

INTERIM REPORT Q1 2017

# POLYTEC

MOVING  
TECHNOLOGIES



POLYTEC GROUP

## KEY FIGURES Q1 2017

Key figures Q1	Unit	Q1 2017	Q1 2016	Change
Sales	EUR m	178.3	157.4	13.3%
EBITDA	EUR m	22.8	15.4	47.8%
EBITDA margin (EBITDA/sales)	%	12.8	9.8	3.0% points
EBIT	EUR m	15.9	9.4	69.9%
EBIT margin (EBIT/sales)	%	8.9	6.0	2.9% points
Earnings after tax	EUR m	11.6	5.9	97.2%
Earnings per share	EUR	0.52	0.26	100.0%
Investments in tangible assets	EUR m	4.4	10.2	-56.5%
Equity ratio (equity/balance sheet total)	%	38.4	34.1	4.3% points
Net working capital (NWC)	EUR m	54.7	54.8	-0.2%
Average capital employed	EUR m	282.6	279.0	1.3%
Net financial debt (+)/assets (-)	EUR m	70.6	102.8	-31.3%
Employees (incl. leasing personnel) - end of period	FTE	4,483	4,255	5,4%

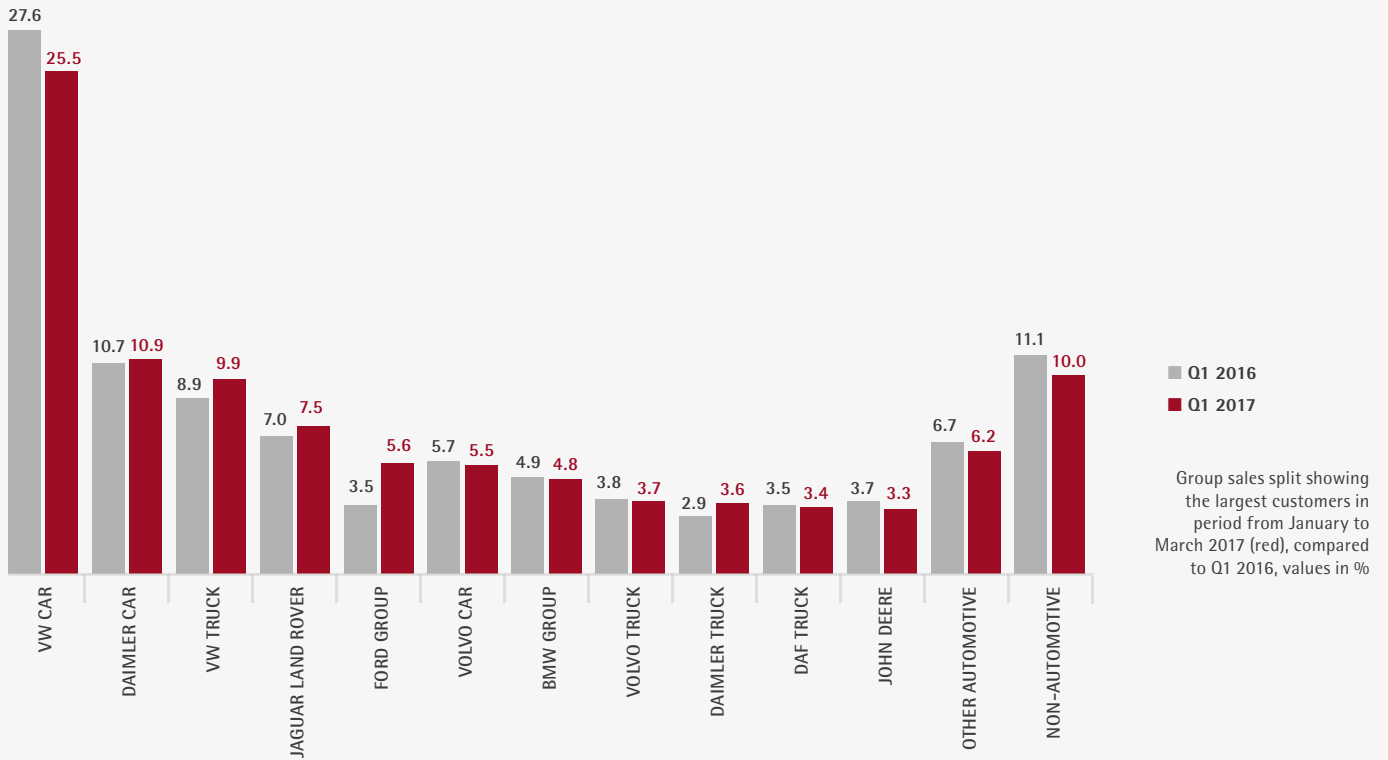
Key figures quarterly	Unit	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Sales	EUR m	168.9	155.6	168.5	178.3
EBITDA	EUR m	17.6	20.0	27.0	22.8
EBITDA margin (EBITDA/sales)	%	10.4	12.9	16.0	12.8
EBIT	EUR m	10.9	13.5	18.6	15.9
EBIT margin (EBIT/sales)	%	6.5	8.7	11.0	8.9
Earnings after tax	EUR m	7.1	9.5	14.5	11.6
Earnings per share	EUR	0.31	0.42	0.65	0.52
Investments in tangible assets	EUR m	8.6	7.3	7.1	4.4
Equity ratio (equity/balance sheet total)	%	34.5	36.3	37.9	38.4
Net working capital (NWC)	EUR m	57.4	56.5	40.1	54.7
Capital employed	EUR m	287.1	287.9	276.2	289.0
Net financial debt (+)/-assets (-)	EUR m	105.8	96.7	69.9	70.6
Employees (incl. leasing personnel) - end of period	FTE	4,343	4,261	4,427	4,483

"Following the growth of the past two years, we envisage further slight expansion with respect to both consolidated sales and the operating result."

