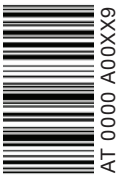


POLYTEC

MOVING
TECHNOLOGIES



POLYTEC GROUP

KEY FIGURES 2016

Key figures from the consolidated income statement	Unit	2016	2015	2014
Sales	EUR million	650.4	626.5	491.3
thereof passenger cars	EUR million	425.4	420.1	315.7
thereof commercial vehicles	EUR million	147.4	148.1	123.1
thereof non-automotive	EUR million	77.6	58.3	52.5
EBITDA	EUR million	80.1	59.7	36.5
EBIT	EUR million	52.4	36.6	20.6
Earnings per share	EUR	1.65	1.08	0.62
EBITDA margin (EBITDA/sales)	%	12.3	9.5	7.4
EBIT margin (EBIT/sales)	%	8.1	5.8	4.2

Balance sheet key figures	Unit	2016	2015	2014
Balance sheet total	EUR million	501.4	485.1	424.0
Equity ratio (equity/balance sheet total)	%	37.9	33.6	34.0
Investments in tangible assets	EUR million	33.2	134.4	31.2
Net working capital	EUR million	40.1	50.5	56.2
Net working capital in % of sales (NWC/sales)	%	6.2	8.1	11.4
Average capital employed	EUR million	274.8	219.1	150.3
ROCE before tax (EBIT/capital employed)	%	19.1	16.7	13.7
Net debt (+)/assets (-)	EUR million	69.9	99.1	11.8
Net debt (+)/assets (-) to EBITDA	-	0.87	1.66	0.32
Gearing	-	0.37	0.61	0.08

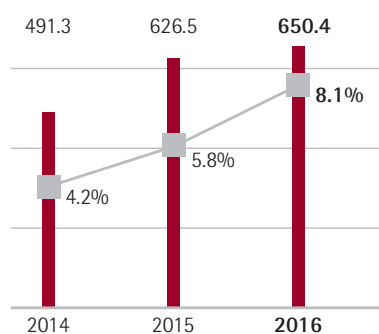
Cash flow key figures	Unit	2016	2015	2014
Cash flow from operating activities	EUR million	70.7	51.3	20.8
Cash flow from investing activities	EUR million	-28.8	-69.2	-37.7
Cash flow from financing activities	EUR million	-20.0	-36.4	94.5

Personnel key figures (incl. leasing personnel)	Unit	2016	2015	2014
Employees on annual average	FTE ¹⁾	4,449	4,247	3,581
Employees as of December 31	FTE	4,427	4,223	4,162
Sales per employee	EUR k	146	147	137

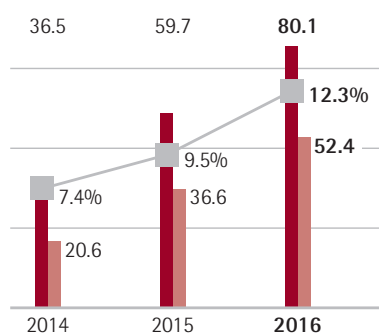
¹⁾ FTE: Full-time equivalents

POLYTEC share (AT0000A00XX9)	Unit	2016	2015	2014
Year-end closing price	EUR	10.39	7.66	6.25
Highest closing price during the year	EUR	10.60	8.45	8.54
Lowest closing price during the year	EUR	6.65	6.20	5.90
Market capitalisation at year-end	EUR million	231.9	171.0	139.6
Money turnover (daily average, double counting)	Shares	35,937	45,660	45,126
Earnings per share	EUR	1.65	1.08	0.62
Proposed dividend per share	EUR	0.40	0.30	0.25
Dividend yield on the basis of the average share price	%	5.1	4.0	3.5

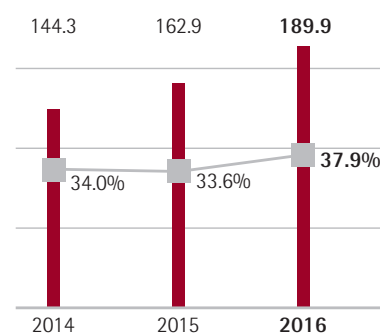
SALES REVENUES, EBIT MARGIN



EBITDA, EBITDA MARGIN, EBIT



EQUITY, EQUITY RATIO



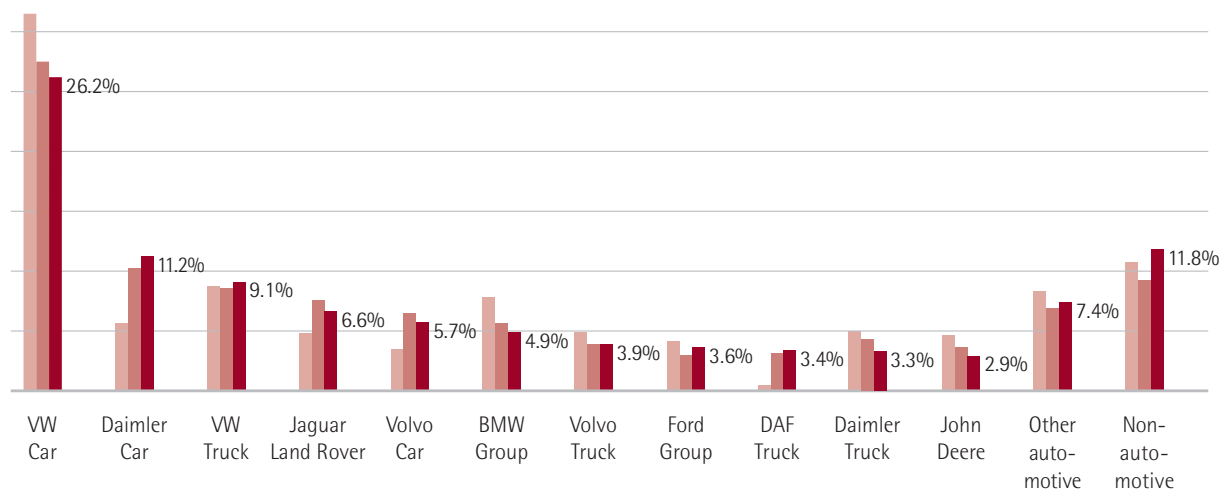
■ Sales revenues —■ EBIT margin

■ EBITDA —■ EBITDA margin ■ EBIT

■ Equity —■ Equity Ratio

GROUP SALES BY CUSTOMER

■ 2014 ■ 2015 ■ 2016



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POLYTEC HOLDING AG

GROUP MANAGEMENT REPORT

FOR THE 2016 FINANCIAL YEAR

1. BUSINESS DEVELOPMENT AND ECONOMIC SITUATION

AUTOMOTIVE BRANCH DEVELOPMENT IN 2016

The global car industry can look back on a good year in 2016. The markets in China and the USA registered new sales records, and Western Europe grew strongly to reach its highest level since 2007. In these three predominant markets, new car registrations rose by around 4.7 million to a total of 55.8 million vehicles (2015: 51.1 million). The Indian market was equally dynamic with an increase in car sales during 2016 of 7% to roughly three million new vehicles. In Japan, the world's fourth largest car market, in 2016 sales dropped by 1.6% to 4.2 million cars. Moreover, as anticipated, registrations in Brazil and Russia also showed a downward trend, although the falls were less pronounced than in 2015. The VW Group sold a total of 10.31 million vehicles worldwide and thus became the world's largest car manufacturer, having overtaken Toyota with 10.17 million.

IN 2016 CHINA REMAINED THE WORLD'S NUMBER ONE FOR NEW CAR REGISTRATIONS

With growth of 17.8% as compared to the previous year, in 2016 China retained its ranking as the world's leading nation for new vehicle registrations with a total of some 23.7 million. In December 2016 alone, the numbers of newly registered cars rose by 11% to 2.6 million. One reason for this boom in the Chinese car trade was the tax relief on vehicles with a small cubic capacity, which was introduced in October 2015. Moreover, the reintroduction of a higher rate of purchase tax at the turn of 2017 also resulted in an anticipatory effect in the fourth quarter of 2016.

USA WITH ONLY SLIGHT GROWTH, BUT ANOTHER SALES RECORD

In 2016, the US light vehicle market (cars and light trucks) grew by just 0.4% and therefore with a total of 17.5 million, new registrations increased only slightly over the preceding year. However, this figure nevertheless represented a new, all-time record and with almost 10.6 million units, sales of light trucks were a good 7% up on those in 2015. Therefore, the trend towards light trucks continued, as opposed to car segment sales, which fell by 9%. Furthermore, after six years

of growth, the 2016 truck market suffered a sharp decline of 11%.

THE EU CAR MARKET SHOWS STRONG GROWTH OF 6.8%

In absolute terms, the number of new registrations in Western Europe during 2016 again lagged behind those of the USA in third place. Nonetheless, new car registrations in the EU rose by 6.8% to over 14.6 million units (2015: 13.7 million). All the EU states registered growth with the exception of the Netherlands, which demonstrated a notable minus of 14.7%. The reason for this fall was the withdrawal of tax incentives on company cars at the beginning of 2016, which in 2015 resulted in a sharp rise in demand of 16.0%. In the five main EU markets, which together provided over three-quarters of the new registrations in 2016 (75.3%), Italy had growth of 15.8% and Spain 10.9%, thus repeating the double-digit rates of the previous year. France followed with 5.1%, Germany with 4.5% and the UK with 2.3% (2015: 6.3%). In 2016, the latter represented Europe's second largest car market with approximately 2.7 million new registrations, while Germany remained the number one European car market with approximately 3.4 million newly registered vehicles. Demand in various other European states was also strong in 2016, as exemplified by Hungary, which with a plus of 25.1% showed the largest relative growth. Poland came second with 17.2% and the Czech Republic third with 12.5%.

EUROPEAN REGISTRATIONS OF VEHICLES WITH ALTERNATIVE DRIVE SYSTEMS REMAIN MODERATE

E-mobility and vehicles with alternative drive systems became an omnipresent media topic during 2016. However, the actual sales figures failed to replicate the ambitious forecasts. In the European Union 609,629 vehicles with alternative drive systems (alternative fuel vehicles – AFV) were newly registered (2015: 585,790), a figure that corresponded with growth of 4.1% in comparative yearly terms. This growth related primarily to hybrid systems and the differences between individual countries and the diverse drive technologies were partially considerable. Italy is the number one country in Europe with regard to newly registered e-cars, vehicles with hybrid engines and cars fuelled by propanol, ethanol or natural gas and it alone was responsible for roughly a third of all fresh registrations (185,000). However, as opposed to the high level of the preceding year, this number

represented a fall of 12.1%. The UK was second in the rankings with around 89,000 cars (+22.2% growth) although in terms of absolute figures this did not amount to half of the Italian total. France occupied third place with 82,000 cars (+1.1%) and Germany was fourth with some 66,000 new registrations (+17.1%). With growth of 39.6%, new registrations in non-EU Norway were only around 3,500 below the German figure, in spite of it having a far smaller population.

If the various drive technologies are considered, the EU states 2016 showed a development pattern in which purely battery operated vehicles (BEV – Battery Electric Vehicles) achieved growth of 7.0% and hybrid system (HEV – Hybrid Electric Vehicles) registrations rose by a sizeable 27.3%. By contrast, the market share of AFVs not employing electric power, but instead propanol, ethanol or natural gas, was clearly down by 19.7%.

COMMERCIAL VEHICLES GAIN GROUND – CHINA AND WESTERN EUROPE STRONG, NORTH AMERICA AND BRAZIL DOWN

In terms of an international comparison, the People's Republic of China is also the number one with regard to commercial vehicle sales figures. In 2016, roughly a third of all new heavy truck sales worldwide (roughly 2.9 million) took place in China, where registrations rose by 28% to 962,000 units. To a large extent this growth resulted from the anticipatory effect caused by the introduction of the new China National Standard V for exhaust gases, as evidenced by a 72% increase in market sales in November and a further 38% in December. As a consequence, it is probable that in 2017 the Chinese commercial vehicle market will only show moderate growth. Conversely, the Americas demonstrated a completely different picture, as following six years of growth, in 2016 the US truck market had to accept a fall of 11%. The Brazilian truck market continued to deteriorate sharply with a 31% downturn in heavy truck sales.

New registrations of commercial vehicles in the EU rose for the fourth year in succession. In the course of 2016, sales climbed by 11.6% to more than 2.3 million units (2015: 2.1 million), whereby all the weight classes demonstrated double-digit growth. The sharpest rise was in Italy, which with an increase of around 50% registered more than four times the average EU growth rate. In the five EU states, which in 2016 constituted over 72% of the commercial vehicle market, as already mentioned Italy saw growth of 49.9%, while Spain witnessed 11.3%, France 8.3%, Germany 7.0% and the UK 1.2%. Light trucks with weights up to 3.5t constitute the most important segment in the EU and with sales of 1.9 million units this showed growth of 11.9%. All in all, the transport market profited from the prospering online mail order business. Some 365,000 medium-weight trucks (3.5 to 16t) were registered, which represented an increase of 11.0%. New registrations of heavy trucks with weights in excess of 16t increased the most, rising by 12.3% in

2016 to a total of around 292,000 units in absolute terms. The sales of buses in the over 3.5t category also rose by 2.3% to over 40,000 units.

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

2. GROUP BUSINESS DEVELOPMENT AND STATUS

SALES REVENUES

In the 2016 financial year, POLYTEC GROUP sales revenues increased by 3.8% over the preceding year to stand at EUR 650.4 million (2015: 625.5 million).

SALES BY MARKET AREA

	Unit	2016	2015	2014
Passenger cars	EUR m	425.4	420.1	315.7
Commercial vehicles	EUR m	147.4	148.1	123.1
Non-automotive	EUR m	77.6	58.3	52.5
POLYTEC GROUP	EUR m	650.4	626.5	491.3

As compared to the previous year, sales revenues in the passenger market area, which with 65.0% forms the strongest sales area within the POLYTEC GROUP, rose slightly by around 1.3% to EUR 425.4 million (2015: EUR 420.1 million). On the basis of POLYTEC's consolidated sales revenues, relative growth resulted from the customers Daimler Car (+1.0 percentage points), the Ford Group (+0.6 percentage points) and other automotive clients (+0.5 percentage points). As compared to the preceding year, in 2016 sales revenues from the customer VW Car, which amongst the car clientele contributes the largest share of POLYTEC consolidated sales revenues (26.2%), showed a marginal fall of 1.3 percentage points.

Sales in the commercial vehicle market area (23.0%) were down on those of 2015, dipping by around 0.5% from EUR 148.1 million to EUR 147.4 million. While sales to the customer Volvo Truck remained at the level of the previous year, in 2016 those of Daimler Truck (-1.0 percentage points) and John Deere (-0.7 percentage points) showed a downward trend. Sales increases were achieved with the customers VW Truck (+0.5 percentage points) and DAF Truck (+0.3 percentage points).

The non-automotive market area continued to demonstrate clearly positive development with a notable 33.1% increase in sales over the preceding year from EUR 58.3 million to EUR 77.6 million, a sum that already represented a contribution of 12.0% to POLYTEC's total consolidated sales revenues. The main reason for this growth were the sales revenues derived from the production of transport boxes for the customer IFCO at the Ebensee plant, where since the middle of 2016 all fourteen new production lines have been in full operation.

SALES BY CATEGORY

	Unit	2016	2015	2014
Parts and other sales	EUR m	594.5	556.4	421.1
Tooling and other engineering sales	EUR m	55.9	70.1	70.2
POLYTEC GROUP	EUR m	650.4	626.5	491.3

Tooling and other engineering sales revenues are subject to cyclical fluctuations and as compared to the previous year, in 2016 these fell sharply by EUR 14.2 million. Conversely, owing to increases in the serial production area and positive development in the non-automotive segment, parts and other sales revenue rose by EUR 38.1 million to EUR 594.5 million.

SALES BY REGION

	Unit	2016	2015	2014
Austria	EUR m	17.4	15.5	18.0
Germany	EUR m	365.9	342.9	301.0
Rest of EU	EUR m	226.3	220.3	141.5
Other countries	EUR m	40.8	47.8	30.8
POLYTEC GROUP	EUR m	650.4	626.5	491.3

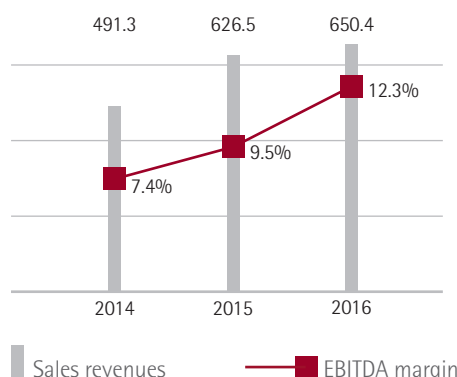
In particular, the fall in sales in the Other countries category can be traced to the consequences of political developments in Turkey, where the POLYTEC GROUP operates a composites plant in Aksaray.

EARNINGS DEVELOPMENT

GROUP EARNINGS FIGURES

	Unit	2016	2015	2014
Sales revenues	EUR m	650.4	626.5	491.3
EBITDA	EUR m	80.1	59.7	36.5
EBITDA margin (EBITDA/sales)	%	12.3	9.5	7.4
EBIT	EUR m	52.4	36.6	20.6
EBIT margin (EBIT/sales)	%	8.1	5.8	4.2
Result after income tax	EUR m	37.0	24.2	14.2
Average capital employed	EUR m	274.8	219.1	150.3
ROCE before tax (EBIT/capital employed)	%	19.1	16.7	13.7
Earnings per share	EUR	1.65	1.08	0.62
Dividend per share (proposal to the AGM)	EUR	0.40	0.30	0.25

SALES AND EBITDA MARGIN DEVELOPMENT



EBITDA

The POLYTEC GROUP EBITDA reported for the 2016 financial year totalled EUR 80.1 million and with an increase in excess of EUR 20 million was therefore well above the level of the previous year (EUR 59.7 million). The EBITDA margin rose from 9.5% to 12.3% and thus entered the double-digit range. Group-wide optimisation and the intensive digitisation of production sequences, as well as the development in sales in the small series car production, all had a positive effect on EBITDA.

MATERIAL EXPENSES

In the 2016 financial year, material expenses declined by EUR 2.1 million from EUR 307.8 million to EUR 305.7 million. As compared to the previous year, the material to sales ratio also fell, dropping by 2.1 percentage points to 47.0% (2015: 49.1%).

PERSONNEL EXPENSES

In 2016, the group's personnel expenses rose by EUR 1.7 million from EUR 209.9 million to EUR 211.6 million. The personnel ratio (personnel expense/sales revenues) fell slightly by one percentage point over the preceding year to stand at 32.5%. This was the result of the restructuring in the personnel area, which took place at various plants during 2015.

AMORTISATION AND DEPRECIATION

Owing to increased investments in tangible assets, particularly in the non-automotive market area, in 2016 depreciation rose by around EUR 4.6 million to EUR 27.7 million.

EBIT

The results showed a marked improvement in 2016 with group EBIT rising by EUR 15.8 million, or 43.3%, to EUR 52.4 million. As compared to the preceding year, the EBIT margin was up by 2.3 percentage points at 8.1%.

FINANCIAL AND GROUP RESULT

At minus EUR 4.3 million, the financial result remained at the level of the preceding year. Taking into account deferrals, the POLYTEC GROUP tax ratio (income tax/result before income tax) in the 2016 financial year amounted to 23.0% and as compared to the previous year was therefore 1.9 percentage points lower. Group net profit improved by EUR 12.6 million as compared to the preceding year to stand at EUR 36.3 million (2015: EUR 23.7 million). This corresponds with earnings per share of EUR 1.65 (2015: EUR 1.08).

ASSET AND FINANCIAL STATUS

INVESTMENTS

	Unit	2016	2015	2014
Investments in tangible assets	EUR m	33.2	134.4	31.2

During the 2016 financial year, additions to tangible assets amounted to EUR 33.2 million (2015: EUR 134.4 million). This marked reduction as compared to the preceding year was primarily the result of the completed purchase of the real estate portfolio of Huemer Holding GmbH in the first quarter of 2015. In particular, 2016 saw new investments at the Ebensee location (Austria). Moreover, production plant and infrastructure improvements were implemented through intensified digitisation measures at several locations and additional, ongoing retentive investments were also carried out.

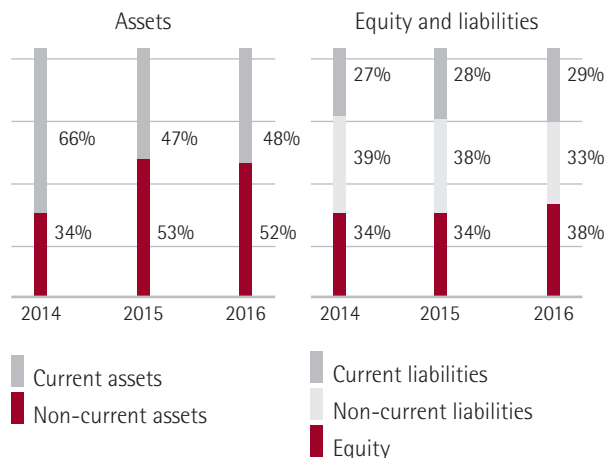
GROUP KEY BALANCE SHEET AND FINANCIAL FIGURES

	Unit	31.12.2016	31.12.2015	31.12.2014
Equity	EUR m	189.9	162.9	144.3
Equity ratio (equity/balance sheet total)	%	37.9	33.6	34.0
Balance sheet total	EUR m	501.4	485.1	424.0
Net working capital (NWC) ¹⁾	EUR m	40.1	50.5	56.2
Net working capital as a % of sales (NWC/sales)	%	6.2	8.1	11.4

¹⁾ Net working capital = current assets less current liabilities

The group's balance sheet total in 2016 was EUR 16.3 million higher at EUR 501.4 million. On 31 December 2016, the equity ratio was 4.3 percentage points up on that of the 2015 balance sheet date at 37.9%. Owing to active management, net working capital amounted to EUR 40.1 million, which was EUR 10.4 million down on the 2015 figure. As at the balance sheet date of 31 December 2016, the POLYTEC GROUP held 334,041 treasury shares (corresponds with 1.5% of share capital) with a stock market value on the closing date of over EUR 3.4 million (2015: EUR 2.6 million) and an acquisition value of EUR 1.9 million. No treasury shares were purchased or sold by the company during the 2016 financial year.

BALANCE SHEET STRUCTURE OF THE POLYTEC GROUP (IN %)



	Unit	2016	2015	2014
Net debt (+)/ -assets (-)	EUR m	69.9	99.1	11.8
Net debt (+)/ -assets (-) to EBITDA	-	0.87	1.66	0.32
Gearing (net debt (+)/-assets (-) to equity)	-	0.37	0.61	0.08

As opposed to the 31 December 2015 balance sheet date, owing to high cash flow, net debt was EUR 29.2 million lower at EUR 69.9 million. Both the key indicator of net debt to EBITDA (which reflects the fictive duration of debt repayment) and gearing showed a marked improvement.

CASH FLOW OF THE POLYTEC GROUP

	Unit	2016	2015	2014
Cash flow from operating activities	EUR m	70.7	51.3	20.8
Cash flow from investing activities	EUR m	-28.8	-69.2	-37.7
Cash flow from financing activities	EUR m	-20.0	-36.4	94.5
Change in cash and cash equivalents	EUR m	21.9	-54.3	77.6

In the 2016 financial year, the cash flow from operating activities increased by EUR 19.4 million to stand at EUR 70.7 million. The cash flow from investing activities in the 2016 financial year declined by EUR 40.4 million to minus EUR 28.8 million. This fall as compared to 2015 was primarily the result of the exceptionally high investment volume derived from the purchase of the real estate portfolio in the first quarter of 2015. The cash flow from financing activities amounted to minus EUR 20.0 million (2015: minus EUR 36.4 million), while cash and cash equivalents rose by EUR 21.9 million to EUR 79.5 million.

3. NON-FINANCIAL PERFORMANCE INDICATORS

ENVIRONMENTAL PROTECTION

As an automotive industry subsupplier, the POLYTEC GROUP provides significant solutions for the optimisation of new vehicle generations. Moreover, owing to its innovative capacity and flexibility, during the past thirty years POLYTEC has established a notable branch reputation. By means of comprehensive research and development work, POLYTEC is able to continually provide improvements to the products of its customers, which ultimately have a positive environmental effect. For example,

the dead weight of vehicles is lowered through material substitution and in the case of some components, as compared to steel, weight reductions of as much as 60% are possible. This leads to lower fuel consumption and hence a cut in CO₂ emissions.

Systematic ecological impact analyses represent a permanent feature of POLYTEC's product development processes and are carried out by the group's specialists in close coordination with its customers. In combination with perfect quality and absolute punctuality of delivery, optimisation successes in areas such as weight reduction, material substitution and savings, noise reduction, etc. constitute POLYTEC's main strengths and are greatly valued by its clientele.

POLYTEC constantly upgrades the products and services supplied to customers and all internal production processes are regularly subjected to analysis using a coordinated environmental, quality and lean management system with the aim of optimising in-house material and energy consumption. Plastics processing demands large quantities of resources and therefore the careful use of production materials constitutes both an ecological and an economic necessity. In-group production phases are therefore continually improved with the same objectives in view and consequently process water and various cleaning solutions are virtually always utilised in closed cycles. As far as the use of paints is concerned, POLYTEC fulfils stringent indoor and waste air standards, which serve the protection of employees and the environment to an equal extent.

The majority of the parts, top quality components and multi-functional plastics systems designed by POLYTEC are manufactured in accordance with certificated development and production processes. POLYTEC's production locations possess internationally recognised environmental and quality management norms such as ISO 16949, ISO 14001 and ISO 50001. Furthermore, they must continually meet numerous special customer standards. All in all, this represents confirmation of the long-term commitment and successes that POLYTEC can point to in the environmental protection field.

The POLYTEC GROUP's environmental strategy pursues three main objectives consisting of a scaling down of raw material consumption, enhanced energy efficiency and intensified recycling. Over the years, POLYTEC has launched pilot projects related to each of these focal points in individual plants and after successfully testing, these have been gradually implemented at other group locations.

1. Raw material savings: In recent years, POLYTEC has made major progress in the area of raw material economies. Particularly in the injection moulding field, the increased employment of regranulate and modern dosing systems enables the optimum use of materials. The sprue derived from the production is milled directly at the machine and returned to the process without any loss of quality. Moreover, apart from the quantity of raw materials processed, their chemical composition is also of environmental relevance. Therefore, today POLYTEC mainly uses water-soluble products for painting purposes and has thus markedly reduced solvent consumption.

2. Enhanced energy efficiency: A particularly important resource and thus cost item for the POLYTEC GROUP is energy and consequently it has put together a comprehensive package of measures aimed at cutting consumption. The investments adopted to date have already resulted in a considerable reduction in energy costs, as exemplified by the transition from oil- to natural gas-fired systems with markedly higher efficiency levels, building insulation, the use of efficient compressed air compressors and similar other measures. Within the framework of the installed energy management systems, individual production phases are examined with regard to their energy efficiency and if necessary, improvement measures are extrapolated from the findings. Heat recovery projects have already been successfully concluded and further schemes for a comprehensive switch to LED lighting technology have been newly initiated.

3. A focus on recycling: Despite the careful use of raw materials waste cannot be excluded entirely. Therefore, it is all the more important that this unavoidable waste be separated as far as possible and then employed in practical recycling. At POLYTEC, appropriate waste classification is assisted by a uniform, colour coding system, which not only prevents wastage but also reduces disposal costs.

SELECTED EXAMPLES OF IMPLEMENTED ENVIRONMENTAL PROTECTION MEASURES:

A combi-cycle power plant generates electricity and heat:

In mid-2014, a natural gas-fired combined heat and electrical power plant was put into operation at the Altenstadt location. Since commissioning, the plant has supplied roughly 1.6 million kWh of electrical power annually, of which the plant uses 1.3 million, while the remainder is fed into the public grid. The experiences gained during the first three years of operation have been positive and studies regarding the in-house generation of electricity at other POLYTEC plants are in progress.

Internal use of waste heat from production: A ventilation system installed at the Kraichtal-Gochsheim location employs waste heat from production in order to preheat intake air for the painting cabins. In 2016, the system ran at full capacity and

supplied around 1.3 million kWh of recycled energy. This measure alone resulted in a cut of roughly 11% in the plant's consumption of natural gas.

Heat exchanger using groundwater for production cooling:

At the Ebensee plant, the start-up of fourteen fully automated lines for the production of IFCO logistics boxes led to a sharp rise in the cooling requirement. Water is available in large quantities in Ebensee and therefore instead of employing conventional, energy-intensive air conditioning, or cooling towers, POLYTEC installed a system that utilises groundwater as a coolant. Water is extracted from the ground and conducted through a heat exchanger in which the temperature level of the cooling medium is lowered. Subsequently, the groundwater is returned to its source at a slightly higher temperature. Using this system, the cooling performance for the Ebensee plant has been raised by 70% and the related long-term energy requirement minimised.

Tool cleaning using residue-free dry ice:

The cleaning of complex tooling is a laborious and costly process that can frequently result in the use of environmentally hazardous cleaning agents. Therefore, since October 2016 the Lohne plant has been using safe dry ice for this purpose. With the help of a cleaning device, dry ice pellets with a temperature of around minus 80 °C are accelerated to a speed of 300 m/sec and targeted on the surfaces to be cleaned. The ice-cold pellets cause a thermal shock and contaminants such as oil, wax or silicone are peeled away. The dry ice, which is favourably priced and easy to obtain, then evaporates residue-free.

EMPLOYEES

The average number of POLYTEC GROUP employees (including leasing personnel) in terms of full-time equivalents (FTE) and their geographic spread in the past three years were as follows:

	Unit	2016	2015	2014
Austria	FTE	553	579	554
Germany	FTE	2,220	2,321	2,304
Rest of EU	FTE	1,504	1,180	562
Other countries	FTE	172	167	161
POLYTEC GROUP	FTE	4,449	4,247	3,581
Sales per employee	EUR k	146	147	137

In terms of an annual comparison, average group workforce numbers (including leasing personnel) rose by 4.8% to 4,449. The number of employees in high-wage countries fell, but increased in best-cost countries. The reason for this shift was, among others, the acquisition of POLYTEC Komlo Kft. in southern Hungary, where around 200 people are employed

(please see details in the group notes). The average leasing personnel quota totalled 8.9% and was therefore 0.3 percentage points up on the yearly average for 2015. Sales per employee (including leasing personnel) amounted to EUR 146 k and therefore remained at roughly the level of the previous year. On the 2016 balance sheet date, the POLYTEC GROUP workforce (excluding leasing personnel) numbered 4,009 and was thus 81 persons larger than in the preceding year. The percentage of women in the group (excluding leasing personnel) as at 31 December 2016 stood at 18.9%, which was one percentage point higher than on the 2015 balance sheet date.

In the corporate human resources area, the POLYTEC GROUP has adapted its recruiting processes to the fresh challenges posed by the age of social media with the aim of presenting itself as an attractive employer. The implemented measures have proved to be successful and in 2016 were acknowledged with the presentation of the Career publishing house's "Best Recruiters" seal in silver. This award was based on the most extensive recruiting study in the German-speaking region, which again examined in detail the practices of the 1,500 largest employers in Austria, Germany and Switzerland. Career websites, social media activities and the quality as well as the information content of job advertisements were all assessed, and as compared to previous years, POLYTEC demonstrated marked improvements in all the areas analyzed.

The POLYTEC GROUP promotes the ongoing further training and development of its employees. For example, the POLYTEC Leadership Academy (PLA) has been created in order to evaluate and expand upon the important and sensitive topic of personnel management. Since 2015, 120 managerial employees have successfully completed a modular qualification programme and in 2016, the PLA placed a special emphasis on the training of managers from the production area. The trainees were divided into peer groups in line with the management tiers and these also determined the teaching content, which was targeted on the respective, concrete demands and problems. Apart from the dissemination of managerial skills, the PLA creates a platform for networking within the POLYTEC GROUP and an extensive exchange of ideas. Coaching also continues even after the official end of Academy training, in order to ensure that attendees are able to continually develop further and also receive support with regard to complex issues.

The POLYTEC Performance System (PPS) is used to disseminate and implement the group's holistic, lean management programme throughout the organisation. In addition, the PPS Academy trains POLYTEC personnel in all the lean management disciplines of relevance to their assignments, in order to simplify daily working and initiate long-term improvements.

During so-called "POLYTEC Employee Days" personnel from the administrative areas have an opportunity to experience manufacturing procedures at close quarters and personally lend a hand. Salaried staff can work in production, turning out and packing components during a complete shift. In this way, both a higher regard for POLYTEC products and improved transparency of internal procedures are created.

4. REPORT ON EXPECTED GROUP DEVELOPMENT AND RISKS

DEVELOPMENT OUTLOOK IN THE AUTOMOTIVE INDUSTRY

Automobile associations foresee further growth in the three largest automotive markets during 2017. The German Automotive Industry Association (VDA) anticipates that in the course of the year car sales in the USA and in Western Europe will show stable development. Analysts also expect a continuation of healthy growth in China, but estimate that this will be considerably below the level of that of 2016. There are also hopes for initial signs of a recovery in Russia. As far as commercial vehicles are concerned, in 2017 the global market should at least remain at, or slightly surpass the level of the preceding year. The sales figures for vehicles with alternative drives are also keenly awaited and finally, the possible political and economic repercussions of the Brexit vote, the new presidency in the USA and national developments also provide sufficient room for speculation.

GROUP RESULT OUTLOOK

Based on the assumption of a stable economic situation and positive business development among all its major customers, the POLYTEC GROUP executive management foresees slight growth in both the group sales and operating results in the 2017 financial year.

5. RISK REPORTING AND FINANCIAL INSTRUMENTS

The VW exhaust gas affair, which became known publicly in September 2015, triggered shockwaves in both the automotive industry and the stock markets, which saw partially sharp price corrections to the shares of manufacturers and suppliers. The VW Group has long been the POLYTEC GROUP's biggest customer in terms of sales and during the 2016 financial year it was difficult to determine if and to which extent the exhaust gas affair would affect the group's operative business. The POLYTEC GROUP

management monitored developments constantly, regularly assessed the risk situation and issued statements regarding the related risks and uncertainties in its interim reports.

Prior to 31 December 2016 and beyond to 31 March 2017, no significant impact upon the operative business of the POLYTEC GROUP was recognisable, which could be traced back to the VW exhaust gas affair, the Brexit decision, or the national and international developments related to the new US presidency. Whether or not in future other risks and uncertainties may exert an influence on the development of the POLYTEC GROUP's sales and income cannot be fully estimated at present.

