

POLYTEC GROUP

# INTERIM REPORT Q1 2016

## KEY FIGURES Q1 2016

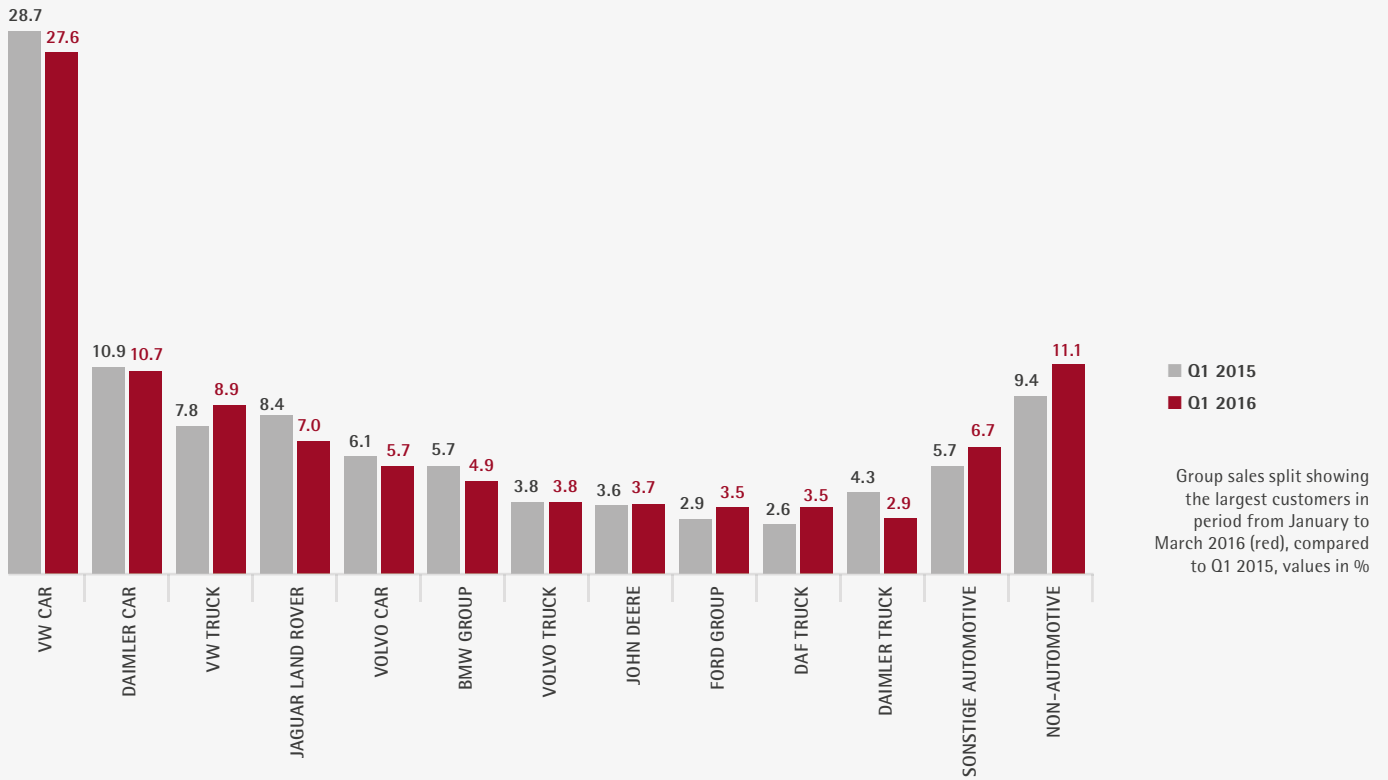
Key figures Q1	Unit	Q1 2016	Q1 2015	Change
Sales	EUR mill.	157.4	155.8	1.0%
EBITDA	EUR mill.	15.4	14.2	8.5%
EBITDA margin	%	9.8	9.1	
EBIT	EUR mill.	9.4	8.8	6.9%
EBIT margin	%	6.0	5.6	
Earnings after tax	EUR mill.	5.9	5.9	0.3%
Earnings per share	EUR	0.26	0.26	0.0%
Capital expenditures	EUR mill.	10.2	100.5	-89.9%
Equity ratio	%	34.1	32.1	
Net working capital	EUR mill.	54.8	61.0	-10.2%
Average capital employed	EUR mill.	279.0	215.5	29.5%
Net financial debt (+)/assets (-)	EUR mill.	102.8	105.9	-2.9%
Employees - end of period	FTE	4,255	4,287	-0.7%

Key figures quarterly	Unit	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Sales	EUR mill.	155.6	154.2	161.0	157.4
EBITDA	EUR mill.	15.3	14.5	15.6	15.4
EBITDA margin	%	9.8	9.4	9.7	9.8
EBIT	EUR mill.	9.4	8.5	9.9	9.4
EBIT margin	%	6.1	5.5	6.1	6.0
Earnings after tax	EUR mill.	6.2	5.9	6.2	5.9
Earnings per share	EUR	0.28	0.26	0.28	0.26
Capital expenditures	EUR mill.	7.1	14.9	12.9	10.2
Equity ratio	%	32.4	33.2	33.6	34.1
Net working capital	EUR mill.	62.1	59.2	50.5	54.8
Capital employed	EUR mill.	269.5	276.1	274.4	283.5
Net financial debt (+)/-assets (-)	EUR mill.	110.2	108.8	99.1	102.8
Employees - end of period	FTE	4,266	4,292	4,223	4,255