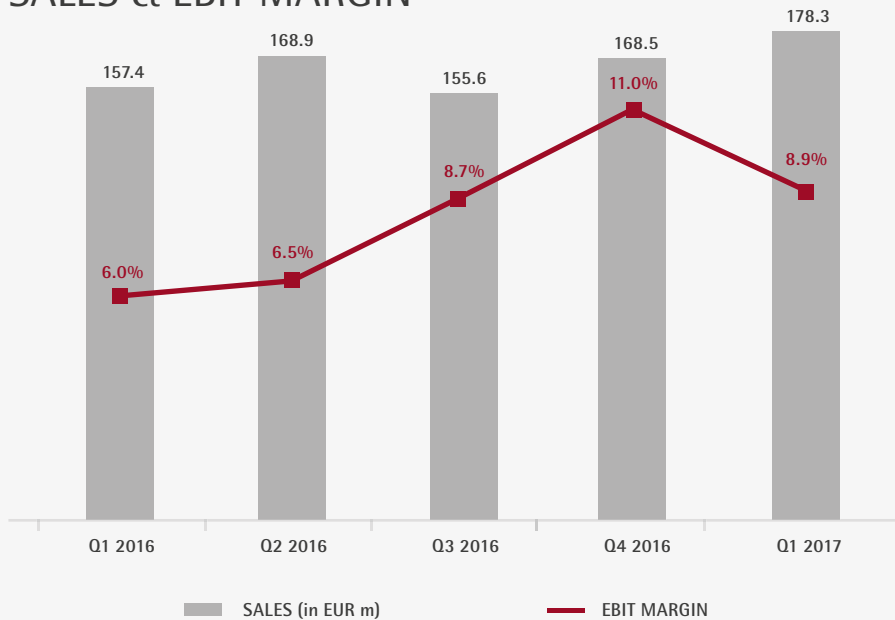
FRIEDRICH HUEMER, CEO

# GROUP SALES BY CUSTOMERS

compared to previous year



# SALES & EBIT MARGIN



Comparison of the group sales and EBIT margin in the previous four quarters with Q1 2017

# INTERIM REPORT

## Q1 2017

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

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# GROUP MANAGEMENT REPORT Q1 2017

## AUTOMOTIVE INDUSTRY DEVELOPMENTS

The international automotive market began 2017 with positive sales figures. The exception was the US light vehicles market (cars and light trucks), which in the months from January to March registered a minus of 1.4% and was therefore slightly down on the level of the previous year. The Chinese car market gained 5.7% in the first quarter and was thus overtaken by the EU nations by 2.7 percentage points. In absolute terms, China led with around 5.8 million cars, followed by the EU nations with over 4.1 million and the USA with 4.0 million. Up to the end of March, these three main markets saw a combined total of over 13.9 million new car registrations (Q1 2016: 13.3 million).

New car registrations in the Western European market during the first quarter of 2017 exceeded those in the USA. In particular, new registrations in the EU boomed during March, rising by 11.2% to a new all-time high of over 1.8 million units. In fact, the number of new cars registered in March 2017 had never previously been attained in a single month.

New passenger car registrations in the EU states during the first three months of the year rose by 8.4% (Q1 2016: 8.2%). In the five main EU markets, which together accounted for three-quarters (74.8%) of the new registrations to date in 2017, Italy showed growth of 11.9% (approx. 582,000 vehicles in absolute terms), Spain 7.9% (308,000), Germany 6.7% (845,000), the UK 6.2% (820,000) and France 4.8% (541,000). More than half of the 28 EU nations demonstrated double-digit growth rates and of special note were for example Greece (37.7%), Romania (27.5%), Netherlands (22.8%) and Poland (20.3%). Ireland (-8.3%) and Finland (-0.0%) were the only countries to register a lower figure than that for the first quarter of the preceding year.

As far as new registrations are concerned, during the first three months of the year,

the People's Republic of China was again the global number one. One reason for the boom in Chinese car sales during last year was the relaxation of VAT on vehicles with small cubic capacities. This measure was rescinded at the turn of 2016/2017, which in the fourth quarter of 2016 resulted in a pre-emptive effect upon car purchases. Consequently, for the start of 2017, analysts predicted that growth might be below the level of the previous year and this expectation proved to be correct. For while during the months from January to March 2016, the numbers of new registrations exceeded the level of 2015 by 9.4%, growth in the period under report amounted to a "mere" 5.7%.

Following the first three months, the US market for light vehicles (cars and light trucks) was slightly down on the level of the preceding year having fallen by 1.0% to 4.0 million vehicles. The sales of light trucks actually rose by 6% to 2.5 million units, however car sales dropped by 12% to 1.5 million new vehicles. As a result, in the first quarter of 2017, light trucks accounted for a 63% share of the entire light vehicle market (Q1 2016: 58%).