As far as risk reporting is concerned, we would also refer you to the information contained under Item G.2 in the group notes.

6. RESEARCH AND DEVELOPMENT REPORT

In 2016 the POLYTEC GROUP employed some EUR 10.1 million for research and development, an amount that was slightly larger than the EUR 9.8 million of the previous year. In line with the group strategy of continually developing innovative technologies and applications, the POLYTEC GROUP's R&D departments work intensively on new and further technical developments in the automotive and non-automotive sectors with the objective of achieving continuous improvements in both group competitiveness and profitability.

Apart from the integration of an increasing number of functions in plastic parts and the ongoing expansion of the possibilities for the substitution of metals, the development of new materials and processes aimed at making plastic parts still lighter and more stable represents one of the POLYTEC GROUP's core activities. In this connection, the group not only supplies products and systems, but also works actively on the development of new solutions as a technological partner to its customers.

For example, in October 2016, POLYTEC innovativeness was honoured with the prestigious SPE Automotive Award in the category Power Train, which was conferred upon the group for its development of a compact oil pan with integrated functions for the six-cylinder, boxer engine of the Porsche 911 Carrera. The special challenge posed by this development project emanated from the extremely limited space available in the engine bay. Nonetheless, the POLYTEC design team succeeded in integrating an air-oil separator, a partition box and oil lines into a space-saving, three-part, oil pan module. Furthermore, apart from a marked reduction in weight as compared to the predecessor module, improved acoustic characteristics were also achieved.

In combination with the latest production know-how, an enormous diversity of materials and processes ranging from injection moulding and various fibre compounds to polyurethane applications enables the POLYTEC GROUP to supply its customers with tailor-made solutions that offer top quality at an attractive price-performance ratio. However, the complexity of this enormous design scope also demands considered, lean and coordinated procedures. Therefore, at the individual locations, all the development procedures that had developed over time and were frequently implemented to an extremely variable degree, were subjected to a comprehensive analysis and placed on an entirely new footing. The resultant, uniform, inter-group POLYTEC development process (PEP) is oriented towards a target figure flow, which guarantees the required flexibility for projects from a variety of customers. The major advantages of the new PEP derive from structured working and the related reduction in error propensity, which are coupled to simultaneous increase in cost-efficiency and a corresponding cut in time expenditure. The required procedural transparency is secured by means of system integration and digitisation of the operating data collection.

The ongoing further development of the POLYTEC product portfolio creates a decisive competitive advantage and apart from the permanent task of part and module weight reduction through the substitution of metal by plastic, emission reduction is the focal point of development work. The POLYTEC GROUP's R&D team disposes over comprehensive know-how and long-term expertise.

Amongst other activities, staff at the Lohne plant's innovation centre develop and optimise air and vapour filters. For this purpose, the testing area has been markedly enlarged and brought up to the state of the art through investments in a modern air filter test stand, a pulsation testing unit and modifications to the acoustics chamber.

The air filter test stand now facilitates parametric studies for the optimum design of filters and housings, as well as dust checks, which define the dust absorption capacity of individual products. In addition, the test stand enables the determination of component characteristics such as the level of pressure loss.

The pulsation testing unit establishes the durability of components conducting air flow. This is achieved by subjecting the component to alternating over- and underpressure, and for example, this method enables the scrutiny of suction systems for weak points and the perfection of welding process configurations. The findings thus obtained then flow into the optimisation of new modules as essential basic data.

In order to further enhance acoustic solutions, the acoustics chamber at the Lohne plant was subjected to a complete reno-

vation and was then recommissioned at the beginning of 2016. In the chamber, noise absorbers virtually eradicate reflections and under these ideal conditions, a ring of numerous microphones carries out noise measurements that are practically interference-free. An acoustic camera then converts the data into images, which allow the engineers to read off precisely the points at which a component "swallows" sound and where it is permeable. This also permits detailed statements regarding the noise insulation characteristics of the tested materials and on this platform, the further optimisation of material composition and more efficient component design.

One extremely important material for POLYTEC is sheet moulding compound (SMC) and the group numbers among Europe's technological leaders with regard to its production and processing. The semis consist of duroplastic reactive resins and glass fibres and are employed for the production of fibre-plastic compounds, which are used in cars and commercial vehicles, for example. The results consist of products with particularly high mechanical strength, temperature and media resistance in combination with excellent mould-filling behaviour and top class surface quality.

Within the POLYTEC GROUP, POLYTEC COMPOUNDS, which is located in Kraichtal-Gochsheim in Baden-Württemberg, Germany, acts as the group's development and production centre for SMC technology. The focus of material development is on new materials recipes, which for example offer high mechanical strength, Class A surfaces, lower emission values or usability for foodstuffs. Moreover, Kraichtal-Gochsheim also develops effective testing procedures for enhanced product quality, which can be employed during ongoing serial production and provide measurement results regarding numerous material characteristics in real time. As a consequence, direct interventions in the production process are possible and hence rapid reactions to any deviations. Such production system innovations make a significant overall contribution to the further consolidation of POLYTEC's position in the important SMC technology.

7. KEY FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM WITH REGARD TO THE ACCOUNTING PROCESS

The Board of Directors is responsible for implementing an adequate internal control and risk management system for the accounting process and financial reporting. Appropriate organisational measures and controls ensure that all the relevant legal requirements necessary for complete, correct, timely and orderly entries in the books and other records are met.

The entire process, from procurement to payment, is subject to strict regulations and group-wide valid guidelines that are intended to avoid any related risks such as CEO fraud scenarios. These measures and rules include, among others, the separation of functions, signature directives and signatory powers for payment authorisations on an exclusively collective basis that are restricted to a small number of employees, as well as system-supported checks by the software employed.

The most important management control instrument is the planning and reporting system, which has been implemented across the group. In particular, this includes medium-term planning with a three-year horizon, annual budget planning and monthly reporting. The promptly issued monthly financial reports, which are drawn up by Group Accounting in consultation with Group Controlling, show the current development of all group companies. The content of these reports has been standardised throughout the group and apart from an income statement and balance sheet, also contains the main extrapolated key indicators and an annotated deviation analysis.

The Board of Directors is constantly kept up to speed regarding all relevant issues and risks by means of a standardised, group-wide financial reporting system and ad hoc reports on major events. At its meetings, which are held at least once a quarter, the Supervisory Board is informed about current business developments, operative planning and medium-term group strategy. In special cases the Supervisory Board is also provided with direct and immediate information. Among other topics, the audit committee meetings consider internal controls and risk management.

8. DISCLOSURES REGARDING CAPITAL, SHARE, VOTING AND CONTROL RIGHTS, AND ASSOCIATED OBLIGATIONS PURSUANT TO § 243A OF THE AUSTRIAN COMMERCIAL CODE

As at the balance sheet date of 31 December 2016, the share capital of POLYTEC HOLDING AG remained unchanged at EUR 22.3 million divided into 22,329,585 bearer shares. The group has no other types of shares. All shares have been admitted to trading in the prime market segment of the Vienna Stock Exchange.

The following shareholders held share capital participations in excess of 10.0% on the balance sheet date of 31 December 2016:

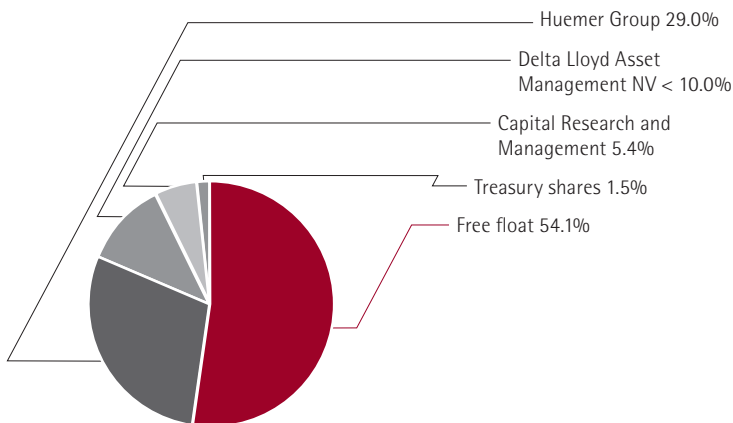
The Huemer Group holds roughly 29.0% (16.0% Huemer Holding GmbH and 13.0% Huemer Invest GmbH) of POLYTEC HOLDING AG share capital. As compared to the 31 December 2015 balance

sheet date, the holding in companies belonging to POLYTEC HOLDING AG that can be attributed to Friedrich Huemer, the POLYTEC GROUP CEO, remained unchanged.

Apart from the aforementioned, on the balance sheet date the Board of Directors knew of no shareholders with an interest in excess of 10% of share capital. No shareholder disposes over special control rights.

In mid-July 2016, the shareholder Delta Lloyd Asset Management NV, Amsterdam (Netherlands) notified POLYTEC HOLDING AG that on 15 July 2016 it fell short of a reporting threshold. On 15 July 2016, two of the funds administered by Delta Lloyd Asset Management (Delta Lloyd Europees Deelnemingen Fonds NV and Delta Lloyd L European Participation Fund) received a joint interest of 9.98%, or 2,228,808 shares in POLYTEC HOLDING AG. Apart from this notification, in the period under report from 1 January to 31 December 2016, POLYTEC HOLDING AG did not receive any voting right communications from shareholders pursuant to §91 of the Austrian Stock Exchange Act.

As at 31 December 2016, on the basis of the 22,329,585 issued shares, the shareholder structure of POLYTEC HOLDING AG had the following form:



TREASURY SHARES

During the 2016 financial year, the group did not purchase or sell any treasury shares. On the balance sheet date of 31 December 2016, POLYTEC HOLDING AG held 334,041 treasury shares, which represented roughly 1.5% of share capital. The current authorisation of the Board of Directors to purchase treasury shares, which is based on a resolution passed by the AGM on 14 May 2014, expired on 13 November 2016.

AUTHORISED CAPITAL

A resolution regarding the renewed creation of authorised capital (§169 of the Austrian Stock Corporation Act) within a maximum of three years following entry into the company register and thus by 24 August 2019, for the purpose of an increase in cash or non-cash capital up to an amount of EUR 6,698,875.00, with the possibility of the exclusion of the subscription rights of the shareholders, as well as the corresponding amendment of the Articles of Association, was approved by the required majority at the 16th Ordinary Annual General Meeting on 19 May 2016.

OTHER INFORMATION

No indemnification agreements exist between the company and the members of the Board of Directors in the eventuality of a change in control. Equally, there are no indemnification agreements for the Supervisory Board members and employees or any other major agreements, which would be affected by a change in control or a public takeover bid. There are no provisions in the Articles of Association that go beyond the statutory provisions for the appointment of members of the Board of Directors and the Supervisory Board, or are intended for amending the Articles of Association. The POLYTEC HOLDING AG website is entered in the company register under: www.polytec-group.com

Hörsching, 31 March 2017

The POLYTEC HOLDING AG Board of Directors

- Friedrich Huemer, m. p.
Chairman – CEO
- Markus Huemer, m. p.
Deputy Chairman – COO
- Alice Godderidge, m. p.
Member of the Board – CSO
- Peter Haidenek, m. p.
Member of the Board – CFO

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR 2016

compared with the figures from the previous year

in EUR k	Notes	2016	2015
Net sales	E. 1	650,403	626,454
Other operating income	E. 2	5,555	4,817
Changes in inventory of finished and unfinished goods		-1,778	1,559
Own work capitalised		2,185	1,650
Expenses for materials and services received	E. 3	-305,713	-307,810
Personnel expenses	E. 4	-211,567	-209,850 ¹⁾
Other operating expenses	E. 5	-61,505	-58,079 ¹⁾
Result from companies accounted for using the equity method	E. 6	2,544	992
Earnings before interest, taxes and depreciation (EBITDA)		80,123	59,735
Depreciation		-27,703	-23,150
Earnings before interest and taxes = operating result (EBIT)		52,419	36,585
Interest result		-4,037	-3,976
Other financial income		13	25
Other financial expenses		-294	-329
Financial result	E. 7	-4,318	-4,281
Earnings before tax		48,102	32,304
Taxes on income	E. 8	-11,084	-8,066
Earnings after tax		37,018	24,239
thereof result of non-controlling interests		-723	-520
thereof result of the parent company		36,295	23,718
Earnings per share in EUR	E. 22	1.65	1.08

¹⁾ Previous year adjusted: the expenses for leasing personnel disclosed under other operating expenses were reclassified as personnel expenses.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1.1.-31.12.2016

in EUR k	Notes	Group	Non-controlling interests	Total
Earnings after tax		36,295	723	37,018
Items that will not be reclassified (recycled) in future periods in the income statement				
Remeasurement of defined benefit obligation, net of tax		-1,208	0	-1,208
thereof related, deferred income taxes		365	0	365
	E. 24	-843	0	-843
Items that will not be reclassified (recycled) in future periods in the income statement				
Currency translations		-2,128	0	-2,128
		-2,128	0	-2,128
Other result		-2,971	0	-2,971
Total result after tax		33,324	723	34,047

1.1.-31.12.2015

in EUR k	Notes	Group	Non-controlling interests	Total
Earnings after tax		23,718	520	24,239
Items that will not be reclassified (recycled) in future periods in the income statement				
Remeasurement of defined benefit obligation, net of tax		-34	-34	-68
thereof related, deferred income taxes		29	9	38
	E. 24	-5	-25	-30
Items that will not be reclassified (recycled) in future periods in the income statement				
Currency translations		-79	0	-79
		-79	0	-79
Other result		-84	-25	-109
Total result for the period		23,635	495	24,130

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2016

compared with the figures from the previous year

ASSETS

in EUR k	Notes	31.12.2016	31.12.2015
A. Non-current assets			
I. Intangible assets	E. 9	2,368	1,796
II. Goodwill	E. 9	19,180	19,180
III. Tangible assets	E. 10	224,192	217,054
IV. Shares in equity-accounted companies	E. 11	0	936
V. Other non-current assets		126	113
VI. Other long-term receivables	E. 12	556	1,133
VII. Deferred tax assets	E. 13	12,254	14,564
		258,678	254,777
B. Current assets			
I. Inventories	E. 14	55,834	58,429
II. Trade accounts receivable	E. 15	49,791	52,202
III. Receivables from construction contracts	E. 16	35,862	34,623
IV. Other current receivables	E. 17	17,196	14,232
V. Income tax receivables		397	185
VI. Current interest-bearing receivables	E. 18	4,149	13,009
VII. Cash and cash equivalents	E. 19	79,540	57,683
		242,770	230,362
		501,448	485,139

EQUITY AND LIABILITIES

in EUR k	Notes	31.12.2016	31.12.2015
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		133,913	104,217
V. Other reserves		-8,316	-5,346
		183,635	156,910
VI. Non-controlling interests		6,289	6,015
	E. 21	189,924	162,925
B. Non-current liabilities			
I. Non-current, interest-bearing liabilities	E. 23	128,837	141,698
II. Provision for deferred taxes	E. 13	917	919
III. Provisions for personnel	E. 24	27,789	26,115
IV. Other long-term liabilities	E. 25	10,198	15,998
		167,741	184,730
C. Current liabilities			
I. Current interest-bearing liabilities	E. 26	24,795	28,346
II. Liabilities on income taxes	E. 27	6,752	3,262
III. Trade accounts payable	E. 28	50,603	50,197
IV. Liabilities from construction contracts	E. 16	1,597	1,867
V. Other current liabilities	E. 29	25,832	25,171
VI. Current provisions	E. 30	34,204	28,642
		143,783	137,484
		501,448	485,139

CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2016

compared with the figures from the previous year

in EUR k	Notes	2016	2015
Earnings before tax		48,102	32,304
- Income taxes		-5,329	-2,730
+ Depreciation (appreciation) of fixed assets		27,703	23,150
- Non-cash earnings from deconsolidation	E. 6/B. 1	-2,402	-1,266
+(-) Result for companies accounted for at equity	E. 6	-142	0
+(-) Other non-cash expenses and earnings	F. 1	-602	-1,957
+(-) Increase (decrease) in non-current provisions for employees		828	-295
- (+) Profit (loss) from asset disposals		-374	-151
= Consolidated cash flow from earnings		67,784	49,056
- (+) Increase (decrease) in inventories		3,424	-5,249
- (+) Increase (decrease) in trade and other receivables		-2,598	4,596
+ (-) Increase (decrease) in trade and other payables		2,362	-108
+ (-) Increase (decrease) in current provisions		-297	2,974
= Consolidated cash flow from operating activities		70,675	51,269
- Investments in fixed assets	F. 1	-35,966	-68,461
- Acquisition of subsidiaries, less acquired cash and cash equivalents	B. 1	-3,752	-3,463
- Investments in financial assets		-13	0
+ Disposal of deconsolidated subsidiaries		0	856
+ Payments from the disposal of intangible and tangible assets		1,734	1,371
- (+) Increase (decrease) interest-bearing receivables and other non-current receivables		9,222	522
= Consolidated cash flow from investing activities		-28,775	-69,175

in EUR k	Notes	2016	2015
+ Inflows from loan financing		301	9,400
- Repayments of loan financing		-6,299	-5,122
- Repayments of real estate loans		-5,423	-33,481
- Outflows from financial leasing agreements		-2,079	-1,937
+(-) Changes in current financial liabilities		579	238
- Third party dividends		-7,049	-5,499
= Consolidated cash flow from financing activities		-19,970	-36,401
+(-) Consolidated cash flow from operating activities		70,675	51,269
+(-) Consolidated cash flow from investing activities		-28,776	-69,175
+(-) Consolidated cash flow from financing activities		-19,970	-36,401
= Changes in cash and cash equivalents		21,930	-54,307
+(-) Effect from currency translations		-74	39
+ Opening balance of cash and cash equivalents		57,683	111,951
= Closing balance of cash and cash equivalents		79,540	57,683

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR k	Notes	Share capital	Capital reserves	Treasury stock
As of January 1, 2016		22,330	37,563	-1,855
Comprehensive income after tax		0	0	0
Other results after tax		0	0	0
Dividend		0	0	0
As of December 31, 2016	E. 21	22,330	37,563	-1,855

in EUR k	Notes	Share capital	Capital reserves	Treasury stock
As of January 1, 2015		22,330	37,563	-1,855
Comprehensive income after tax		0	0	0
Other results after tax		0	0	0
Dividend		0	0	0
As of December 31, 2015	E. 21	22,330	37,563	-1,855

Other reserves						
Retained earnings	Actuarial profit/loss	Reserves from currency translation	Shares of POLYTEC HOLDING AG stockholders	Non-controlling interests		Total
104,217	-3,749	-1,597	156,909	6,015		162,925
36,295	0	0	36,295	723		37,018
0	-843	-2,128	-2,971	0		-2,971
-6,599	0	0	-6,599	-450		-7,049
133,913	-4,592	-3,725	183,635	6,289		189,924

Other reserves						
Retained earnings	Actuarial profit/loss	Reserves from currency translation	Shares of POLYTEC HOLDING AG stockholders	Non-controlling interests		Total
85,998	-3,744	-1,518	138,774	5,520		144,294
23,718	0	0	23,718	520		24,238
0	-5	-79	-84	-25		-109
-5,499	0	0	-5,499	0		-5,499
104,217	-3,749	-1,597	156,909	6,015		162,925

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 2016 FINANCIAL YEAR OF POLYTEC HOLDING AG, HÖRSCHING

A. GENERAL INFORMATION

The POLYTEC GROUP is an Austria-based, globally operating corporation with a focus on the automotive and plastics industry. In the automotive field, the group acts as a supplier of components and modules used largely in the engine bay, or on vehicle exteriors in the high-volume market segment, as well as a provider of original accessories and components for small and medium volume series. Furthermore, the group manufactures various PUR moulded parts for other industries along with the related machinery. The POLYTEC HOLDING AG's company address is: Polytec-Strasse 1, 4063 Hörsching, Austria.

The consolidated financial statements of POLYTEC HOLDING AG (hereinafter referred to as the "group" or "POLYTEC GROUP") for the 2016 financial year were prepared in accordance with the guidelines of the International Financial Reporting Standards (IFRS) and their interpretations in line with the EU standard practice. They also comply with the additional requirements of § 245a Para. 1 UGB (Austrian Commercial Code).

The consolidated financial statements were audited by Deloitte Oberösterreich Wirtschaftsprüfungs GmbH and released by the Board of Directors for transfer to the Supervisory Board on 31 March 2017. The Supervisory Board has the task of examining and stating its approval of the consolidated financial statements as at 31 December 2016. The Austrian Financial Reporting Enforcement Panel scrutinised random extracts from the consolidated financial statements for 2016 and no requirements for amendments resulted.

POLYTEC HOLDING AG headquarters are located in Hörsching, Austria, and the company is listed in the City of Linz Company Register under the number FN 197646 g.

All the standards that were mandatory for the financial years under review were applied during the preparation of these consolidated financial statements.

The following new or amended standards and interpretations were applicable for the first time in the 2016 financial year:

Standard	Interpretation	Published by IASB	Application mandatory according to IASB for financial years from	Adopted by the EU as at 31.12.2016
IAS 1	Disclosure initiative	December 2014	1 January 2016	Yes
IAS 16, 41	Property, plant, equipment, agriculture: accounting requirements for bearer plants	June 2014	1 January 2016	Yes
IAS 16, 38	Property, plant and equipment, intangible assets: clarification of acceptable methods of depreciation and amortisation	May 2014	1 January 2016	Yes
IAS 19	Defined benefit plans: employee contributions	November 2013	1 February 2015	Yes
IAS 27	Consolidated and separate financial statements: equity method in separate financial statements	August 2014	1 January 2016	Yes
IFRS 10, 12, IAS 28	Investments in associates and joint ventures: application of consolidation exception	December 2014	1 January 2016	Yes
IFRS 11	Joint arrangements: accounting by entities that jointly control an arrangement	May 2014	1 January 2016	Yes
Various	Amendments to a series of IFRS, as a result of the 2010–2012 improvement process	December 2013	1 July 2014	Yes
Various	Amendments to a series of IFRS, as a result of the 2012–2014 improvement process	September 2014	1 January 2016	Yes

The consolidated financial statements of the POLYTEC GROUP are not subject to any material effects as a result of the initial application of these new or amended standards.

The International Accounting Standards Board (IASB) is working on a large number of projects, which will only affect financial

years commencing on 1 January 2017. The following new, amended or supplemented standards and IFRIC interpretations that have already been published by the IASB, but for which application is not yet mandatory, have not been applied prematurely by the POLYTEC GROUP and are consequently irrelevant for these consolidated financial statements:

Standard	Interpretation	Published by IASB	Application mandatory according to IASB for financial years from	Adopted by the EU as at 31.12.2016
IAS 7	Disclosure initiative	January 2016	1 January 2017	No
IAS 12	Recognition of deferred tax assets for unrealised losses	January 2016	1 January 2017	No
IAS 40	Transfer of investment property: application of IAS 40 to property under construction or development for future use	December 2016	1 January 2018	No
IFRS 2	Classification and measurement of share-based payment transactions	June 2016	1 January 2018	No
IFRS 4	Application of IFRS 9 in combination with IFRS 4	September 2016	1 January 2018	No
IFRS 14	Regulatory deferral accounts	January 2014	1 January 2016	No
IFRS 15	Revenue from contracts with customers	May 2014	1 January 2018	Yes
IFRIC 22	Payment of advance considerations in a foreign currency	December 2016	1 January 2018	No
IFRS 9	Financial instruments	July 2014	1 January 2018	Yes
IFRS 1, IFRS 12, IAS 128	Amendments to a series of IFRS, as a result of the 2012–2014 improvement process	December 2016	1 January 2017/ 1 January 2018	No
IFRS 16	Leasing	January 2016	1 January 2019	No
IFRS 10, IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	September 2014	n/a	No

IFRS 15 (Revenue from contracts with customers) prescribes a five-level model for the determination of the realised sales revenues from customer contracts. Pursuant to IFRS 15, sales revenues are to be reported to the amount of the consideration that a company can expect in exchange for the transfer of goods and services to a customer (or transaction price in accordance with IFRS 15). This standard will replace all the existing IFRS directives regarding revenue realisation. During the sale of goods and the provision of services within the scope of project business, contractually agreed performance, which is to be qualified as a separate performance obligation within the contract, may exert an influence upon the time-related receipt of revenues. The POLYTEC GROUP has already started to evaluate the impact upon its business. The analyses completed thus far have shown that the contracts concluded with customers can contain separate performance obligations and therefore revenue realisation similar to that employed under the percentage of completion method may occur. The implementation of IFRS 15 will also require modifications to the IT systems and in addition amendments to the balance sheet and far more extensive notes are anticipated. Initial application will result in the modification of internal processes, but material effects upon the consolidated financial statements are not expected.

The version of **IFRS 9 (Financial instruments)** issued in July 2014 replaces the existing directives contained in IAS 39 (Financial instruments: recognition and measurement). IFRS 9 incorporates amended guidelines regarding the classification and measurement of financial instruments, including the new general regulations for hedging transactions. In addition, as a result of IFRS 9, in the case of impairments an expected credit loss model replaces the incurred loss model. As a result, in future a provision must be made for the anticipated losses. IFRS 9 also takes over the guidelines for the recognition and derecognition of financial instruments from IAS 39. IFRS 9 is to be applied in the first reporting period of a financial year beginning on or after 1 January 2018. The POLYTEC GROUP is currently analyzing the effects of IFRS 9, but there should be no material impact upon the consolidated financial statements.

The key concept of the new **IFRS 16 (Leasing)** standard is that all the leasing relationships of the lessee and the related contractual rights and obligations be reported in the balance sheet. This requires the lessee to recognise a liability for the obligation to make future leasing payments for all leasing arrangements. At the same time, the lessee capitalises a usufruct right to the underlying asset, which basically corresponds

with the present value of the future leasing payments plus directly attributable costs. In future, the differentiation between financial and operating leasing agreements stipulated to date under IAS 17 will no longer be required from the lessee. By contrast, for lessors, the regulations in the new standard are very similar to those contained in IAS 17. Leasing agreements will continue to be classified as financial or operating leasing relationships. Agreements under which all risks and opportunities derived from the property are largely transferred will be classified as financial leasing, whereas all other leasing agreements will be seen as operating leases. The criteria contained in IAS 17 will be adopted for classification pursuant to IFRS 16. The POLYTEC GROUP currently adjudges the potential effects of the application of IFRS 16 upon the consolidated financial statements as immaterial, owing to the fact that operating leasing agreements in the POLYTEC GROUP are only used as a financing variation to a limited extent.

With regard to the future application of additional standards and interpretations that have not yet come into effect and are yet to be applied by the POLYTEC GROUP, no significant material changes to the reported assets, liabilities or other disclosures in the consolidated financial statements are expected.

The consolidated financial statements are presented in thousands of euros (EUR k). When collating rounded amounts and information given as a percentage, rounding differences may occur due to the use of automatic calculation systems.

The consolidated income statement of the group is prepared in accordance with the total cost accounting method.

Pursuant to § 245a UGB (Austrian Commercial Code), these consolidated financial statements replace the consolidated financial statements, which would otherwise have to be prepared in accordance with § 244 et seq. UGB.

B. PRINCIPLES OF CONSOLIDATION

1. SCOPE OF CONSOLIDATION

The scope of consolidation is determined in accordance with the principles of IFRS 10 (Consolidated financial statements) and IAS 28 (Investments in associates). The parent company is POLYTEC HOLDING AG, Hörsching. The financial statements of POLYTEC HOLDING AG and the financial statements of the companies controlled by POLYTEC HOLDING AG as at 31 December of each year are included in the consolidated financial statements by way of full or equity consolidation.

Control exists if the company has the power of decision over important activities, generates variable returns from the subsidiary and can influence these returns through such power of decision. Accordingly, in addition to the parent company, 10 (2015: 10) national and 37 (2015: 30) international subsidiaries were included, which are under the control of POLYTEC HOLDING AG. The 7 companies (2015: 6) which were excluded are also immaterial in total. The balance sheet date for all companies included in the consolidated financial statements was 31 December 2016.

An overview of the fully consolidated companies can be found under section G. 6.

As a rule, the annual financial statements of subsidiaries are included in the consolidated financial statements from the date of acquisition until the date of disposal. A subsidiary is first included when control of its assets and business activities is actually assigned to the respective parent company.

In the financial year under review, the scope of consolidation altered as follows:

Scope of consolidation	Equity consolidation	Full consolidation
As at 31.12.2015	1	41
Company acquisitions	0	1
Real estate purchases	0	1
Newly founded business entities	0	4
Change in consolidation methods	-1	1
As at 31.12.2016	0	48
thereof international companies	0	37

ACQUISITIONS 2015**POLYTEC Real Estate Group**

On 2 March 2015 a contract was signed with Huemer Holding GmbH, Hörsching, regarding the purchase of all the shares in POLYTEC Immobilien Holding GmbH, Hörsching. POLYTEC Immobilien Holding GmbH is a real estate investment holding with national and international subsidiaries. For historical reasons, these subsidiaries own industrial real estate of exclusive importance to the POLYTEC GROUP at numerous locations both in Austria and other countries.

WIN Coatings GmbH**(now POLYTEC Industrielackierung Weiden GmbH)**

A company purchase agreement from 23 February 2015 saw the acquisition of all the shares in WIN Coatings GmbH, Altenstadt, Germany, as well as the fixed assets required for company operations and the company premises of Nessmayr Holding GmbH, Altenstadt, Germany.

AdMould Werkzeugbau GmbH**(now POLYTEC Tooling GmbH & Co KG)**

With effect from 1 July 2015, the POLYTEC GROUP took over AdMould Werkzeugbau GmbH, which is located in Thannhausen, Germany. As a result of this purchase, available toolmaking capacity, which among other purposes is employed for the production of injection-moulded automotive components, was expanded and the strategic growth of the POLYTEC GROUP further supported.

For further information, reference should be made to the consolidated financial statements for 2015.

No backdated adjustments were made in the course of these acquisitions in 2015 and therefore the valuations of the net worth purchased remain unchanged.

ACQUISITIONS 2016**Fortreal k.s. and SPELAG s.r.o.****(now POLYTEC ESTATES Bohemia k.s. and SPELAG s.r.o.)**

On 31 March 2016, the purchase of all the shares of both Fortreal k.s. Mariánskolázénská, Czech Republic, as a limited partnership, and SPELAG s.r.o., Mariánskolázénská, Czech Republic, as a general partnership, resulted in the takeover of the company premises in Chodová Planá, Czech Republic.

The two companies do not form a business combination pursuant to IFRS 3. The property was already reported in the consolidated financial statements from 31 December 2015 as financial leasing and no further material assets or debts resulted from the transaction.

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

**Ratipur Autofelszereles Kft. and Ratipur Holding Kft.
(now POLYTEC Komló Kft. and POLYTEC Hungary Kft.)**

On 12 October 2016, POLYTEC HOLDING AG purchased the entire stocks of Ratipur Autofelszereles Kft., Komló, Hungary. Within the scope of a long-term partnership, the POLYTEC GROUP already possessed a 24% holding in Ratipur Kft. and the remaining 76% were acquired largely from the two CEOs of Ratipur Autofelszereles Kft. via the Ratipur Holding Kft. The POLYTEC GROUP has now purchased all Ratipur Holding Kft. shares (in future: POLYTEC Hungary Kft.) and therefore owing to complete control, Ratipur Autofelszereles Kft. and Ratipur Holding Kft., which were previously reported at equity, were fully consolidated with effect from 12 October 2016.

The company acquisition serves the development of new technologies and applications in line with the POLYTEC strategy of strengthening its market position in Europe.

First and foremost, the company will contribute to the extension of the value added chain. Ratipur's existing technological competence in the field of PUR foam is used primarily by POLYTEC for acoustic solutions in the engine bay and the manufacture of top quality products for vehicle individualisation. Moreover, owing to the company's location in southern Hungary, best-cost country advantages can also be exploited.

Ratipur Autofelszereles Kft. not only offers financial advantages, but also possesses potential with regard to capacity and expansion, which will enable the POLYTEC GROUP to remain on its growth course. Equally, the fulfilment of the company's full promise was only attainable by means of full integration into the POLYTEC GROUP and this has now become possible owing to the complete takeover of its shares.

The purchased company employs a workforce of around 200 and in the 2017 financial year will probably have sales revenues of around EUR 7.5 million and EBIT of approximately EUR 0.8 million. From a POLYTEC GROUP perspective, some 30% of sales revenues were internal.

On the date of acquisition, the purchase price breakdown based on the preliminary determination of fair value was as follows:

in EUR k	2016
Purchase price settled in cash	967
Net assets	3,368
Liabilities-side difference (badwill)	2,402

The preliminary recognised fair value of the net assets acquired on the date of acquisition was as follows:

in EUR k	Fair value at the date of acquisition
Non-current assets	
Intangible assets	77
Tangible assets	3,433
	3,509
Current assets	
Inventories	1,113
Trade and other receivables	1,454
Cash and cash equivalents	119
	2,686
Current liabilities	
Trade accounts payable	641
Non-current interest-bearing liabilities	576
Current provisions	41
Other current liabilities	1,569
	2,827
Net assets	3,368

None of the trade and other receivables was subject to value impairment and all the contractually established receivables are recoverable.

The net cash flow from the acquisition was structured as follows:

in EUR k	2016
Cash flow from investing activities	
Purchase price settled in cash	-42
Cash and cash equivalents	119
Net cash flow from the acquisition	77

NEW COMPANY FOUNDATIONS AND RESTRUCTURING IN 2016

POLYTEC Estates UK Ltd.

On 17 November 2016, POLYTEC Estates UK Ltd. was founded owing to the building of a paint shop in the UK.

RESTRUCTURING OF GERMAN COMPANIES

The German companies were restructured towards the end of the 2016 financial year with the aim of combining their results and subsequently allowing for cash pooling across the business segments. For this purpose, on 16 December 2016, three empty limited companies were purchased and employed as transaction firms for the restructuring. One of the companies remains as the German holding company and will bear the name POLYTEC Germany GmbH. By contrast, it is probable that the two new subsidiaries will only exist temporarily and primarily fulfil risk management and financing functions. On 22 December 2016, one of these subsidiaries (PT Composites GmbH) purchased the entire shares of Polytec Composites Beteiligungs GmbH from PT Beteiligungs GmbH. On 22 December 2016, the other subsidiary (PT Plastics GmbH) purchased all the shares of POLYTEC HOLDING Deutschland GmbH from POLYTEC HOLDING AG.