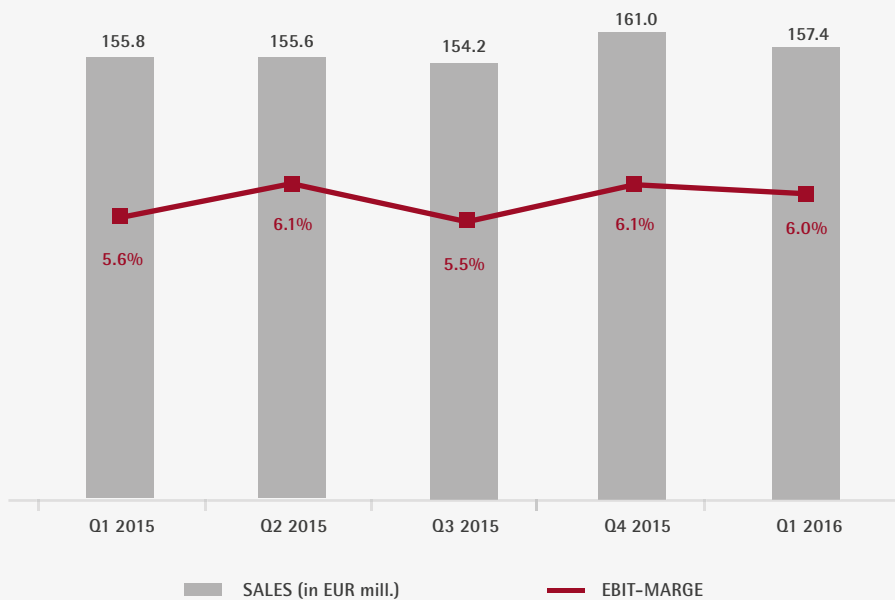
„WE REGARD THE FUTURE WITH OPTIMISM AND THANKS TO THE EXTENSIVE INITIATIVES AND INVESTMENTS OF RECENT YEARS, WE ARE WELL EQUIPPED TO DEAL WITH IT.“

FRIEDRICH HUEMER, CEO

## GROUP SALES BY CUSTOMERS



## SALES & EBIT MARGIN



Comparison of the group sales and EBIT margin in the previous four quarters with Q1 2016

# INTERIM REPORT

## Q1 2016

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# GROUP MANAGEMENT REPORT Q1 2016

## AUTOMOTIVE INDUSTRY DEVELOPMENTS

In the first quarter of 2016, the global car market again displayed a dynamic profile. China led the way with growth of 9.4%, followed by the EU nations with 8.2% and the USA with 3.1%. Some 13.3 million vehicles were registered in these three main markets in the period terminating at the end of March.

New passenger car registrations in the EU during the first three months of the year rose by 8.2% to over 3.8 million units (Q1 2015: 3.5 million). In the opinion of the German Automotive Industry Association (VDA), the possible reasons for this strong growth in Western Europe included the continued economic recovery, low interest rates and oil prices, and a major need for replacements, especially in the southern European countries. In the four main EU markets, which in combination accounted for over 68.0% of the new registrations to date in 2016, Italy showed growth of 20.8%, the UK 5.1%, Germany 4.5% and France 8.2%, which was precisely the European average. Of the 28 EU states, only Greece (-11.3%) and the Netherlands (-10.2%) registered falls as compared to the same quarter of 2015. New registrations in Spain during the first quarter rose overall by 6.9%. However in March, the Spanish market, which for 30 months had continually demonstrated growth rates that were largely in the double-digit category, showed an initial, slight decline of 0.7%.

Car sales in China continued to benefit from the relaxation of VAT on vehicles with a cu-

bic capacity of up to 1.6 l. In the first three months of 2016, car sales were 9.4% up on the level of the previous year at around 5.5 million vehicles. Above all, double-digit growth in March meant that in the first quarter the world's largest and most significant car market was able to clearly exceed expectations. For 2016 as a whole, experts anticipate growth of 6% to 21.3 million new cars. The VW Group also profited from the positive development in China and in spite of the exhaust gas scandal was able to increase its sales by 0.8% to 2.51 million units. As a result, it is currently once again the world's largest car producer in front of Toyota (-2.3%, 2.46 million) and General Motors.

Sales figures in India continued to rise and were 2.4% up on those for last year. By contrast, new registrations again fell in Japan and at the end of March the market volume was 7.5% below that of 2015. Development in Brazil also continued to be problematic with a fall of 28.4% in terms of a yearly comparison. Conversely, the downturn in Russia slowed once more to stand at minus 16.9% (Q1 2015: -36.3%).

In the USA, light vehicle registrations (cars and light trucks) in the first three months of 2016 were up by 3.1% at 4.1 million units and therefore in absolute terms remained in front of Western Europe. Moreover, the first quarter of 2016 represented the strongest start to a year in the USA since 2001. In March, the US light vehicle market was favoured by two extra sales days and in gen-

eral was boosted by the continuation of the positive labour market situation, low interest rates and cheap fuel prices. The light truck segment is growing in strength, as evidenced by the sales figures for March, which showed a decline of roughly 7% to 667,000 in the car segment, but growth of 11% to 918,000 vehicles in the light truck area.