The Indian market was extremely dynamic and in the first three months of the year, India registered a good 800,000 new vehicles, which was 11.1% more than the 2016 figure. The nation was thus the world's fifth largest car market behind Japan with (1.3 million or plus 7.8%). The desired recovery in Russia also arrived in the first quarter of 2017 with growth of 1.0%. In March 2017 alone, the Russian light vehicle market grew by 9.4% and the Brazilian light vehicle market also surprised with a gain of 6.2%, which constituted the first growth in over two years.

### **European registrations of vehicles with alternative drive systems**

The sales figures for vehicles with alternative drive systems (alternative fuel vehicles

- AFV) continued to improve during the first quarter of 2017. However, the differences between the countries and the various drive technologies were partially extremely large. In the EU, overall the new registrations of e-cars, vehicles with hybrid engines and cars fuelled by propanol, ethanol or natural gas in the first three months of 2017 were markedly higher, rising by 37.6% to roughly 213,000 units (Q1 2016: approx. 155,000). With more than 62,000 units, which represented a relative plus of 17.2%, Italy was the EU nation with the highest number of new registrations in absolute terms. This means that every third new vehicle in the EU was newly registered south of the Alps. In the five major EU markets, which accounted for three-quarters (76.5%) of the new vehicles registered to date in 2017, in terms of absolute numbers Italy was followed by the UK with over 33,000 vehicles (relative increase 29.9%), France around 29,000 (relative increase 24.8%), Germany with approximately 24,000 (67.5%) and Spain with over 14,000 units (87.4%).

If the various drive technologies are considered, in the first quarter of 2017 the EU states showed a development pattern in which purely battery operated vehicles (BEV - Battery Electric Vehicles) achieved growth of 49.0%, while hybrid system (HEV - Hybrid Electric Vehicles) registrations rose by a massive 61.2% and with 111,000 newly registered vehicles became the most important segment. Sales of AFVs not employing electric power, but instead propanol, ethanol or natural gas, also increased by 10.4%.

New registrations of commercial vehicles in the EU rose by 7.5% in the first quarter of 2017 to more than 606,000 units (Q1 2016: 564,000). Of the five most important markets, Spain demonstrated by far the largest growth with 20.4% (approx. 55,000 units in absolute terms). Italy followed with 13.4% (51,000), France with 9.4% (124,000) and

Germany with 7.5% (88,000). As compared to the same period of the previous year, in the UK a slight fall of 0.2% was registered (112,000). As was the case in the preceding periods, light trucks of up to 3.5 t constituted the most important segment with sales of some 505,000 units and the sharpest increase, 8.1%, over the first quarter of

2016. Heavy trucks with weights in excess of 16t demonstrated three-month growth of 4.8%, which represented over 75,000 units. Over 92,000 units were registered in the medium weight truck class (heavier than 3.5t, lighter than 16t), which added up to growth of 4.7%. Sales of buses in the over 3.5t category also rose in the period

up to and including March, increasing by 5.9% to more than 9,700 units.

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

## GROUP RESULTS

In EUR m	Q1 2017	Q1 2016	Change
Sales	178.3	157.4	13.3%
EBITDA	22.8	15.4	47.8%
EBIT	15.9	9.4	69.9%
Earnings after tax	11.6	5.9	97.2%
EBITDA margin (EBITDA/sales)	12.8%	9.8%	3.0% points
EBIT margin (EBIT/sales)	8.9%	6.0%	2.9% points
Earnings per share (in EUR)	0.52	0.26	100.0%

In the first three months of 2017, the consolidated sales of the POLYTEC GROUP rose sharply by 13.3% to EUR 178.3 million (Q1 2016: EUR 157.4 million). Both the sales from serial production and tooling and engineering were markedly higher as compared to the initial quarter of 2016.

The optimisation and intensified digitisation of production sequences across the group, as well as the development of small series production for cars, all had a positive impact upon earnings. In the first quarter of 2017, group EBITDA amounted to EUR 22.8 million, which represented growth of 47.8% and was well above the level of the comparable period of the previous year (EUR 15.4 million). The EBITDA margin rose from 9.8% to 12.8%

and thus entered the double-digit range. POLYTEC GROUP EBIT was raised by 69.9% to EUR 15.9 million (Q1 2016: EUR 9.4 million) in the first three months of 2017 and the EBIT margin improved by 2.9 percentage points to 8.9% (Q1 2016: 6.0%).

The material ratio increased by 1.4 percentage points to 49.0% (Q1 2016: 47.6%), due mainly to a altered product mix in combination with a larger project volume and to a lesser extent, higher raw material prices. The personnel ratio fell by 3.3 percentage points to 31.2% (Q1 2016: 34.5%), an improvement that 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 totalled minus EUR 0.8 million (Q1 2016: minus EUR 1.4 million). The reduction in other financial result emanated from a more favourable measurement of financial instruments regarded as unsuitable for hedge accounting.

Taking into account the effect of tax deferrals, POLYTEC GROUP's tax rate at the end of the first quarter of 2017 stood at 23.2% and was therefore 3.3 percentage points lower than in the first quarter of the previous year. In the first three months of 2017, the group generated a net profit of EUR 11.6 million, which was EUR 5.7 million, or 97.2%, higher than the comparable figure for 2016. Earnings per share doubled from EUR 0.26 to EUR 0.52.