2. METHODS OF CONSOLIDATION

FULL CONSOLIDATION

IFRS 3 (Business combinations) was applied to acquisitions. Capital consolidation was therefore carried out on the basis of the revaluation method (recognition of all assets and liabilities at fair value even in the case of non-controlling interests and the complete disclosure of silent reserves, independent of the amount of the non-controlling interests). The investment carrying value was counterbalanced by the pro rata, newly evaluated equity of the subsidiary (purchase accounting).

Any remaining differences were capitalised as goodwill. Goodwill occurring prior to 1 January 2005 was reported with the carrying amount as at 31 December 2004. All goodwill is subjected to an annual impairment test.

Should the acquisition costs be lower than the net assets, the liabilities-side difference (negative goodwill) is recognised in the income statement of the acquisition period.

Non-controlling interests are disclosed in the consolidated financial statements under equity in accordance with IFRS 10.

All accounts receivables and payables, as well as expenses and earnings resulting from transactions between the companies within the scope of consolidation are eliminated while taking the principle of materiality into account. Interim results from internal group deliveries are also eliminated where they are material.

EQUITY CONSOLIDATION

An associated company is a company upon which the POLYTEC GROUP can exert a decisive influence with regard to financial and business policy owing to a shareholding, whereby neither exclusive nor shared control exists. A participation amounting to between 20 and 50% of the voting rights is seen as a rebuttable presumption.

The results, assets and debts of associated companies are included in the consolidated financial statements using the equity method. Interests in associated companies are reported in the consolidated balance sheet at the cost of acquisition, which is adjusted by changes to the group's share of assets following the acquisition date and losses due to impairments. Losses that exceed the share of the group in the associated company are not reported unless the group bears the economic risk. Associated companies are only retained for operative reasons and thus affect the operating activities of the group.

3. CURRENCY TRANSLATION

BUSINESS TRANSACTIONS IN FOREIGN CURRENCIES

In the individual group companies, transactions in foreign currencies are valued at the exchange rate on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted at the exchange rate on the balance sheet date. Resulting exchange rate differences are reported in the group's consolidated income statement.

Non-current financial receivables from international subsidiaries, the settlement of which is neither planned nor anticipated in the foreseeable future, are treated as part of the net investments in these companies. Differences emanating from the currency translation of these items are recognised through equity in the other result. Should the net investment be sold, these currency differences are transferred from equity to profit or loss.

TRANSLATION OF INDIVIDUAL FINANCIAL STATEMENTS IN FOREIGN CURRENCIES

The functional currency of subsidiaries outside the eurozone is the corresponding national currency. Assets and liabilities of international subsidiaries are converted using the reference exchange rate of the European Central Bank on the balance sheet date. Positions in the group's consolidated income statement are converted using the average exchange rates of the financial year under review.

Exchange rate differences derived from monetary positions, which from an economic point of view belong to an international company, e.g. non-current receivables and loans, are netted against group equity without an effect upon income and reported under the position "currency translation".

The following currency exchange rates were used:

	Average exchange rate		Exchange rate on the balance sheet date	
	2016	2015	31.12.2016	31.12.2015
CAD	1.4779	1.4231	1.4188	1.5116
GBP	0.7920	0.7240	0.8562	0.7340
CNY	7.2817	6.9444	7.3202	7.0621
TRY	3.2533	3.0285	3.7072	3.1766
HUF	312.5000	309.5867	309.8300	315.9800
USD	1.1077	1.1041	1.0541	1.0887
CZK	27.0270	27.2480	27.0210	27.0230

C. FAIR VALUE MEASUREMENT

The POLYTEC GROUP measures financial instruments at either amortised cost or fair value. Fair value is defined through the amount that would be received in an orderly business transaction between market participants on the valuation date for the sale of an asset, or paid for the transfer of a debt. During the measurement of fair value it is assumed that the business transaction in the course of which the asset sale or debt transfer occurs takes place on the main market for the asset or the debt, or should a main market not exist, on the most advantageous market. The POLYTEC GROUP measures fair value using the assumptions employed by the market participants as a basis for pricing. It is assumed that the market participants act in their best business interests.

During the measurement of the fair value of a non-financial asset, the ability of the market participant to generate economic advantage through maximum and best asset use is accounted for.

Techniques are employed for the determination of fair value, which are appropriate under the respective conditions and provide sufficient data for fair value measurement, whereby if possible observable input factors are used.

Depending on the significance of the influential factors included in the valuation, a differentiation is made between three fair value levels, which clarify the extent to which observable market data is available for fair value measurement.

The levels of the fair value hierarchy and their application with regard to assets and liabilities can be described as follows:

Level 1:

Listed market prices for identical assets or liabilities in active markets.

Level 2:

Information other than listed market prices, which are directly (e.g. prices) or indirectly (e.g. extrapolated from prices) observable.

Level 3:

Information regarding assets and liabilities, which is not based on observable market data.

D. ACCOUNTING AND EVALUATION PRINCIPLES

The principle of standardised accounting and evaluation is applied through directives that are valid throughout the entire group. Insubstantial deviations with regard to the individual financial statements of international group companies are retained. All financial statements are prepared based on the assumption that the group is a going concern.

1. INTANGIBLE ASSETS

Acquired intangible assets are valued at the cost of acquisition and subjected to scheduled amortisation and depreciation on a straight-line basis. The amortisation and depreciation rates range between 10.0% and 50.0%.

Expenses for research are shown as expenses in the year of their occurrence. Development costs also generally represent periodic expenses. These are capitalised when certain conditions can be proved and cumulatively fulfilled. Among other aspects, it must be verifiable that development activities are very likely to result in the future accrual of funds, which not only cover standard costs, but also the related development expense. Capitalised development costs for customer orders are amortised from the beginning of the serial deliveries on a straight-line basis during the entire life of the model.

2. GOODWILL

Goodwill is measured at the cost of acquisition less accumulated impairment losses (see also C. 9 "Impairment").

3. FIXED ASSETS

Fixed assets are valued at the cost of acquisition or production less scheduled amortisation, or the lower achievable market price. Scheduled amortisation is determined using the straight-line method.

The following rates are used for the scheduled amortisation on depreciable fixed assets:

	in %
Buildings and leasehold improvements	4.0–20.0
Technical equipment and machinery	6.7–50.0
Other fixtures, fittings and equipment	10.0–50.0

Interest on borrowed capital is not capitalised, as no substantial borrowing costs are incurred that are directly attributable to a qualifying asset.

4. INVENTORIES

Inventories are reported at their acquisition or production costs, or the lower net realisable value on the balance sheet date. The determination of acquisition and production costs is performed for similar assets in accordance with the weighted average cost method, or comparable methods. Production costs only include directly attributable costs and proportionate overhead costs. Interests on borrowed capital are not capitalised, as no substantial borrowing costs are incurred that are directly attributable to the acquisition, construction or production of a qualifying asset. The risk derived from obsolete inventory stocks is accounted for by reasonable reductions in the carrying value, in order to approximately represent the net sales price.

5. TRADE ACCOUNTS RECEIVABLE

Receivables are capitalised at the cost of acquisition. Recognisable risks are taken into account through the formation of appropriate provisions.

6. CONSTRUCTION CONTRACTS

If the result of a construction contract can be estimated reliably, the related income and expenses are to be reported in accordance with the progress on the closing date of the financial statements. Progress is determined on the basis of the ratio of the order costs incurred on the balance sheet date to the estimated overall contract expense. Changes to the contractual work, the requirements and performance bonuses are included to the extent that their amount can be determined reliably and their receipt regarded as probable.

Should it not be possible to reliably determine the result of a construction contract, the related income is only reported to the amount of the incurred contractual costs that are probably recoverable. Contractual costs are recognised as an expense in the period in which they occur.

If it is probable that the entire contractual costs will exceed total contractual income, the anticipated loss is reported immediately as an expense.

If on the closing date the contractual costs plus recognised profits and minus recognised losses exceed the partial invoices, then the surplus from the construction contract is to be shown with a positive balance relating to the customer. In the case of contracts in which the partial invoices exceed the incurred contractual costs plus recognised profits and minus recognised losses, the surplus from the construction contract is to be shown with a negative balance relating to the customer. Amounts received prior to the provision of production performance are reported in the consolidated balance sheet as debts on the advance payments received. Settled amounts for already completed performance that have not yet been paid by the customer are included in the consolidated balance sheet under the item "Trade accounts receivable".

7. OTHER RECEIVABLES

Where existent, the reported other receivables include any derivative financial assets that show a positive market value and are classified as "held for trading".

Non-current receivables are recognised at cash value on the basis of an interest rate in line with the market.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand, cheques, cash at banks and securities, which are used by the group for liquidity management. They are measured at current values, which are established on the basis of sufficiently solvent markets and can therefore be reliably determined.

9. IMPAIRMENT

Goodwill and other intangible assets with an indefinite useful life are subject to an annual impairment test, which is performed shortly before each balance sheet date, or to an indication-related impairment test. All other intangible and fixed assets are tested if indications of impairment exist.

For the purpose of impairment testing, POLYTEC GROUP assets that generate independent cash flow are combined on the lowest level (cash-generating units). Goodwill is assigned to those cash-generating units, which are expected to benefit from synergies and represent the lowest group level in managerial cash flow monitoring.

Impairment is deemed to exist if the recoverable amount of the asset, or of the cash-generating unit is lower than the carrying amount. The recoverable amount is the higher of the value in use and the fair value less selling costs.

The value in use of the asset corresponds to the present value of the estimated future cash flows from its continuing use, subject to a standard market interest rate before taxes and adjusted to the specific risks of the asset. Cash flows derive from the current planning approved by the Board of Directors and the Supervisory Board. The estimation of the future cash flow is based on a three-year planning horizon. A perpetual annuity based on the third year estimates is assumed for the period beyond this planning horizon. The interest rate used for calculating the current value corresponds with the weighted average capital costs of the cash-generating units.

Impairment expense is disclosed to the amount by which the carrying amount of the individual asset or the cash-generating unit exceeds the recoverable amount. The recoverable amount is the higher of the sums from the net selling price and the value in use. Impairment losses recognised with regard to cash-generating units to which goodwill has been allocated are first applied against the carrying amount of goodwill. Any remaining impairment expenses reduce the carrying amounts of the assets of the cash-generating unit on a pro rata basis.

Should the reasons for impairment cease to exist, corresponding write-ups are performed for fixed assets. Goodwill, which has been amortised due to impairment, is no longer written up.

10. OBLIGATIONS TO EMPLOYEES

PROVISIONS FOR SEVERANCE PAYMENTS

Due to statutory obligations, employees of domestic group companies who joined the company prior to 1 January 2002 are entitled to a one-off severance payment in the event of the termination of their contract, or at the time of retirement. The payment amount depends upon the number of years of service and the relevant remuneration at the severance date. For all employment contracts concluded after 31 December 2002, payments are made to a company pension fund for employees and reported as an expense.

The provisions for severance payments are determined on the balance sheet date using the projected unit credit method, as well as by applying a discount rate of 1.50% (2015: 1.90%) and allowing for future remuneration increases of 2.00% (2015: 2.00%). A discount for employee turnover based on the years of service is included. The assumed uniform retirement age for men and women, taking into account certain temporary arrangements, is unchanged over the preceding year at 62. Service costs are divided over the entire period of service of employees from the date that they join the company until they reach the expected retirement age.

Pursuant to IAS 19 actuarial gains/losses are recognised under other result in the year in which they occur. Current and past service costs are reported as personnel expenses in the consolidated income statement, while the interest expense related to provisions for severance payments is reported in the financial result.

PENSION OBLIGATIONS

Pension obligations exist for certain German group company employees. These obligations are reported in accordance with IAS 19. For this purpose, the current value of the defined benefit obligation (DBO) is determined. The pension provisions are calculated using the projected unit credit method, whereby depending on the distribution of the obligations to entitlements and liquid pensions, and owing to the specific regulations of the individual pension funds, a discount rate of 1.70% (2015: 2.20%), as well as an increase of 2.00% (2015: 2.00%) is applied. The 2005G – Dr. Klaus Heubeck tables are used for the actuarial calculations.

At the two operative Dutch companies, the entitlements of active pension scheme members are dealt with in the form of a defined contribution pension plan. The pension entitlements of former employees and beneficiaries are calculated as a percentage of the annual remuneration during each year of employment. These benefits are handled via an insurance company and are indexed on an ongoing basis in line with the specifications of the branch pension fund. Companies are obliged to make future contributions should the earnings of the insurer prove insufficient to finance the promised increases in benefits. The resultant provision for pensions is calculated in accordance with the projected unit credit method using a discount rate of 1.70% (2015: 2.20%) and an increment of 2.00% (2015: 2.00%). The AG2014 mortality tables are employed for the actuarial calculations.

Pursuant to IAS 19, actuarial gains/losses are recognised under other result in the year in which they occur. Current and past service costs are reported as personnel expenses in the consolidated income statement, while the interest expense related to provisions for pensions is reported in the financial result.

Three POLYTEC GROUP companies in Germany have outsourced their performance-related pension commitments to a mutual insurance society (pension fund), which is monitored by the Federal Financial Supervisory Authority (BaFin). The insurance fund covers old-age, partial invalidity and survivors' benefits. Other insurances were not concluded. The pension fund insures both active and former employees from 28 company groups, which in order to fulfil their benefit obligations share joint liability. The pension fund invests the paid contributions and secures the fulfilment of benefit commitments. As at 30 June 2016, the POLYTEC GROUP terminated all future contribution payments and will assume future pension payments through internal financing (future services). Previously vested benefits (past services) remain in the pension fund. Owing to insufficient information from the pension fund regarding the status of the pension obligation, in accordance with IAS 19.34ff, the POLYTEC GROUP reports these as contribution-oriented plans. On the date of its annual financial statements on 31 December 2015, the pension fund disclosed assets of EUR 435 million and obligations of EUR 431 million, and therefore equity of EUR 4 million. The POLYTEC GROUP holds a roughly 7% share of the net assets of the pension fund.

OTHER LONG-TERM OBLIGATIONS TO EMPLOYEES

Owing to collective or other company agreements, employees are entitled to receive a certain bonus in line with their length of service. A provision has been formed for these obligations using the same amounts as those employed for pension obligations (with the exception of the discount for employee turnover).

11. TAXES

Tax receivables are reported as netted against tax receivables when they relate to the same fiscal authority and a possibility for netting is available.

The income tax expense (the income tax credit) includes both actual and deferred taxes.

The actual taxes for the individual companies are calculated on the basis of the taxable income of the company and the applicable tax rate in the respective country.

In particular, deferred taxes are recognised for temporary valuation differences between the IFRS and the tax balance of the individual companies, as well as for consolidation procedures. They are determined according to IAS 12 using the balance sheet liability method. Furthermore, the probable realisable tax advantage from existing loss carryforwards is included in the calculation. Deferred tax assets on loss carryforwards are formed to the extent that their utilisation can be expected within a foreseeable period. The calculation of the deferred taxes is based on the standard national income tax rate.

12. OTHER NON-CURRENT AND CURRENT LIABILITIES

The value of trade accounts payable results from the fair value of the services received at the time of their occurrence. Subsequently, these liabilities are valued at amortised acquisition costs.

Other liabilities, especially accrued interest-bearing liabilities, are reported with their repayment amount unless there is no substantial difference to fair value. Subsequent valuations are based on amortised acquisition costs using the effective interest method.

13. PROVISIONS

Provisions are formed when as a result of past transactions or events, legal or de facto obligations to a third party exist, which are likely to lead to an outflow of assets that can be reliably determined. Provisions are reported at the anticipated settlement amount with due regard to all the identifiable risks attached. Within this context, the settlement amount with the highest possible likelihood of occurrence is used. Non-current provisions are discounted if the discount effect is material and the discounting period can be estimated reliably.

Provisions for contingent losses and potential risks consist of the provisions for contingent losses pursuant to IAS 37 and for disadvantageous contracts in accordance with IFRS 3.

During the measurement of the provisions for disadvantageous contracts pursuant to IFRS 3, the existing margins from current production projects are counterposed with a standard market margin. A negative deviation and hence the disadvantageous nature of the project are accounted for through the formation of a provision.

14. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the balance sheet should the group become a contractual party in relation to a financial instrument.

Financial assets are derecognised when the contractual rights from the assets expire, or the assets are transferred with all material rights and obligations. Financial liabilities are derecognised if the contractual obligations have been settled, deleted or have expired. Purchases and sales of financial instruments subject to customary market conditions are generally reported with the settlement date.

Financial assets are categorised as follows:

- a. Financial assets measured at fair value through profit or loss
- b. Financial assets held for trading
- c. Loans and receivables
- d. Available-for-sale financial assets

Financial liabilities are categorised as follows:

- a. Financial liabilities measured at the residual carrying amount
- b. Financial liabilities held for trading

Other possible categories pursuant to IAS 39 are not applied.

Financial derivatives are only concluded for the hedging of basic business. Financial derivatives that do not correspond with hedge accounting pursuant to IAS 39 are classified as held for trading financial assets or liabilities and recognised in the balance sheet at fair value. This corresponds with the current value, should one exist, or is determined using standard valuation methods employing the market data available on the valuation closing date. Fair value mirrors the estimated amount that the POLYTEC GROUP must pay or receive if this transaction were to be completed on the balance sheet date. Changes in value are immediately recognised in the consolidated income statement through profit and loss.

15. REALISATION OF INCOME AND EXPENSES

Revenues from the sale of products and goods are realised upon the transfer of the risks and opportunities to the buyer. Operating expenses are recognised through profit and loss when the service is rendered or the expenses are incurred.

16. FINANCIAL RESULT

Financing expenses include the interest and interest equivalent expenses arising from debt financing and financial leasing transactions, as well as the interest components of the change in obligations to employees.

Financial revenues include the interest, dividends and similar revenues realised from the investment of funds and investment in financial assets. Interest income is realised proportional to time and the effective interest rate of the asset is taken into account. Dividend income is reported with effect from the date of the legal claim.

Profits and losses from the sale of financial assets, impairment expenses from financial investments, exchange rate profits and losses in connection with financing activities, as well as the results from security transactions are reported in the financial result.

17. GROUP CASH FLOW STATEMENT

The indirect method was selected for the consolidated cash flow from operating activities disclosed in the presentation of the group cash flow statement. The financial fund corresponds with the cash and cash equivalents.

18. UNCERTAINTIES WITH REGARD TO ASSESSMENTS AND ASSUMPTIONS

The preparation of the consolidated financial statements requires that the management make estimates and assumptions with regard to the application of accounting and evaluation principles, as well as potential future developments that might influence the reporting and value of the reported assets and liabilities, information regarding other obligations on the balance sheet date, and the recognition of income and expenses during the reporting period. The actual amounts to be realised in the future may deviate from these estimations.

In assessing the intrinsic value of goodwill and property, plant and equipment, management makes estimates and future-related assumptions regarding the surplus inflows expected over the planning periods and the costs of capital of both the POLYTEC GROUP and individual cash-generating units. Such estimates are made in all good faith subject to the assumption that the group is a going concern. They are also based upon experience and take any remaining uncertainty into due account. In order to demonstrate the impact of a change in the parameters used in the impairment test, a sensitivity analysis was carried out which is explained in greater detail under E. 9 "Intangible assets and goodwill".

The settlement of construction contracts, which are reported on the basis of the percentage of completion method, employs estimates of the contract costs, attainable earnings and contractual risks (including technical, political and financial risks). Although the estimates incorporate all the information available on the balance sheet date, subsequent changes are possible that can lead to asset value adjustments and exert a material influence upon the results from subsequent periods.

In assessing the recoverability of deferred tax assets, the management evaluates the likelihood that all deferred tax assets will be realised. The final realisation of deferred tax assets is dependent upon the generation of future taxable income in those periods during which temporary differences become deductible. If the company is unable to generate sufficient future taxable income, no deferred tax benefits from operating loss carryforwards can be recognised and their value has therefore to be adjusted correspondingly. A sensitivity analysis has shown that, as in the preceding year, in comparison to medium-term planning a 10% reduction in taxable income would not result in any additional value adjustment to the deferred tax assets from loss carryforwards.

Assumptions concerning future payment surpluses, as well as future taxable results are based on the medium-term planning of the group. Should these prove to be incorrect, this may have considerable effects on the assets reported in subsequent years.

The determination of the useful life of fixed assets also involves estimates, which are based on experiences resulting from the operation of comparable equipment.

The actuarial assessment of provisions for severance payments and pension contributions carried out by independent actuaries is based on a method that employs parameters such as the expected discount rate, increases in remuneration payments and pension contributions. In addition to the interest rate risk and the risk of a potential increase in remuneration payments and pension contributions, there is also a longevity risk. If the development of these relevant parameters differs significantly from the original expectations, this may have considerable effects upon the provisions and consequently upon the group's net expenses for severance payments and pension contributions. In order to present the impact of a change in the interest rate used to determine severance payment and pension obligations, a sensitivity analysis was carried out, which is explained in greater detail under E. 24 "Obligations to employees".

In view of existing and threatened contingent funding commitments to a pension fund, a provision of EUR 2,980 k (2015: EUR 0) was made in the "Other provisions" in the POLYTEC GROUP's consolidated financial statements. This amount was established on the basis of information provided by the management of the pension fund and relates to probable liquidity outflows prior to the restoration of the independent viability of the pension fund. The probable liquidity outflow derives from the restructuring plan drawn up by the pension fund management, which has been approved by the BaFin. Payments to the pension fund of some EUR 700 k are anticipated for the 2017 financial year.

19. REPORTING

As compared to the previous year, the reporting of assets and liabilities, expenses and income, equity items and the cash flow in the cash flow statement remained basically unaltered in the 2016 financial year.

However, 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 because during operating procedures no differentiation is made between company 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.

In addition, in order to enhance the clarity of the consolidated balance sheet, the item "Non-current interest-bearing receivables" has been included under "Other non-current receivables".

E. NOTES TO THE GROUP'S CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET

1. SALES REVENUES AND SEGMENT REPORTING

Until the consolidated financial statement for 2015, segment reporting took place on the basis of a differentiation between the "Plastics processing" and "Other" segments, whereby the latter was comprised largely by the business activities of the metal processing companies within the POLYTEC GROUP, real estate assets and POLYTEC HOLDING AG, which administers the group.

However, owing to the developments of past years and recent acquisitions (voestalpine Plastics Solutions, Ratipur Autofelszereze Kft. and Ratipur Holding Kft., etc.), group interdependence has increased further, especially in view of the desire to use synergetic potential to a greater extent by means of matrix organisation expansion. The product portfolio has also altered, as its contents are no longer defined by means of a certain technology, but rather through flexible and combined technology employment, whereby product technologies are coupled, improved or substituted. Furthermore, the individual companies and business segments all demonstrate similar business characteristics (industry, long-term result expectations, etc.) and above all serve the same market and clientele. The real estate group purchased in 2015 and the group management holding do not meet the preconditions of IFRS 8.6, as they do not carry out any entrepreneurial activities pursuant to IFRS 8.5.

For these reasons, during a comprehensive analysis of the reporting structure, it was concluded that the POLYTEC GROUP is a one-segment group and therefore segmented reporting would no longer correspond with its current managerial structure and strategy. Therefore, the obligatory operating segment reporting for a single segment in the 2016 financial year is limited to inter-segmental disclosures in accordance with IFRS 8.31 ff.

As an automotive industry subsupplier, the group naturally depends upon a small number of major customers. In 2016 and 2015, two respective customer groups provided more than 10% of the Group's total sales. The VW Group accounted for EUR 229,541 k (2015: EUR 226,093 k) of total sales, while sales to the Daimler Group amounted to EUR 94,418 k (2015: EUR 90,916 k). All in all, three main customers provided roughly 56% of total sales in 2016 (2015: 58%). Due to the extensive range of models and marques of these major customers, which as a rule operate in both the passenger car and commercial vehicle sectors, in all three cases the customer-supplier relationship relates to each of the separately reported business areas, although to differing degrees.

The distribution of sales according to market segments is as follows:

in EUR k	2016	2015
Passenger cars	425,401	420,108
Commercial vehicles	147,419	148,067
Non-automotive	77,583	58,279
Total	650,403	626,454

The disclosures concerning geographical areas to be made at group level (depending on the location of customers' business premises) on the balance sheet dates can be summarised as follows:

in EUR k	External sales		Intangible assets, goodwill and fixed assets	
	2016	2015	2016	2015
Austria	17,363	15,531	88,253	83,668
Germany	365,925	342,868	87,236	93,114
Rest of EU	226,324	220,260	48,877	43,990
Rest of world	40,791	47,795	21,376	17,259
Group	650,403	626,454	245,741	238,031

Sales are divided according to categories as follows:

in EUR k	2016	2015
Part sales and other sales	594,480	556,344
Tooling and development sales	55,922	70,110
Total	650,403	626,454

2. OTHER OPERATING INCOME

in EUR k	2016	2015
Income from the sale of and additions to fixed assets excluding financial assets	313	141
Income from cost reimbursements	1,095	1,156
Release of badwill (IFRS 3)	0	351
Capital gains	0	164
Income from rents	711	690
Income from release of obsolete accruals no longer required	991	0
Other income	2,444	2,315
Total	5,555	4,817

3. EXPENSES FOR MATERIALS AND OTHER SERVICES RECEIVED

in EUR k	2016	2015
Material expenses	231,311	231,922
Expenses for services received	74,402	75,888
Total	305,713	307,810

4. PERSONNEL EXPENSES

in EUR k	2016	2015
Wages and salaries	152,583	152,261
Expenses for leasing personnel	18,906	17,893 ¹⁾
Statutory social expenses	29,059	29,514
Expenses for severance payments and pensions	9,197	7,207
Other personnel expenses	1,822	2,976
Total	211,567	209,850

¹⁾ The expenses for leasing personnel were reclassified as "Personnel expenses" instead of "Other operating expenses". The figure for the previous year was adjusted accordingly.

The expenses for severance payments and pensions also include expenses for contribution-oriented plans. For the Austrian companies within the group, these expenses amounted to EUR 246 k in the year under review (2015: EUR 221 k).

The number of employees of the POLYTEC GROUP (including leasing personnel) was as follows:

	2016	2015
Average number of employees	4,449	4,247
As at 31 December	4,427	4,223

The number of employees of the POLYTEC GROUP (excluding leasing personnel) was as follows:

	2016	2015
Average number of employees	4,053	3,882
As at 31 December	4,009	3,928

The average numbers of POLYTEC HOLDING AG employees and of the Austrian subsidiaries of the POLYTEC GROUP were as follows:

	2016	2015
Blue-collar workers	334	340
White-collar employees	175	170
Total	509	510

5. OTHER OPERATING EXPENSES

in EUR k	2016	2015
Maintenance costs	17,161	15,932
Other operating costs	10,121	9,356
Other administrative costs	5,921	5,265
Outgoing freight	6,016	5,528
Rent for buildings	4,639	5,216
Other sales costs	4,735	4,914
Other rent and leasing costs	4,201	3,803
IT and communication costs	3,574	3,614
Legal and consulting fees	3,501	3,556
Taxes and fees other than income tax	770	652
Price losses	199	0
Risk provisions and damages	607	232
Losses on the disposal of fixed assets, excluding financial assets	60	10
Total	61,505	58,079¹⁾

¹⁾ The expenses for leasing personnel were reclassified as "Personnel expenses" instead of "Other operating expenses". The figure for the previous year amounting to EUR 16,587 k was adjusted accordingly. Of this total, EUR 15,281 k related to expenses for leasing personnel and EUR 1,306 k to expenses for service contracts, which are disclosed under "Other administrative costs".

The other operating expenses also contain the following expenses for the services provided by the group auditors.

in EUR k	2016	2015
Annual financial audit	127	134
Other services	48	32
Total	175	166

in EUR k	Operative result		Financial result				Net result
	Value adjustment	Currency translation	Interest	Income from other securities	Income from participations	Result from derivatives	
31.12.2016							
Loans and receivables	-877	0	684	0	0	0	-193
Financial liabilities	0	257	-4,273	0	0	0	-4,016
Available-for-sale financial investments	0	0	0	0	0	0	0
Financial investments held to maturity	0	0	0	0	0	0	0
Fair value through profit and loss	0	0	0	0	0	-294	-294

6. RESULT FROM COMPANIES ACCOUNTED FOR AT EQUITY

in EUR k	2016	2015
Accumulated result from initial consolidation	0	696
Current result	142	296
Result from changes to consolidation methods	2,402	0
Total	2,544	992

7. FINANCIAL RESULT

in EUR k	2016	2015
Interest income and income from securities	684	1,337
Interest component defined benefit plans	-449	-609
Other interest expenses	-4,273	-4,705
Other financial income	13	25
Other financial expenses	-294	-329
Total	-4,318	-4,281

The interest component from defined benefit plans is a non-cash item. All other interest expenses or interest income are mostly cash items.

The net result according to valuation categories is as follows:

in EUR k	Operative result		Financial result				
	Value adjustment	Currency translation	Interest	Income from other securities	Income from participations	Result from derivatives	Net result
31.12.2015							
Loans and receivables	-471	0	1,337	0	0	0	866
Financial liabilities	0	-229	-4,619	0	0	0	-4,848
Available-for-sale financial investments	0	0	0	0	0	0	0
Financial investments held to maturity	0	0	0	0	0	0	0
Fair value through profit and loss	0	0	0	0	0	-329	-329

8. INCOME TAXES

in EUR k	2016	2015
Expenses for current income taxes	8,743	5,224
thereof aperiodic	1,163	-205
Changes in deferred income taxes	2,341	2,841
thereof aperiodic	-1,900	0
Total	11,084	8,066
thereof aperiodic	-737	-205

The income tax expense for the 2016 financial year amounting to EUR 11,084 k is EUR 942 k lower than the calculated income tax expense totalling EUR 12,025 k, which would have resulted from the application of a tax rate of 25% on the result before income tax of EUR 48,102 k.

The reasons for the difference between the calculated and the disclosed group income tax expense can be summarised as follows:

in EUR k	2016	2015
Earnings before income tax	48,102	32,304
thereof 25% calculated income tax expense	12,025	8,076
Changes in value adjustments for deferred tax assets	800	0
Permanent differences and other changes	-1,104	378
Differences from the discrepancy between the local and consolidated tax rates	99	-183
Income tax expense for the reporting period	11,821	8,271
Aperiodic income tax expense	-737	-205
Disclosed income tax expense	11,084	8,066

9. INTANGIBLE ASSETS AND GOODWILL

The classification of the intangible assets shown in the consolidated balance sheet and their development is as follows:

in EUR k	R&D costs	Rights	Goodwill	Total
Costs of acquisition				
As at 1.1.2015	801	7,026	45,508	53,335
Change in the scope of consolidation	0	5	0	5
Currency translation differences	0	0	0	0
Additions	0	999	0	999
Disposals	0	-81	0	-81
Transfers	0	14	0	14
As at 31.12.2015	801	7,962	45,508	54,271
As at 1.1.2016				
As at 1.1.2016	801	7,962	45,508	54,271
Change in the scope of consolidation	0	75	0	75
Currency translation differences	0	6	0	6
Additions	0	1,156	0	1,156
Disposals	0	0	0	0
Transfers	0	207	0	207
As at 31.12.2016	801	9,406	45,508	55,715

in EUR k	R&D costs	Rights	Good-will	Total
Accumulated depreciation				
As at 1.1.2015	801	5,595	26,328	32,724
Change in the scope of consolidation	0	0	0	0
Currency translation differences	0	0	0	0
Scheduled amortisation	0	586	0	586
Impairments	0	0	0	0
Disposals	0	-15	0	-15
Transfers	0	0	0	0
Revaluations	0	0	0	0
As at 31.12.2015	801	6,166	26,328	33,295
As at 1.1.2016				
As at 1.1.2016	801	6,166	26,328	33,295
Change in the scope of consolidation	0	0	0	0
Currency translation differences	0	7	0	7
Scheduled amortisation	0	865	0	865
Impairments	0	0	0	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Revaluations	0	0	0	0
As at 31.12.2016	801	7,038	26,328	34,167
Carrying amount as at 31.12.2015	0	1,796	19,180	20,976
Carrying amount as at 31.12.2016	0	2,368	19,180	21,548

Additions result exclusively from acquisitions and not from internal development projects.

The research and development expenses of the group during the financial year amounted to approximately EUR 10,061 k (2015: EUR 9,803 k).

IMPAIRMENTS

As in the preceding year, the impairment test showed no need for goodwill impairment. This also applies to the other intangible assets.

GOODWILL

Goodwill is allocated to the following cash-generating units (CGU) as follows:

in EUR k	31.12.2016	31.12.2015
Hörsching plant	9,148	9,148
Bromyard plant	3,495	3,495
Other	6,537	6,537
Total	19,180	19,180

The recoverable amount for the CGUs, to which goodwill has been allocated, was determined on the basis of a discounted cash flow method. The underlying methods and assumptions employed are explained under D. 9.

The impairment tests were based on the following assumptions:

in EUR k	31.12.2016	31.12.2015
Cash flow planning period	3 years	3 years
Long-term perpetuity growth rate	0%	0%
Discount rate (WACC) before taxes (EUR)	12.1%	11.6%
Discount rate (WACC) before taxes (GBP)	12.6%	11.8%

The estimates undertaken regarding the recoverable amount were deemed appropriate. However, changes to the assumptions or with regard to circumstances could necessitate corrections.

A sensitivity analysis showed that if planned free cash flow were to be reduced by 10% while other parameters remained unaltered, the carrying amounts of goodwill would still be covered and no impairment would be needed. The carrying amounts of goodwill would also be covered if the discount rate were to be increased by 1% and no impairments would be required.