New registrations of commercial vehicles in the EU rose by 12.1% in the first quarter of 2016 to more than 563,000 units. Of the five most important markets, Italy demonstrated by far the largest growth with 27.9%, followed by Spain with 10.6%, France with 10.2%, Germany with 9.2% and the UK with 2.2%. As in the preceding months, light trucks in the class of up to 3.5t constituted the most important segment in the EU with 467,000 units and growth in absolute terms of 11.3% over the first quarter of 2015. Heavy trucks with weights in excess of 16t demonstrated the most marked growth with an increase of 18.0% in the first three months to 71,000 units in absolute terms. Over 87,000 units were registered in the medium weight truck class (heavier than 3.5t, lighter than 16t), which represented growth of 17.6%. Sales of buses in the over 3.5t category also rose in the period up to and including March, increasing by 3.7% to more than 9,000 units.

Sources: German Automotive Industry Association (VDA), European Automobile Manufacturers Association (ACEA), [automobilwoche.de](http://automobilwoche.de)

## GROUP RESULTS

In EUR mill.	Q1 2016	Q1 2015	Change
Sales	157.4	155.8	1.0%
EBITDA	15.4	14.2	8.5%
EBIT	9.4	8.8	6.9%
Earnings after tax	5.9	5.9	0.3%
EBITDA margin	9.8%	9.1%	
EBIT margin	6.0%	5.6%	
Earnings per share (in EUR)	0.26	0.26	0.0%

In the first quarter of 2016, the consolidated sales revenues of the POLYTEC GROUP rose slightly by 1.0% to EUR 157.4 million (Q1 2015: EUR 155.8 million). The sales revenues from serial production were increased by 3.8%, however tooling and engineering sales were well down on the comparable figure of the preceding year.

In the first three months of 2016, group EBIT was raised by 6.9% to EUR 9.4 million (Q1 2015: EUR 8.8 million). The EBIT margin improved by 0.4 percentage points to 6.0% (Q1 2015: 5.6%). The material ratio fell by 0.7 percentage points to 47.6% (Q1 2015:

48.3%) due mainly to more favourable prices than those of the first quarter of 2015. The personnel ratio was also 0.8 percentage points lower at 31.8% (Q1 2015: 32.6%) and this improvement derived from increased efficiency, which on the one hand emanated from a higher degree of automation and on the other from lean management initiatives contained in the POLYTEC Performance System (PPS).

The financial result amounted to minus EUR 1.4 million (Q1 2015: minus EUR 0.9 million). This change was due in part to the interest expense derived from the loans assumed dur-

ing the purchase of real estate. The change to the other financial expenses is a consequence of general financial development and only affects derivatives not qualifying for hedging.

The POLYTEC GROUP's tax rate at the end of the first quarter of 2016 stood at 26.5% and was therefore 1.1 percentage points higher than in the first quarter of the previous year. In the first three months of 2016, the group generated a net profit of EUR 5.9 million, which was marginally higher than the comparable figure for 2015. Earnings per share amounted to EUR 0.26 (Q1 2015: EUR 0.26).

## CROSS SEGMENT DATA

### SALES BY MARKET SEGMENT

In EUR mill.	Q1 2016	Share	Q1 2015
Passenger cars	103.5	65.8%	107.2
Commercial vehicles	36.5	23.2%	34.0
Non-automotive	17.4	11.0%	14.6
<b>POLYTEC GROUP</b>	<b>157.4</b>	<b>100%</b>	<b>155.8</b>

As compared to the same period of the previous year sales revenues from cars, which with 65.8% of sales represents the strongest market segment within the POLYTEC GROUP, were down by roughly 3.5% at EUR 103.5 million (Q1 2015: EUR 107.2 million). The main reason for this decline was the sharp fall as opposed to the same period of the preceding year in tooling and engineering sales, which form part of the figure for cars. By comparison with the first quarter of 2015, part sales in the first

three months of the year to VW Car, which is the customer providing the largest share of POLYTEC GROUP sales revenues (27.6%), showed no changes worthy of mention.

As opposed to the same period of the previous year, sales revenues in the commercial vehicles segment (23.2%) during the months from January to March 2016 were up by around 7.3% at EUR 36.5 million. This increase was exemplified by higher sales to VW Truck and DAF.

Sales revenues in the non-automotive segment (11.0%) were 19.2% higher than the comparable figure for 2015 at EUR 17.4 million. The impetus behind this positive trend was provided by the further increase in sales revenues from transport boxes for the customer IFCO, which are manufactured at the Ebensee plant. A further rise in order volume is planned for the middle of 2016, when the full operation of all fourteen new production lines is scheduled.

## SALES BY CATEGORY

In EUR mill.	Q1 2016	Share	Q1 2015
Part sales and other sales	146.5	90.1%	141.2
Tooling and engineering sales	10.9	6.9%	14.6
<b>POLYTEC GROUP</b>	<b>157.4</b>	<b>100%</b>	<b>155.8</b>

Tooling and engineering sales revenues fell sharply by 25.6% in the first quarter of 2016, owing to the fact that the previous year had seen particularly good project

progress. The somewhat hesitant project advances in the first quarter of 2016 were however more than compensated for an increase of 3.8% in the serial product area.

Tooling and engineering sales are subject to cyclical fluctuations throughout the year.