## SALES BY MARKET AREAS

In EUR m	Q1 2017	Share	Q1 2016
Passenger cars	117.5	65.9%	103.5
Commercial vehicles	42.9	24.1%	36.5
Non-automotive	17.9	10.0%	17.4
<b>POLYTEC GROUP</b>	<b>178.3</b>	<b>100%</b>	<b>157.4</b>

As compared to the same period of the previous year, sales in the passenger car market area, which with 65.9% of sales represents the strongest market area within the POLYTEC GROUP, were markedly higher, ris-

ing by 13.5% to EUR 117.5 million (Q1 2016: EUR 103.5 million). Sales in the commercial vehicles market area (24.1%) were also far higher than in the same period of 2016, increasing by 17.5% to EUR 42.9 million. Sales

in the non-automotive market area (10.0%) rose by 2.9% to EUR 17.9 million and were therefore slightly higher than in the extremely successful comparable period from January to March 2016.

## SALES BY CATEGORY

In EUR m	Q1 2017	Share	Q1 2016
Parts and other sales	160.5	90.0%	146.5
Tooling and engineering sales	17.8	10.0%	10.9
<b>POLYTEC GROUP</b>	<b>178.3</b>	<b>100%</b>	<b>157.4</b>

Tooling and engineering sales are subject to cyclical fluctuations and due to delayed project progress in the preceding year, rose sharply in the first quarter of 2017 with an

increase of 63.3% over the same period in 2016. Growth of 9.6% was achieved in the serial production area.

## SALES BY REGION

In EUR m	Q1 2017	Share	Q1 2016
Austria	6.0	3.4%	5.0
Germany	98.0	55.0%	85.7
Other EU countries	62.6	35.1%	58.6
Other countries	11.7	6.5%	8.1
<b>POLYTEC GROUP</b>	<b>178.3</b>	<b>100%</b>	<b>157.4</b>

## EMPLOYEES

Full-time equivalents of employees (FTE)	End of period			Average period		
	31.03.2017	31.03.2016	Change	Q1 2017	Q1 2016	Change
Austria	526	561	-35	527	559	-32
Germany	2,187	2,255	-68	2,176	2,265	-89
Other EU countries	1,592	1,270	322	1,585	1,262	323
Other countries	178	169	9	176	167	9
<b>POLYTEC GROUP</b>	<b>4,483</b>	<b>4,255</b>	<b>228</b>	<b>4,464</b>	<b>4,253</b>	<b>211</b>

By the end of the first quarter of 2017, group workforce numbers (including leasing personnel) had risen by 5.4%, or 228 employees.

Personnel numbers in high-wage countries fell, but increased in the best-cost countries. This was, among others, due to the acqui-

sition of the POLYTEC Komló Kft. company in southern Hungary, which employs roughly 200 people.

## CAPITAL EXPENDITURES AND KEY FINANCIAL FIGURES

### INVESTMENTS

In EUR m	Q1 2017	Q1 2016	Change
Investments in tangible assets	4.4	10.2	-56.5%

Additions to tangible assets in the first quarter of 2017 amounted to EUR 4.4 million (Q1 2016: 10.2 million). This fall as compared to the same period of the preceding year was

primarily the result of the new investments at the Ebensee location (Austria) implemented in the first quarter of 2016.

## KEY FINANCIALS

The key financial figures compared to the figures from the balance sheet date of 31 December 2017, as follows:

	Unit	31.03.2017	31.12.2016
Equity	EUR m	201.4	189.9
Equity ratio (Equity/balance sheet total)	%	38.4	37.9
Net working capital (NWC) <sup>1)</sup>	EUR m	54.7	40.1
NWC/sales	%	8.1	6.2

Net debt	EUR m	70.6	69.9
Net debt/EBITDA	-	0.81	0.87
Gearing (Net debt/equity)	-	0.35	0.37
Capital employed	EUR m	289.0	276.2
ROCE before tax (EBIT/Capital employed)	%	20.9	19.1

<sup>1)</sup> Net working capital = current assets less current liabilities

As compared to the 31 December 2016 balance sheet date, by the end of the first quarter of 2017, the group's balance sheet total had risen by EUR 23.4 million to EUR 524.8 million. At 38.4%, the equity ratio as at 31 March 2017 was also slightly higher, having improved by 0.5 percentage points. Net debt totalled EUR 70.6 million and thus remained at the level of the 31 December 2016 balance

sheet date. Owing to seasonal factors, as compared to the 31 December 2016 figure, at the end of the first quarter of 2017 net working capital was up by EUR 14.6 million at EUR 54.7 million.

As opposed to the 31 December 2016 balance sheet date, the ratio of net debt to EBITDA key figure (which reflects the fictive duration of debt repayment) improved from

0.87 to 0.81. Increased equity in the first quarter of 2017 resulted in a fall in the gearing ratio from 0.37 to 0.35.

ROCE (return on capital employed) in the first quarter of 2017 was 1.8 percentage points up on the ROCE for the 2016 financial year at 20.9% and was therefore well above the targeted figure of at least 15%.

## RISKS AND UNCERTAINTIES

No significant effects upon the POLYTEC GROUP's operative business that could be attributed to the result of the BREXIT vote, or national and international developments were evident either prior to 31 March 2017

or the closing date of this report at the beginning of May 2017. Which other possible risks and uncertainties could have an influence in future upon the sales revenues and earnings curve of the POLYTEC GROUP can-

not be estimated fully at present. As far as risk reporting is concerned, we would refer to the information included in section G.2 of the notes to the consolidated financial statements in the annual report for 2016.