10. TANGIBLE ASSETS

The classification of the tangible assets shown in the consolidated balance sheet and their development is as follows:

in EUR k	Land and buildings	Technical equipment and machinery	Fixtures, fittings and equipment	Advanced payments made and assets under construction	Tot
Costs of acquisition					
As at 1.1.2015	33,199	191,492	58,463	9,354	292,508
Change in the scope of consolidation	3,683	1,597	174	0	5,454
Currency translation differences	207	678	114	-88	9
Additions	89,574	14,084	4,991	25,769	134,418
Disposals	-112	-825	-2,118	-689	-3,744
Transfers	-13	6,877	57	-6,907	
As at 31.12.2015	126,537	213,904	61,681	27,440	429,562
As at 1.1.2016	126,537	213,904	61,681	27,440	429,562
Change in the scope of consolidation	2,745	632	0	56	3,433
Currency translation differences	-513	-1,317	-96	-193	-2,119
Additions	6,570	14,497	4,606	7,562	33,235
Disposals	-21	-3,580	-1,469	-109	-5,179
Transfers	10,185	13,108	1,055	-24,553	-21
As at 31.12.2016	145,503	237,244	65,777	10,203	458,727
Accumulated depreciation					
As at 1.1.2015	13,983	133,467	44,338	0	191,788
Change in the scope of consolidation	0	0	0	0	
Currency translation differences	116	491	102	0	709
Scheduled amortisation	3,244	15,252	4,068	0	22,564
Disposals	0	-682	-1,871	0	-2,553
Transfers	0	33	-33	0	
As at 31.12.2015	17,342	148,561	46,605	0	212,508
As at 1.1.2016	17,342	148,561	46,605	0	212,508
Currency translation differences	-185	-829	-90	0	-1,104
Scheduled amortisation	4,209	18,394	4,223	0	26,826
Disposals	-1	-2,463	-1,231	0	-3,705
Transfers	0	-171	171	0	
As at 31.12.2016	21,365	163,492	49,678	0	234,535
Carrying amounts as at 31.12.2015	109,195	65,343	15,077	27,440	217,055
Carrying amounts as at 31.12.2016	124,138	73,752	16,100	10,203	224,193

"Land and buildings" contains a real property value of EUR 32,749 k (2015: EUR 29,348 k).

As at 31 December 2016, the obligations relating to unpaid orders for the delivery of fixed assets amounted to EUR 6,798 k (2015: EUR 11,555 k).

As at 31 December 2016, the future expenses from non-terminable operating leasing agreements amounted to EUR 13,382 k (2015: EUR 17,272 k) and are due as follows:

in EUR k	31.12.2016	31.12.2015
Within one year	5,095	5,238
Longer than one year and within five years	8,287	12,034
Longer than five years	0	0

In the 2016 financial year, the corresponding rental costs amounted to EUR 8,840k (2015: EUR 9,019 k).

Tangible assets include capitalised finance lease goods (financial leasing) with a carrying amount of EUR 3,227 k (2015: EUR 9,125 k). The most important financial leasing agreements relate to production plants. Following the expiry of the minimum lease period, purchase options are available for the vast majority of the financial leasing agreements.

Capitalised financial leasing goods result in leasing obligations towards third parties totalling EUR 3,251 k (2015: EUR 9,124 k). The reported leasing obligations (current values including redemption for residual value) are due as follows:

in EUR k	31.12.2016	31.12.2015
Within one year	1,539	5,875
Longer than one year and within five years	1,712	3,249
Longer than five years	0	0

Leasing payments (without redemption for residual value) corresponding to present values amount to EUR 2,533 k (2015: EUR 7,997 k) and are due as follows:

in EUR k	31.12.2016	31.12.2015
Within one year	1,462	5,475
Longer than one year and within five years	1,071	2,522
Longer than five years	0	0

As in the previous year, in the 2016 financial year no tangible asset impairments or write-ups were undertaken.

Tangible assets with a carrying value of EUR 96,334 k (2015: EUR 93,390 k) were mortgaged or pledged as a surety for bank liabilities totalling EUR 30,712 k (2015: EUR 31,157 k).

11. INVESTMENTS IN ENTITIES ACCOUNTED FOR AT EQUITY

The entity accounted for at equity is Ratipur Autofelszerelés Kft., Komló, Hungary, and it showed the following development during the financial year:

in EUR k	2016	2015
Balance sheet recognition as at 1.1.	936	0
Reclassification	0	31
Accumulated result	0	696
Earnings after tax	142	295
Other result	0	-9
Total result	142	286
Dividends	-154	-78
Deconsolidation	-924	0
Balance sheet recognition as at 31.12.	0	936

in EUR k	
Equity as at 31.12.2015	3,901
thereof group investment quota (24%)	24%
Consolidation and other effects	0
Carrying value as at 31.12.2015 = pro rata net assets	936

Summarised financial information regarding Ratipur Autofelszerelés Kft.:

in EUR k	2015
Non-current assets	3,852
Current assets	2,101
Cash and cash equivalents	312
Non-current debts	510
Current debts	1,854
Net assets	3,901
Sales	9,182
EBIT	1,412
Financial result	-35
Earnings before tax	1,377
Tax result	-145
Earnings after tax	1,233

12. OTHER NON-CURRENT RECEIVABLES

The other non-current receivables include the non-current segment of the capitalised minimum leasing payments derived from financial leasing arrangements. The current segment is disclosed under the "Other current receivables". These relate to tooling projects with customers that are classified as special leasing.

The present value of the minimum leasing payments from financial leasing shows the following maturities:

in EUR k	Minimum leasing payments from financial leasing	Discounts from financial leasing	Current value of minimum leasing payments
31.12.2016			
Within one year	432	-64	368
Longer than one year and within five years	654	-98	556
Total	1,086	-162	924
31.12.2015			
Within one year	500	-78	421
Longer than one year and within five years	1,087	-162	924
Total	1,586	-241	1,346

As at 31 December 2016, unrealised financial income amounted to EUR 162 k (2015: EUR 241 k).

The financial leasing arrangements have a residual term of between one and three years.

13. DEFERRED TAXES

The discrepancies between the amounts stated in the tax and IFRS balance sheets result from the following differences and take effect on deferred taxes as follows:

in EUR k	31.12.2016		31.12.2015	
	Assets	Liabilities	Assets	Liabilities
Tangible assets	2,812	-1,189	1,341	-990
Provisions for severance payments	912	202	962	0
Provisions for pensions	2,772	0	2,377	24
Other provisions for personnel	128	17	113	-52
Tax losses carried forward	2,789	0	6,178	0
Leasing liabilities	849	0	1,425	0
Other provisions	4,239	-129	5,919	0
Other	-1,972	82	-3,605	72
Subtotal	12,529	-1,017	14,710	-946
Consolidation	-275	100	-146	27
Capitalisation/provision for deferred taxes	12,254	-917	14,564	-919

In 2016, group companies reported net deferred tax assets on temporary differences and loss carryforwards totalling EUR 12,529 k (2015: EUR 14,710 k). These were regarded as realisable, as on the basis of current medium-term planning it is assumed that these companies will generate taxable profits in future.

As at 31 December 2016, total group income tax loss carryforwards totalled EUR 22,038 k (2015: EUR 36,347 k) and showed the following structure:

in EUR k	31.12.2016	31.12.2015
Total	22,038	36,347
of which capitalised loss carry forwards	14,329	29,629
of which carry forwards applicable for an unlimited period	14,329	29,629
of which non-capitalised loss carry forwards	7,709	6,718

In 2015, insufficiently secured loss carry-forwards were recognised in the line "thereof non-capitalised loss-carryforwards". In order to clarify this disclosure, insufficiently secured loss carryforwards were not recognised in the total amount as at 31 December 2016. The presentation of the non-capitalised loss-carryforwards as at 31 December 2015 was adjusted accordingly. This adjustment had no effect on the assets and financial or profit position of the group.

No deferred tax assets were recognised for deductible tax loss carryforwards amounting to EUR 7,709 k (2015: EUR 6,718 k) and deductible temporary differences of EUR 0 k (2015: EUR 0 k), since owing to their loss history, their effectiveness as definitive tax relief is not yet sufficiently guaranteed. This equates to deferred tax assets of EUR 1,642 k (2015: EUR 1,038 k).

In accordance with IAS 12.39, no deferred taxes were created for temporary differences in connection with shares in subsidiaries amounting to EUR 23,643 k (2015: EUR 20,379 k), as it could be assumed on 31 December 2016 that the differences between the valuation of investments for tax purposes and the pro rata equity of subsidiaries included in the consolidated financial statements would remain tax free for the foreseeable future.

The deferred taxes contain deferred tax assets recognised in equity amounting to EUR 1,934 k (2015: EUR 1,569 k) and deferred tax liabilities recognised in equity amounting to EUR 0 k (2015: EUR 0 k).

14. INVENTORIES

Inventories are structured as follows:

in EUR k	31.12.2016	31.12.2015
Raw materials and supplies	27,329	27,245
Unfinished goods	15,219	17,804
Advance payments received	-1,323	-245
Finished goods and merchandise	14,413	13,499
Advance payments made	197	127
Total	55,834	58,429

The change (balance from formation and reversal) in the impairment losses on inventories recognised through profit and loss amounted to minus EUR 408 k in the year under review (2015: - EUR 301 k). Expenses for inventories are reported under material expenses. Inventories that were recognised as material expenses in the reporting period amounted to EUR 221,618 k (2015: EUR 216,856 k).

As in the previous year, no inventories were transferred as collateral or pledged as a surety for financial liabilities

15. TRADE ACCOUNTS RECEIVABLE

The existing provisions for accounts receivable developed as follows in the financial year under review:

in EUR k	2016	2015
As at 1.1.	3,094	2,605
Use	-299	-193
Release	-259	-286
Allocation	1,136	950
Foreign exchange rate differences	30	18
As at 31.12.	3,702	3,094

For the determination of the recoverability of accounts receivable, not only the individual creditworthiness of the debtor, but above all the due dates must be taken into account. According to estimates made by the management, there are no substantial differences between the carrying amount and the current value of accounts receivable.

Within the scope of silent global assignments, accounts receivable with a carrying amount of EUR 8,923 k (2015: EUR 8,923 k) were transferred to banks as a surety for bank liabilities totalling EUR 8,923 k (2015: EUR 8,923 k).

FACTORING

Since the 2008 financial year, factoring agreements have existed owing to which, banks and factoring companies are obliged to purchase certain POLYTEC GROUP trade account receivables with a monthly rotating nominal volume. For the receivables sold, once the purchase has been completed the default risk linked to the receivables (del credere risk) passes without recourse to the purchasing bank or factoring company.

As at 31 December 2016, the factoring agreements had a maximum usable nominal volume totalling EUR 64,400 k (2015: EUR 64,400 k). On the balance sheet date, receivables amounting to EUR 23,364 k (2015: EUR 22,929 k) had been sold and derecognised from the consolidated financial statements in accordance with IAS 39.

As at 31 December 2016, the non-advance amount of EUR 5,752 k (2015: EUR 2,307 k) was disclosed under "Other current assets" (financial). Fair value corresponds with the reported carrying value, due primarily to the fact that the residual periods to maturity of the affected receivables are short-term.

16. CONSTRUCTION CONTRACTS

in EUR k	2016	2015
Sales revenues from construction contracts	55,922	70,110

The composition of the net amounts of construction contracts is as follows:

in EUR k	31.12.2016	31.12.2015
Costs incurred up to the reporting date and allocated profits (less reported losses)	85,990	72,309
Less: advance payments received	-51,724	-39,553
	34,266	32,756
Recognised as receivables or liabilities in the financial statements		
Receivables from recognised sales revenues from construction contracts where they exceed the advance payments received	35,862	34,623
Advance payments received for construction contracts where they exceed the recognised sales revenues	-1,597	-1,867
	34,266	32,756
Retentions included therein	0	0

17. OTHER CURRENT RECEIVABLES

The other current receivables are comprised mainly of amortisation receivables, current savings, sales tax receivables and supplier bonuses.

18. CURRENT INTEREST-BEARING RECEIVABLES

The current interest-bearing receivables derive mainly from Boshoku Automotive and are the result of the sale of the interior systems business area. In the course of the 2016 financial year, outstanding receivables totalling EUR 9,079 k were settled. The receipt of payments for the residual sum is expected within the twelve months following the balance sheet date.

19. CASH AND CASH EQUIVALENTS

On the balance sheet date, none of the amounts included in this item were subject to restrictions as to their use.

20. FINANCIAL ASSETS

In the valuation categories contained in IAS 39 as at 31 December 2016 and 31 December 2015 respectively, the carrying amount of financial assets disclosed at amortised cost represents a reasonable approximation of fair value. All the fair values of financial assets are allocated to Level 3 of the measurement hierarchy.

Cash and cash equivalents, trade accounts receivable, receivables from construction contracts and other financial assets largely have short residual terms. Therefore, the carrying amounts of these assets correspond approximately to the fair value on the balance sheet date, taking into account the creditworthiness of the contractual parties. The default risk is accounted for by the formation of provisions.

21. GROUP SHARE CAPITAL

On the balance sheet date POLYTEC HOLDING AG share capital amounted to EUR 22,330 k (2015: EUR 22,330 k) divided into 22,329,585 ordinary shares (2015: 22,329,585 ordinary shares) with a nominal value of EUR 1.00 each. The share capital is fully paid in.

The buyback of the 334,041 treasury shares held on the balance sheet date (equates to 1.5% of share capital) at an acquisition value of EUR 1,855 k and a market value on the reporting date of EUR 3,469 k took place in its entirety in accordance with the buyback programme approved at the Annual General Meetings held on 16 May 2012 and 14 May 2014.

	Shares	Treasury shares	Shares in circulation
31.12.2015	22,329,585	-334,041	21,995,544
Purchase of treasury shares	0	0	0
31.12.2016	22,329,585	-334,041	21,995,544

NON-CONTROLLING INTERESTS

The following table shows summarised financial information regarding all non-controlling interests prior to intra-group eliminations. For reasons of materiality, it is presented on an aggregate basis for all non-controlling interests.

in EUR k	31.12.2016	31.12.2015
Non-current assets	16,518	16,045
Current assets	7,709	6,690
Non-current liabilities	-577	-598
Current liabilities	-2,688	-2,086
Net assets	20,962	20,051
Share of equity/voting rights non-controlling interest	30%	30%
Carrying amount of interests without controlling interest	6,289	6,015
Pro rata profit of interests without controlling interest	723	520
Pro rata other result of interests without controlling interest	0	-25
Dividends on interests without controlling interest	450	0

in EUR k	2016	2015
Cash flow from operating activities	3,687	2,494
Cash flow from investing activities	-1,079	-704
Cash flow from financing activities	-2,444	-610

INFORMATION CONCERNING CAPITAL MANAGEMENT

The main objectives of the POLYTEC GROUP's capital management strategy are to safeguard business operations, increase shareholder value, provide a solid capital basis to finance a profitable growth path and guarantee capital service and attractive dividend payments.

POLYTEC HOLDING AG is subject to the statutory minimum capital requirements of Austrian corporation law. Statutory minimum capital requirements do not apply. Nonetheless, the group considers a solid equity base as a key element in insolvency prevention. The ratio between equity capital and total capital can be summarised as follows:

in EUR k	31.12.2016	31.12.2015
Total equity	189,924	162,925
Balance sheet total	501,448	485,139
Equity ratio	37.9%	33.6%

For POLYTEC, the term capital management means the control of equity capital and net financial liabilities. The POLYTEC GROUP's net financial liabilities are centrally monitored and

steered. The main objectives in this regard include securing long-term liquidity, the efficient use of debt financing and the adoption of appropriate measures for financial risk mitigation in tandem with the optimisation of both earnings and costs.

Apart from the equity ratio, POLYTEC mainly employs the gearing and return on capital employed (ROCE) parameters for the monitoring of its capital. The entire costs of the capital employed and the risks related to the different types of capital are monitored on a permanent basis.

POLYTEC aims to maintain a sustainable equity ratio of more than 30%. A small deviation from this target equity ratio would only be acceptable temporarily in cases of strategically important M&A transactions.

Gearing is defined as the ratio of net financial liabilities (current and non-current financial liabilities less cash and cash equivalents and interest-bearing receivables) to equity capital. Appropriate control instruments consist primarily of the issuance and repayment of financial liabilities, as well as the consolidation of the equity base through the retention of earnings or the adjustment of dividend payments. Owing to the acquisition of the real estate assets, the gearing ratio targets have been altered. The POLYTEC GROUP management now regards a gearing ratio of 1.00 as being lastingly solid.

Gearing developed as follows:

in EUR k	31.12.2016	31.12.2015
Financial liabilities ¹⁾	153,633	170,043
- Cash and cash equivalents	79,540	57,683
- Interest-bearing receivables	4,149	13,217
Net debt (-)/assets (+)	-69,944	-99,143
/ Equity carrying amount	189,924	162,925
Gearing	0.37	0.61

¹⁾ Non-current and current interest-bearing liabilities

The fall in net financial liabilities was due primarily to an improvement in free cash flow in the 2016 financial year. In addition, the increase in equity derived from the net profit for the year, resulted in a reduction of the gearing ratio to a value of 0.37.

ROCE is defined as the ratio between EBIT and the average capital employed. The capital employed includes the non-current operating assets (intangible assets, goodwill, tangible assets, investments in companies consolidated at equity and other non-current receivables) less other non-current provisions and net working capital (non-interest bearing current assets less interest-bearing current liabilities).

ROCE represents the most important calculation parameter for the vast majority of the POLYTEC GROUP's executive bonus plans. ROCE developed as follows:

in EUR k	2016	2015
Average capital employed	274,841	219,097
EBIT	52,419	36,585
Return on capital employed (in %)	19.1	16.7

Consequently, as a result of improved EBIT, the ROCE target of at least 15% could again be achieved in this financial year. POLYTEC GROUP's dividend policy is oriented towards profitability, strategic growth perspectives and the group's capital requirements.

22. EARNINGS PER SHARE AND DIVIDENDS

Pursuant to IAS 33 (Earnings per share), basic earnings per share result from the division of the net income for the period due to the shareholders (annual net profit of the group after income taxes and non-controlling interests) by the weighted average number of ordinary shares outstanding during the reporting period.

	Unit	2016	2015
Net income after income taxes and after non-controlling interests	EUR k	36,295	23,718
Weighted average number of ordinary shares issued	Shares	22,329,585	22,329,585
Average number of treasury shares	Shares	334,041	334,041
Average number of shares in circulation	Shares	21,995,544	21,995,544
Earnings per share	EUR/share	1.65	1.08

The diluted earnings per share equate to the non-diluted earnings per share, as no financial instruments with a dilutive effect are currently in circulation.

In accordance with the provisions of the Austrian Stock Corporation Act, the separate financial statements of POLYTEC HOLDING AG prepared in accordance with the Austrian accounting regulations as at 31 December 2016 provide the basis for the payment of a dividend.

At the Ordinary Annual General Meeting held on 19 May 2016, a resolution was passed approving the payment of a dividend of EUR 0.30 per share for the 2015 financial year (dividend payment date: 27 May 2016).

The Board of Directors of POLYTEC HOLDING AG will propose to the Annual General Meeting the payment of a dividend of EUR 0.40 per share for the 2016 financial year.

In principle, dividends are subject to the deduction of a capital gains tax of 27.5%. For individuals subject to unlimited tax liability, this means that their income tax is settled (final taxation). Corporations subject to unlimited corporate income tax liability, which hold at least 10% of share capital, are exempt from the capital gains tax. For individuals subject to limited tax liability, all relevant double taxation treaties must be taken into due account.

23. NON-CURRENT INTEREST-BEARING LIABILITIES

This position includes all interest-bearing liabilities with a residual term of more than one year and can be structured as follows:

in EUR k	31.12.2016	31.12.2015
Borrower's note loans	99,791	99,696
thereof with a residual term > 5 years	0	32,482
Bank loans	26,708	38,198
thereof with a residual term > 5 years	4,146	5,604
thereof with collateral securities	19,379	28,824
Other interest-bearing liabilities	626	554
thereof with a residual term > 5 years	0	0
Interest-bearing financial liabilities	127,126	138,449
Leasing liabilities	1,712	3,249
thereof with a residual term > 5 years	0	0
Total	128,837	141,698

The group's expiring non-current and current interest-bearing liabilities to banks exist in the following currencies:

in EUR k	2016		2015	
	Share %	Average nominal interest	Share %	Average nominal interest
EUR	97.9	1.90	98.8	1.90
GBP	1.8	2.15	1.2	2.15
HUF	0.3	1.96	0.0	0.00

In the 2014 financial year, the POLYTEC GROUP issued a EUR 100,000 k promissory note loan with agreed terms of five and seven years and respective fixed and floating interest rates.

In March 2017, the whole variable percentage of the 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 installments with terms of 5 and 7 years and respective fixed and floating interest rates.

24. OBLIGATIONS TO EMPLOYEES

This position summarises all the non-current provisions for obligations to employees:

in EUR k	31.12.2016	31.12.2015
Provisions for severance payments	3,887	3,837
Provisions for pensions	20,698	19,187
Provisions for long-service payments	2,396	2,376
Other non-current provisions	808	716
Total	27,789	26,115

PROVISIONS FOR PENSIONS

The present value of the obligations for defined benefit pension plans developed as follows:

in EUR k	2016			2015		
	Present value of pension obligations	Plan assets	Provision	Present value of pension obligations	Plan assets	Provision
As at 1.1.	19,187	0	19,187	26,233	-6,379	19,854
Service costs	760	0	760	133	0	133
Interest expense	393	0	393	488	-51	437
Pension payments	-875	0	-875	-1,694	403	-1,291
Actuarial gains and losses:						
due to demographic assumptions	0	0	0	3	0	3
due to financial assumptions	1,183	0	1,183	243	0	243
due to experience-based adjustments	50	0	50	31	0	31
Planned payments	0	0	0	-6,250	6,027	-223
As at 31.12.	20,698	0	20,698	19,187	0	19,187

With regard to the most important actuarial parameters and relevant accounting principles, please refer to section D. 10.

The pension expenses for the 2016 financial year consist mainly of defined benefit pension plans, whereby service costs are disclosed in the personnel expenses under the item "Expenses for severance payments and pensions", while interest costs are reported in the financial result under the item "Interest component defined benefit plans". The actuarial result comprises gains and losses resulting from the changes to demographic and financial assumptions.

The average duration of pension obligations amounts to between 6 and 26 years (previous year: 6 to 26 years).

in EUR k	31.12.2016	31.12.2015
Service costs	760	133
Interest expenses	393	437
Total	1,153	571

The actuarial gains/losses recognised under other result developed as follows (after taxes):

in EUR k	2016	2015
Actuarial gains (+)/losses (-) as at 1.1.	-3.148	-2.963
Actuarial gains (+)/losses (-) in the financial year	-880	-185
Actuarial gains (+)/losses (-) as at 31.12.	-4.028	-3.148

A change in interest rates of 25 basis points would have led to an increase in pension obligations of EUR 711 k (2015: EUR 662 k), or to a decrease of EUR 733 k (2015: EUR 647 k).

The sensitivity analysis shown above outlines hypothetical changes based on the assumptions made. Actual deviations from these assumptions may lead to other effects.

PROVISIONS FOR SEVERANCE PAYMENTS

The present value of the obligations for defined benefit plans developed over time as follows:

in EUR k	2016	2015
Present value of severance payments (DBO) as at 1.1.	3,837	3,842
Service costs	122	216
Interest expenses	71	86
Severance payments	-108	-67
Actuarial gains and losses:		
due to demographic assumptions	-66	-11
due to financial assumptions	91	152
due to experience-based adjustments	-61	-381
Present value of severance payments (DBO) as at 31.12.	3,887	3,837

With regard to the most important actuarial parameters and relevant accounting principles, please refer to section D. 10.

Total severance costs in the 2016 financial year are divided between defined contributions and defined benefit plans, whereby the service costs included in personnel expenses are reported under the item "Expenses for severance payments and pensions" and the interest costs are reported in the financial result under the item "Interest component defined benefit plans". The actuarial result comprises the gains and losses resulting from changes to the demographic and financial assumptions.

The average duration of severance payment obligations amounts to between 6 and 13 years (2015: 4 to 13 years).

in EUR k	2016	2015
Defined contribution plans		
Expenses for defined contribution plans	246	221
Defined benefit plans		
Service costs	122	216
Interest expenses	71	86
Expenses for defined benefit plans	193	302
Severance costs	439	523

Actuarial gains/losses recognised in other result developed as follows (after taxes):

in EUR k	2016	2015
Actuarial gains (+)/losses (-) as at 1.1.	-600	-780
Actuarial gains (+)/losses (-) in the financial year	37	180
Actuarial gains (+)/losses (-) as at 31.12.	-563	-600

A change in interest rates of 25 basis points would have led to an increase in severance payment obligations of EUR 92 k (2015: EUR 96 k), or to a decrease of EUR 95 k (2015: EUR 100 k).

The sensitivity analysis shown above outlines hypothetical changes based on the assumptions made. Actual deviations from these assumptions may lead to other effects.

PROVISIONS FOR LONG-SERVICE PAYMENTS

The provisions for long-service payments developed as follows:

in EUR k	2016	2015
Present value of defined benefit obligations =		
Provision for long-service payments	2,396	2,376

Total expenses for long-service payments for the financial year amounted to EUR 20 k (2015: EUR 255 k).

25. OTHER NON-CURRENT PROVISIONS

This position incorporates provisions for unfavorable contracts from company acquisitions.

26. CURRENT INTEREST-BEARING LIABILITIES

in EUR k	31.12.2016	31.12.2015
Liabilities to banks	11,202	10,524
Bank loans with a residual term < 1 year	11,627	11,512
Deferred interest promissory note loans	428	435
Interest-bearing current financial liabilities	23,257	22,473
Leasing liabilities with a residual term < 1 year	1,539	5,872
Total	24,795	28,346

27. LIABILITIES FROM INCOME TAXES

The liabilities from income taxes consist largely of liabilities from corporate and trade income taxes (or comparable taxes) in different states, where group companies have their registered office. Liabilities developed as follows:

in EUR k	2016	2015
As at 1.1. of the financial year	3,262	1,216
Change in the scope of consolidation	0	123
Currency translation differences	-28	10
Use for tax payments	-1,826	-835
Release	-5	-51
Addition in the financial year	5,349	2,799
As at 31.12. of the financial year	6,752	3,262

28. TRADE ACCOUNTS PAYABLE

in EUR k	31.12.2016	31.12.2015
Trade accounts payable	50,600	50,150
thereof to affiliated companies	0	0
Financial liabilities to suppliers	50,600	50,150
Prepayments received	2	47
Total	50,603	50,197

29. OTHER CURRENT LIABILITIES

in EUR k	31.12.2016	31.12.2015
Liabilities to employees	4,013	3,385
Other liabilities	8,281	9,933
Other current financial liabilities	12,293	13,318
Accrual for unclaimed leave	4,977	5,325
Other tax liabilities	4,072	4,166
Social security liabilities	1,750	1,975
Deferred charges	2,740	389
Total	25,832	25,171

30. CURRENT PROVISIONS

in EUR k	Balance as at 1.1.2016	Change in the scope of consolidation	Currency translation	Reclassification	Use	Release	Allocation	Balance as at 31.12.2016
Personnel-related accruals	8,236	0	5	0	7,582	430	6,063	6,292
Provisions for impending losses and risks	7,103	0	-9	6,208	5,785	451	863	7,929
Guarantees and warranties	2,113	0	0	-60	355	82	1,251	2,867
Other current provisions	11,190	40	4	-454	4,400	581	11,316	17,115
Total	28,642	40	0	5,694	18,122	1,544	19,493	34,203

in EUR k	Balance as at 1.1.2015	Change in the scope of consolidation	Currency translation	Reclassification	Use	Release	Allocation	Balance as at 31.12.2015
Personnel-related accruals	6,020	44	2	0	4,273	919	7,361	8.236
Provisions for impending losses and risks	8,850	896	4	0	3,038	28	419	7.103
Guarantees and warranties	1,169	20	0	0	97	112	1,134	2.113
Other current provisions	10,257	-37	40	-107	2,528	2,292	5,856	11.190
Total	26,296	922	46	-107	9,936	3,350	14,771	28,642

The reclassifications in the "Provision for impending losses and risks" amount to EUR 5,800 k and relate to a reclassification of other non-current provisions.

Among other sums, the other current provisions contain provisions for customer reclamations totalling EUR 6,323 k (2015: EUR 3,595 k), legal risks amounting to EUR 2,532 k (2015: EUR 0 k) and asset retirement obligations of EUR 1,212 k (2015: EUR 850 k).

The provisions are based on the most accurate estimate of the present value of the future outflow of economic benefit needed to meet obligations. The estimates may alter in future owing to fresh knowledge.

31. FINANCIAL LIABILITIES

In accordance with IAS 39, the financial liabilities comprise the non-current and current liabilities disclosed in the consolidated balance sheet, as well as interest-bearing current liabilities, trade accounts payable (without advance payments received) and other current financial liabilities. The interest-bearing liabilities contain liabilities from financial leasing relationships amounting to EUR 3,250 k (2015: EUR 9,124 k), which pursuant to IAS 39 are not allocated to the financial liabilities.

Except for derivative financial contracts, the financial liabilities are included in the "Financial liabilities measured at the residu-

al carrying amount". The derivative financial instruments are classified as "Financial liabilities held for trading".

Apart from the derivative financial contracts (Level 2) totalling EUR 623 k (2015: EUR 328 k) disclosed under "Other current liabilities", all financial liabilities are allocated to the Level 3 measurement category.

The POLYTEC GROUP only determines the fair value for interest-bearing liabilities for disclosures in the notes to the consolidated financial statements. Fair value is established using recognised measurement methods based on the discounted cash flow method. The main input factor is the discount rate, which takes available market data (risk-free interest rates) into account. In the case of financial liabilities, the creditworthiness of the POLYTEC GROUP is considered. On the balance sheet date, the Level 3 non-current financial liabilities (excluding financial leasing) showed a fair value of EUR 130,523 k (2015: EUR 139,143 k), as compared to a carrying amount in the balance sheet of EUR 127,125 k (2015: EUR 138,449 k). On 31 December 2016, the current financial liabilities (excluding financial leasing) showed a fair value of EUR 24,702 k (2015: EUR 24,070 k), as opposed to a carrying amount in the balance sheet of EUR 23,256 k (2015: EUR 22,471 k). The fair value of the other Level 3 financial liabilities corresponds roughly with the carrying amount in the balance sheet.

Reference should be made to the risk report with regard to the determination of the fair value of derivatives.

F. CASH FLOW STATEMENT

NON-CASH BUSINESS TRANSACTIONS

During the financial year expired, the POLYTEC GROUP undertook the following non-cash investment and financial transactions that are not reported in the cash flow statement.

In the course of the 2016 financial year, the POLYTEC GROUP purchased technical equipment, which was not disclosed in the cash flow, as on the balance sheet date it had not yet been (fully) paid for. Offsetting occurred through the payment of liabilities from equipment investments purchased in the previous year, which are therefore taken into account in the cash flow for this financial year. As a result, in the 2016 financial year, the cash flow from investing activities rose by EUR 1,663 k (2015: – EUR 2,775 k).

In the 2015 financial year, within the scope of financial leasing arrangements, the POLYTEC GROUP obtained technical and business equipment, as well as real estate to a value of EUR 4,270 k. There were no such non-cash investments during the 2016 financial year.

OTHER NON-CASH EXPENSES AND INCOME

The non-cash expenses and income consist largely of currency translation differences and non-cash interest payments.

INTEREST PAYMENTS

Interest inflows and outflows are allocated to the consolidated cash flow from business activities. They comprise the following amounts:

in EUR k	2016	2015
Interest inflows	530	892
Interest outflows	-4,263	-4,633
Total	-3,732	-3,741

G. OTHER INFORMATION

1. EVENTS AFTER THE BALANCE SHEET DATE

All events occurring after the balance sheet date, which are of significance for the evaluation on the balance sheet date such as outstanding legal cases or claims for compensation and other obligations or impending losses, which would have to be reported or disclosed in accordance with IAS 10 (Contingencies and events occurring after the balance sheet date) have been allowed for in these consolidated financial statements.

2. RISK REPORTING

Within the scope of its business activities, the POLYTEC GROUP is subject to a variety of risks, which relate directly to corporate transactions. Risk management is an integral part of group strategy and business processes. The comprehensive certifications required by an automotive industry supplier (e.g. TS ISO/16949:2002) already specify appropriate regulations, which are also monitored via external audits. In line with the organisational structure of the POLYTEC GROUP, risks are locally managed and monitored close to the market, especially in the course of ongoing business processes. However, group headquarters provides central financial risk management. The following major risk areas can be identified:

Sales market risks: The automotive subsupplier industry constitutes a market that is seen as highly competitive and is also currently undergoing a consolidation process. Sales volumes are primarily dependent upon the acquisition of new orders, which are usually placed two to three years prior to serial production. During this order acquisition phase, suppliers face strong competition regarding the best conditions. Once serial production commences the supplier is also reliant upon the sales of the vehicle for which it may provide the components, but is unable to influence its success. Furthermore, OEMs subject suppliers to permanent benchmarking even after the start of serial production, which may result in price demands, or in an extreme case, the loss of an order. The POLYTEC GROUP seeks to keep its dependency upon individual delivery relationships to a minimum with the help of a balanced customer and order mix.

Procurement market risks: One substantial risk is represented by the fluctuations in raw material prices, which in the case of a plastics processor like the POLYTEC GROUP are due mainly to a long-term oil price shifts, but can also be caused by changes in refinery capacity. On the sourcing side, this risk is countered by means of long-term delivery agreements and on the sales side, by material fluctuation clauses in the disclosed calculations, to the extent that these are acceptable to the customer.

To a certain extent, negotiations involving raw materials and purchased parts take place directly between the POLYTEC GROUP's customers and the suppliers. Where prices are only agreed with the customer on an annual basis, changes in raw material prices are an important parameter for the annual price renegotiations. Furthermore, increased research and development activities are aimed at the use of new raw materials (natural fibres).

FINANCIAL RISKS, THEIR MANAGEMENT AND SENSITIVITY

Credit risk: Due to its customer structure with roughly 90% of total turnover being generated with OEMs or major systems suppliers, the POLYTEC GROUP is subject to the automotive industry credit risk. However, accounts receivable are monitored meticulously on a permanent basis and the payment of accounts receivable as agreed is secured. In the 2016 financial year, approximately 56%¹⁾ (2015: 58%) of sales were obtained from the group's three major customers. This results in a certain accumulated credit risk, which, however, has been assessed by the management as being uncritical with regard to potential non-payments. Dependency upon only a few customers is a basic characteristic of the automotive subsupplier industry. Within this context, the customer is defined as a group of affiliated companies, which can also produce several automotive marques. In future, the management intends to seek greater diversification through the expansion of its customer base in the non-automotive business area.

The risk of default relating to cash and cash equivalents is deemed as low.

Despite a credit risk generally classified as low, the maximum theoretical risk of non-payment corresponds to the carrying amounts of the individual financial assets. In individual cases, credit insurance is used on the basis of the constant monitoring of accounts receivable. As at the reporting date, no material credit insurance agreements were in place. Therefore, the theoretical risk of non-payment amounts to the carrying value of loans and receivables totalling EUR 186,554 k (2015: EUR 172,181 k).