## SALES BY REGION

In EUR mill.	Q1 2016	Share	Q1 2015
Austria	5.0	3.2%	5.5
Germany	85.7	54.5%	83.5
Other EU countries	58.6	37.2%	57.0
Other countries	8.1	5.1%	9.8
<b>POLYTEC GROUP</b>	<b>157.4</b>	<b>100%</b>	<b>155.8</b>

## EMPLOYEES (INCL. LEASING PERSONNEL)

Full-time equivalents of employees (FTE)	End of period			Average Period		
	31.03.2016	31.03.2015	Change	Q1 2016	Q1 2015	Change
Austria	561	570	-9	559	572	-13
Germany	2,255	2,366	-111	2,265	2,326	-61
Other EU countries	1,270	1,186	84	1,262	1,182	80
Other countries	169	165	4	167	164	3
<b>POLYTEC GROUP</b>	<b>4,255</b>	<b>4,287</b>	<b>-32</b>	<b>4,253</b>	<b>4,244</b>	<b>9</b>

By the end of the first quarter of 2016, group workforce numbers (including leasing per-

sonnel) were 32 lower than in the first quarter of the previous year. This represents a fall

of 0.8 percentage points in the personnel ratio to 31.8% (Q1 2015: 32.6%).

## CAPITAL EXPENDITURES AND KEY FINANCIAL FIGURES

### INVESTMENTS

In EUR mill.	Q1 2016	Q1 2015	Change
Capital expenditures	10.2	100.5	-89.9%

Additions to fixed assets in the first quarter of 2016 amounted to EUR 10.2 million (Q1 2015: EUR 100.5 million). This conspicuous fall as compared to the same period of the

preceding year was primarily the result of the purchase in the first quarter of 2015 of the real estate portfolio. If this effect is excluded, investment in fixed assets in the first

quarter remained at the level of last year. In particular, the first three months of 2016 saw new investments at the Ebensee location (Austria).

## KEY FINANCIALS

The key financial figures compared to the figures from the balance sheet date of 31 December 2016, as follows:

	Unit	31.03.2016	31.12.2015
Equity	EUR mill.	167.5	162.9
Equity ratio	%	34.1	33.6
Net working capital	EUR mill.	54.8	50.5
Net working capital to sales	%	8.7	8.1

Net debt (+) /- cash (-)	EUR mill.	102.8	99.1
Net debt (+) /- cash (-) to EBITDA	%	1.69	1.66
Gearing	%	0.61	0.61
Average capital employed	EUR mill.	283.5	274.4

By the end of the first quarter of 2016, the group's total assets had risen by EUR 6.1 million to EUR 491.2 million. At 34.1% the equity ratio as at 31 March 2016 was also 0.5 percentage points higher than that

on the balance sheet date of 31 December 2015. Net debt was up slightly up on the figure for the closing date of 31 December 2015, rising by EUR 3.7 million to stand at EUR 102.8 million. As a result of the in-

crease in business volume, at the end of the first quarter of 2016, net working capital was up by EUR 4.3 million at EUR 54.8 million.

## RISK REPORTING

There were no significant changes in the POLYTEC GROUP's overall risk position in the quarter of the 2016 financial year. Prior to 31 March 2016 and up to the closing date of this report at the beginning of May 2016, there were no tangible effects upon the POLYTEC GROUP's operative business that

could be traced to the VW exhaust gas scandal. For many years, the VW Group has been the customer responsible for the largest share of POLYTEC GROUP sales revenues. However, the possible future consequences for the POLYTEC GROUP's sales revenues and earnings curve cannot be estimated at present.

As far as risk reporting is concerned, we would refer you to the information included in section F.4 of the notes to the consolidated financial statements in the annual report for 2015.

## OUTLOOK

Assuming that the economic situation remains stable and all major customers enjoy positive business development, the

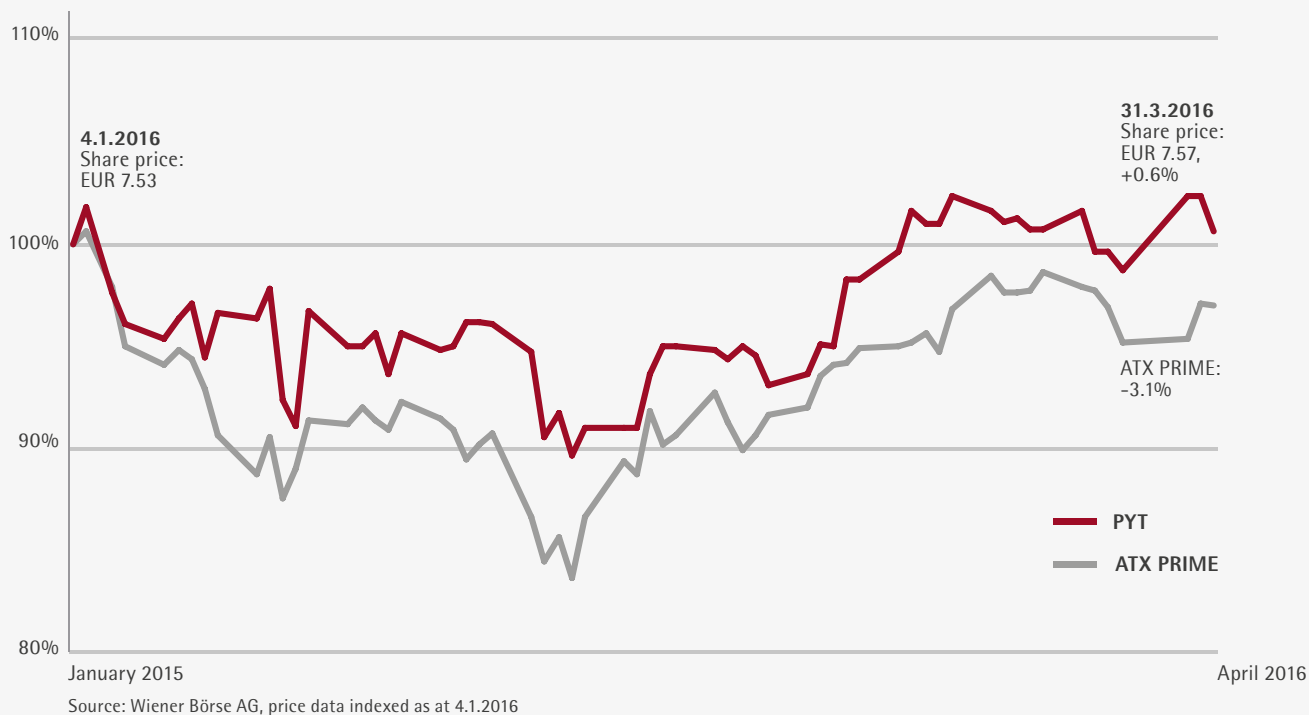
POLYTEC GROUP management continues to expect growth with regard to both consolidated sales revenues and the result for the