## MATERIAL TRANSACTIONS WITH RELATED COMPANIES AND PERSONS

As compared to 31 December 2016, there were no material changes regarding business dealings with related companies and personages and therefore reference should

be made to the notes to the consolidated financial statements of POLYTEC Holding AG as at 31 December 2016.

## OUTLOOK

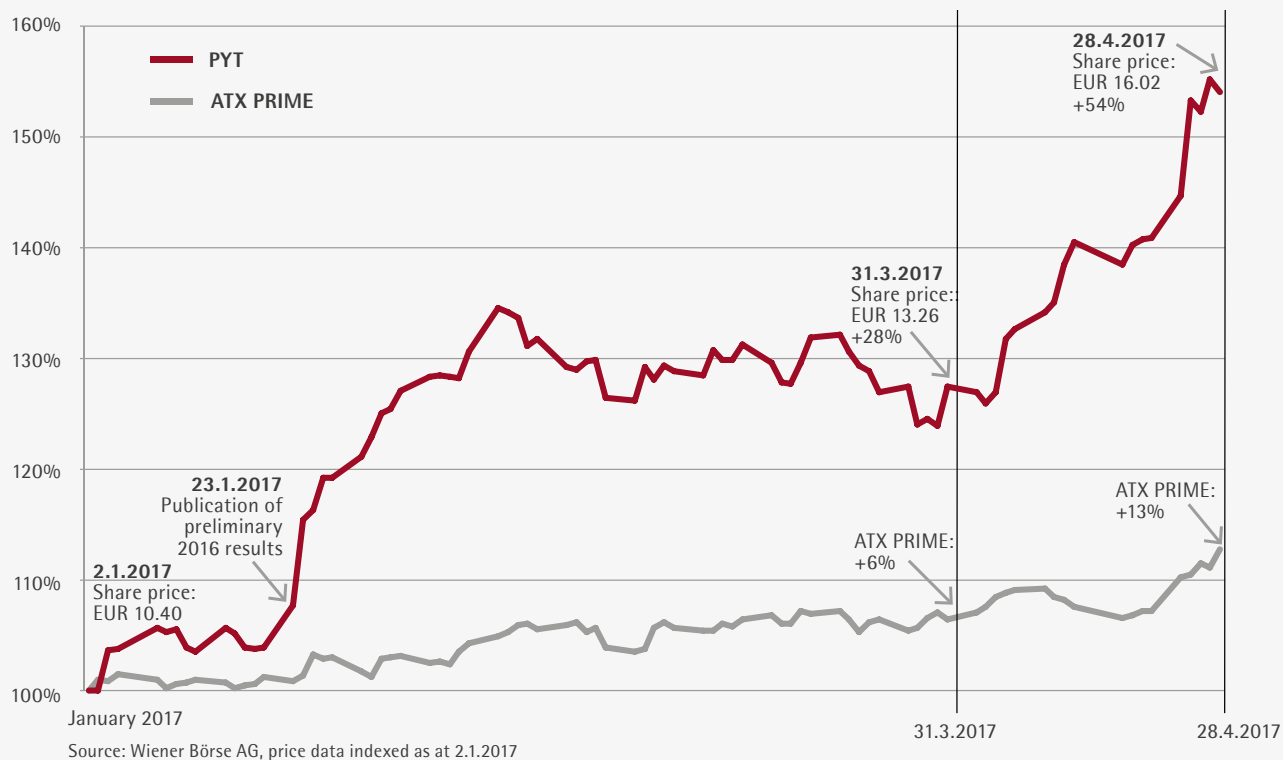
Based on the assumption of a stable economic situation and positive business development among all its major customers, the POLYTEC GROUP executive manage-

ment foresees slight growth in both group sales and operating results in the 2017 financial year.



# SHARE & INVESTOR RELATIONS

# POLYTEC SHARE PRICE DEVELOPMENT



	Unit	Q1 2017	Change	Q1 2016	Q1 2015
Closing price last trading day of period	EUR	13.26	75.2%	7.57	8.10
Highest closing price during period	EUR	13.99	81.6%	7.70	8.15
Lowest closing price during period	EUR	10.40	54.1%	6.75	6.20
Market capitalisation last day of period	EUR m	296.1	75.2%	169.0	180.9
Earnings per share	EUR	0.52	100.0%	0.26	0.26

In 2016, POLYTEC Holding AG celebrated its tenth year on the stock exchange with a very solid share price development. The price surge continued from the beginning of the new financial year. The POLYTEC share (ISIN: AT0000A00XX9) started the stock exchange year on January 2, 2017 at closing price EUR 10.40. This was the lowest closing price during the whole reporting period and even beyond.

The publication of the preliminary results for the 2016 financial year on January 23, 2017, brought above-average trading values and price rises shortly before the stock exchange close and on the following day. The very positive price trend was maintained and on March 31, 2017 the share price closed at EUR 13.26. The absolute increase in value of EUR 2.86 corresponded

with performance of about 27.5%. Market capitalisation on the final stock exchange trading day of the first quarter of 2017 amounted to EUR 296.1 million.