The analysis of the overdue, but not impaired trade accounts receivable and of other accounts receivable as at 31 December can be presented as follows:

in EUR k		Overdue but not impaired In days				
		Neither overdue nor impaired	Up to 60	60 to 120	120 to 360	Over 360
31.12.2016	Total					
Trade accounts receivable	49,791	35,592	6,891	1,982	4,115	1,211
Other accounts receivable (excl. RAP)	17,212	16,897	116	23	129	47

in EUR k		Overdue but not impaired In days				
		Neither overdue nor impaired	Up to 60	60 to 120	120 to 360	Over 360
31.12.2015	Total					
Trade accounts receivable	52,201	36,954	12,102	750	1,055	1,340
Other accounts receivable (excl. RAP)	14,455	14,455	0	0	0	0

No doubts exist concerning the collectability of financial assets that are neither overdue nor impaired. There are no significant risk concentrations resulting from the investment of financial assets in only one business partner.

¹⁾ Including MAN after being merged into the VW Group

Liquidity risk: The group hedges its liquidity needs by means of the maintenance of a cash reserve and contractually agreed credit lines, which are managed uniformly by group headquarters.

On the basis of the agreements concluded, the group's financial liabilities (excluding derivatives) show the following expected cash flows (including interest payments made at the interest rate on the balance sheet date):

in EUR k	Carrying value as at 31.12.2016	Total contractual cash flows	thereof within 1 year	thereof over 1 but less than 5 years	thereof more than 5 years
Promissory note loans	100,219	107,838	2,087	105,751	0
Bank loans and other interest-bearing liabilities	38,962	41,101	12,097	23,693	5,311
Bank borrowings on current account	11,201	11,283	11,283	0	0
Financial leasing	3,250	3,346	1,598	1,748	0
Trade accounts payable	50,600	50,600	50,600	0	0
Other financial liabilities	11,691	11,691	11,691	0	0
Total	215,923	225,859	89,356	131,192	5,311

in EUR k	Carrying value as at 31.12.2015	Total contractual cash flows	thereof within 1 year	thereof over 1 but less than 5 years	thereof more than 5 years
Promissory note loans	100,131	109,925	2,087	74,549	33,289
Bank loans and other interest-bearing liabilities	50,264	53,059	12,662	33,124	7,273
Bank borrowings on current account	10,523	10,607	10,607	0	0
Financial leasing	9,124	9,331	5,993	3,338	0
Trade accounts payable	50,150	50,150	50,150	0	0
Other financial liabilities	12,990	12,990	12,990	0	0
Total	233,182	246,062	94,489	111,011	40,562

Bank borrowings on current accounts will continue to be made available to the group until further notice and are therefore adjudged to be current. However, a short-term call-in on the part of the lender banks is not to be expected.

Foreign exchange risk: The bulk of POLYTEC GROUP sales revenues are invoiced in euros and consequently the foreign exchange risk only affects the Group to a limited degree. Moreover, the purchase of preliminary work takes place partially in the same currency as sales, which results in natural hedging. The Group is subject to higher foreign exchange risks in those countries in which invoices are written in euros, but preliminary work must be purchased in local currency. For example, such risks apply to the Czech Koruna, the Hungarian Forint and the Turkish Lira. In many cases, these risks cannot be transferred to financial instruments, as they are mainly attributable to personnel costs.

The financial instruments and financial liabilities reported on the balance sheet date show the following distribution with regard to their currency of origin:

in EUR k	31.12.2016		
	In euros	In foreign currency	Total
Trade accounts receivable	39,095	10,697	49,791
Receivables from construction contracts	25,843	10,019	35,862
Other receivables (excl. RAP)	15,007	2,205	17,212
Interest-bearing receivables	4,149	0	4,149
Cash and cash equivalents	75,799	3,741	79,540
Total	159,892	26,662	186,554

in EUR k	31.12.2016		
	In euros	In foreign currency	Total
Non-current interest-bearing liabilities	128,492	345	128,837
Current interest-bearing liabilities	21,961	2,834	24,796
Trade accounts payable (without advance payments)	40,630	9,971	50,600
Other current liabilities	10,598	1,695	12,293
Total	201,681	14,846	216,527

in EUR k	31.12.2015		
	In euros	In foreign currency	Total
Trade accounts receivable	40,579	11,622	52,201
Receivables from construction contracts	28,825	5,798	34,623
Other receivables (excl. RAP)	12,530	1,926	14,456
Interest-bearing receivables	13,217	0	13,217
Cash and cash equivalents	56,103	1,580	57,683
Total	151,254	20,926	172,180

in EUR k	31.12.2015		
	In euros	In foreign currency	Total
Non-current interest-bearing liabilities	131,864	9,834	141,698
Current interest-bearing liabilities	24,826	3,520	28,346
Trade accounts payable (without advance payments)	43,833	6,317	50,150
Other current liabilities	11,679	1,639	13,318
Total	212,202	21,310	233,512

The distribution shows that the risk to which the group is subject due to exchange rate fluctuations is very low, as both financial assets held in foreign currency totalling 14.3% (2015: 12.2%) and the corresponding liabilities totalling 6.9% (2015: 9.1%) account for only a minor part of the total volume. Furthermore, currency fluctuations would equally affect both assets and liabilities and therefore display compensatory effects.

An increase in exchange rates with respect to non-inter-group trade accounts payable and liabilities of +/-10% would have no material effect upon the results or equity.

Interest rate change risk: The interest rate change risk is counteracted by the POLYTEC GROUP through a portfolio of variable and fixed forms of financing that corresponds with the long-term interest rate opinion. Long-term financing activities are predominantly subject to variable interest rates.

During the 2016 financial year, derivatives were used for interest hedging and the following table shows the fair values, the nominal amounts and the residual periods of the outstanding derivatives at the end of the reporting period:

in EUR k	Fair value		Nominal	Residual period		
	pos.	neg.		< 1 year	1-5 years	> 5 years
Receive floating pay fixed swaps	0	623	37,571	1,071	36,500	0
Interest caps	0	0	2,500	2,500	0	0
Total	0	623	40,071	3,571	36,500	0

in EUR k	Fair value		Nominal	Residual period		
	pos.	neg.		< 1 year	1-5 years	> 5 years
Receive floating pay fixed swaps	0	327	39,000	0	30,500	8,500
Interest caps	0	0	2,500	0	2,500	0
Total	0	327	41,500	0	33,000	8,500

The current values stated in the table above correspond with the current values at the end of the reporting period. They were determined via current market parameters on the balance sheet date.

The interest swaps are offset quarterly. The variable interest rate of the interest swaps is based on the 6-month Euribor. The difference between fixed and variable interest is offset net.

Interest-bearing liabilities show the following structure on the balance sheet date:

in EUR k	31.12.2016	31.12.2015
Bonds to banks	100,219	100,131
thereof with fixed interest	63,677	63,618
thereof with variable interest	36,543	36,513
Liabilities to banks	49,526	60,227
thereof with fixed interest	29,686	37,003
thereof with variable interest	19,841	23,224
Financial leasing	3,250	9,124
thereof with fixed interest	3,250	9,124
thereof with variable interest	0	0
Other interest-bearing liabilities	636	560
thereof with fixed interest	636	560
thereof with variable interest	0	0
Total	153,632	170,043
thereof with fixed interest	97,249	110,306
thereof with variable interest	56,384	59,737

The bulk of the liabilities bearing variable interest are dependent upon the 6-month Euribor. An increase (decrease) in this reference interest rate of 100 basis points would result in an increase (decrease) of the interest expense by some EUR 564 k (2015: EUR 595 k).

Interest-bearing receivables and current cash and cash equivalents contain variable interest-bearing financial assets totalling EUR 79,821 k (2015: EUR 50,629 k). An increase (decrease) in the 3-month Euribor of 100 basis points would increase (decrease) interest income by approximately EUR 798 k (2015: EUR 506 k).

Cyber crime: The POLYTEC GROUP is also subject to an increase in cyber crime attacks, but to date has been able to defend itself successfully. Nonetheless, the growing professionalism in this regard has come to represent a serious risk area in operative business. The POLYTEC GROUP's internal controls are being continually tightened and employee sensibility with regard to this topic is addressed and evaluated at regular intervals.

Other risks: Various legal actions and claims, among others in connection with the divestment of the interior systems business area, are pending against the POLYTEC GROUP. Although the outcome of these proceedings and claims cannot be predicted with certainty, the Board of Directors is of the opinion that either singly or in total, the results of these issues will not have a materially adverse effect on the company's liquidity situation, results or financial position. Notwithstanding this cautious estimation, other forms of residual risks remain.

No other material risks and obligations exist that have not been appropriately mentioned in these consolidated financial statements or the notes.

3. RELATED PARTIES

Apart from the members of the Board of Directors and the Supervisory Board, related parties pursuant to IAS 24 include IMC Verwaltungsgesellschaft mbH, Hörsching and its affiliated companies. The family of the CEO of the POLYTEC GROUP, Friedrich Huemer, is the sole owner of the shares in the said companies and Friedrich Huemer is the managing director with sole power of representation of the said companies.

As at the 31 December 2016 balance sheet date, the company was informed about the following shares of voting rights, which are subject to notification pursuant to § 91 of the Austrian Stock Exchange Act:

Huemer Group: 29.0%

Delta Lloyd Asset Management NV: < 10.0%

Capital Research and Management: 5.5%

The remaining shares are in free float.

On 8 July 2016, POLYTEC Immobilien GmbH purchased a property in Hörsching, which is directly adjacent to the group's head office and the Hörsching plant, from FH Immobilien GmbH, a company belonging to Friedrich Huemer (CEO), at the standard market price of EUR 2,740 k. The land will be available to the POLYTEC GROUP for future plant enlargements on an unrestricted basis.

OTHER BUSINESS RELATIONSHIPS

A work contract exists between the POLYTEC GROUP and IMC Verwaltungsgesellschaft mbH, Hörsching regarding a member of the Board of Directors of the POLYTEC HOLDING AG, Hörsching.

GLOBE AIR AG, Hörsching, provided transport services to employees of the POLYTEC GROUP in the business year under review.

One member of the Supervisory Board also sits on the executive board of a bank with which the group has a business relationship in the form of deposits and loan transactions.

As in the previous year, all the transactions carried out during the year under review were completed at arm's length. As in the previous year, no provisions for doubtful debts in connection with transactions with related parties were made in the current year, no provisions were made in 2016 or 2015 for doubtful or unrecoverable debts.

4. REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

Total remuneration of the members of the Board of Directors in the 2016 financial year amounted to EUR 2,541 k (2015: EUR 2,498 k). EUR 2,541 k (2015: EUR 2,498 k) are attributable to short-term benefits, EUR 0 k (2015: EUR 314 k) of which relate to the remuneration of a former Board member. As in the preceding year, no payments were made after the termination of the working relationship in the 2016 financial year.

As yet unpaid variable salary components affecting the 2016 business year are reported in the current personnel provisions.

There are no stock option plans or similar shareholding-based remunerations pursuant to IFRS 2.

Total expenses for the emoluments to Supervisory Board members in the 2016 financial year amounted to EUR 99 k (2015: EUR 99 k).

There are no loans or advance payments relating to current or former members of company bodies. No former members of the governing bodies of the company receive any kind of salary from the group or one of its affiliated companies.

5. POLYTEC HOLDING AG GOVERNING BODIES

During the year under review and at the time of the preparation of the consolidated financial statements, the **members of the Board of Directors** were as follows:

Friedrich Huemer, Wallern
(Chairman of the Board of Directors)
Markus Huemer, Buchkirchen
(Deputy Chairman of the Board of Directors)
Alice Godderidge, Piberbach
(Member of the Board of Directors)
Peter Haidenek, Velden a. W.
(Member of the Board of Directors)

During the year under review and at the time of the preparation of the consolidated financial statements, the **members of the Supervisory Board** were as follows:

Fred Duswald, Thalheim
(Chairman of the Supervisory Board)
Manfred Helmut Trauth, Knittelsheim, Germany
(Deputy Chairman of the Supervisory Board)
Robert Büchelhofer, Starnberg, Germany
(Member of the Supervisory Board)
Viktoria Kickingger, Vienna
(Member of the Supervisory Board)
Reinhard Schwendtbauer, Leonding
(Member of the Supervisory Board)

6. GROUP COMPANIES

Company	Company address	Country	Shareholder	2016		2015	
				Direct and indirect holding %	Type of consolidation ¹⁾	Direct and indirect holding %	Type of consolidation ¹⁾
POLYTEC Invest GmbH i.L.	Lohne	GER	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC Anlagenfinanzierung GmbH	Hörsching	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC CAR STYLING Hörsching GmbH	Hörsching	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC Car Styling Bromyard Ltd.	Bromyard	GBR	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC FOHA CORPORATION	Markham	CAN	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Foha Inc.	Warren	USA	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC Car Styling Schoten N.V.	Schoten	BEL	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Netherlands Holding B.V.	Roosendaal	NED	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Composites NL B.V.	Roosendaal	NED	Polytec Netherlands Holding B.V.	100.0	KV	100.0	KV
Polytec Plastics NL B.V.	Putte	NED	Polytec Netherlands Holding B.V.	100.0	KV	100.0	KV
Polytec Hungary Kft.	Komló	HUN	POLYTEC Holding AG	100.0	KV		
Polytec Komló Kft.	Komló	HUN	POLYTEC Hungary Kft.	100.0	KV	24.0	KE
POLYTEC Germany GmbH	Lohne	GER	POLYTEC Holding AG	100.0	KV		
PT Plastics GmbH	Lohne	GER	POLYTEC Germany GmbH	100.0	KV		
PT Composites GmbH	Gochsheim	GER	POLYTEC Germany GmbH	100.0	KV		
Polytec Holding Deutschland GmbH	Lohne	GER	PT Plastics GmbH	100.0	KV	100.0	KV
Polytec Automotive GmbH & Co KG ²⁾	Lohne	GER	Polytec Holding Deutschland GmbH	100.0	KV	100.0	KV
Polytec Automotive Verwaltungs GmbH	Lohne	GER	Polytec Holding Deutschland GmbH	100.0	KO	100.0	KO
Polytec Deutschland Verwaltungs GmbH	Lohne	GER	Polytec Holding Deutschland GmbH	100.0	KO	100.0	KO
Polytec Plastics Germany GmbH & Co KG ²⁾	Lohne	GER	Polytec Holding Deutschland GmbH	100.0	KV	100.0	KV
Polytec Plastics Idstein GmbH & Co KG ²⁾	Idstein	GER	Polytec Holding Deutschland GmbH	100.0	KV	100.0	KV
POLYTEC Plastics Ebensee GmbH	Ebensee	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
Polytec Interior Zaragoza S.L. i.L.	Zaragoza	ESP	POLYTEC Holding AG	100.0	KO	100.0	KO
POLYTEC Tooling GmbH & Co KG	Thannhausen	GER	Polytec Holding Deutschland GmbH	100.0	KV	100.0	KV
POLYTEC AUTO PARTS Tianjin Co., Ltd	Tianjin	CHN	POLYTEC Holding AG	100.0	KV	100.0	KV
PT Beteiligungs GmbH	Hörsching	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
POLYTEC Composites Beteiligungs GmbH	Gochsheim	GER	PT Composites GmbH	100.0	KV	100.0	KV
POLYTEC Composites Verwaltungs GmbH	Gochsheim	GER	PT Beteiligungs GmbH	100.0	KO	100.0	KO
POLYTEC Composites Germany GmbH & Co KG ²⁾	Gochsheim	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Compounds GmbH & Co. KG ²⁾	Gochsheim	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Compounds Verwaltungs GmbH	Gochsheim	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KO	100.0	KO
POLYTEC Industrielackierungen GmbH & Co. KG ²⁾	Rastatt	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Industrielackierungen Verwaltungs GmbH	Rastatt	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KO	100.0	KO
POLYTEC Composites Slovakia s.r.o.	Sladkovicovo	SVK	PT Beteiligungs GmbH	100.0	KV	100.0	KV
PT Plastik Ürünleri Sanayi ve Ticaret A.S.	Aksaray	TUR	PT Beteiligungs GmbH	100.0	KV	100.0	KV
Polytec Composites Bohemia s.r.o.	Chodová Planá	CZE	PT Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Composites Weiden GmbH	Weiden	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
INAPAL PLASTICOS, S.A.	Leca do Balio	POR	POLYTEC Composites Germany GmbH & Co KG	2.0	KOE	2.0	KOE
Ljungby Komposit AB	Ljungby	SWE	PT Beteiligungs GmbH	25.0	KOE	25.0	KOE

Company	Company address	Country	Shareholder	2016		2015	
				Direct and indirect holding %	Type of consolidation ¹⁾	Direct and indirect holding %	Type of consolidation ¹⁾
POLYTEC Industrielackierung Weiden GmbH	Waldnaab	GER	POLYTEC Composites Beteiligungs GmbH	100.0	KV	100.0	KV
POLYTEC Industrial Plastics GmbH	Bochum	GER	POLYTEC Holding AG	70.0	KV	70.0	KV
POLYTEC Elastoform GmbH	Marchtrenk	AUT	POLYTEC Industrial Plastics GmbH	70.0	KV	70.0	KV
POLYTEC EMC Engineering GmbH	Marchtrenk	AUT	POLYTEC Industrial Plastics GmbH	70.0	KV	70.0	KV
POLYTEC THELEN GmbH	Bochum	GER	POLYTEC Industrial Plastics GmbH	70.0	KV	70.0	KV
POLYTEC Immobilien Holding GmbH	Hörsching	AUT	POLYTEC Holding AG	100.0	KV	100.0	KV
PT Immobilien GmbH	Hörsching	AUT	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
POLYTEC Immobilien GmbH	Hörsching	AUT	PT Immobilien GmbH	94.5	KV	94.5	KV
POLYTEC Composites Immobilien GmbH	Kraichtal	GER	POLYTEC Immobilien Holding GmbH	94.5	KV	94.5	KV
PPI Immobilien GmbH	Ebensee	AUT	POLYTEC Immobilien Holding GmbH	95.0	KV	95.0	KV
POLYTEC Immobilien Deutschland GmbH	Lohne	GER	POLYTEC Immobilien Holding GmbH	94.5	KV	94.5	KV
POLYTEC Real Estate Gayrimenkul Limited Sirteki	Aksaray	TUR	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
POLYTEC Estates Slovakia s.r.o.	Sladkovicovo	SVK	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
POLYTEC Estates Belgium N.V.	Schoten	BEL	POLYTEC Immobilien Holding GmbH	100.0	KV	100.0	KV
SPELAG s.r.o.	Chodová Planá	CZE	POLYTEC Immobilien Holding GmbH	100.0	KO		
POLYTEC ESTATES Bohemia k.s.	Chodová Planá	CZE	POLYTEC Immobilien Holding GmbH	100.0	KV		
POLYTEC ESTATES UK Ltd.	Bromyard	GBR	POLYTEC Holding AG	100.0	KV		

¹⁾ KV = full consolidated companies
 KE = companies consolidated at equity
 KO = companies excluded due to lack of materiality
 KOE = no at equity valuation due to immateriality

²⁾ Pursuant to §24 of the German Commercial Code, the companies are released from an obligation to prepare, audit and publish annual financial statements and a management report in accordance with the current regulations applicable to corporations.

Hörsching, 31 March 2017

The Board of Directors of POLYTEC HOLDING AG

Friedrich Huemer m. p.
 Chairman – CEO

Markus Huemer m. p.
 Deputy Chairman – COO

Alice Godderidge m. p.
 Member of the Board – CSO

Peter Haidenek m. p.
 Member of the Board – CFO

STATEMENT OF ALL LEGAL REPRESENTATIVES

PURSUANT TO § 82 PARA. 4 PT. 3 AUSTRIAN STOCK CORPORATION ACT

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the Group Management Report gives a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces.

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the Management Report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Hörsching, 31 March 2017

The Board of Directors of POLYTEC HOLDING AG

Friedrich Huemer m. p.

Chairman of the Board of Directors – CEO

Responsibilities: M&A, Investment Management, Corporate Strategy, Corporate Communications, HR, Legal Affairs

Markus Huemer m. p.

Deputy Chairman of the Board of Directors – COO

Responsibilities: Business Development, Plants, Production, Purchasing

Alice Godderidge m. p.

Member of the Board of Directors – CSO

Responsibilities: Sales and Engineering (Sales, Marketing and Development)

Peter Haidenek m. p.

Member of the Board of Directors – CFO

Responsibilities: Finance, IT, Controlling, Accounting, Investor Relations, Internal Audit

AUDITORS' REPORT

(This is a translation of the original german version for information purposes without liability; the german version prevails.)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of POLYTEC Holding AG, Hörsching, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the consolidated financial position as at December 31, 2016, and its consolidated financial performance and its consolidated cash flows of the Group for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements under section 245a UGB.

BASIS FOR OPINION

We conducted our audit in accordance with the Austrian Generally Accepted Auditing Standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with laws and regulations applicable in Austria, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of construction contracts

Description and Issue

Revenue under IAS 11 was TEUR 55,922 in 2016. Receivables from construction contracts are TEUR 35,862 as of December 31, 2016; liabilities from construction contracts are TEUR 1,597 as of December 31, 2016. If the result of a construction contract can be estimated reliably based on total revenue of the contract, on the stage of completion and on total costs of the contract, revenue recognition is done based on the percentage of completion method. The estimate of the result by management incorporates expectations on future contract costs and on contract risks. The estimates, therefore, include uncertainties.

Uncertainties with regard to assessments and assumptions are disclosed at note D. 18 of the consolidated financial statements. Disclosures regarding construction contracts are included in note E. 16 of the consolidated financial statements.

Our Response

Our procedures included a sample-based evaluation of order values as well as of contract costs, which incurred until the balance sheet date. In addition, we evaluated the reasonableness of the estimates of order value, stage of completion and total contract costs and contract risks for a sample of construction contracts on the basis of actual project information and of inquiries of project managers.

Valuation of deferred taxes

Description and Issue

Deferred tax assets are TEUR 12.254 as of December 31, 2016. An amount of TEUR 2.789 results from tax loss carryforwards. Deferred tax assets are recognised if it is likely that there will be future taxable income to utilise the temporary differences and the tax loss carryforwards respectively. The amount of recognised deferred tax assets is to a significant extent based on management's expectations regarding developments in the future, which include uncertainties.

Uncertainties with regard to assessments and assumptions are disclosed at note D. 18 of the consolidated financial statements. Disclosures regarding deferred taxes are included in note E. 13 of the consolidated financial statements.

Our Response

Our procedures included the evaluation of the calculation of deferred taxes in compliance with applicable tax regulations and the assessment of the appropriateness of management's expectations regarding developments in the future based on the mid-term plan approved by the supervisory board.

OTHER INFORMATION

Management is responsible for the other information. The other information contain all information in the annual report and the annual financial report but does not include the consolidated financial statements, the management report and our auditor's report thereon. The annual report and the annual financial report are expected to be made available to us after the date of the auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information

and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

RESPONSIBILITIES OF MANAGEMENT AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the additional requirements under section 245a UGB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

The scope of the audit does not include assurance on the future viability of the Group or on the efficiency or effectiveness with which the management has conducted or will conduct the affairs of the Group.

As part of an audit in accordance with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that give a true and fair view.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE AUDIT OF THE CONSOLIDATED MANAGEMENT REPORT

Pursuant to statutory provisions, the consolidated management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the consolidated management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the consolidated management report.

OPINION

In our opinion, the consolidated management report is prepared in accordance with the applicable legal requirements, includes appropriate disclosures according to section 243a UGB and is consistent with the consolidated financial statements.

STATEMENT

In the light of the knowledge and understanding of the Group and its environment obtained in the course of our audit of the consolidated financial statements, we have not identified material misstatements in the consolidated management report.

ENGAGEMENT PARTNER

The engagement partner responsible for the audit is Ulrich Dollinger.

Linz, March 31, 2017

Deloitte Oberösterreich Wirtschaftsprüfungs GmbH

Mag. Ulrich Dollinger
Certified Public Accountant

Mag. Nikolaus Schaffer
Certified Public Accountant

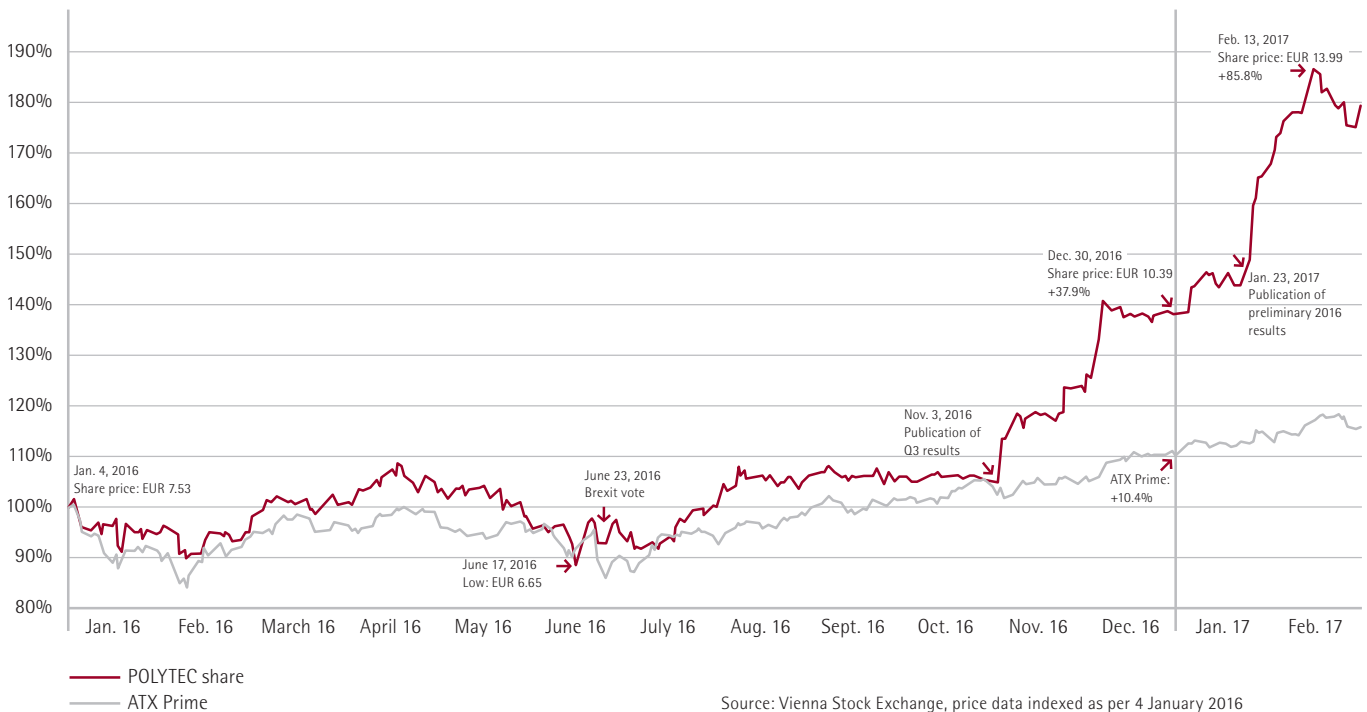
SHARE & INVESTOR RELATIONS

POLYTEC SHARE PRICE DEVELOPMENT

As at December 30, the last stock exchange trading day in the 2016 financial year, the POLYTEC share (ISIN: AT0000A00XX9) closed at EUR 10.385 and was thus EUR 2.73 or some 35.6% up on the value of the previous year (EUR 7.66). The mean price for the year stood at EUR 7.89 (2015: EUR 7.52) and market

capitalisation at the end of the year totalled EUR 231.9 million (2015: EUR 171.0 million).

The ATX Prime Index rose by 10.4% to 1,203.13, while the STOXX® Europe 600 Automobile & Parts (SXAP) fell by 3.9% and closed at 543 points (2015: 565).



Source: Vienna Stock Exchange, price data indexed as per 4 January 2016

From mid-February onwards, the POLYTEC share price rose steadily and on 20 April attained an interim high of EUR 8.19. Beginning at this point, the share came under strong subsequent pressure and on 17 June hit a low for the year at EUR 6.65. This day saw the third highest trading volume (322,536 shares using double counting) in the period under report. However, in the final trading days of the month up to 30 June 2016, the POLYTEC share rallied and also recovered from a short Brexit low. From the beginning of the third quarter until the start of August 2016, the POLYTEC share demonstrated a constant improvement in performance and on 9 August 2016 reached its third best closing price up to the end of the third

quarter at EUR 8.14. From then on, the price showed lateral movement along the EUR 8 line until the end of October 2016.

Following the publication of the highly positive interim report on the third quarter, the share price rose sharply. The marked improvement in the group's operating result figures met with favourable investor reaction and on the publication date of 3 November 2016 led to the strongest trading day of the entire year. 450,476 POLYTEC shares (double counting) were traded on the Vienna Stock Exchange, which was more than twelve times the volume on an average day. As compared to the previous day, the price climbed by over 8% and this trend continued in

the following weeks. On 6 December, the POLYTEC share reached its high for the period at EUR 10.60 and on the final trading day in 2016, closed at EUR 10.385. As opposed to the closing price on 4 January 2016, this represented a gain of 37.9%.

During the 249 days of trading on the Vienna Stock Exchange, in 2016 the average trading volume amounted to 35,937 shares per day (2015: 45,660 shares, both figures using double counting). On 3 November 2016, the best trading day, 450,476 shares

were traded. Other strong trading days were 23 March with 361,790 shares and 17 June with 322,536, both using double counting. In addition to market trading on the Vienna Stock Exchange, OTC transactions involving POLYTEC shares were concluded to the value of EUR 16.6 million (2015: EUR 25.1 million, both figures using single counting). This represents a share of around 31.7% (2015: 37.3%) of the total trading volume.

POLYTEC share (AT0000A00XX9)	Unit	2016	Change	2015	2014
Year-end closing price	EUR	10.39	35.6%	7.66	6.25
Highest closing price during the year	EUR	10.60	25.4%	8.45	8.54
Lowest closing price during the year	EUR	6.65	7.3%	6.20	5.90
Market capitalisation at year-end	EUR million	231.9	35.6%	171.0	139.6
Vienna Stock Exchange money turnover (double counting)	EUR million	71.7	-15.2%	84.6	80.7
Vienna Stock Exchange share turnover (double counting)	Shares million	9.0	-20.8%	11.3	11.2
Turnover per share (daily average, double counting)	Shares	35,937	-21.3%	45,660	45,126

Source: Wiener Börse AG

The price surge continued beyond the 2016 reporting period and following the publication of the preliminary results for the 2016 financial year on 23 January 2017, there were above-average trading values and price rises shortly before the stock exchange close and on the following day. The positive price trend was maintained and on 13 February 2017 reached its high to date with a closing price of EUR 13.99.

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, together with investment banks and the Vienna Stock Exchange, POLYTEC organised road shows on more than thirty 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. During the 2016 financial year the following financial institutions published reports on the POLYTEC GROUP and the recommendations and price targets up to the editorial closing date of this report at the end of March 2017 were as follows:

Institute	Recommendation	Latest price target
BAADER Helvea Equity Research	Buy	EUR 13.5
ERSTE Group Research	Under review	Under review
M.M.Warburg Research	Buy	EUR 15.0
Raiffeisen CENTROBANK Research	Hold	EUR 15.5

DIVIDEND POLICY

POLYTEC's dividend policy is based on profitability and the strategic growth perspectives and the capital requirements of the group. In the 2016 business year, 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 Ordinary Annual General Meeting to be held on 22 May 2017. This corresponds to a total dividend payment of around

EUR 8.8 million (2015: EUR 6.6 million) and a dividend pay-out ratio of roughly 24.2% in terms of the POLYTEC GROUP's net profit. It is thus in the middle of the aspired 20 to 30% distributable earnings range. On the basis of an average price for the year of EUR 7.89, a dividend yield of 5.1% results. 29 May 2017 is the ex-dividend day and 31 May 2017 the dividend pay-out day.

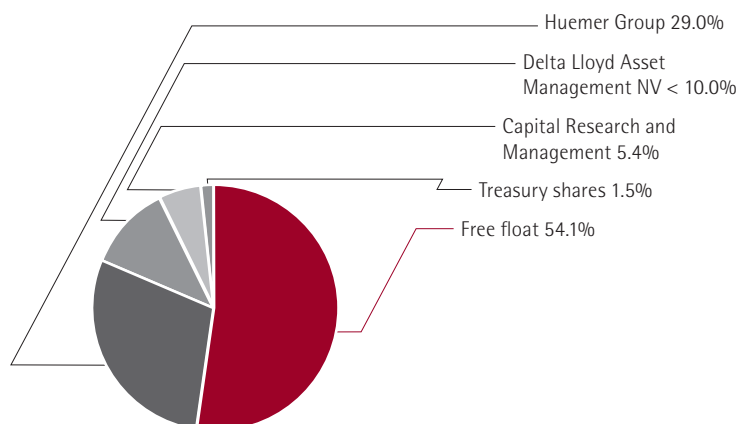
POLYTEC share (AT0000A00XX9)	Unit	2016	Change	2015	2014
Earnings per share	EUR	1.65	52.8%	1.08	0.62
Proposed dividend per share	EUR	0.40	33.3%	0.30	0.25
Dividend yield on the basis of the average share price	%	5.1	27.5%	4.0	3.5
Pay-out ratio	%	24.2	-12.9%	27.8	40.3

SHAREHOLDER STRUCTURE

As at 31 December 2016, POLYTEC HOLDING AG's share capital remained unchanged at EUR 22.3 million and was divided into 22,329,585 bearer shares. On the balance sheet date POLYTEC HOLDING AG held an unchanged total of 334,041 treasury shares, which amounted to roughly 1.5% of share capital. The Huemer Group had an approximately 29.0% (16.0% Huemer Holding GmbH and 13.0% Huemer Invest GmbH) holding in POLYTEC HOLDING AG share capital, which was unchanged.

In mid-July 2016, the shareholder Delta Lloyd Asset Management NV, Amsterdam (Netherlands) notified POLYTEC HOLDING AG that on 15 July 2016 it fell short of a reporting threshold. On 15 July 2016, two of the funds administered by Delta Lloyd Asset Management (Delta Lloyd Europees Deelnemingen Fonds NV and Delta Lloyd L European Participation Fund) received a joint interest of 9.98%, or 2,228,808 shares in POLYTEC HOLDING AG. Apart from this notification, in the period under report from 1 January to 31 December 2016, POLYTEC HOLDING AG did not receive any voting right communications from shareholders pursuant to §91 of the Austrian Stock Exchange Act.