2016 financial year.



# SHARE AND INVESTOR RELATIONS

## POLYTEC SHARE PRICE DEVELOPMENT



## POLYTEC SHARE PRICE DEVELOPMENT

	Unit	Q1 2016	Change	Q1 2015	Q1 2014
Closing price last trading day of period	EUR	7.57	-6.5%	8.10	7.89
Share price high during period	EUR	7.70	-5.5%	8.15	8.08
Share price low during period	EUR	6.75	8.9%	6.20	6.80
Market capitalization last day of period	EUR Mio.	169.0	-6.5%	180.9	176.2
Earning per share	EUR	0.26	0.0%	0.26	0.13

	Unit	Q1 2016	Anteil	Q1 2015	Q1 2014
Number of shares issued	Stück	22,329,585	100.0%	22,329,585	22,329,585
Number of shares outstanding	Stück	21,995,544	98.5%	21,995,544	22,019,044
Treasury shares	Stück	334,041	1.5%	334,041	310,541

In 2016, the POLYTEC share (ISIN: AT0000A00XX9) started the new stock exchange and financial year at a price of EUR 7.53 and closed on 31 March 2016 at EUR 7.57. The absolute increase in value of EUR 0.042 corresponded with performance of about 0.6%. Market capitalisation on the final stock exchange trading day of the first quarter of 2016 amounted to EUR 169.0 million.

On 11 March, the POLYTEC share reached a period high of EUR 7.70 for the first time. This closing price was subsequently repeat-

ed on 29 and 30 March. During virtually the whole of the first quarter of 2016, the POLYTEC share price remained above the ATX Prime Index, which between January and the end of March fell by 3.1%. In the same three months, the STOXX® Europe 600 Automobile & Parts was down by roughly 8% and at the end of March closed at 502. On 11 February the index stood at 416, which was its low for the period. This also applied to the POLYTEC share, which on the same day closed at EUR 6.75.

In the first three months of 2016, money turnover relating to the POLYTEC share on the Vienna Stock Exchange involved roughly EUR 12.0 million and stock turnover of 1.7 million shares. During the 61 trading days, an average of 24,473 POLYTEC shares were traded daily, as opposed to 35,994 in the preceding year. Both figures are based on double counting. The highest trading level was reached on 23 March 2016, with 361,790 POLYTEC share contracts (double counting). Other significant trading days were 9 February with 96,748 contracts and 11 February with 78,434 (both double counting).

## DIVIDEND POLICY

POLYTEC's dividend policy is based on profitability, strategic growth perspectives and the capital requirements of the Group. As at December 31, 2015, POLYTEC HOLDING AG's net profit amounted to EUR 92.3 million.

Therefore, the Board of Directors and the Supervisory Board will propose the distribution of a dividend of EUR 0.30 per eligible share to the 16th Annual General Meeting to be held on May 19, 2016. This corresponds to

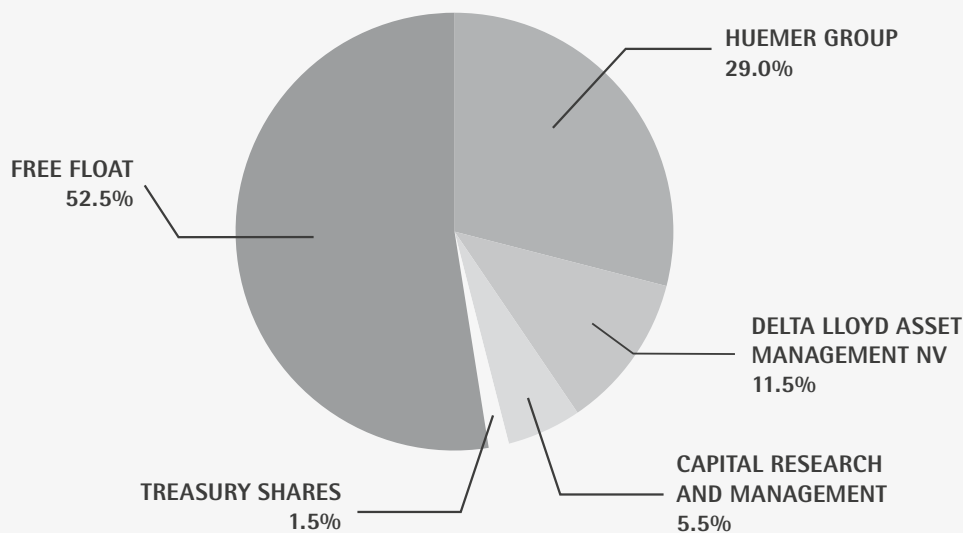
a total dividend payment of around EUR 6.6 million and a dividend payout ratio of 27.7% in terms of the POLYTEC GROUP's net profit. May 24, 2016 is the ex-dividend day and May 27, 2016 the dividend payout day.

