1 January 2019 and 31 March 2019, the scope of consolidation remained un-

changed, whereby 44 companies, including 33 foreign entities, continued to be fully consolidated.

EQUITY

The Board of Directors and the Supervisory Board will propose the distribution of a

dividend of EUR 0.40 per eligible share to the 19th Ordinary Annual General Meeting

to be held on 10 May 2019.

MATERIAL TRANSACTIONS WITH RELATED PARTIES AND COMPANIES

There were no material changes regarding business transactions with related companies and persons as compared to 31 De-

cember 2018 and therefore in this regard reference should be made to the notes contained in the consolidated financial

statements of POLYTEC Holding AG as at 31 December 2018.

BUSINESS SEASONALITY

The quarterly reporting of POLYTEC GROUP's sales throughout one financial year strictly correlates to the car manufacturing operations of the Group's customers.

For this reason, quarters in which customers normally close for works holidays generally have lower rates of sales revenues than quarters without such effects. In addition

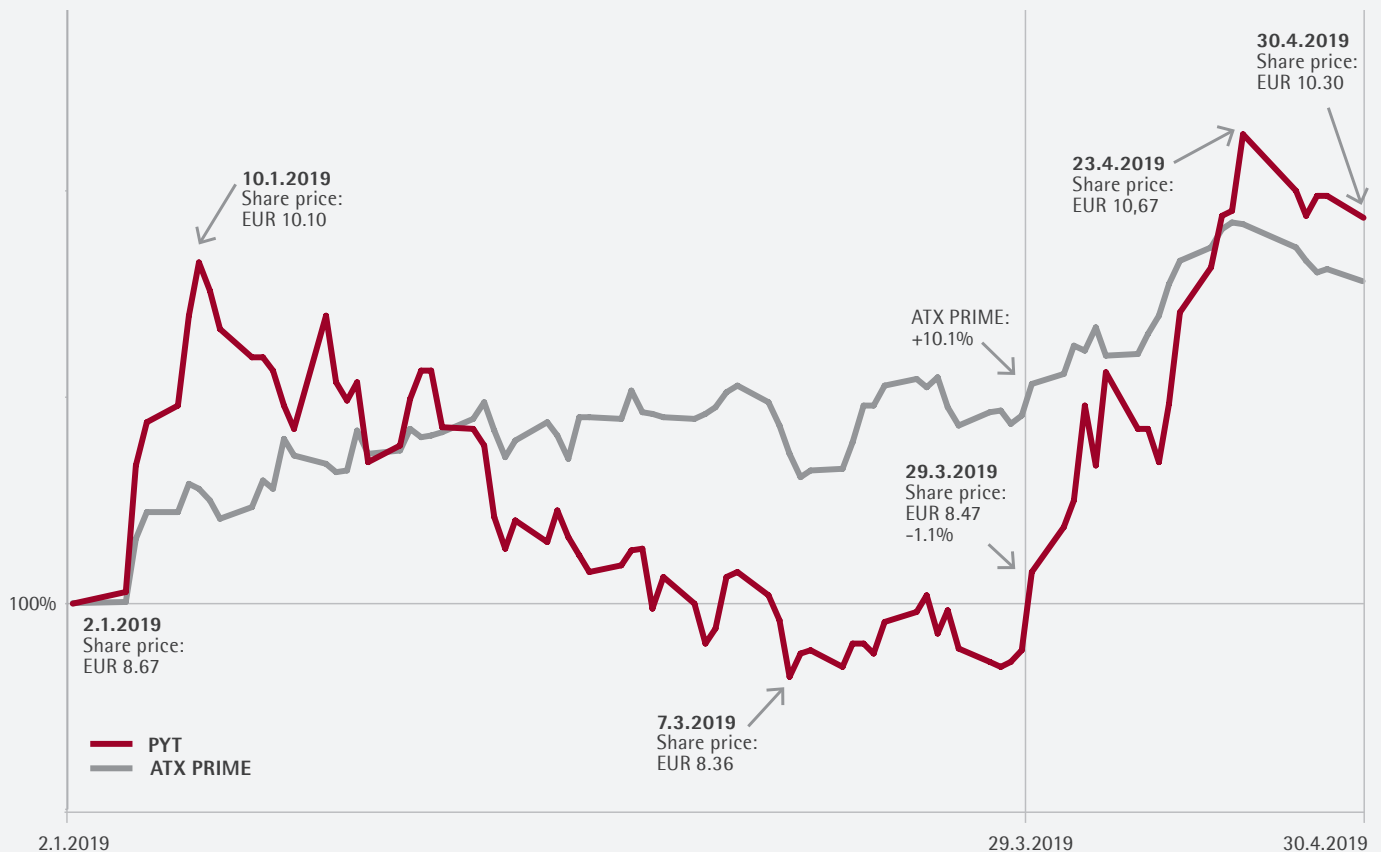
to this, sales from one quarter can also be influenced by the billing of large tooling or engineering projects.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred after 31 March 2019.