As at 31 December 2016, on the basis of the shares issued, the shareholder structure of POLYTEC HOLDING AG presented the following picture:



AUTHORISED CAPITAL

A resolution regarding the renewed creation of authorised capital (§169 of the Austrian Stock Corporation Act) within a maximum of three years following entry into the company register and thus by 24 August 2019, for the purpose of an increase in cash or non-cash capital up to an amount of EUR 6,698,875.00, with the possibility of the exclusion of the subscription rights of the shareholders, as well as the corresponding amendment of the Articles of Association, was approved by the required majority at the 16th Ordinary Annual General Meeting on 19 May 2016.

CORPORATE CALENDAR 2017

6 April 2017	Thursday	Publication of the financial statements and annual report for 2016
8 May 2017	Monday	Publication of the interim report for Q1 2017
12 May 2017	Friday	Record date AGM
22 May 2017	Monday	17 th Ordinary Annual General Meeting for the 2016 financial year, Hörsching, 10:00 a.m.
29 May 2017	Monday	Ex-dividend day
30 May 2017	Tuesday	Dividend cut-off date (record date)
31 May 2017	Wednesday	Dividend pay-out day
10 August 2017	Thursday	Publication of the report for HY1 2017
7 November 2017	Tuesday	Publication of the interim report for Q3 2017

DETAILS REGARDING THE POLYTEC SHARE

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

CORPORATE GOVERNANCE

1. COMMITMENT TO THE AUSTRIAN CORPORATE GOVERNANCE CODE

The key elements in an animate corporate governance culture consist of a high degree of transparency for all stakeholders and a long-term and sustainable increase in corporate value, as well as efficient teamwork between the company's governing bodies, the protection of shareholders' interests and open corporate communications.

Since its IPO, POLYTEC HOLDING AG has voluntarily committed itself to compliance with the Austrian Corporate Governance Code in its respective current edition. During the 2016 financial year, the version of the code from January 2015 applied and therefore all the information and statements provided in this report pursuant to § 243b of the Austrian Commercial Code (UGB) are based on this edition. The complete text of the Austrian Corporate Governance Code can be called up from the website of the Austrian Working Committee for Corporate Governance (www.corporate-governance.at).

POLYTEC HOLDING AG complies with all the compulsory "L rules" (Legal Requirements) and all the "C rules" (Comply or Explain) contained in the Austrian Corporate Governance Code with the exception of Rule C-62. According to this rule, the company should allow an evaluation of adherence to the C rules of the code by an external institution, which to date has not taken place. The company justifies this fact with the related high costs, but is nonetheless convinced that adherence to the C rules and transparency are secured through internal audits and measures. The Corporate Governance Report for the 2016 financial year is publicly available via the POLYTEC HOLDING AG's corporate website (www.polytec-group.com), which is registered in the Austrian Company Register.

2. POLYTEC HOLDING AG GOVERNING BODIES

BOARD OF DIRECTORS

BOARD ORGANISATION AND WORKING METHODS

In accordance with the Articles of Association, the Board of Directors of POLYTEC HOLDING AG consists of one, two, three, four or five members. The Supervisory Board appoints the members of the Board of Directors. The Board of Directors manages the company in accordance with the relevant laws, the Articles of Association and the internal rules of procedure, which are subject to prior approval by the Supervisory Board. The scope of collaboration and distribution of responsibilities amongst the members of the Board of Directors are laid down in the internal rules of procedure. Details concerning the competences of each individual Board member are provided in their personal descriptions.

The members of the Board of Directors are in constant and close communication with each other in order to assess corporate progress and take any necessary decisions in a timely manner. The POLYTEC HOLDING AG Board of Directors meets on a regular basis in order to discuss current developments in the individual business areas. The Board of Directors regularly, at least quarterly, informs the Supervisory Board of the course of business and the economic situation of the company, while taking into account the future development of the group. The Chairman of the Supervisory Board must be informed immediately about any events with serious implications.

All of the serving members of the Board of Directors in 2015 were granted a unanimous discharge at the 16th Ordinary Annual General Meeting on 19 May 2016.

At the meeting of the Supervisory Board held on 7 December 2016, the mandate of the Board Chairman, Friedrich Huemer was extended for a year and therefore ends on 31 December 2017. That of the CFO, Peter Haidenek, was prolonged for three years until 31 December 2019.



THE FOLLOWING PERSONS SERVED AS MEMBERS OF THE POLYTEC HOLDING AG BOARD OF DIRECTORS IN 2016:

Alice Godderidge (CSO)

- Born in 1972
- Member of the Board of Directors
- Date of initial appointment: January 1, 2014
- End of current term of office: December 31, 2018
- Areas of responsibility: Sales and Engineering (Sales, Marketing and Development)
- Supervisory Board positions: none

Peter Haidenek (CFO)

- Born in 1965
- Member of the Board of Directors
- Date of initial appointment: February 1, 2011
- End of current term of office: December 31, 2019
- Areas of responsibility: Finance, IT, Controlling, Accounting, Investor Relations, Internal Audit
- Supervisory Board positions: none

Friedrich Huemer (CEO)

- Born in 1957
- Chairman of the Board of Directors and founder of the POLYTEC GROUP
- Date of initial appointment: year of company foundation
- End of current term of office: December 31, 2017
- Areas of responsibility: M&A, Investment Management, Corporate Strategy, Corporate Communications, Human Resources, Legal Affairs
- Supervisory Board positions: Globe Air AG (Chairman of the Supervisory Board)

Markus Huemer (COO)

- Born in 1981
- Deputy Chairman of the Board of Directors
- Date of initial appointment: January 1, 2014
- End of current term of office: December 31, 2018
- Areas of responsibility: Business Development, Plants, Production, Purchasing
- Supervisory Board positions: Globe Air AG (Member of the Supervisory Board)

SUPERVISORY BOARD

BOARD ORGANISATION AND WORKING METHODS

The Supervisory Board's scope of activities is defined by laws and regulations that apply to listed companies in Austria, e.g. the Austrian Stock Corporation Act and the Austrian Stock Exchange Act. In addition, the Supervisory Board is obliged to comply with the rules of the Austrian Corporate Governance Code. As far as internal company regulations are concerned, the Articles of Association and the rules of internal procedure are of primary importance. The members of the Supervisory Board are elected and can be removed from office by the Annual General Meeting. In accordance with the POLYTEC HOLDING AG Articles of Association, the Supervisory Board consists of at least three and no more than six members, elected by the Annual General Meeting. When appointing the Supervisory Board members, the

Annual General Meeting must take care to ensure the adequate professional and personal qualifications of eligible candidates, and that the composition of the Board demonstrates balanced expertise. Furthermore, the aspect of diversity with regard to gender equality, age structure and the international background of the members has to be taken into due consideration. Newly elected Supervisory Board members have to adequately inform themselves about the organisation and the activities of the company, as well as about their specific tasks and responsibilities. Last, but not least, the members of the Supervisory Board must conduct an annual self-assessment in order to examine the efficiency of their activities.

All of the serving members of the Supervisory Board in 2015 were granted a unanimous discharge at the 16th Ordinary Annual General Meeting on 19 May 2016.

THE FOLLOWING PERSONS SERVED AS MEMBERS OF THE POLYTEC HOLDING AG SUPERVISORY BOARD IN 2016

Fred Duswald



- Born in 1967
- Chairman of the Supervisory Board
- Date of initial appointment: 2006
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board positions: none
- Independent

Manfred Trauth



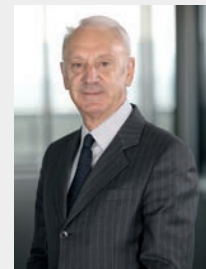
- Born in 1948
- Deputy Chairman of the Supervisory Board
- Date of initial appointment: 2007
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board positions: none
- Independent

Viktoria Kickinger



- Born in 1952
- Member of the Supervisory Board
- Date of initial appointment: 2006
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board positions: none
- Independent

Robert Büchelhofer



- Born in 1942
- Member of the Supervisory Board
- Date of initial appointment: 2005
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board positions: none
- Independent

Reinhard Schwendtbauer



- Born in 1972
- Member of the Supervisory Board
- Date of initial appointment: 2010
- End of current term of office: Annual General Meeting regarding the 2019 financial year
- Other Supervisory Board positions: none
- Independent

INDEPENDENCE OF THE SUPERVISORY BOARD MEMBERS

The members of the Supervisory Board are deemed to be independent if they have no business or personal relationships with the company or its Board of Directors that could result in a material conflict of interest and thus influence the members' conduct. One member of the Supervisory Board also sits on the executive board of a bank with which the group has a business relationship in the form of deposits and loan transactions. The members of the POLYTEC HOLDING AG Supervisory Board have committed themselves to compliance with the criteria of independence pursuant to Rule C-53 of the Austrian Corporate Governance Code and have declared their independence. Moreover, all members comply with Rule C-54 of the Code.

BUSINESS TRANSACTIONS OF THE SUPERVISORY BOARD MEMBERS REQUIRING PRIOR APPROVAL

In the 2016 financial year, the members of the Supervisory Board undertook no transactions that required prior consent pursuant to Rule L-48.

SUPERVISORY BOARD COMMITTEES

In accordance with the Austrian Stock Corporation Act, the POLYTEC HOLDING AG Supervisory Board has established an audit committee, which carries out the scheduled controlling and monitoring functions. The audit committee is also responsible for monitoring the accounting and auditing processes of both the financial statements and the consolidated financial statements, as well as monitoring the effectiveness of the internal control and risk management systems. In addition, it also supervises the compilation of the Corporate Governance Report for each financial year, which is then reported upon at the Annual General Meeting.

During the 2016 financial year, the audit committee met twice and a total of four Supervisory Board meetings were held. No further meetings were required. No Supervisory Board member attended fewer than half of the Board's meetings. In addition to the mandatory establishment of the audit committee, a nomination committee and a risk management committee were established.

The areas of responsibility of the individual Supervisory Board members in the respective committees are shown in the following table.

COMPOSITION OF THE COMMITTEES

Committee	Chairperson	Members
Audit committee	Reinhard Schwendtbauer	Robert Büchelhofer, Fred Duswald
Nomination committee	Fred Duswald	Manfred Trauth, Viktoria Kickingner
Risk management committee	Viktoria Kickingner	Manfred Trauth, Fred Duswald

REMUNERATION REPORT

REMUNERATION OF THE BOARD OF DIRECTORS

When determining the total remuneration of the members of the Board of Directors, the Supervisory Board has to ensure that this is commensurate with their individual tasks and performance, the company's economic position and the customary levels of remuneration, while providing long-term incentives for a sustainable development of the company. Remuneration contains fixed and variable components. Apart from the achievement of performance-related targets set for each individual Board member, the development of the return on capital employed (ROCE) is the most important parameter for the calculation of the variable remuneration components. There are no stock option plans or share-based remuneration systems currently in place.

In the year under review, total remuneration to the members of the Board of Directors including performance-related components amounted to EUR 2,541 k (2015: EUR 2,498 k). As in the preceding year, in 2016 no payments were made following the termination of the working relationship. Unpaid variable remuneration for 2016 is recognised in the current provisions for personnel. The Chairman of the Board of Directors, Friedrich Huemer works for POLYTEC HOLDING AG on the basis of a service contract via IMC Verwaltungsgesellschaft mbH, Hörsching. There is no company pension system for members of the Board of Directors. As at the balance sheet date on 31 December 2016, no loans or advance payments had been granted to the current or former members of the Board of Directors.

REMUNERATION OF THE BOARD OF DIRECTORS IN THE 2016 FINANCIAL YEAR

Member of the Board of Directors	Basic salary	Variable component of remuneration	Total
Friedrich Huemer ¹⁾	447	785	1,232
Markus Huemer ²⁾	259	379	638
Alice Godderidge ²⁾	230	173	403
Peter Haidenek ²⁾	208	60	268
Total	1,144	1,397	2,541

Amounts in EUR k, ¹⁾ Service contract fee, ²⁾ Gross salaries

REMUNERATION OF THE SUPERVISORY BOARD

The remuneration of the members of the Supervisory Board for the previous financial year is sanctioned within the framework of the Annual General Meeting. Total remuneration of the members of the Supervisory Board for the 2015 financial year was approved during the 16th Ordinary Annual General Meeting held on 19 May 2016 and totalled EUR 98,750. For the 2016 financial year, a total amount of EUR 98,750 for the remunera-

tion of all members of the Supervisory Board was again recognised as an expense. Accordingly, the Board of Directors will propose this amount to the 17th Ordinary Annual General Meeting to be held on 22 May 2017 as total emoluments to the Supervisory Board. Subject to prior approval by the Annual General Meeting, this sum will be distributed among the individual members of the Supervisory Board as follows:

REMUNERATION OF THE SUPERVISORY BOARD IN THE 2016 FINANCIAL YEAR

Member of the Supervisory Board	Function	Remuneration
Fred Duswald	Chairman of the Supervisory Board	25
Manfred Trauth	Deputy Chairman of the Supervisory Board	19
Viktoria Kickingner	Member of the Supervisory Board	15
Robert Büchelhofer	Member of the Supervisory Board	25
Reinhard Schwendtbauer	Member of the Supervisory Board	15
Total		99

Amounts in EUR k

3. OTHER INFORMATION

MANAGERS' TRANSACTIONS

The managers' transactions of the Supervisory Board and the Board of Directors were published in the Directors' Dealings database of the Austrian Financial Market Authority (FMA) up to 2 July 2016. Since 3 July 2016, the EU Market Abuse Regulation No. 596/2014 (MAR) is to be applied. The notification of managers' transactions (e.g. share purchases and sales) by persons discharging managerial responsibilities with an issuer now

takes place in line with Article 19 MAR and the related mandatory implementation regulation.

D&O INSURANCE POLICY

POLYTEC HOLDING AG has concluded a directors and officers (D&O) insurance policy for the members of the company's Board of Directors, Supervisory Board and executive employees, as well as the managing bodies of the subsidiaries. The company pays the premiums for this insurance policy.

COMPLIANCE

POLYTEC HOLDING AG introduced compulsory compliance guidelines pursuant to Rules L-20 and C-21 of the Austrian Corporate Governance Code a number of years ago. In the year under report, POLYTEC HOLDING AG Compliance dealt comprehensively with the statutory changes resulting from the coming into force during the summer of 2016 of the EU Market Abuse Regulation No. 596/2014 (MAR). The internal regulations used to date to prevent any misuse of insider information were amended accordingly and furthermore the additional organisational measures required were newly established. The members of the Supervisory Board and the Board of Directors were provided with regular and comprehensive information during the year under review and the personal data required from them was collated.

Other tasks relating to the implementation of the new regulation such as the gathering of data and personal undertakings on the part of persons, who if necessary could have access to insider information or information of relevance to compliance, as well as the training of these persons with regard to the prevention of the abuse of insider information and possible sanctions, was carried out in coordination with the entire Board of Directors. Compliance activities are reported to the audit committee on an annual basis.

In addition to the content of capital market compliance, the POLYTEC GROUP holds regular training regarding anti-corruption and anti-trust law. The awareness levels of employees are raised with respect to issues of competition and anti-trust law relevance, as well as correct conduct when dealing with gifts and invitations. The aim is to protect both employees and the company against infringements of the law and to offer practice-related support during the application of the relevant regulations.

MEASURES FOR THE PROMOTION OF WOMEN

Viewed from a gender perspective, the composition of POLYTEC HOLDING AG's governing bodies, the Board of Directors and the Supervisory Board, as at the balance sheet date of 31 December 2016 was as follows: one in five Supervisory Board positions was held by a woman, which corresponds to a proportion of 20%. One woman also served on the four-member Board of Directors, thus accounting for a 25% share of the posts.

On 31 December 2016, the quota of women in the group amounted to 18.9%, which was one percentage point higher as compared to the balance sheet date of the previous year. The workforce in the automotive subsupply industry is still predominately male, as this sector is primarily oriented towards

technology. However, the percentage of female employees has increased over recent years and this also applies to executive management positions. On the closing date for this report at the end of March 2017, women held 19% of the executive managerial posts at the POLYTEC GROUP's companies and men 81%. On the balance sheet date, the quota of women within the holding company amounted to 50%. In the Finance and Accounting, Sales and Marketing as well as in the Legal departments, women currently hold clerical, middle and top management positions. This high percentage of female employees is mainly attributable to the increased efforts of the Human Resources department during recent years, which have been aimed at filling both new and replacement vacancies with women.

When recruiting for vacant positions, the Human Resources department evaluates both male and female applicants in an equal manner. Candidates are selected primarily on the basis of the qualifications and experience they can contribute to the company. Other personal characteristics such as social background, religion or age are not deemed important. For a globally operating company, performance orientation, equal opportunities and the uniform treatment of all employees take centre stage in daily business operations.

AUDITOR

Deloitte Oberösterreich Wirtschaftsprüfungs GmbH, Linz was recommended by the Supervisory Board as the auditor of POLYTEC HOLDING AG's financial statements and consolidated financial statements for the 2016 financial year. This proposal was approved with the required majority at the 16th Ordinary Annual General Meeting held on 19 May 2016. In the year under review, total expenses for auditing purposes amounted to EUR 175 k (2015: EUR 166 k). A more detailed breakdown of these expenses in the single fields of activity is available in the notes to the consolidated financial statements.

Hörsching, 31 March 2017

The Board of Directors of POLYTEC HOLDING AG

Friedrich Huemer m. p.
Chairman – CEO
Markus Huemer m. p.
Deputy Chairman – COO
Alice Godderidge m. p.
Member of the Board – CSO
Peter Haidenek m. p.
Member of the Board – CFO

REPORT OF THE POLYTEC HOLDING AG SUPERVISORY BOARD FOR THE 2016 FINANCIAL YEAR

In the financial year expired, the Board of Directors of POLYTEC HOLDING AG provided the members of the Supervisory Board and its committees with regular information about the business performance and financial situation of the company. During both Supervisory Board meetings and informal discussions, communications between the Board of Directors and the Supervisory Board were characterised by a high degree of openness, which allowed the Supervisory Board to comprehensively assess the management of the company at all times and support the Board of Directors with regard to key decisions. The Supervisory Board executed its duties pursuant to the Austrian legal provisions and the company's articles of association, as well as in compliance with the Austrian Corporate Governance Code.

During the 2016 financial year, the committees formed in accordance with the Austrian Corporate Governance Code (audit, nomination and risk management committees) convened as stipulated. The meetings dealt largely with the discussion of the course of business and resolutions regarding business matters and measures of importance. The Supervisory Board of POLYTEC HOLDING AG is currently composed of five shareholder representatives and is committed to compliance with the Austrian Corporate Governance Code. All of the Supervisory Board members are deemed to be independent according to the definition contained in the Austrian Corporate Governance Code.

Deloitte Oberösterreich Wirtschaftsprüfungs GmbH, Linz, audited the financial statements including the management report, the consolidated financial statements and the group management report of POLYTEC HOLDING AG in its capacity as the auditor for the 2016 financial year. The auditor granted both the 2016 financial statements and consolidated financial statements of POLYTEC HOLDING AG an unqualified opinion. On the basis of this audit, apart from the clarification of especially important auditing matters, among other aspects it was confirmed that the financial statements and the consolidated financial statements comply with all legal requirements and provide a true and fair view of the asset and financial situation as at 31 December 2016, as well as the profit situation for the financial year ending on this closing date. Pursuant to the opinion of the auditor, the financial statements were prepared in accordance with the stipulations of Austrian company law and the consolidated financial statements in line with the International Financial Reporting Standards, as applied in the EU (IFRS) and the additional requirements pursuant to § 245a UGB (Austrian Company Code).

At its meeting on 5 April 2017, together with the auditor, the audit committee of the Supervisory Board studied in detail the annual financial statements including the management report, the corporate governance report, the consolidated financial statement including the group management report and the auditor's report. Following its own examination, the audit committee endorsed the findings of the auditor's report and informed the Supervisory Board accordingly. Owing to the long-term appointment of Deloitte Oberösterreich Wirtschaftsprüfungs GmbH, the audit committee also recommended that at the Annual General Meeting, the Supervisory Board should propose that KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz be appointed as the auditor for the 2017 financial statements.

The Supervisory Board examined the annual financial statements, the consolidated financial statements, the management report, the group management report and the corporate governance report and endorsed the result of the audit of the financial statements and consolidated financial statements. The Supervisory Board concurred with the annual financial statements, which are thus adopted pursuant to § 96 Para.4 of the Austrian Stock Corporation Act. The Supervisory Board also agreed with the recommendation of the audit committee and will propose to the Annual General Meeting that KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz be appointed as the auditor for the 2017 financial year.

Furthermore, the Supervisory Board concurs with the recommendation of the Board of Directors to distribute a dividend of EUR 0.40 per eligible share for the 2016 financial year.

On behalf of the Supervisory Board, I would like to express my gratitude to the Board of Directors and all the members of the POLYTEC GROUP workforce for their endeavors and great commitment during the 2016 financial year. I would also like to thank the POLYTEC GROUP's shareholders and customers for their trust.

Hörsching, April 2017

Fred Duswald m. p.
Chairman of the Supervisory Board

FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016 (GERMAN)

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Bilanz zum 31. Dezember 2016

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

	31.12.2016 EUR	31.12.2015 TEUR		31.12.2016 EUR	31.12.2015 TEUR
Aktiva			Passiva		
A. Anlagevermögen:			I. Ausgegebenes Grundkapital	21.995.544,00	21.996
I. Immaterielle Vermögensgegenstände	697.951,44	745	davon Grundkapital	22.329.585,00	22.330
II. Sachanlagen	543.806,50	539	abzüglich Nennbetrag eigener Anteile	-334.041,00	-334
III. Finanzanlagen	158.402.695,21	114.665	II. Gebundene Kapitalrücklagen	38.869.949,79	38.870
	159.644.453,15	115.950	III. Rücklage für eigene Anteile	334.041,00	334
B. Umlaufvermögen:			IV. Bilanzgewinn	123.331.676,29	92.325
I. Forderungen und sonstige Vermögensgegenstände:	7.585,49	206	davon Gewinnvortrag	85.726.825,96	80.122
1. Forderungen aus Lieferungen und Leistungen	0,00	0		184.531.211,08	153.525
<i> davon mit einer Restlaufzeit von mehr als einem Jahr</i>					
2. Forderungen gegenüber verbundenen Unternehmen	86.067.253,79	104.779	B. Rückstellungen:		
<i> davon mit einer Restlaufzeit von mehr als einem Jahr</i>	7.881.522,10	6.409	1. Rückstellungen für Abfertigungen	291.614,27	303
3. Sonstige Forderungen und Vermögensgegenstände	3.524.322,74	8.932	2. Steurrückstellungen	910.000,00	660
<i> davon mit einer Restlaufzeit von mehr als einem Jahr</i>	100.000,00	130	3. Sonstige Rückstellungen	2.911.115,46	2.034
II. Kassenbestand, Schecks, Guthaben bei Kreditinstituten	42.202.446,99	27.864		4.112.728,73	2.997
	131.801.609,01	141.781	C. Verbindlichkeiten:		
			1. Verbindlichkeiten aus Schuldscheindarlehen	100.523.259,37	100.528
			<i> davon mit einer Restlaufzeit bis zu einem Jahr</i>	523.259,37	528
			<i> davon mit einer Restlaufzeit von mehr als einem Jahr</i>	100.000.000,00	100.000
C. Rechnungsabgrenzungsposten:	118.313,84	59	2. Verbindlichkeiten aus Lieferungen und Leistungen	462.557,87	531
			<i> davon mit einer Restlaufzeit bis zu einem Jahr</i>	462.557,87	465
D. Aktive latente Steuern:	1.743.000,00	0	<i> davon mit einer Restlaufzeit von mehr als einem Jahr</i>	0,00	46
			3. Verbindlichkeiten gegenüber verbundenen Unternehmen	1.501.051,70	0
			<i> davon mit einer Restlaufzeit bis zu einem Jahr</i>	1.501.051,70	0
			4. Sonstige Verbindlichkeiten	176.566,25	209
			<i> davon aus Steuern</i>	78.294,55	128
			<i> davon im Rahmen der sozialen Sicherheit</i>	79.800,82	69
			<i> davon mit einer Restlaufzeit bis zu einem Jahr</i>	176.566,25	209
			<i> davon mit einer Restlaufzeit von mehr als einem Jahr</i>	2.663.435,19	1.222
			<i> davon mit einer Restlaufzeit von mehr als einem Jahr</i>	100.000.000,00	100.046
			D. Rechnungsabgrenzungsposten:		
				2.000.000,00	0
				293.307.376,00	257.790

Gewinn- und Verlustrechnung für das Geschäftsjahr 2016

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

	2016 EUR	2015 TEUR
1. Umsatzerlöse	12.117.756,31	11.793
2. Sonstige betriebliche Erträge:		
a) Erträge aus dem Abgang vom Anlagevermögen mit Ausnahme der Finanzanlagen	24.314,97	72
b) Übrige	42.209,55	81
	<u>66.524,52</u>	154
3. Personalaufwand:		
a) Gehälter	-3.674.512,17	-3.373
b) Soziale Aufwendungen		
aa) Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen	-36.636,19	-106
bb) Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge	-812.494,97	-784
	<u>-849.131,16</u>	-890
	-4.523.643,33	-4.263
4. Abschreibungen	-555.541,66	-459
5. Sonstige betriebliche Aufwendungen	-6.087.427,90	-6.247
6. Zwischensumme aus Z 1 bis Z 5 (Betriebsergebnis)	<u>1.017.667,94</u>	978
7. Erträge aus Beteiligungen	36.233.600,00	7.451
<i>davon aus verbundenen Unternehmen</i>	36.233.600,00	7.374
8. Sonstige Zinsen und ähnliche Erträge	3.730.900,00	6.327
<i>davon aus verbundenen Unternehmen</i>	3.296.702,53	5.509
9. Erträge aus dem Abgang von und der Zuschreibung zu Finanzanlagen	1.368.391,94	0
<i>davon aus verbundenen Unternehmen</i>	1.368.391,94	0
10. Aufwendungen aus Finanzanlagen	-6.200.000,00	-2.039
<i>davon Abschreibungen</i>	0,00	-7
<i>davon Aufwendungen aus verbundenen Unternehmen</i>	-6.200.000,00	-2.032
11. Zinsen und ähnliche Aufwendungen	-2.598.669,58	-2.513
12. Zwischensumme aus Z 7 bis Z 11 (Finanzergebnis)	<u>32.534.222,36</u>	9.227
13. Ergebnis vor Steuern	33.551.890,30	10.205
14. Steuern vom Einkommen	4.052.960,03	1.998
15. Ergebnis nach Steuern = Jahresüberschuss	37.604.850,33	12.203
16. Gewinnvortrag aus dem Vorjahr	85.726.825,96	80.122
17. Bilanzgewinn	123.331.676,29	92.325

Anhang für das Geschäftsjahr 2016 der POLYTEC Holding AG, Hörsching

I. Anwendung der unternehmensrechtlichen Vorschriften

Der vorliegende Jahresabschluss 2016 ist nach den Vorschriften des UGB aufgestellt worden.

Die Gesellschaft ist als große Kapitalgesellschaft gemäß § 221 UGB einzustufen.

Im Interesse einer klaren Darstellung wurden in der Bilanz und in der Gewinn- und Verlustrechnung einzelne Posten zusammengefasst. Diese Posten sind im Anhang gesondert ausgewiesen.

Die Gewinn- und Verlustrechnung ist in Staffelform nach dem Gesamtkostenverfahren aufgestellt.

Die bisherige Form der Darstellung wurde grundsätzlich bei der Erstellung des vorliegenden Jahresabschlusses beibehalten. Die Vorjahresbeträge wurden hinsichtlich der Gliederung von Bilanz und Gewinn- und Verlustrechnung an die geänderten Vorgaben des RÄG 2014 angepasst.

Soweit es zur Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage erforderlich ist, wurden im Anhang zusätzliche Angaben gemacht.

II. Bilanzierungs- und Bewertungsmethoden

Der Jahresabschluss wurde unter Beachtung der Grundsätze ordnungsmäßiger Buchführung sowie der Generalnorm, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, aufgestellt.

Bei der Erstellung des Jahresabschlusses wurde der Grundsatz der Vollständigkeit eingehalten.

Bei der Bewertung wurde von der Fortführung des Unternehmens ausgegangen.

Bei den Vermögensgegenständen und Schulden wurde der Grundsatz der Einzelbewertung angewandt.

Die bisherigen angewandten Bewertungsmethoden wurden mit Ausnahme der Änderungen auf Grund der erstmaligen Anwendung des RÄG 2014 beibehalten; diese Änderungen waren - mit Ausnahme der Bildung der aktiven latenten Steuern - in Summe unwesentlich.

Schätzungen beruhen auf einer umsichtigen Beurteilung. Soweit statistisch ermittelbare Erfahrungen aus gleich gelagerten Sachverhalten vorhanden sind, wurden diese bei Schätzungen berücksichtigt.

Dem Vorsichtsprinzip wurde Rechnung getragen, indem insbesondere nur die am Abschlussstichtag verwirklichten Gewinne ausgewiesen werden.

Alle erkennbaren Risiken und drohenden Verluste wurden berücksichtigt.

Immaterielle Vermögensgegenstände werden, soweit gegen Entgelt erworben, zu Anschaffungskosten aktiviert und in längstens fünf Jahren abgeschrieben.

Sachanlagen werden zu Anschaffungs- oder Herstellungskosten, abzüglich planmäßiger Abschreibungen, bewertet.

Die planmäßigen Abschreibungen werden linear unter Zugrundelegung folgender Nutzungsdauern und Abschreibungssätze berechnet:

	Nutzungs- dauer in Jahren	Abschrei- bungssatz %
Technische Anlagen und Maschinen	3 - 8	12,5 - 33,3
Andere Anlagen, Betriebs- und Geschäftsausstattung	2 - 10	10,0 - 50,0

Von den Zugängen in der ersten Hälfte des Geschäftsjahres wird die volle Jahresabschreibung, von den Zugängen in der zweiten Hälfte wird die halbe Jahresabschreibung verrechnet.

Geringwertige Vermögensgegenstände werden im Jahr der Anschaffung voll abgeschrieben.

Außerplanmäßige Abschreibungen werden vorgenommen, soweit der Ansatz mit einem niedrigeren Wert erforderlich ist.

Zuschreibungen zu Vermögensgegenständen des Anlagevermögens werden vorgenommen, wenn die Gründe für die außerplanmäßige Abschreibung nachhaltig weggefallen sind. Die Zuschreibung erfolgt auf maximal den Nettobuchwert, der sich unter Berücksichtigung der Normalabschreibungen, die inzwischen vorzunehmen gewesen wären, ergibt.

Die Finanzanlagen werden zu Anschaffungskosten oder, falls ihnen ein niedrigerer Wert beizulegen ist, mit diesem angesetzt, wenn die Wertminderungen voraussichtlich von Dauer sind.

Forderungen und sonstige Vermögensgegenstände werden mit dem Nennbetrag angesetzt. Fremdwährungsforderungen werden unter Berücksichtigung des Niederstwertprinzips mit dem Referenzkurs der Europäischen Zentralbank zum Bilanzstichtag bewertet. Für erkennbare Risiken werden Einzelwertberichtigungen gebildet.

Zuschreibungen zu Vermögensgegenständen des Umlaufvermögens werden vorgenommen, wenn die Gründe für die Abschreibung nachhaltig weggefallen sind.

Latente Steuern werden gemäß § 198 Abs 9 und 10 UGB nach dem bilanzorientierten Konzept und ohne Abzinsung auf Basis des aktuellen Körperschaftsteuersatz von 25% gebildet. Dabei werden keine latente Steuern auf steuerliche Verlustvträge berücksichtigt.

Die latenten Steuern sind vollständig erfasst, wobei der Umstellungsbetrag zum 1.1.2016 EUR 474.000 beträgt.

Bei der Bemessung der Rückstellungen werden entsprechend den gesetzlichen Erfordernissen alle erkennbaren Risiken und drohenden Verluste berücksichtigt.

Zum 31.12.2016 wurden die Rückstellungen für Abfertigungen und Jubiläumsgelder nach versicherungsmathematischen Grundsätzen entsprechend den Vorschriften des IAS 19 "Leistungen an Arbeitnehmer" unter Anwendung der Projected-Unit-Credit-Method (laufendes Einmalprämienverfahren) berechnet. Dabei werden die erwarteten Versorgungsleistungen auf den gesamten Zeitraum der Beschäftigung verteilt. Zukünftige Gehaltssteigerungen sowie Fluktuationsabschläge werden berücksichtigt. Versicherungsmathematische Gewinne und Verluste werden zur Gänze in der Periode angesetzt, in der sie anfallen. Die Aufwendungen aus der Aufzinsung sowie die Zahlungen für beitragsorientierte Verpflichtungen sind im Personalaufwand

Annahmen zur Berechnung der erwarteten leistungsorientierten Ansprüche zum 31.12.2016:

	Abfertigungen	Jubiläumsgelder
Diskontierungszinssatz	1,5%	1,7%
Vorjahr	1,9%	2,2%
Lohn-/Gehaltssteigerung	2,0%	2,0%
Vorjahr	2,0%	2,0%

Es kommen die Rechnungsgrundlagen von "AVÖ 2008-P - Rechnungsgrundlagen für die Pensionsversicherung - Pagler & Pagler" sowie ein Pensionsantrittsalter von 62 Jahren unter Beachtung der aktuellen pensionsrechtlichen Vorschriften zur Anwendung.

In den sonstigen Rückstellungen werden unter Beachtung des Vorsichtsprinzips alle zum Zeitpunkt der Bilanzerstellung erkennbaren Risiken und der Höhe sowie dem Grunde nach ungewisse Verbindlichkeiten mit den Beträgen berücksichtigt, die nach vernünftiger unternehmerischer Beurteilung erforderlich sind. Langfristige Rückstellungen werden abgezinst.

Verbindlichkeiten werden mit ihrem Erfüllungsbetrag angesetzt. Fremdwährungsverbindlichkeiten werden unter Berücksichtigung des Höchstwertprinzips mit dem Referenzkurs der Europäischen Zentralbank zum Bilanzstichtag bewertet.

III. Erläuterungen zur Bilanz

Anlagevermögen

Die Aufgliederung des Anlagevermögens und seine Entwicklung im Berichtsjahr sind im folgenden Anlagenspiegel angeführt.