On February 13, the POLYTEC share reached a period high of EUR 13.99. During the whole of the first quarter of 2017, the POLYTEC share price moved significantly above the ATX Prime Index, which between January and the end of March increased by 6.5%. In the same three months, the STOXX® Europe 600 Automobile & Parts was up by only 2.9% and at the end of March closed at 566.

In the first three months of 2017, money turnover relating to the POLYTEC share on the Vienna Stock Exchange involved roughly EUR 66.5 million (Q1 2016: EUR

12.0 million) and share turnover of 5.3 million shares (Q1 2016: 1.7 million). During the 64 trading days, an average of 82,743 POLYTEC shares were traded daily, as opposed to 24,473 in the preceding year. Both figures are based on double counting. Due to the publication of the preliminary results for the 2016 financial year, the highest trading level was reached on January 24, 2017, with 366,794 POLYTEC share contracts and on January 23, with 253,550, (double counting).

The strong share price performance continued until April 28, 2017, the 11th IPO anniversary, and closed at EUR 16.02. On the editorial closing date of this report at the beginning of May 2017, the POLYTEC share price crossed the EUR 17 line, another all-time high, up to now.

## DIVIDEND POLICY

POLYTEC's dividend policy is based on profitability, strategic growth perspectives and the capital requirements of the Group. As at December 31, 2016, POLYTEC Holding AG's net profit amounted to EUR 123.3 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 17th Annual General Meeting to be held on May 22, 2017. This corresponds to a total dividend payment of around EUR 8.8 million (2016: EUR 6.6 million) and a div-

idend payout ratio of 24.2% in terms of the POLYTEC GROUP's net profit. May 29, 2017 is the ex-dividend day and May 31, 2017 the dividend pay-out day.

## SHAREHOLDER STRUCTURE

As at the March 31, 2017 closing date, POLYTEC Holding AG's share capital remained unaltered at EUR 22.3 million divided into 22,329,585 bearer shares. On the reporting date, POLYTEC Holding AG held 334,041 treasury shares, which was an unchanged figure and represented roughly 1.5% of share capital. The Huemer Group continued to hold approximately 29.0% (16.0% Huemer Holding GmbH and 13.0% Huemer Invest GmbH) of POLYTEC Holding AG share capital.

In the period under report from January 1 to March 31, 2017, POLYTEC Holding AG received no voting rights notifications from

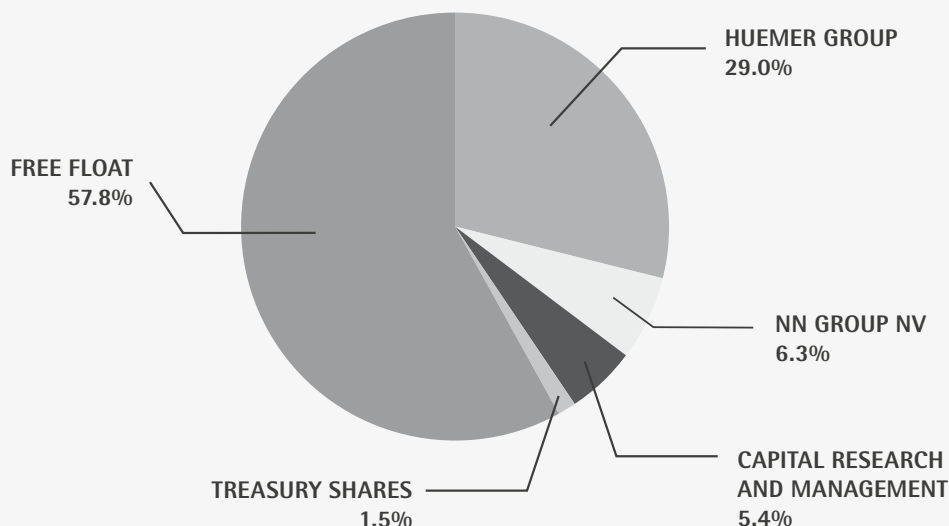
shareholders pursuant to § 91 Austrian Stock Exchange Act.

On April 10, 2017, POLYTEC Holding AG received a notification that with effect from 7 April 2017, NN Group N.V., Amsterdam (Netherlands) had purchased all the shares of the Amsterdam-based Delta Lloyd N.V. (Netherlands) and its affiliated companies. Therefore, from April 7, 2017 onwards, the entire POLYTEC Holding AG shares held by Delta Lloyd N.V. and its affiliated companies are to be classified as being under NN Group N.V. ownership. According to own information, as at 7 April 2017 NN Group N.V. held 1,400,000 POLYTEC Holding AG shares, which represent-

ed or 6.27% of share capital. On April 11, 2017, POLYTEC Holding AG issued a notification to this effect in accordance with § 93 Para. 2 Austrian Stock Exchange Act.

In addition, in the period up to the editorial closing date of this report at the beginning of May 2017, POLYTEC Holding AG received no voting rights notifications from shareholders pursuant to § 91 Austrian Stock Exchange Act.