SHARE & INVESTOR RELATIONS

POLYTEC SHARE PRICE DEVELOPMENT



Source: Vienna Stock Exchange, price data indexed as per 2 January 2019

SHARE KEY FIGURES

Various stock performance indicators of the POLYTEC share for the period from January

to March 2019 compared to the same period of the previous year and further histo-

rical periods are contained in the following table:

AT0000A00XX9	Unit	Q1 2019	Q1 2018	Change	Q1 2017	Q1 2016
Closing price last trading day of period	EUR	8.47	15.72	-46.1%	13.26	7.57
Highest closing price during period	EUR	10.10	21.00	-51.9%	13.99	7.70
Lowest closing price during period	EUR	8.36	15.72	-46.8%	10.40	6.75
Average closing price during period	EUR	9.02	17.67	-49.0%	12.71	7.27
Market capitalisation last trading day of period	EUR m	189.1	351.0	-46.1%	296.1	169.0
Vienna Stock Exchange money turnover (double counting)	EUR m	31.1	94.9	-67.2%	66.5	12.0
Vienna Stock Exchange share turnover (double counting)	Shares m	3.4	5.3	-35.9%	5.3	1.7
Share turnover (daily average, double counting)	Shares	54,648	84,089	-35.0%	82,743	27,473

Sources: Vienna Stock Exchange

DIVIDEND POLICY

POLYTEC's dividend policy is based on profitability and the strategic growth perspectives and the capital requirements of the group. In the 2018 business year, POLYTEC Holding AG's net profit amounted to EUR 139.0 million (previous year: EUR 132.6 million). Therefore, the Board

of Directors and the Supervisory Board will propose the distribution of a dividend of EUR 0.40 per eligible share to the 19th Ordinary Annual General Meeting to be held on 10 May 2019. This corresponds to a gross dividend payment of around EUR 8.8 million (previous year: EUR 9.9 million) and

the pay-out ratio amounts to 30.3%. It is thus slightly above the 20% to 30% distributable earnings range. On the basis of an average price for the year of EUR 13.29, a dividend yield of 3.0% results. 15 May 2019 is the ex-dividend day and 17 May 2019 the dividend pay-out day.

RESEARCH COVERAGE

The following financial institutions publish reports on POLYTEC GROUP and the recommendations and price targets up to the ed-

itorial closing date of this report at the beginning of May 2019 are contained in the table below. The current recommendations and

price targets can be accessed on the company website, www.polytec-group.com in the Investor Relations, Share, Analyses section.

Institute	Recommendation	Latest price target	Updated
BAADER Helvea Equity Research	Buy	12.0	02.04.2019
ERSTE Group Research	Hold	9.8	04.04.2019
M.M.Warburg Research	Buy	13.5	01.04.2019
Raiffeisen CENTROBANK Research	Hold	9.5	26.02.2019

CORPORATE CALENDAR 2019

This is the corporate calendar of POLYTEC Holding AG for the 2019 financial year:

Date	Day	Event
29.03.2019	FRI	Financial statements and annual report for 2018
30.04.2019	TUE	Record date „Annual General Meeting“
08.05.2019	WED	Interim report for Q1 2019
10.05.2019	FRI	19th Ordinary Annual General Meeting for 2018, Hörsching, Austria, 10:00 a.m.
15.05.2019	WED	Ex-dividend date
16.05.2019	THU	Record date „Dividends“
17.05.2019	FRI	Dividend pay-out day
07.08.2019	WED	Financial report for HY1 2019
07.11.2019	THU	Interim report for Q3 2019

PASSION CREATES INNOVATION

The Financial Statements and Annual Report
for 2018 financial year to be published
7 August 2019.

Current news see online in the section Investor Relations
of corporate website **www.polytec-group.com**

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Note:

This interim report has not been subject to an audit or a review. This interim report has been prepared with the greatest possible care and every effort has been made to ensure the accuracy of the data that it contains. Nevertheless, rounding, typographical and printing errors cannot be excluded. The use of automatic calculating devices can result in rounding-related differences during the addition of rounded amounts and percentages. This interim report contains assessments and assertions relating to the future made on the basis of all the information currently available. Such future-related statements are usually introduced with terms such as "expect", "estimate", "plan", "anticipate", etc. We would draw your attention to the fact that various factors could cause actual conditions and results to deviate from the expectations outlined in this report. This interim report is published in German and English. In cases of doubt, the German version shall take precedence. This interim report was published on 8 May 2019.

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