Anlagenpiegel zum 31. Dezember 2016

	Anschaffungs- und Herstellungskosten				kumulierte Abschreibungen				Buchwerte		
	Stand am 1.1.2016 EUR	Zugänge EUR	Um- buchungen EUR	Abgänge EUR	Stand am 31.12.2016 EUR	Zugänge EUR	Zuschreibung EUR	Um- buchungen EUR	Abgänge EUR	Stand am 31.12.2016 EUR	Stand am 31.12.2015 EUR
I. Immaterielle Vermögensgegenstände:											
1. Rechte	1.642.575,11	209.903,04	343.204,84	0,00	2.195.682,99	1.240.375,53	0,00	0,00	0,00	1.497.731,55	697.951,44
2. Geleistete Anzahlungen	343.204,84	0,00	-343.204,84	0,00	0,00	0,00	0,00	0,00	0,00	0,00	402.199,58
	1.985.779,95	209.903,04	0,00	0,00	2.195.682,99	1.240.375,53	0,00	0,00	0,00	1.497.731,55	697.951,44
II. Sachanlagen:											
1. Technische Anlagen und Maschinen	605.000,00	0,00	0,00	0,00	605.000,00	299.900,01	0,00	0,00	0,00	449.849,97	155.150,03
2. Andere Anlagen, Betriebs- und Geschäftsausstattung	1.148.859,18	359.169,88	0,00	147.464,17	1.360.564,89	914.988,55	0,00	87.654,14	0,00	975.570,09	384.994,80
3. Geleistete Anzahlungen	0,00	3.661,67	0,00	0,00	3.661,67	0,00	0,00	0,00	0,00	3.661,67	233.870,63
	1.753.859,18	362.831,55	0,00	147.464,17	1.969.226,56	1.214.888,56	0,00	87.654,14	0,00	1.425.420,06	543.806,50
III. Finanzanlagen:											
1. Anteile an verbundenen Unternehmen	152.337.842,30	73.715.250,00	0,00	55.439.600,65	170.613.491,65	42.443.662,37	0,00	22.439.600,65	0,00	18.780.690,72	151.832.800,93
2. Ausleihungen an verbundene Unternehmen	4.531.875,00	1.829.848,87	234.794,35	0,00	6.596.518,22	0,00	0,00	26.623,94	0,00	26.623,94	4.531.875,00
3. Beteiligungen	30.979,06	0,00	0,00	30.979,06	0,00	0,00	0,00	0,00	0,00	0,00	30.979,06
4. Ausleihungen an Unternehmen mit denen ein Beteiligungsverhältnis besteht	234.794,35	0,00	-234.794,35	0,00	0,00	26.623,94	0,00	-26.623,94	0,00	0,00	208.170,41
	157.135.490,71	75.545.098,87	0,00	55.470.579,71	177.210.009,87	42.470.286,31	0,00	22.439.600,65	0,00	18.807.314,66	158.402.695,21
	160.875.229,84	76.117.833,46	0,00	55.618.043,88	181.374.919,42	44.925.560,40	555.541,66	22.927.254,79	0,00	21.730.466,27	159.644.453,15
											115.949.579,44

Aus der Nutzung von nicht in der Bilanz ausgewiesenen Sachanlagen besteht auf Grund von langfristigen Mietverträgen für das Geschäftsjahr 2017 eine Verpflichtung von EUR 408.024,65 (Vorjahr: TEUR 455). Der Gesamtbetrag der Verpflichtungen für die nächsten 5 Jahre beträgt EUR 2.081.335,77 (Vorjahr: TEUR 2.322).

Finanzanlagen

Die Zugänge bei den Anteilen an verbundenen Unternehmen betreffen im Jahr 2016 getätigte Akquisitionen sowie Kapitalmaßnahmen bei bestehenden Tochterunternehmen. Die Abgänge bei den Anteilen an verbundenen Unternehmen resultieren aus dem in 2016 erfolgten konzerninternen Verkauf eines verbundenen Unternehmens.

Beteiligungsliste

Die Gesellschaft hält bei folgenden Unternehmen mindestens 20,0 % Anteilsbesitz, die Angaben zum Eigenkapital und Ergebnis basieren zum Teil auf den vorläufigen Ergebnissen für 2016:

Beteiligungsunternehmen	Kapital- anteil %	Wäh- rung	Eigenkapital/ Negatives Eigenkapital	Ergebnis des Geschäfts- jahres	Stichtag
POLYTEC CAR STYLING		EUR	8.839.146	5.572.251	31.12.2016 ¹⁾
Hörsching GmbH, Hörsching	100,0	EUR	9.166.895	7.360.552	31.12.2015
POLYTEC FOHA INC., Warren, USA	100,0	USD	2.960.946	1.358.642	31.12.2016 ¹⁾
POLYTEC FOHA CORP., Markham, Kanada	100,0	USD	1.602.304	851.639	31.12.2015 ¹⁾
Polytec Car Styling Bromyard Limited, Bromyard, Großbritannien	100,0	CAD	114.120	2.690	31.12.2016 ¹⁾
Polytec Car Styling Schoten n.v., Schoten, Belgien	100,0	CAD	114.219	-5.706	31.12.2015 ¹⁾
Polytec Holding Netherlands B.V., Roosendaal, Niederlande	100,0	GBP	6.193.448	1.296.040	31.12.2016 ¹⁾
POLYTEC Industrial Plastics GmbH, Bochum, Deutschland	100,0	GBP	4.897.306	1.861.785	31.12.2015
PT Beteiligungs GmbH, Hörsching	100,0	EUR	756.566	49.960	31.12.2016 ¹⁾
POLYTEC Anlagenfinanzierung GmbH, Hörsching	100,0	EUR	706.608	455.152	31.12.2015 ¹⁾
POLYTEC PLASTICS Ebensee GmbH, Ebensee	100,0	EUR	53.331.741	7.888.688	31.12.2016 ¹⁾
POLYTEC Immobilien Holding GmbH, Hörsching	100,0	EUR	51.443.053	0	31.12.2015
POLYTEC AUTO PARTS Tianjin Co., Ltd., Tianjin, China	70,0	EUR	14.032.127	982.969	31.12.2016 ¹⁾
POLYTEC Invest GmbH i.L., Geretsried, Deutschland	100,0	EUR	14.549.158	6.290	31.12.2015
POLYTEC Interior Zaragoza S.L. i.L., Zaragoza, Spanien	100,0	EUR	23.137.055	21.827.590	31.12.2016 ¹⁾
Ratipur Holding Vagyonkezelő Korlátolt Felelősségű Társaság, Komlo, Ungarn	100,0	EUR	4.004.465	2.296.997	31.12.2015
POLYTEC Germany GmbH, Lohne, Deutschland	100,0	EUR	-741.808	-229.969	31.12.2016 ¹⁾
POLYTEC ESTATES UK LIMITED, Bromyard, Großbritannien	100,0	EUR	-511.838	-247.960	31.12.2015
		EUR	2.416.295	2.481.736	31.12.2016
		EUR	-65.441	0	31.12.2015
		EUR	63.685.923	-164.476	31.12.2016
		EUR	27.005.399	-433.221	31.12.2015
		TCNY	26.640	-6.845	31.12.2016
		TCNY	17.358	-3.198	31.12.2015
				in Liquidation	
				in Liquidation	
		THUF	213.660	146.292	31.12.2016 ¹⁾
		THUF	67.368	70.212	31.12.2015
				Neugründung	
				Neugründung	

1) vorläufige Werte

Forderungen und sonstige Vermögensgegenstände

Die Forderungen gegenüber verbundenen Unternehmen betreffen im Wesentlichen Steuerumlagen, Konzernfinanzierungen, phasengleiche Gewinnausschüttungen und sonstige Verrechnungen.

Im Posten "Sonstige Forderungen und Vermögensgegenstände" sind Erträge in Höhe von EUR 688.076,00 (Vorjahr: TEUR 2.016) enthalten, die erst nach dem Bilanzstichtag zahlungswirksam werden.

Aktive latente Steuern

Die aktiven latenten Steuern wurden auf Unterschiede zwischen dem steuerlichen und unternehmensrechtlichen Wertansatz zum Bilanzstichtag für folgende Posten gebildet:

	31.12.2016
	EUR
Anteile an verbundenen Unternehmen	1.571.064,00
Langfristige Personalrückstellungen	95.989,75
Verbindlichkeiten aus Schuldscheindarlehen	75.946,25
	<u>1.743.000,00</u>
Daraus resultierende aktive latente Steuern	1.743.000,00
abzüglich: Saldierung mit passiven latenten Steuern	0,00
Stand zum 31.12.2016	<u><u>1.743.000,00</u></u>

Die aktiven latenten Steuern (vor Saldierung) entwickelten sich wie folgt:

Stand am 31.12.2015	0,00
Erfolgswirksame Veränderung	1.743.000,00
Stand am 31.12.2016	<u><u>1.743.000,00</u></u>

Grundkapital

Das Grundkapital beträgt zum 31.12.2016 EUR 22.329.585,00 und ist in 22.329.585 Stückaktien zum Nennbetrag von je EUR 1,00 zerlegt. Die Aktien lauten auf Inhaber.

Das Grundkapital der Gesellschaft blieb im Geschäftsjahr 2016 unverändert.

Eigene Aktien

Mit Beschluss der 14. ordentlichen Hauptversammlung vom 14.5.2014 wurde der Vorstand für die Dauer von 30 Monaten ab dem Tag der Beschlussfassung ermächtigt, eigene Aktien der Gesellschaft im Ausmaß von bis zu 10% des Grundkapitals zu erwerben. Die Ermächtigung des Vorstandes zum Erwerb eigener Aktien der Gesellschaft endete am 13. November 2016.

Bis zum 31.12.2016 wurden 334.041 Stk. eigene Aktien (31.12.2015: 334.041 Stk.) zu einem Durchschnittskurs von EUR 5,55 zurückerworben. Das entspricht einem Anteil am Grundkapital von 1,5% (31.12.2015: 1,5%) bzw. EUR 334.041,00 (31.12.2015: EUR 334.041,00). Der Vorstand ist ermächtigt, die eigenen Aktien zu jedem gesetzlich zulässigen Zweck zu verwenden.

Sonstige Rückstellungen

Die sonstigen Rückstellungen umfassen im Wesentlichen Vorsorgen für nicht konsumierte Urlaube, für Risiken aus derivativen Finanzinstrumenten sowie für Erfolgsprämien.

Verbindlichkeiten

Im Geschäftsjahr 2014 hat die POLYTEC GROUP ein Schuldscheindarlehen begeben. Das Emissionsvolumen beläuft sich auf TEUR 100.000. Es wurden Laufzeiten von 5 und 7 Jahren mit jeweils fixer und variabler Verzinsung vereinbart. Die durchschnittliche Laufzeit zum Ausgabezeitpunkt betrug ca. 6 Jahre. In den Verbindlichkeiten aus Schuldscheindarlehen sind keine Verbindlichkeiten mit einer Laufzeit von mehr als 5 Jahren (Vorjahr: TEUR 32,5) enthalten.

Im Posten "Sonstige Verbindlichkeiten" sind Aufwendungen in Höhe von EUR 172.515,35 (Vorjahr: TEUR 209) enthalten, die erst nach dem Bilanzstichtag zahlungswirksam werden.

IV. Erläuterungen zur Gewinn- und Verlustrechnung**Umsatzerlöse**

	2016 EUR	2015 TEUR
Inland	3.825.067,78	3.236
Ausland	8.292.688,53	8.557
	<u>12.117.756,31</u>	<u>11.793</u>

Aufgrund der Erstanwendung des RÄG 2014 im Geschäftsjahr 2016, werden Erlöse, welche zuvor in den sonstigen betrieblichen Erträgen dargestellt wurden nun in Höhe von EUR 286.610,82 in den Umsatzerlösen erfasst. Das Vorjahr wurde vergleichbar angepasst.

Sonstige betriebliche Erträge

	2016 EUR	2015 TEUR
Erträge aus dem Abgang vom Anlagevermögen	24.314,97	72
Kursdifferenzen	7.045,57	53
Sonstige	35.163,98	28
	<u>66.524,52</u>	<u>154</u>

Personalaufwand

Von den Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen entfielen im Geschäftsjahr EUR 13.632,87 (Vorjahr: TEUR 12) auf Mitglieder des Vorstands und leitende Angestellte.

Im Posten "Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen" sind EUR 11.530,73 an Erträgen (Vorjahr: Aufwendungen TEUR 64) für Abfertigungen enthalten.

Sonstige betriebliche Aufwendungen

Die übrigen sonstigen betrieblichen Aufwendungen beinhalten im Wesentlichen Geschäftsführungs-, Versicherungs-, Miet-, Beratungs- und Softwarewartungsaufwendungen.

Betreffend Aufwendungen für den Abschlussprüfer wird auf die Angabe im Konzernabschluss der POLYTEC Holding AG verwiesen.

Finanzergebnis

Die Erträge aus Beteiligungen von EUR 36.233.600,00 (Vorjahr: TEUR 7.451) stammen aus Gewinnausschüttungen von Tochterunternehmen und Beteiligungsunternehmen.

Die Aufwendungen aus Finanzanlagen betreffen in 2016 den Verlust aus dem konzerninternen Verkauf eines verbundenen Unternehmens. Im Vorjahr waren im Wesentlichen Aufwendungen aus einer Verlustabdeckungszusage gegenüber einem verbundenen Unternehmen enthalten.

Steuern von Einkommen

	2016 EUR	2015 TEUR
Körperschaftsteuer:		
Laufendes Jahr	886.743,00	912
Aus Vorperioden	21.841,00	0
Steuerumlagen Gruppenbesteuerung	-3.218.544,03	-2.910
Latente Steuern	-1.743.000,00	0
	<u>-4.052.960,03</u>	<u>-1.998</u>

Die Steuerumlagen betreffen inländische verbundene Unternehmen, welche in die Steuergruppe der Gesellschaft einbezogen sind.

Die Steuerumlagen werden nach der sogenannten Belastungsmethode verrechnet, wobei im Fall eines steuerlichen Gewinns das inländische Gruppenmitglied eine Steuerumlage an den Gruppenträger zu entrichten hat. Im Fall eines steuerlichen Verlustes eines inländischen Gruppenmitglieds hat der Gruppenträger eine Ausgleichszahlung an das Gruppenmitglied zu leisten.

V. Ergänzende Angaben

Die Gesellschaft ist Mutterunternehmen des POLYTEC-Konzerns. Der von der POLYTEC Holding AG, als oberstes Mutterunternehmen, verpflichtend aufzustellende Konzernabschluss wird beim Firmenbuch des Landes- als Handelsgerichtes Linz hinterlegt.

Haftungsverhältnisse und sonstige finanzielle Verpflichtungen

	31.12.2016 EUR	31.12.2015 TEUR
Haftungen gegenüber Kreditinstituten	25.061.202,00	30.281
Haftung für Leasingverpflichtungen	650.974,36	1.421
Haftung für Mietkaufverpflichtungen	5.935.870,65	6.999
Sonstige Bürgschaften und finanzielle Verpflichtungen	3.168.001,36	4.314
	<u>34.816.048,37</u>	<u>43.015</u>

Daneben besteht eine Veritätshaftung im Zusammenhang mit Factoringverträgen einzelner Konzernunternehmen. Diese betreffen das Restrisiko einer Inanspruchnahme der Gesellschaft für den Fall, dass an Konzerngesellschaften bevorschusste, jedoch dem Grunde nach nicht gerechtfertigte Forderungen, weder beim Schuldner der Forderung noch bei der Konzerngesellschaft einbringlich sind. Per 31.12.2016 betrug die Rahmenausnutzung EUR 23.364.004,00 (Vorjahr: TEUR 22.929). Das Delkredererisiko, den Rechtsbestand der Forderung vorausgesetzt, wird von der Factoringgesellschaft getragen. Die Haftung für Leasingverpflichtungen betrifft die Mithaftung als zweiter Leasingnehmer. Die sonstigen Bürgschaften und finanziellen Verpflichtungen betreffen im wesentlichen Mietverpflichtungen und Garantien.

Sämtliche Haftungsverhältnisse betreffen wie im Vorjahr Risikoübernahmen von verbundenen Unternehmen.

Derivative Finanzinstrumente

Die Gesellschaft setzt derivative Finanzinstrumente zur Absicherung von Fremdwährungs- und Zinsänderungsrisiken der POLYTEC-Gruppe im Rahmen der Aufgaben des Konzerntreasury ein. Zum 31.12.2016 bestanden folgende derivative Finanzinstrumente.

Kategorie der Finanzinstrumente	Nominale	Rückstellung		beizulegen- der Wert	
		31.12.2015 EUR	31.12.2015 EUR	31.12.2016 EUR	31.12.2016 EUR
Zinssatz-Swap	EUR 28.000.000,00	223.000,00	-222.658,00	397.000,00	-397.349,00
Zinssatz-Swap	EUR 8.500.000,00	62.000,00	-62.421,00	216.000,00	-216.030,00
Devisentermingeschäft	USD 48.378,00	1.000,00	-538,00	0,00	0,00

Geschäfte mit nahe stehenden Personen und Unternehmen

Wesentliche Geschäfte mit nahe stehenden Personen und Unternehmen werden mit Firmen, die sich im mittelbaren oder unmittelbaren Beteiligungsbesitz des Vorstandsvorsitzenden befinden, getätigt (sogenannte IMC-Gruppe). Im wesentlichen betrifft dies die werkvertraglich geregelte Stellung des Vorstandsvorsitzenden der POLYTEC Holding AG.

Wesentliche Ereignisse nach dem Bilanzstichtag

Nach dem Bilanzstichtag sind keine wesentlichen Ereignisse eingetreten.

Ergebnisverwendung

Es wird vorgeschlagen, aus dem Bilanzgewinn in Höhe von EUR 123.331.676,29 eine Dividende von EUR 0,40 je Aktie, das sind für die im Umlauf befindlichen Aktien in Summe EUR 8.798.217,60 auszuschütten und den Restbetrag auf neue Rechnung vorzutragen.

Arbeitnehmer und Organe

	<u>2016</u>	<u>2015</u>
Angestellte (im Jahresdurchschnitt)	<u>41</u>	<u>41</u>

Mitglieder des Vorstands waren während des Geschäftsjahres und zum Zeitpunkt der Erstellung des Jahresabschlusses:

Herr Ing. Friedrich H u e m e r , Wallern (Vorstandsvorsitzender)
 Herr DI (FH) Markus H u e m e r , MBA, Buchkirchen (stellvertretender Vorstandsvorsitzender)
 Frau DI Alice G o d d e r i d g e , Piberbach
 Herr Dkfm. Peter H a i d e n e k , Velden

Der Gesamtbetrag der Bezüge der im Geschäftsjahr 2016 als Mitglieder des Vorstands tätigen Personen betrug rund EUR 2.508.000 (Vorjahr: TEUR 2.184). Die Gesamtbezüge eines ehemaligen Mitglieds des Vorstandes betragen im Vorjahr rund EUR 314.000.

Mitglieder des Aufsichtsrats waren während des Geschäftsjahres und zum Zeitpunkt der Erstellung des Jahresabschlusses:

Herr Mag. Fred D u s w a l d , Thalheim (Vorsitzender)
 Herr Manfred Helmut T r a u t h , Knittelsheim, Deutschland
 (Stellvertreter des Vorsitzenden)
 Herr Prof. Dr. Robert B ü c h e l h o f e r , Starnberg, Deutschland
 Frau Dr. Viktoria K i c k i n g e r , Wien
 Herr Mag. Reinhard S c h w e n d t b a u e r , Leonding

Die erfassten Aufwendungen für Vergütungen an Mitglieder des Aufsichtsrats betragen im Geschäftsjahr EUR 98.750,00 (Vorjahr: TEUR 99).

Es bestehen keine Kredite oder Vorschüsse an aktuelle oder frühere Mitglieder der Organe der Gesellschaft. Keine früheren Mitglieder der Organe der Gesellschaft erhalten Bezüge von der Gesellschaft oder einem ihrer verbundenen Unternehmen.

Hörsching, am 31. März 2017

Der Vorstand

Ing. Friedrich Huemer

DI (FH) Markus Huemer, MBA

DI Alice Godderidge

Dkfm. Peter Haidenek

LAGEBERICHT DER POLYTEC HOLDING AG FÜR DAS GESCHÄFTSJAHR 2016

1. GESCHÄFTSVERLAUF UND WIRTSCHAFTLICHE LAGE

ENTWICKLUNG IN DER AUTOMOBIL-BRANCHE 2016

Die globale Automobilindustrie blickt auf ein gutes Jahr 2016 zurück. Die Automobilmärkte China und USA verzeichneten neue Verkaufshöhepunkte, Westeuropa wuchs kräftig und erreichte das höchste Niveau seit 2007. In diesen drei bedeutendsten Märkten stiegen die Neuzulassungen um rund 4,7 Mio. auf insgesamt 55,8 Mio. Fahrzeuge (2015: 51,1 Mio.). Ebenfalls hohe Dynamik zeigte der indische Markt. Hier stiegen die PKW-Verkäufe 2016 um 7% auf knapp 3 Mio. Neuwagen. In Japan – dem weltweit viertgrößten Automobilmarkt – gingen die Absatzzahlen 2016 um 1,6% auf 4,2 Mio. PKW zurück. Erwartungsgemäß weiterhin rückläufig entwickelten sich die Registrierungen in Brasilien und Russland, auch wenn die Einbußen hier nicht mehr so hoch waren wie im Jahr 2015. Der VW-Konzern verkaufte 2016 weltweit 10,31 Mio. Fahrzeuge und ist nun weltgrößter Autobauer vor Toyota mit 10,17 Mio.

China auch 2016 weltweite Nummer eins bei PKW-Neuanmeldungen

Was PKW-Neuzulassungen betrifft, rangiert China weltweit weiterhin an der Spitze. Im Jahr 2016 wurden hier mit einem Zuwachs von 17,8% im Vergleich zum Vorjahr insgesamt rund 23,7 Mio. Fahrzeuge angemeldet. Noch im Dezember 2016 stiegen die Neuzulassungen um 11% auf 2,6 Mio. Neufahrzeuge. Ein Grund für die boomende chinesische Automobilkonjunktur war die im Oktober 2015 eingeführte Steuererleichterung für Fahrzeuge mit kleinem Hubraum. Da der Mehrwertsteuersatz zum Jahreswechsel 2016/2017 wieder angehoben wurde, kam es im vierten Quartal zu einem Vorzieheffekt.

Leichtes Wachstum mit neuerlichem Absatzrekord in den USA

Der US-Markt für Light Vehicles (PKW und Light Trucks) stieg im Jahr 2016 lediglich um 0,4% und lag mit insgesamt 17,5 Mio. Neuzulassungen nur leicht über dem Niveau des Vorjahreszeitraums. Dennoch verzeichnete er einen neuen Verkaufshöhepunkt. Dabei wurden mit fast 10,6 Mio. Einheiten um gut 7% mehr Light Trucks verkauft als im Vorjahr. Der PKW-Bereich musste hingegen einen Rückgang um rund 9% hinnehmen. Damit setzte sich der Trend zu Light Trucks fort, während der Markt für Trucks nach sechs Jahren Wachstum 2016 einen deutlichen Rückgang von 11% verzeichnete.

PKW-Markt in der EU stieg kräftig um 6,8%

Westeuropa lag – gemessen an den absoluten Neuregistrierungszahlen – auch 2016 hinter den USA auf Platz drei. In der EU stiegen die Neuzulassungen von PKW 2016 um 6,8% auf mehr als 14,6 Mio. Einheiten (2015: 13,7 Mio.). Dabei verzeichneten alle EU-Länder Zuwächse – mit Ausnahme der Niederlande mit einem beachtlichen Minus von 14,7%. Ursache dafür war die Zurücknahme von steuerlichen Anreizen für Firmenwagen mit Beginn des Jahres 2016, die im Jahr 2015 zu einem starken Plus von 16,0% geführt hatten. In den fünf wesentlichen EU-Märkten, in denen zusammen mehr als drei Viertel (75,3%) der Neuzulassungen registriert wurden, konnten folgende Zuwächse verzeichnet werden: Wie schon im Vorjahr erreichten Italien (+15,8%) und Spanien (+10,9%) wieder zweistellige Wachstumsraten, gefolgt von Frankreich (+5,1%), Deutschland (+4,5%) sowie dem Vereinigten Königreich (+2,3%, 2015: +6,3%). Das Vereinigte Königreich war 2016 mit ca. 2,7 Mio. neu registrierten Fahrzeugen der zweitgrößte Automarkt Europas. In Deutschland – Nummer eins im europäischen Automobilmarkt – wurden rund 3,4 Mio. PKW neu angemeldet. Auch in anderen europäischen Ländern entwickelte sich die Nachfrage 2016 stark – etwa in Ungarn, das mit einem Plus von 25,1% das größte relative Wachstum vorzeigte, in Polen (+17,2%) und in der Tschechischen Republik (+12,5%).

Moderate Registrierungen von Fahrzeugen mit alternativen Antriebstechniken in Europa

Elektromobilität und Fahrzeuge mit alternativen Antrieben wurden im Jahr 2016 zum omnipräsenten Medienthema. Doch die tatsächlichen Verkaufszahlen blieben hinter den hochgesteckten Erwartungen zurück. In der Europäischen Union wurden im Jahr 2016 insgesamt 609.629 (2015: 585.790) Fahrzeuge mit alternativen Antrieben (AFV – Alternative Fuel Vehicles) neu registriert. Das entspricht einem Plus von 4,1% im Jahresvergleich. Die Zuwächse wurden primär durch Hybrid-Systeme angetrieben. Die Unterschiede zwischen den einzelnen Ländern sowie zwischen den diversen Antriebstechniken sind dabei teilweise sehr groß. Italien ist in Europa die Nummer eins bei den Neuregistrierungen von Elektroautos, Fahrzeugen mit Hybridmotor und solchen mit Propanol-, Ethanol- oder Erdgasantrieb. Etwa ein Drittel aller Neuanmeldungen (185.000) wurde allein in Italien durchgeführt. Aufgrund des hohen Vorjahresniveaus entspricht dies einem Minus von 12,1%. Mit nicht einmal der Hälfte der absoluten Zahlen Italiens lag das Vereinigte Königreich mit rund 89.000 Fahrzeugen (+22,2%) auf Platz zwei. Frankreich folgte mit ca. 82.000 Autos (+1,1%) auf Platz drei und Deutschland mit rund 66.000 Fahrzeugneuanmeldungen (+17,1%) auf Platz vier. Die Neuzulassungen des Nicht-EU-Mitglieds Norwegen lagen – trotz der deutlich niedrigeren Bevölkerungszahl – lediglich um rund 3.500 (+39,6%) Fahrzeuge unter dem deutschen Niveau.

Betrachtet man die unterschiedlichen Antriebstechniken, zeigte sich im Jahr 2016 in den EU-Ländern folgende Entwicklung: Ausschließlich batteriebetriebene Fahrzeuge (BEV – Battery Electric Vehicles) verzeichneten ein Plus von 7,0%, Zulassungen von Hybrid-Systemen (HEV – Hybrid Electric Vehicles) legten sogar um 27,3% zu. Mit –19,7% deutlich an Marktanteil verloren haben alle nicht mit Elektrizität, also mit Propanol, Ethanol oder Erdgas, angetriebene Autos.

Nutzfahrzeuge legten zu: China und Westeuropa stark, Nordamerika und Brasilien im Minus

Im internationalen Vergleich ist die Volksrepublik China auch bei den Absatzzahlen von Nutzfahrzeugen die Nummer eins. Rund ein Drittel aller neuen schweren Nutzfahrzeuge weltweit (rund 2,9 Mio.) wurde 2016 im Reich der Mitte verkauft. Die Registrierungen stiegen dort um 28% auf 962.000 Einheiten, was erheblich auf Vorzieheffekte durch die Einführung der neuen Abgasnorm „China National Standard V“ zurückzuführen ist. So legte der Markt im November um 72% und im Dezember noch um 38% zu. Als Folge davon, dürfte der chinesische Nutzfahrzeugmarkt 2017 nur moderat wachsen. Auf dem amerikanischen Kontinent zeigte sich ein gänzlich anderes Bild: Der Truckmarkt in den USA musste nach sechs Jahren Wachstum 2016 ein Minus von 11% hinnehmen. Weiterhin stark rückläufig war der brasilianische LKW-Markt, wo die Neuzulassungen schwerer Lastkraftwagen um 31% zurückgingen.

Bereits das vierte Jahr in Folge stiegen in der EU die Neuzulassungen von Nutzfahrzeugen. Im Verlauf des Jahres 2016 kletterte der Absatz um 11,6% auf über 2,3 Mio. Einheiten (2015: 2,1 Mio.), wobei alle Gewichtsklassen zweistellige Zuwachsraten verbuchten. Am deutlichsten fiel das Wachstum in Italien aus. Hier lag der Zuwachs mit rund 50% mehr als viermal so hoch wie im EU-Durchschnitt. In jenen fünf EU-Ländern, die 2016 mehr als 72% des Marktes repräsentierten, zeigten sich bei den Nutzfahrzeugen folgende Zuwächse im Vergleich zum Vorjahr: Italien +49,9%, Spanien +11,3%, Frankreich +8,3%, Deutschland +7,0% und Vereinigtes Königreich +1,2%. Leichte Nutzfahrzeuge bis 3,5 Tonnen bilden in der EU mit 1,9 Mio. verkauften Einheiten das wichtigste Segment, das 2016 gegenüber dem Vorjahr zudem um 11,9% wuchs. Der Transportmarkt profitierte vom prosperierenden Onlineversandhandel. Von mittelschweren LKW (3,5 bis 16 Tonnen) wurden 2016 rund 365.000 Stück neu registriert, ein Plus von 11,0%. Die schweren LKW mit mehr als 16 Tonnen legten mit 12,3% am deutlichsten zu – in absoluten Zahlen wurden 2016 etwa 292.000 Stück neu angemeldet. Auch der Absatz von Bussen mit mehr als 3,5 Tonnen stieg um 2,3% auf über 40.000 Einheiten.

Quellen: Verband der Deutschen Automobilindustrie (VDA), European Automobile Manufacturers Association (ACEA), automobilwoche.de

Jahresabschluss 2016: Lagebericht der POLYTEC HOLDING AG, Hörsching für das Geschäftsjahr 2016

2. GESCHÄFTSENTWICKLUNG UND LAGE DES KONZERNES

UMSATZ

Der Konzernumsatz der POLYTEC GROUP erhöhte sich im Geschäftsjahr 2016 gegenüber dem Vorjahr um 3,8% auf EUR 650,4 Mio. (Vorjahr: EUR 626,5 Mio.).

UMSATZ NACH MARKTBEREICHEN

	Einheit	2016	2015	2014
Personenkraftwagen	EUR Mio.	425,4	420,1	315,7
Nutzfahrzeuge	EUR Mio.	147,4	148,1	123,1
Non-Automotive	EUR Mio.	77,6	58,3	52,5
POLYTEC GROUP	EUR Mio.	650,4	626,5	491,3

Im Marktbereich Personenkraftwagen, dem mit 65,0% umsatzstärksten Bereich der POLYTEC GROUP, erhöhte sich der Umsatz gegenüber der Vorjahresperiode leicht um rund 1,3% auf EUR 425,4 Mio. (Vorjahr: EUR 420,1 Mio.). Auf Basis des POLYTEC-Konzernumsatzes ergaben sich relative Zuwächse bei den Kunden Daimler Car (+1,0 Prozentpunkte), Ford Group (+0,6 Prozentpunkte) und bei Sonstigen Automotive-Kunden (+0,5 Prozentpunkte). Die Umsätze mit dem Kunden VW Car – dem PKW-Kunden mit dem höchsten Anteil am POLYTEC-Konzernumsatz (26,2%) – reduzierten sich 2016 leicht um 1,3 Prozentpunkte im Vergleich zum Vorjahr.

Der Umsatz im Marktbereich Nutzfahrzeuge (23,0%) reduzierte sich gegenüber 2016 um rund 0,5% von EUR 148,1 Mio. auf EUR 147,4 Mio. Während sich der Kunde Volvo Truck auf Vorjahresniveau behauptete, zeigten sich bei den Kunden Daimler Truck (-1,0 Prozentpunkte) und John Deere (-0,7 Prozentpunkte) rückläufige Umsatzentwicklungen von 2015 auf 2016. Umsatzsteigerungen konnten mit den Kunden VW Truck (+0,5 Prozentpunkte) und DAF Truck (+0,3 Prozentpunkte) erzielt werden.

Weiterhin eine deutlich positive Entwicklung zeigte sich im Marktbereich Non-Automotive, der im Jahresvergleich von EUR 58,3 Mio. auf EUR 77,6 Mio. um beachtliche 33,1% anstieg und bereits mit 12,0% zum POLYTEC-Konzernumsatz beitrug. Im Wesentlichen waren die Umsätze mit Transportboxen des Kunden IFCO im Werk Ebensee – wo seit Mitte 2016 alle 14 neuen Fertigungslinien im Vollbetrieb laufen – ursächlich für dieses Wachstum.

UMSATZ NACH KATEGORIEN

	Einheit	2016	2015	2014
Teile- und sonstiger Umsatz	EUR Mio.	594,5	556,4	421,1
Werkzeug- und Entwicklungsumsatz	EUR Mio.	55,9	70,1	70,2
POLYTEC GROUP	EUR Mio.	650,4	626,5	491,3

Die Werkzeug- und Entwicklungsumsätze unterliegen zyklischen Schwankungen. Im Vorjahresvergleich reduzierten sich diese Umsätze um EUR 14,2 Mio. deutlich. Andererseits konnte durch Steigerungen im Serienbereich und durch die positive Entwicklung im Marktbereich Non-Automotive der Teile- und sonstige Umsatz um EUR 38,1 Mio. auf EUR 594,5 Mio. erhöht werden.

UMSATZ NACH REGIONEN

	Einheit	2016	2015	2014
Österreich	EUR Mio.	17,4	15,5	18,0
Deutschland	EUR Mio.	365,9	342,9	301,0
Sonstige EU-Länder	EUR Mio.	226,3	220,3	141,5
Sonstige Länder	EUR Mio.	40,8	47,8	30,8
POLYTEC GROUP	EUR Mio.	650,4	626,5	491,3

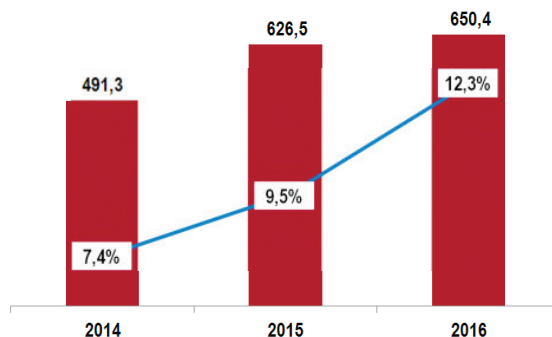
Der Umsatzrückgang in den sonstigen Ländern ist insbesondere auf die Folgen der politischen Entwicklung in der Türkei zurückzuführen, wo die POLYTEC GROUP ein Composites-Werk in Aksaray betreibt.