As at the editorial closing date of this report at the beginning of May 2017, on the basis of the issued shares, the shareholder structure of POLYTEC Holding AG had the following form:



## 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 team maintain constant contacts with stockholders.

During the 2016 financial year and the first quarter of 2017 financial year, together with investment banks and the Vienna Stock Exchange, POLYTEC organised road shows, on more than 30 days, and participated in several investor conferences upon

invitation with the aim of reporting 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 significant role in the visibility of the POLYTEC shares within the investor community. The financial institutions listed below publish reports on POLYTEC GROUP and

the recommendations and price targets up to the editorial closing date of this report at the beginning of May 2017 were as follows:

Institute	Recommendation	Latest price target
BAADER Helvea Equity Research	BUY	EUR 17.00
ERSTE Group Research	Under review	Under review
M.M.Warburg Research	BUY	EUR 18.00
Raiffeisen CENTROBANK Research	HOLD	EUR 15.50

## 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, Munich Stuttgart, Tradegate
Ticker symbols	Wiener Börse: PYT, Bloomberg: PYT.AV, Reuters: POLV.VI, WKN: A0JL31

## CORPORATE CALENDAR 2017

This is the corporate calendar of POLYTEC Holding AG for the 2017 financial year:

Date	Day	Event
6. April 2017 ✓	Thu	Financial statements and annual report 2016
8. May 2017 ✓	Mon	Interim report Q1 2017
12. May 2017	Fri	Record date "Annual General Meeting"
22. May 2017	Mon	17th Annual General Meeting, Hörsching, 10:00 a.m.
29. May 2017	Mon	Ex-dividend day
30. May 2017	Tue	Record date "Dividends"
31. May 2017	Wed	Dividend pay-out day
10. August 2017	Thu	Half year financial report 2017
7. November 2017	Tue	Interim report Q3 2017

# 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 2017 compared to the figures from the previous year

In EUR k	01.01. – 31.03.	
	2017	2016
Net sales	178,268	157,367
Other operating income	844	936
Changes in inventory of finished and unfinished goods	1,919	933
Own work capitalised	328	493
Expenses for materials and services received	-87,330	-74,955 <sup>1)</sup>
Personnel expenses	-55,557	-54,254 <sup>1)</sup>
Other operating expenses	-15,661	-15,148
Result from companies accounted for using the equity method	0	66
<b>Earnings before interest, taxes and depreciation (EBITDA)</b>	<b>22,811</b>	<b>15,438</b>
Depreciation	-6,906	-6,076
<b>Earnings before interest and taxes = operating result (EBIT)</b>	<b>15,905</b>	<b>9,362</b>
Interest result	-977	-1,019
Other financial result	168	-345
<b>Financial result</b>	<b>-809</b>	<b>-1,364</b>
<b>Earnings before tax</b>	<b>15,096</b>	<b>7,999</b>
Taxes on income	-3,502	-2,120
<b>Earnings after tax</b>	<b>11,594</b>	<b>5,879</b>
thereof result of non-controlling interests	-213	-181
<b>thereof result of the parent company</b>	<b>11,381</b>	<b>5,698</b>

<b>Earnings per share in EUR</b>	<b>0.52</b>	<b>0.26</b>
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<sup>1)</sup> Previous year adjusted: the expenses for leasing personnel disclosed under other operating expenses were reclassified as personnel expenses.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

01.01. – 31.03.2017 In EUR k	Group	non controlling interests	Total
Earnings after tax	11,381	213	11,594
Currency translations	-162	0	-162
<b>Total comprehensive income</b>	<b>11,219</b>	<b>213</b>	<b>11,432</b>

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

# CONSOLIDATED BALANCE SHEET AS OF 31.03.2017

Compared to the figures from the balance sheet date as of 31. December 2016

ASSETS (in EUR k)		31.03.2017	31.12.2016
<b>A. Non-current assets:</b>			
I.	Intangible assets	2,348	2,368
II.	Goodwill	19,180	19,180
III.	Tangible assets	221,732	224,192
IV.	Other non-current assets	126	126
V.	Other long-term receivables	464	556
VI.	Deferred tax assets	11,487	12,254
		<b>255,337</b>	<b>258,678</b>

<b>B. Current assets:</b>			
I.	Inventories	58,542	55,834
II.	Trade accounts receivable	63,055	49,791
III.	Receivables from construction contracts	46,349	35,862
IV.	Other current receivables	13,591	17,196
V.	Income tax receivables	191	397
VI.	Current interest-bearing receivables	4,208	4,149
VII.	Cash and cash equivalents	83,505	79,540
		<b>269,441</b>	<b>242,770</b>
		<b>524,778</b>	<b>501,448</b>

EQUITY AND LIABILITIES (in EUR k)		31.03.2017	31.12.2016
<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.	Retained earnings	145,294	133,913
V.	Other reserves	-8,479	-8,316
		<b>194,853</b>	<b>183,635</b>
VI.	Non-controlling interests	6,502	6,289
		<b>201,355</b>	<b>189,924</b>

<b>B. Long-term liabilities:</b>			
I.	Non-current, interest-bearing liabilities	136,243	128,837
II.	Provision for deferred taxes	907	917
III.	Provisions for personnel	27,778	27,789
IV.	Other long-term liabilities	9,387	10,198
		<b>174,315</b>	<b>167,741</b>

<b>C. Short-term liabilities:</b>			
I.	Current interest-bearing liabilities	22,067	24,795
II.	Liabilities on income taxes	7,389	6,752
III.	Trade accounts payable	49,940	50,603
IV.	Liabilities from construction contracts	1,642	1,597
V.	Other current liabilities	28,370	25,832
VI.	Current provisions	39,700	34,204
		<b>149,108</b>	<b>143,783</b>
		<b>524,778</b>	<b>501,448</b>