## SHAREHOLDER STRUCTURE

As at the reporting date of March 31, 2016, POLYTEC HOLDING AG share capital remained unchanged at EUR 22.3 million and was divided into 22,329,585 bearer shares. In the period under report from January 1st to

March 31, 2016, POLYTEC HOLDING AG did not receive any notifications from shareholders of voting rights pursuant to § 91 of the Austrian Stock Exchange Act. As at March 31, 2016, POLYTEC HOLDING AG held 334,041

treasury shares, a figure that corresponds with approximately 1.5% of share capital. In the period from January 1, to March 31, 2016, the Board of Directors did not purchase or sell and additional treasury shares.



## INVESTOR CONTACTS

In order to secure a comprehensive, timely and transparent presentation of POLYTEC GROUP information of relevance to the capital markets, the Board of Directors and the Investor Relations Department remain in constant contact with stockhold-

ers. During the 2015 financial year and the first quarter of 2016 financial year, together with investment banks and the Vienna Stock Exchange, POLYTEC organised road shows, or upon invitation participated in investor conferences with the aim of re-

porting upon the current business figures and development of the company. In addition, a regular dialogue was continued with institutional and private investors and analysts by means of frequent telephone conferences.

## RESEARCH COVERAGE

The coverage of the POLYTEC GROUP by national and international investment banks is an important element in its comprehensive investor relations activities and plays a sig-

nificant role in the visibility of the POLYTEC share within the investor community. The financial institutions listed below publish reports on POLYTEC HOLDING AG and up

to the editorial closing date of this report (begin of May 2016) gave the following recommendations and price targets:

Institute	Recommendation	Latest price target
BAADER Helvea Equity Research	HOLD	EUR 7.50
ERSTE Group Research	BUY	EUR 9.60
M.M. Warburg Research	BUY	EUR 10.00
Raiffeisen CENTROBANK Research	BUY	EUR 9.50

## DETAILS REGARDING THE POLYTEC SHARE

ISIN	AT0000A00XX9
Total number of shares issued	22,329,585
Listing on the Vienna Stock Exchange	Prime Market
Indices	ATX Prime, ATX CPS, WBI
Share also traded in/via	Berlin, Frankfurt, London, München, Stuttgart, Tradegate
Ticker symbols	Wiener Börse: PYT, Bloomberg: PYT.AV, Reuters: POLV.VI, WKN: A0JL31

## CORPORATE CALENDAR 2016

This is the corporate calendar of POLYTEC HOLDING AG for the 2016 financial year:

Date	Day	Event
5. April 2016	Tue	Publication of the financial statements and annual report for 2015
4. May 2016	Wed	Publication of the interim report for Q1 2016
9. May 2016	Mon	Record date „Annual General Meeting“
19. May 2016	Thu	16th Annual General Meeting for the 2015 financial year, Hörsching, 10:00 a.m.
24. May 2016	Tue	Ex-dividend date
25. May 2016	Wed	Record date „Dividends“ (Record Date)
27. May 2016	Fri	Dividend payment date
3. August 2016	Wed	Publication of the half year financial report 2016
3. November 2016	Thu	Publication of the interim report for Q3 2016

# INTERIM CONSOLIDATED FINANCIAL STATEMENT ACCORDING TO IAS 34

# CONSOLIDATED INCOME STATEMENT

for the period from 1. January to 31. March 2016 compared to the figures from the previous period

In EUR thousand	01.01. – 31.03.	
	2016	2015
Net sales	157,367	155,751
Other operating income	936	1,296
Changes in inventory of finished and unfinished goods	933	1,401
Own work capitalised	493	601
Expenses for materials and services received	-74,955	-75,235
Personnel expenses	-50,037	-50,730
Other operating expenses	-19,365	-18,855
Result from companies accounted for using the equity method	66	0
<b>Earnings before interest, taxes and depreciation (EBITDA)</b>	<b>15,438</b>	<b>14,228</b>
Depreciation	-6,076	-5,467
<b>Earnings before interest and taxes = operating result (EBIT)</b>	<b>9,362</b>	<b>8,761</b>
Interest result	-1,019	-904
Other financial income	-345	0
<b>Financial result</b>	<b>-1,364</b>	<b>-904</b>
<b>Earnings before tax</b>	<b>7,999</b>	<b>7,857</b>
Taxes on income	-2,120	-1,993
<b>Earnings after taxes</b>	<b>5,879</b>	<b>5,864</b>
thereof result of non-controlling interests	-181	-170
<b>thereof result of the parent company</b>	<b>5,698</b>	<b>5,695</b>
<b>Earnings per share in EUR</b>	<b>0.26</b>	<b>0.26</b>

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

01.01. – 31.03.2016 In EUR thousand	Group	non controlling interests	Total
Profit after tax	5,698	181	5,879
Currency translation	-1,347	0	-1,347
<b>Total comprehensive income</b>	<b>4,351</b>	<b>181</b>	<b>4,532</b>

01.01. – 31.03.2015 In EUR thousand	Group	non controlling interests	Total
Profit after tax	5,695	170	5,864
Currency translation	235	0	235
<b>Total comprehensive income</b>	<b>5,930</b>	<b>170</b>	<b>6,099</b>

# CONSOLIDATED BALANCE SHEET AS OF 31.03.2016

Compared to the figures from the balance sheet date of 31. December 2015

ASSETS (in EUR thousand)		31.03.2016	31.12.2015
<b>A. Non-current assets:</b>			
I.	Intangible assets	1,932	1,796
II.	Goodwill	19,180	19,180
III.	Tangible assets	220,422	217,054
IV.	Shares in equity-accounted companies	1,002	936
V.	Other non-current assets	113	113
VI.	Other long-term receivables	819	924
VII.	Non-current, interest-bearing receivables	209	209
VIII.	Deferred tax assets	15,045	14,564
		<b>258,722</b>	<b>254,777</b>

<b>B. Current assets:</b>			
I.	Inventories	59,033	58,429
II.	Trade accounts receivable	58,765	52,202
III.	Receivables from construction contracts	35,677	34,623
IV.	Other current receivables	14,924	14,232
V.	Income tax receivables	111	185
VI.	Current interest-bearing receivables	13,110	13,009
VII.	Cash and cash equivalents	50,861	57,683
		<b>232,480</b>	<b>230,362</b>
		<b>491,202</b>	<b>485,139</b>

EQUITY AND LIABILITIES (in EUR thousand)		31.03.2016	31.12.2015
<b>A. Shareholder's equity:</b>			
I.	Share capital	22,330	22,330
II.	Capital reserves	37,563	37,563
III.	Treasury stock	-1,855	-1,855
IV.	Non-controlling interests	6,196	6,015
V.	Retained earnings	109,915	104,217
VI.	Other reserves	-6,693	-5,346
		<b>167,457</b>	<b>162,925</b>

<b>B. Long-term liabilities:</b>			
I.	Long-term interest-bearing liabilities	138,129	141,698
II.	Provision for deferred taxes	2,063	919
III.	Long-term provisions for personnel	26,352	26,115
IV.	Other long-term liabilities	14,675	15,998
		<b>181,219</b>	<b>184,730</b>

<b>C. Short-term liabilities:</b>			
I.	Short-term interest-bearing liabilities	28,827	28,346
II.	Liabilities on income taxes	3,654	3,262
III.	Trade accounts payable	47,460	50,197
IV.	Liabilities from construction contracts	2,529	1,867
V.	Other short-term liabilities	26,877	25,171
VI.	Short-term provisions	33,181	28,642
		<b>142,527</b>	<b>137,484</b>
		<b>491,202</b>	<b>485,139</b>

# CONSOLIDATED CASH FLOW STATEMENT

For the period from 1. January to 31. March 2016 compared to the figures from the the previous period

	In EUR thousand	01.01. – 31.03.	
		2016	2015
	<b>Pre-tax profit</b>	<b>7,999</b>	<b>7,857</b>
-	Income taxes	-336	-774
+(-)	Depreciation (appreciation) of fixed assets	6,055	5,467
-	Non-cash earnings from deconsolidation	0	-212
+(-)	Other non-cash expenses and earnings	-379	-43
+(-)	Increase (decrease) in long-term provisions (employees)	258	292
-(+)	Profit (loss) from asset disposals	-28	-80
=	<b>Consolidated cash flow from earnings</b>	<b>13,570</b>	<b>12,507</b>
-(+)	Increase (decrease) in inventories, advance payments made	-943	-3,033
-(+)	Increase (decrease) in trade and other receivables	-9,383	-5,207
+(-)	Increase (decrease) in trade and other payables	-207	-10,328
+(-)	Increase (decrease) in short-term provisions	3,270	6,184
=	<b>Consolidated cash flow from operating activities</b>	<b>6,307</b>	<b>124</b>
-	Investments in fixed assets	-10,174	-34,469
-	Acquisition of a subsidiary, less acquired cash and cash equivalents	0	-2,564
+	Revenues from disposal of financial investments	0	584
+	Payments from the disposal of intangible and tangible assets	102	247
-(+)	Increase (decrease) interest bearing receivables and other long-term receivables	0	109
+(-)	Other changes	0	-315
=	<b>Consolidated cash flow from investing activities</b>	<b>-10,072</b>	<b>-36,408</b>
+	Inflows from loan financing	301	4,786
-	Repayments of loan financing	-1,012	-1,286
-	Repayments of real estate loans	-1,398	-27,889
-	Outflows from financial leasing agreements	-772	-793
+(-)	Changes in current financial liabilities	-248	2,239
+(-)	Other changes in equity	0	281
=	<b>Consolidated cash flow from financing activities</b>	<b>-3,129</b>	<b>-22,662</b>
+(-)	Consolidated cash flow from operating activities	6,307	124
+(-)	Consolidated cash flow from investing activities	-10,072	-36,408
+(-)	Consolidated cash flow from financing activities	-3,129	-22,662
=	<b>Changes in cash and cash equivalents</b>	<b>-6,894</b>	<b>-58,946</b>
+(-)	Effect from currency translations	71	-46
+	Opening balance of cash and cash equivalents	57,683	111,951
=	<b>Closing balance of cash and cash equivalents</b>	<b>50,861</b>	<b>52,959</b>