# CONSOLIDATED CASH FLOW STATEMENT

For the period from 1. January to 31. March 2017 compared to the figures from the the previous year

	In EUR k	01.01. – 31.03.	
		2017	2016
	<b>Earnings before tax</b>	<b>15,096</b>	<b>7,999</b>
-	Income taxes	-1,896	-336
+(-)	Depreciation (appreciation) of fixed assets	6,905	6,055
+(-)	Other non-cash expenses and earnings	-660	-379
+(-)	Increase (decrease) in non-current provisions for employees	-11	258
=	<b>Consolidated cash flow</b>	<b>19,435</b>	<b>13,598</b>
-(+)	Profit (loss) from asset disposals	-162	-28
=	<b>Consolidated cash flow from earnings</b>	<b>19,273</b>	<b>13,570</b>
-(+)	Increase (decrease) in inventories	-2,720	-943
-(+)	Increase (decrease) in trade and other receivables	-20,049	-9,383
+(-)	Increase (decrease) in trade and other payables	3,065	-207
+(-)	Increase (decrease) in provisions	4,694	3,270
=	<b>Consolidated cash flow from operating activities</b>	<b>4,263</b>	<b>6,307</b>
-	Investments in fixed assets	-5,562	-10,174
+	Payments from the disposal of intangible and tangible assets	270	102
=	<b>Consolidated cash flow from investing activities</b>	<b>-5,292</b>	<b>-10,072</b>
+	Inflows from loan financing	216	301
-	Repayments of loan financing	-1,129	-1,012
-	Repayments of real estate loans	-1,344	-1,398
-	Refinancing promissory note loan	8,500	0
-	Outflows from financial leasing agreements	-413	-772
+(-)	Changes in current financial liabilities	-819	-248
=	<b>Consolidated cash flow from financing activities</b>	<b>5,012</b>	<b>-3,129</b>
+(-)	Consolidated cash flow from operating activities	4,263	6,307
+(-)	Consolidated cash flow from investing activities	-5,292	-10,072
+(-)	Consolidated cash flow from financing activities	5,012	-3,129
=	<b>Changes in cash and cash equivalents</b>	<b>3,983</b>	<b>-6,894</b>
+(-)	Effect from currency translations	-18	71
+	Opening balance of cash and cash equivalents	79,540	57,683
=	<b>Closing balance of cash and cash equivalents</b>	<b>83,505</b>	<b>50,861</b>



## 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
<b>Balance as of January 1, 2017</b>	<b>22,330</b>	<b>37,563</b>	<b>-1,855</b>	<b>133,913</b>	<b>-8,317</b>	<b>183,635</b>	<b>6,289</b>	<b>189,923</b>
Earnings after tax according to income statement	0	0	0	11,381	0	11,381	213	11,594
Earnings after tax	0	0	0	0	-162	-162	0	-162
<b>Balance as of March 31, 2017</b>	<b>22,330</b>	<b>37,563</b>	<b>-1,855</b>	<b>145,294</b>	<b>-8,479</b>	<b>194,854</b>	<b>6,502</b>	<b>201,355</b>

In EUR k	Share capital	Capital reserves	Treasury stock	Retained earnings	Other reserves	Shares of POLYTEC Holding AG stockholders	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>

# 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, 2017 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, 2016 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, 2016 of POLYTEC Holding AG.

Please refer to the consolidated financial statements for more information.

Reclassification was undertaken in the consolidated income statement in order to enhance its informative value. The expenses for leasing personnel were transferred from the item "Other operating expenses" to "Personnel expenses". Above all, disclosure as personnel expense is correct owing to the fact that during operating procedures no differentiation is made between com-

pany and leasing personnel in the POLYTEC GROUP's calculation and business analysis of the costs of manual labour (production wages). In addition, the effective employment of leasing personnel demands extensive human resource support and the use of suitable managerial instruments. Accordingly, disclosure in the consolidated income statement is in line with internal reporting. The figures for the preceding year were adjusted appropriately.

## SCOPE OF CONSOLIDATION

The scope of consolidation remained unchanged between January 1, 2017 and March 31, 2017, whereby 48 companies continued

to be fully consolidated, of which 37 were international.

## ACQUISITIONS 2016

In the first quarter of 2017, there were no changes in the valuations related to acquisitions in 2016. For further information,

reference should be made to the annual report for 2016.

## EQUITY

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

idend of EUR 0.40 per eligible share to the 17th Annual General Meeting.

## DEBT CAPITAL

On March 30, 2017, the entire variable percentage of the 2014 promissory note loan amounting to EUR 36,500 k was repaid prematurely and refinanced with the issue of a

new promissory note loan to the value of EUR 45,000 k. This was again issued in four instalments with terms of five and seven years and respective fixed and floating interest rates. The

cancelled instalments were redeemed directly by the arranger of the new promissory note, whereby POLYTEC Holding AG only received the mark-up sum.

## MATERIAL TRANSACTIONS WITH RELATED COMPANIES AND PERSONS

There were no material changes regarding business transactions with companies and persons as compared to 31 December 2016 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 2016.

## 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 engineering projects.

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred after March 31, 2017.

The Half Year Financial Report 2017 to be published August 10, 2017.

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 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 May 8, 2017.

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