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In EUR thousand	Share capital	Capital reserves	Treasury shares	Retained earnings	Other earnings	Equity attributable to Shareholders of the parent	Non controlling interests	Total
<b>Balance as of January 1, 2016</b>	<b>22,330</b>	<b>37,563</b>	<b>-1,855</b>	<b>104,217</b>	<b>-5,345</b>	<b>156,910</b>	<b>6,015</b>	<b>162,925</b>
Earnings after tax according to income statement	0	0	0	5,698	0	5,698	181	5,879
Earnings after tax	0	0	0	0	-1,347	-1,347	0	-1,347
<b>Balance as of March 31, 2016</b>	<b>22,330</b>	<b>37,563</b>	<b>-1,855</b>	<b>109,915</b>	<b>-6,692</b>	<b>161,261</b>	<b>6,196</b>	<b>167,457</b>

In EUR thousand	Share capital	Capital reserves	Treasury shares	Retained earnings	Other earnings	Equity attributable to Shareholders of the parent	Non controlling interests	Total
<b>Balance as of January 1, 2015</b>	<b>22,330</b>	<b>37,563</b>	<b>-1,709</b>	<b>77,943</b>	<b>-4,506</b>	<b>131,622</b>	<b>5,528</b>	<b>137,150</b>
Earnings after tax according to income statement	0	0	0	5,695	0	5,695	170	5,864
Earnings after tax	0	0	0	0	235	235	0	235
<b>Balance as of March 31, 2015</b>	<b>22,330</b>	<b>37,563</b>	<b>-1,709</b>	<b>83,638</b>	<b>-4,271</b>	<b>137,551</b>	<b>5,698</b>	<b>143,249</b>

## SEGMENT REPORTING

01.01. – 31.03. In EUR thousand	Plastics processing		Others		Transition		Group	
	2016	2015 <sup>1)</sup>	2016	2015 <sup>1)</sup>	2016	2015 <sup>1)</sup>	2016	2015
External sales	155,449	153,331	1,918	2,420	0	0	157,367	155,751
Intra group sales	691	122	5,304	5,030	-5,994	-5,152	0	0
<b>Total sales</b>	<b>156,139</b>	<b>153,453</b>	<b>7,222</b>	<b>7,450</b>	<b>-5,994</b>	<b>-5,152</b>	<b>157,367</b>	<b>155,751</b>
Depreciation	-5,485	-4,824	-628	-642	38	0	-6,076	-5,467
thereof extraordinary	0	0	0	0	0	0	0	0
<b>Operating income</b>	<b>7,797</b>	<b>8,642</b>	<b>2,195</b>	<b>2,396</b>	<b>-630</b>	<b>-2,278</b>	<b>9,362</b>	<b>8,761</b>

<sup>1)</sup> Previous year shown comparable – see Accounting and Evaluation Methods in the Selected Disclosures

# SELECTED DISCLOSURES

## GENERAL INFORMATION

POLYTEC HOLDING AG (listed in the Commercial Registry of the City of Linz un-

der 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 EVALUATION METHODS

This interim report as of March 31, 2016 was compiled pursuant to the legal provisions of International Financial Reporting Standards (IFRS), and more specifically, in conformity with IAS 34 (interim reports). The same accounting and evaluation methods adopted on December 31, 2015 were applied to this report. This interim report does not include

all information and data contained in the consolidated financial statements as of December 31, 2015 of POLYTEC HOLDING AG. Please refer to the consolidated financial statements for more information.

In the segment reports the figures for the first quarter are shown with those for 2015 as a comparison. The real estate assets in the

comparable period were largely allocated to the plastics processing segment, but are now disclosed under the heading "Other". This change is due primarily to the fact the real estate is managed and controlled at group level.

## 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. The scope of consolidation changed from 1st January 2016 to March 31, 2016 as follows:

Scope of consolidation	Equity consolidation	Full consolidation
<b>As of March 31, 2016</b>	<b>1</b>	<b>41</b>
Access due to corporate acquisition	0	1
<b>As of March 31, 2015</b>	<b>1</b>	<b>42</b>
Therefore of foreign companies	1	31

## ACQUISITIONS IN THE PERIOD FROM

### FORTREAL K.S. BZW. SPELAG S.R.O. (NOW POLYTEC ESTATES BOHEMIA K.S. AND SPELAG S.R.O.)

On 31 March 2016, the industrial property in Chodová Planá, Czech Republic, was taken over through the purchase of the entire stock of Fortreal k.s., Mariánskolázénská, Czech Republic, as a limited partnership, and the acquisition of the entire stock of

SPELAG s.r.o., Mariánskolázénská, Czech Republic, as a general partner.

These companies do not form a business combination pursuant to IFRS 3. The property was already included in the consolidat-

ed financial statements as at 31 December 2015 as financial leasing.

Owing to immateriality, the complementary company was not included in the scope of consolidation.

## ACQUISITIONS 2015

In the first quarter of 2016, there were no changes in the valuations related to acqui-

sitions in 2015. For further information, reference should be made to the annual

report for 2015.

## EQUITY

The POLYTEC HOLDING AG Board of Directors and Supervisory Board will propose to the

16th Annual General Meeting that a dividend of EUR 0.30 per dividend-bearing share

be paid for the 2015 financial year.

## RELATED PARTIES

There were no material changes regarding business transactions with related entities and personages as compared to 31 Decem-

ber 2015 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 2015.

## 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 turnover than quarters without such effects. In addition

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

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred after 31 March 2016.

The Half Year Financial Report 2016 to be published August 3, 2016. Current news see online in the section Investor Relations of corporate website [www.polytec-group.com](http://www.polytec-group.com)

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**Note:**

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 May 4, 2016.

**Imprint:**

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