ERTRAGSENTWICKLUNG

KENNZAHLEN ZUR ERTRAGSLAGE DER POLYTEC GROUP

	Einheit	2016	2015	2014
Umsatz	EUR Mio.	650,4	626,5	491,3
EBITDA	EUR Mio.	80,1	59,7	36,5
EBITDA-Marge (EBITDA/Umsatz)	%	12,3	9,5	7,4
EBIT	EUR Mio.	52,4	36,6	20,6
EBIT-Marge (EBIT/Umsatz)	%	8,1	5,8	4,2
Ergebnis nach Ertragsteuern	EUR Mio.	37,0	24,2	14,2
Durchschnittliches Capital Employed	EUR Mio.	274,8	219,1	150,3
ROCE vor Steuern (EBIT/Capital Employed)	%	19,1	16,7	13,7
Ergebnis je Aktie	EUR	1,65	1,08	0,62
Dividende je Aktie (Vorschlag an die Hauptversammlung)	EUR	0,40	0,30	0,25

ENTWICKLUNG UMSATZ UND EBITDA-MARGE



EBITDA

Das berichtete EBITDA der POLYTEC GROUP belief sich im Geschäftsjahr 2016 auf EUR 80,1 Mio. und lag mit einem Plus von über EUR 20 Mio. deutlich über dem Niveau des Vorjahres (EUR 59,7 Mio.). Die EBITDA-Marge stieg von 9,5% auf 12,3% in den zweistelligen Bereich. Die gruppenweite Optimierung und intensivierte Digitalisierung von Produktionsabläufen sowie die Entwicklung der PKW-Kleinserienproduktion wirkten positiv auf das EBITDA.

MATERIALAUFWAND

Der Materialaufwand sank im Geschäftsjahr 2016 um EUR 2,1 Mio. von EUR 307,8 Mio. auf EUR 305,7 Mio. Die Materialquote (Materialaufwand/Umsatzerlöse) reduzierte sich gegenüber dem Vorjahr um 2,1 Prozentpunkte auf 47,0% (2015: 49,1%).

PERSONALAUFWAND

Der Personalaufwand des Konzerns erhöhte sich 2016 um EUR 1,7 Mio. von EUR 209,9 Mio. auf EUR 211,6 Mio. Die Personalquote des Konzerns (Personalaufwand/Umsatzerlöse) reduzierte sich gegenüber dem Vorjahr um einen Prozentpunkt auf 32,5% und ist das Ergebnis der im Jahr 2015 erfolgten Restrukturierung im Personalbereich einzelner Werke.

ABSCHREIBUNGEN

Die Abschreibungen stiegen 2016 aufgrund der erhöhten Investitionen in das Anlagevermögen – insbesondere im Non-Automotive-Bereich – um rund EUR 4,6 Mio. auf EUR 27,7 Mio.

EBIT

Eine deutliche Verbesserung zeigte die Entwicklung der Ergebniszahlen: Das EBIT des Konzerns konnte 2016 um EUR 15,8 Mio. oder 43,3% auf EUR 52,4 Mio. gesteigert werden. Die EBIT-Marge verbesserte sich im Vergleich zum Vorjahr um 2,3 Prozentpunkte auf 8,1%.

FINANZ- UND KONZERNERGEBNIS

Das Finanzergebnis blieb mit EUR –4,3 Mio. auf dem Niveau des Vorjahres. Die Steuerquote der POLYTEC GROUP (Ertragsteuern/Ergebnis vor Ertragsteuern) betrug im Geschäftsjahr 2016 unter Berücksichtigung latenter Steuereffekte 23,0% und reduzierte sich um 1,9 Prozentpunkte im Vergleich zur Vorjahresperiode. Das Konzernergebnis verbesserte sich im Jahresvergleich um EUR 12,6 Mio. auf EUR 36,3 Mio. (2015: EUR 23,7 Mio.). Dies entspricht einem Ergebnis je Aktie von EUR 1,65 (2015: EUR 1,08).

VERMÖGENS- UND FINANZLAGE**INVESTITIONEN**

	Einheit	2016	2015	2014
Investitionen ins Sachanlagevermögen	EUR Mio.	33,2	134,4	31,2

Die Sachanlagenzugänge im Berichtsjahr 2016 betragen EUR 33,2 Mio. (2015: EUR 134,4 Mio.). Der deutliche Rückgang im Vergleich zur Vorjahresperiode war primär eine Folge des im ersten Quartal 2015 vollzogenen Erwerbs des Immobilienportfolios von der Huemer Holding GmbH. Während des Geschäftsjahres 2016 wurden insbesondere Neuinvestitionen am Standort Ebensee (Österreich) getätigt. Durch die intensivierten Digitalisierungsmaßnahmen an mehreren Standorten wurden Verbesserungen bei Produktionsanlagen und der Infrastruktur umgesetzt sowie darüber hinaus laufende Erhaltungsinvestitionen durchgeführt.

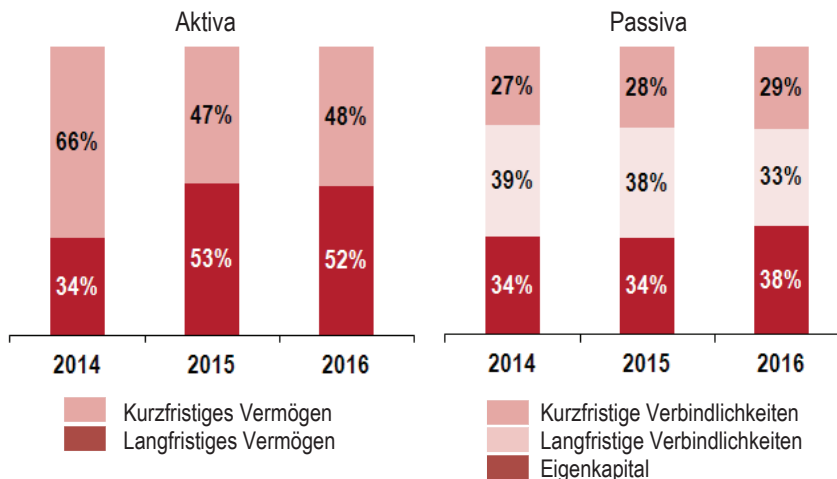
KENNZAHLEN ZUR VERMÖGENS- UND FINANZLAGE DER POLYTEC GROUP

	Einheit	31.12.2016	31.12.2015	31.12.2014
Eigenkapital	EUR Mio.	189,9	162,9	144,3
Eigenkapitalquote (Eigenkapital/Bilanzsumme)	%	37,9	33,6	34,0
Bilanzsumme	EUR Mio.	501,4	485,1	424,0
Nettoumlaufvermögen (Net Working Capital) ¹⁾	EUR Mio.	40,1	50,5	56,2
Nettoumlaufvermögen in % des Umsatzes (NWC/Umsatz)	%	6,2	8,1	11,4

¹⁾Nettoumlaufvermögen = nicht verzinstes kurzfristiges Vermögen abzüglich nicht verzinsten kurzfristige Verbindlichkeiten

Die Bilanzsumme des Konzerns erhöhte sich 2016 um EUR 16,3 Mio. auf EUR 501,4 Mio. Die Eigenkapitalquote zum 31. Dezember 2016 erhöhte sich im Vergleich zum Vorjahresbilanzstichtag um 4,3 Prozentpunkte auf 37,9%. Das Nettoumlaufvermögen reduzierte sich gegenüber 2015 aufgrund des aktiven Working-Capital-Managements um EUR 10,4 Mio. auf EUR 40,1 Mio. Zum Bilanzstichtag am 31. Dezember 2016 wurden eigene Aktien im Ausmaß von 334.041 Stück (1,5% des Grundkapitals) zu einem Kurswert zum Stichtag von über EUR 3,4 Mio. (Vorjahr: EUR 2,6 Mio.) gehalten, damaliger Anschaffungswert in Höhe von EUR 1,9 Mio. Während des Geschäftsjahres 2016 hat die Gesellschaft eigene Aktien weder erworben noch verkauft.

BILANZSTRUKTUR DER POLYTEC GROUP



	Einheit	2016	2015	2014
Nettofinanzverbindlichkeiten (+)/-vermögen (-)	EUR Mio.	69,9	99,1	11,8
Nettofinanzverbindlichkeiten (+)/-vermögen (-) zu EBITDA		0,87	1,66	0,32
Gearing (Nettofinanzverbindlichkeiten (+)/-vermögen (-) zu Eigenkapital)		0,37	0,61	0,08

Die Nettofinanzverbindlichkeiten reduzierten sich aufgrund des hohen Cash-Flows aus dem Ergebnis gegenüber dem Bilanzstichtag 31. Dezember 2015 um EUR 29,2 Mio. auf EUR 69,9 Mio. Sowohl die Kennzahl Nettofinanzverbindlichkeiten zu EBITDA (sie spiegelt die fiktive Entschuldungsdauer wider) als auch der Verschuldungsgrad (Gearing) verbesserten sich deutlich.

CASH-FLOW DER POLYTEC GROUP

	Einheit	2016	2015	2014
Cash-Flow aus der Betriebstätigkeit	EUR Mio.	70,7	51,3	20,8
Cash-Flow aus der Investitionstätigkeit	EUR Mio.	-28,8	-69,2	-37,7
Cash-Flow aus der Finanzierungstätigkeit	EUR Mio.	-20,0	-36,4	94,5
Veränderung der flüssigen Mittel	EUR Mio.	21,9	-54,3	77,6

Im Geschäftsjahr 2016 erhöhte sich der Cash-Flow aus der Betriebstätigkeit um EUR 19,4 Mio. auf EUR 70,7 Mio. Der Cash-Flow aus der Investitionstätigkeit reduzierte sich im Geschäftsjahr 2016 um EUR 40,4 Mio. auf EUR -28,8 Mio. Dieser Rückgang im Vergleich zum Jahr 2015 war primär eine Folge des außergewöhnlich hohen Investitionsvolumens durch den im ersten Quartal 2015 vollzogenen Erwerb des Immobilienportfolios. Der Cash-Flow aus der Finanzierungstätigkeit betrug EUR -20,0 Mio. (Vorjahr: EUR -36,4 Mio.). Die flüssigen Mittel stiegen um EUR 21,9 Mio. auf EUR 79,5 Mio.

GESCHÄFTSENTWICKLUNG DER GESELLSCHAFT

Die POLYTEC HOLDING AG erzielte im Geschäftsjahr ein Betriebsergebnis in der Höhe von EUR 1,0 Mio. (Vorjahr: EUR 1,0 Mio.).

Das positive Finanzergebnis erhöhte sich - vor allem aufgrund deutlich höherer Beteiligungserträge - von EUR 9,2 Mio. auf EUR 32,5 Mio. Bei der Analyse der Beteiligungserträge ist zu berücksichtigen, dass aufgrund der Neustrukturierung der deutschen POLYTEC Gesellschaften eine außerordentlich hohe Gewinnausschüttung von einem Tochterunternehmen realisiert werden konnte.

Das Finanzergebnis war zudem durch die Zuschreibung einer Tochtergesellschaft mit einem Betrag von EUR 1,2 Mio. positiv beeinflusst.

Die Aufwendungen aus Finanzanlagen in Höhe von EUR 6,2 Mio. stehen ebenfalls im Zusammenhang mit der oben erwähnten Neustrukturierung und betreffen den Verlust aus dem konzerninternen Verkauf eines verbundenen Unternehmens. Im Vorjahr waren hier die Aufwendungen aus der Verlustübernahme einer Tochtergesellschaft enthalten, die im Geschäftsjahr 2016 den Turnaround schaffte.

Der Rückgang des Zinsergebnisses von EUR 6,3 Mio. auf EUR 3,7 Mio. stammt aus einem niedrigeren Finanzierungsvolumen einerseits und dem Rückgang der zugrundeliegenden Marktzinssätze andererseits. Die Zinsaufwendungen liegen auf dem Niveau des Vorjahres und betreffen im Wesentlichen die Schuldscheindarlehen.

Der Steuerertrag erhöhte sich von EUR 2,0 Mio. auf EUR 4,1 Mio. und resultiert aus gestiegenen Steuerumlagen sowie aus dem erstmaligen Ansatz von aktiven latenten Steuern (EUR 1,7 Mio.).

Die POLYTEC HOLDING AG erzielte somit im Geschäftsjahr 2016 einen Jahresüberschuss in Höhe von EUR 37,6 Mio. (Vorjahr: EUR 12,2 Mio.).

Der Jahresüberschuss führte – nach Berücksichtigung der Dividendenausschüttung von EUR 6,6 Mio. – zu einem Anstieg des Eigenkapitals um EUR 31,0 Mio. auf EUR 184,5 Mio. Die Eigenkapitalquote erhöhte sich auf rund 63 % (Vorjahr: rund 60%). Bei den anderen Passiva kam es bei den Rückstellungen aus der Abgrenzung von Prämien und bei den Verbindlichkeiten gegenüber verbundenen Unternehmen aus Veranlagungen von liquiden Mitteln von Konzernunternehmen bei der POLYTEC HOLDING AG zu einem Anstieg.

Bei den Aktiva führten Einlagen in Tochtergesellschaften mit einem Betrag von insgesamt EUR 73,6 Mio. zu einem Anstieg der Anteile an verbundenen Unternehmen während der konzerninterne Verkauf eines verbundenen Unternehmens den Buchwert um rund EUR 33,0 Mio. reduziert hat. Dennoch kam es im Vorjahresvergleich zu einem Anstieg der Guthaben bei Kreditinstituten, weil im Geschäftsjahr ein Zahlungseingang betreffend Forderungen gegenüber Boshoku Automotive zu verzeichnen war und das Finanzierungsvolumen im Konzern gesunken ist.

3. NICHTFINANZIELLE LEISTUNGSINDIKATOREN

UMWELTSCHUTZ

Als Zulieferunternehmen für die Automobilindustrie bringt die POLYTEC GROUP wesentliche Lösungen zur Optimierung neuer Fahrzeuggenerationen mit ein. POLYTEC hat sich in den drei Jahrzehnten ihres Bestehens durch ihre Innovationkraft und Flexibilität einen beachtlichen Namen im Automotive-Bereich erarbeitet. Durch umfassende Forschungs- und Entwicklungstätigkeit gelingt es POLYTEC, bei den Produkten ihrer Kunden laufend Verbesserungen zu erzielen, die sich letztlich positiv auf die Umwelt auswirken. So wird durch Materialsubstitution das Gesamtgewicht von Fahrzeugen reduziert, bei manchen Bauteilen sind gegenüber Stahl Gewichtersparnisse von bis zu 60% möglich. Das reduzierte Gewicht führt zu einem geringeren Kraftstoffverbrauch und transitiv zu einem reduzierten CO₂-Ausstoß.

Die systematische Analyse der ökologischen Auswirkungen ist fixer Bestandteil des Produktentwicklungsprozesses bei POLYTEC und wird durch die Techniker des Konzerns in enger Abstimmung mit seinen Kunden durchgeführt. Die Optimierungserfolge bei den Themenbereichen Gewichtsreduktion, Werkstoffsubstitution, Materialeinsparung, Lärm- und Geräuschreduktion etc. bilden – in Verbindung mit perfekter Qualität und absoluter Liefertreue – die zentralen Stärken der POLYTEC und werden von ihren Kunden hoch geschätzt.

Einerseits optimiert POLYTEC die Produkte und Dienstleistungen für ihre Kunden laufend, andererseits werden alle internen Produktionsprozesse regelmäßig durch ein abgestimmtes Umwelt-, Qualitäts- und Lean-Management-System analysiert, um den eigenen Material- und Energieverbrauch optimieren zu können. Die Verarbeitung von Kunststoffen erfordert einen hohen Aufwand an Ressourcen. Der schonende Umgang mit diesen Produktionsmitteln ist sowohl eine ökologische, als auch eine ökonomische Notwendigkeit. Innerbetrieblich werden dazu die Fertigungsschritte ständig verbessert, sodass Energie eingespart und der Rohstoffverbrauch reduziert werden können. Prozesswasser und diverse Reinigungslösungen werden nahezu ausschließlich im geschlossenen Kreislauf verwendet. Bei der Verarbeitung von Lacken erfüllt POLYTEC hohe Standards hinsichtlich Innen- sowie Abluft. Sie dienen dem Schutz der Mitarbeiter und der Umwelt gleichermaßen.

Der Großteil der von POLYTEC entwickelten Teile, hochwertigen Module und multifunktionellen Kunststoffsysteme wird nach zertifizierten Entwicklungs- und Produktionsprozessen hergestellt. Die POLYTEC-Produktionsstandorte sind nach international anerkannten Umwelt- und Qualitäts-Management-Normen wie ISO 16949, ISO 14001 bzw. ISO 50001 zertifiziert und müssen darüber hinaus stets zahlreichen kundenspezifischen Standards entsprechen – Belege für das nachhaltige Engagement und die Erfolge, auf die POLYTEC im Bereich Umweltschutz verweisen kann.

Die Umweltstrategie der POLYTEC GROUP verfolgt die drei Schwerpunkte: Reduktion des Rohstoffverbrauchs, Steigerung der Energieeffizienz und Forcieren des Recyclings. Zu diesen Schwerpunkten hat POLYTEC in den vergangenen Jahren diverse Pilotversuche in einzelnen Werken gestartet und nach erfolgreicher Erprobung sukzessive an weiteren Standorten der Gruppe implementiert.

1. Rohstoffverbrauch reduzieren: Große Fortschritte erzielte POLYTEC in den vergangenen Jahren bei der Einsparung von Rohstoffen. Vor allem im Bereich Spritzguss kann durch die vermehrte Verwendung von Regranulaten und den Einsatz moderner Dosieranlagen Material optimal ausgeschöpft werden. Die prozessbedingt anfallenden Angussteile werden direkt an der Maschine eingemahlen und wieder dem Prozess zugeführt – und das gänzlich ohne Qualitätsverlust! Neben der Mengenreduktion hat auch die chemische Zusammensetzung der Materialien Umweltrelevanz. Bei der Lackierung kommen bei POLYTEC heute primär Wasserlacke zum Einsatz, wodurch der Verbrauch von Lösungsmitteln deutlich reduziert werden konnte.

2. Energieeffizienz steigern: Ein besonderer Ressourcen- und damit Kostenblock liegt im Bereich Energie. Um in diesem Bereich zu sparen, hat die POLYTEC GROUP ein umfassendes Maßnahmenpaket zur Reduktion ihres Energieverbrauchs geschmürt. Durch die bereits getätigten Investitionen sind beträchtliche energiekostensenkende Effekte erzielt worden, zum Beispiel durch den Umstieg von Heizölverbrennung auf erdgasbetriebene Anlagen mit deutlich höherem Wirkungsgrad, Gebäudeisolierung, den Einsatz von effizienteren Druckluftkompressoren und ähnlichem mehr. Im Rahmen von eingeführten Energiemanagement-Systemen können einzelne Produktionsschritte auf ihre Energieeffizienz überprüft und gegebenenfalls Verbesserungsmaßnahmen daraus abgeleitet werden. Projekte

zur Wärmerückgewinnung wurden bereits erfolgreich abgeschlossen, weitere Vorhaben zum umfassenden Umstieg auf LED-Beleuchtungstechnik wurden neu angestoßen.

3. Recycling forcieren: Trotz des sparsamen Umgangs mit Rohstoffen kann Abfall nicht gänzlich vermieden werden. Umso wichtiger ist es, dass dieser unvermeidbare Abfall bestmöglich getrennt und damit – wo immer möglich – einem sinnvollen Recycling zugeführt wird. Bei POLYTEC wird sachgerechte Abfalltrennung durch ein einheitliches Farbleitsystem gefördert. Damit wird nicht nur Restabfall reduziert. Auch die Kosten für die Entsorgung fallen geringer aus.

Ausgewählte Beispiele umgesetzter Umweltschutzmaßnahmen:

Blockheizkraftwerk erzeugt Strom und Wärme: Bereits seit Mitte 2014 ist am Standort Altstadt ein mit Erdgas betriebenes Blockheizkraftwerk in Betrieb, das Energie in elektrischen Strom und Wärme umwandelt. Seit Inbetriebnahme erzeugt die Anlage jährlich etwa 1,6 Millionen Kilowattstunden Strom, von denen 1,3 Millionen selbst verbraucht und der Rest in das öffentliche Stromnetz eingespeist wird. Die Erfahrungen der ersten drei Betriebsjahre sind positiv. Es wird geprüft, auch in anderen POLYTEC-Werken Strom selbst zu erzeugen.

Interne Nutzung von Produktionsabwärme: Ein am Standort Kraichtal-Gochsheim installiertes Lüftungssystem nutzt die überschüssige Abwärme aus der Produktion, um damit die Zuluft für die Lackierkabinen vorzuwärmen. Bei Maximalleistung lieferte das System 2016 knapp 1,3 Millionen kWh „Recycling-Energie“. Durch diese Maßnahme konnte im Werk alleine im Jahr 2016 der Erdgasverbrauch um rund 11% gesenkt werden.

Wärmetauscher nutzt Grundwasser zur Anlagenkühlung: Im Werk Ebensee hat sich seit Inbetriebnahme von 14 neuen, vollautomatisierten Fertigungslinien für die Produktion von IFCO-Logistikboxen der Bedarf an Kühlleistung wesentlich erhöht. Anstatt einer herkömmlichen, energieintensiven Klimaanlage oder der Installation von Kühltürmen wurde eine Anlage errichtet, die das Grundwasser als Kühlmittel nutzt. Dazu wird dem Boden Wasser entnommen, das in Ebensee in ergiebigen Mengen verfügbar ist, und durch einen Wärmetauscher geleitet, in dem das Kühlmedium der Anlage auf ein niedrigeres Temperaturniveau gebracht wird. Anschließend kommt das Grundwasser geringfügig erwärmt wieder zurück in den Boden. Um 70% wurde die Kühlleistung für die Anlagen auf diese Weise erhöht und der Energieaufwand für die Kühlung langfristig minimiert.

Werkzeugreinigung durch rückstandsfreies Trockeneis: Die Reinigung von komplexen Werkzeugen ist aufwändig und oft können dabei auch umweltgefährdende Reinigungsmittel zum Einsatz kommen. Im Werk Lohne wird seit Oktober 2016 mit unbedenklichem Trockeneis gesäubert. Mit Hilfe eines Reinigungsgeräts werden Trockeneis-Pellets mit einer Temperatur von rund –80 °C auf 300 Meter pro Sekunde beschleunigt und auf die zu reinigenden Oberflächen gerichtet. Dort lösen die eiskalten Pellets einen Thermoschock aus. Verunreinigungen, zum Beispiel Öl, Wachs oder Silikon, fallen von der Oberfläche ab und das Trockeneis – es ist kostengünstig und leicht erhältlich – verdampft rückstandsfrei.

MITARBEITER DER POLYTEC GROUP

Die durchschnittliche Anzahl der Beschäftigten (inklusive Leiharbeiter) der POLYTEC GROUP und ihre geografische Verteilung in den letzten drei Jahren stellten sich wie folgt dar, Personenangaben in Vollzeitäquivalenten (FTE):

	Einheit	2016	2015	2014
Österreich	FTE	553	579	554
Deutschland	FTE	2.220	2.321	2.304
Sonstige EU-Länder	FTE	1.504	1.180	562
Sonstige Länder	FTE	172	167	161
POLYTEC GROUP	FTE	4.449	4.247	3.581
Umsatz je Mitarbeiter	TEUR	146	147	137

Der durchschnittliche Personalstand (inklusive Leiharbeiter) des Konzerns erhöhte sich im Jahresvergleich um 4,8% auf 4.449. Die Anzahl der Beschäftigten reduzierte sich in Hochlohnländern und erhöhte sich in Best-Cost-Ländern. Grund dafür war auch die Unternehmensakquisition der POLYTEC Komlo Kft. in Südungarn, wo rund 200 Mitarbeiter beschäftigt sind. Der durchschnittliche Anteil an Leiharbeitskräften betrug 8,9% und lag damit um 0,3 Prozentpunkte höher als im Jahresdurchschnitt 2015. Der Umsatz je Mitarbeiter (inklusive Leiharbeiter) lag mit TEUR 146 etwa auf Vorjahresniveau. Zum Bilanzstichtag 2016 waren in der POLYTEC GROUP 4.009 Personen (exklusive Leihpersonal) beschäftigt, der Personalstand stieg im Vorjahresvergleich um 81 Mitarbeiter. Die Frauenquote (exklusive Leihpersonal) lag am 31. Dezember 2016 konzernweit bei 18,9% und erhöhte sich somit um einen Prozentpunkt im Vergleich zum Bilanzstichtag des Vorjahres.

Die POLYTEC GROUP hat im Bereich Corporate Human Resources ihre Recruiting-Prozesse an die neuen Herausforderungen im Zeitalter von Social Media angepasst, um sich selbst als attraktiver Arbeitgeber zu präsentieren. Diese erfolgreich umgesetzten Maßnahmen wurden 2016 mit dem Silbernen „Best Recruiters“-Siegel des Career-Verlags ausgezeichnet. In der umfangreichsten Recruiting-Studie des deutschsprachigen Raums wurden wieder die 1.500 größten Arbeitgeber Österreichs, Deutschlands und der Schweiz detailliert untersucht. So wurden die Karriere-Website, Social-Media-Aktivitäten sowie die Qualität und der Informationsgehalt von Stellenausschreibungen bewertet. POLYTEC konnte sich gegenüber den Vorjahren in allen analysierten Bereichen deutlich verbessern.

Die POLYTEC GROUP fördert die laufende Weiterbildung und Entwicklung ihrer Mitarbeiter. So wird z. B. in der eigens geschaffenen „POLYTEC Leadership Academy“ (PLA) das wichtige und zugleich sensible Thema der Mitarbeiterführung gruppenweit evaluiert und weiterentwickelt. Seit 2015 haben 120 leitende Mitarbeiter ihr modulares Qualifizierungsprogramm erfolgreich durchlaufen. 2016 legte die PLA einen Programmschwerpunkt auf die Ausbildung von Führungskräften in der Produktion. Die Teilnehmer wurden nach Führungsebene in Peer Groups zusammengefasst und die Lehrinhalte auf die konkreten Anforderungen und Problemstellungen der jeweiligen Führungsebene ausgerichtet. Neben der Vermittlung von Führungs-Skills schafft die PLA auch die Basis für Networking innerhalb der POLYTEC GROUP und einen breiten Erfahrungsaustausch. Durch fortführende Maßnahmen soll sichergestellt werden, dass sich die Teilnehmer auch nach dem offiziellen Ende der Academy kontinuierlich weiterentwickeln können und bei schwierigen Fragestellungen Unterstützung erhalten.

Durch das „POLYTEC Performance System“ (PPS) wird das ganzheitliche Lean-Management-Programm der Gruppe konzernweit verbreitet und umgesetzt. Im Rahmen der „PPS-Akademie“ werden POLYTEC-Mitarbeiter in allen für ihre Aufgabenbereiche relevanten Lean-Management-Disziplinen geschult, um das tägliche Arbeiten zu vereinfachen und langfristig zu verbessern.

An sogenannten „POLYTEC-Mitarbeitertagen“ können Mitarbeiter aus dem administrativen Bereich die Abläufe in der Produktion hautnah erleben und selbst tatkräftig anpacken. Angestellte haben dabei die Gelegenheit, während einer gesamten Schicht in der Produktion zu arbeiten und dabei Bauteile mit eigenen Händen herzustellen und zu verpacken. Auf diese Weise werden eine höhere Wertschätzung für POLYTEC-Produkte sowie eine stärkere Transparenz der internen Prozessabläufe erzielt.

4. BERICHT ÜBER DIE VORAUSSICHTLICHE ENTWICKLUNG UND DIE RISIKEN DES KONZERNS

AUSBLICK AUF DIE ENTWICKLUNG IN DER AUTOMOBIL-BRANCHE

Automobilverbände gehen für das Jahr 2017 von weiteren Zuwächsen in den drei großen Automobilmärkten aus. Der Verband der Deutschen Automobilindustrie rechnet damit, dass sich 2017 die PKW-Absätze im US-Markt und in Westeuropa stabil entwickeln. Analysten erwarten in China weiterhin gesundes Wachstum, schätzen den möglichen Anstieg jedoch deutlich unter dem Vorjahresniveau ein. Für Russland werden erste Zeichen einer Erholung erhofft. Bei den Nutzfahrzeugen soll der Weltmarkt 2017 sein Vorjahresniveau zumindest halten oder sogar leicht übertreffen. Mit Spannung werden die Absatzzahlen bei den Fahrzeugen mit alternativen Antrieben erwartet. Und schließlich bieten die möglichen politischen und wirtschaftlichen Folgen – sowohl des Brexit-Votums als auch der neuen Präsidentschaft in den USA sowie nationaler Entwicklungen – viel Raum für Mutmaßungen.

AUSBLICK AUF DIE ERGEBNISENTWICKLUNG DES KONZERNS

Das Management der POLYTEC GROUP geht für das Geschäftsjahr 2017 – auf Grundlage eines stabilen Konjunkturverlaufs sowie der positiven Geschäftsentwicklung aller Großkunden – von einem leichten Wachstum sowohl des Konzernumsatzes als auch der operativen Ergebniszahlen aus.

5. RISIKOBERICHTERSTATTUNG UND FINANZINSTRUMENTE

Die im September 2015 bekannt gewordene VW-Abgasaffäre führte in der Automotive-Industrie zu Verunsicherungen – so auch im Aktienmarkt, in dem es zum Teil zu deutlichen Kurskorrekturen bei Titeln von Herstellern und Zulieferern kam. Die VW-Gruppe ist seit vielen Jahren der umsatzstärkste Kunde der POLYTEC GROUP. So war es während des Geschäftsjahres 2016 schwierig einzuschätzen, ob bzw. in welchem Ausmaß die Abgasaffäre Folgen auf das operative Geschäft der POLYTEC GROUP haben würde. Das Management der POLYTEC GROUP hat die Entwicklung stets beobachtet, die Risikolage regelmäßig bewertet und in den unterjährigen Zwischenberichten zu den Risiken und Ungewissheiten Stellung genommen.

Bis zum 31. Dezember 2016 und darüber hinaus bis zum 31. März 2017 waren keine signifikanten Auswirkungen auf das operative Geschäft der POLYTEC GROUP erkennbar, die auf Folgen der VW-Abgasaffäre, auf das Ergebnis der Brexit-Abstimmung sowie auf nationale oder internationale Entwicklungen durch die neue Präsidentschaft in den USA zurückzuführen gewesen wären. Welche weiteren etwaige Risiken und Ungewissheiten künftig einen Einfluss auf die Umsatz- und die Ertragsentwicklung der POLYTEC GROUP haben könnten, ist aktuell nicht vollständig abschätzbar.

Im Allgemeinen ist die POLYTEC GROUP im Rahmen ihrer Geschäftstätigkeit einer Vielzahl von Risiken ausgesetzt, die untrennbar mit dem unternehmerischen Handeln verbunden sind. Risikomanagement ist für die POLYTEC GROUP ein integraler Bestandteil der Strategie und aller Geschäftsprozesse. Auch die für einen Automobilzulieferer notwendigen umfangreichen Zertifizierungen (z. B. TS ISO/16949:2002) geben hier bereits entsprechende Regelungen vor, deren Einhaltung auch durch externe Audits überwacht wird. Der Organisation der POLYTEC GROUP entsprechend werden Risiken dezentral und marktnah vor allem im Rahmen der laufenden Geschäftsprozesse gemanagt und überwacht. Die Steuerung der finanziellen Risiken erfolgt jedoch im Wesentlichen durch die Konzernzentrale. Folgende wesentliche Risikofelder können identifiziert werden:

Absatzmarktrisiken: Die Automobilzulieferindustrie gilt als Markt mit hohem Wettbewerb, der sich außerdem in einem Konsolidierungsprozess befindet. Die Absatzerfolge sind in erster Linie abhängig von der Gewinnung neuer Aufträge, die in der Regel zwei bis drei Jahre vor dem Serienanlauf vergeben werden. In dieser Phase der Auftragsakquisition ist jeder Zulieferer einem starken Konditionenwettbewerb ausgesetzt. Während des Serienlaufs ist der Zulieferer auch abhängig vom Absatz des Fahrzeugs, für das er liefert, ohne diesen Erfolg beeinflussen zu können. Weiters wird seitens der OEM auch nach dem Serienstart ein laufendes Benchmarking der Zulieferer betrieben, was Preisforderungen oder im Extremfall den Verlust eines Auftrags nach sich ziehen kann. Die POLYTEC GROUP trachtet durch einen ausgewogenen Kunden- und Auftragsmix, die Abhängigkeit von einzelnen Lieferbeziehungen so gering wie möglich zu halten.

Beschaffungsmarktrisiken: Wesentliches Risiko sind Schwankungen der Rohstoffpreise, die im Fall der POLYTEC GROUP als kunststoffverarbeitendem Konzern vor allem durch nachhaltige Veränderungen des Ölpreises, aber auch der Raffineriekapazitäten verursacht werden können. Beschaffungsseitig wird diesem Risiko vor allem mit langfristigen Lieferverträgen und absatzseitig, soweit gegenüber dem Kunden durchsetzbar, mit Materialgleitklauseln in den offengelegten Kalkulationen entgegengewirkt. Zum Teil erfolgt die Verhandlung von Rohstoffen und Zukaufteilen direkt durch die Kunden der POLYTEC GROUP mit dem Lieferanten. Soweit mit dem Kunden Preise nur auf Jahresfrist vereinbart sind, ist die Veränderung der Rohstoffpreise ein wichtiger Parameter in den Gesprächen für die jährliche Neufestlegung der Preise. Weiters wird versucht, durch verstärkte Forschungs- und Entwicklungsaktivitäten neue Rohstoffe (Naturfaserstoffe) einzusetzen.

Finanzielle Risiken und deren Management und Sensitivität

Kreditrisiko: Aufgrund der Kundenstruktur – rund 90% des Umsatzes werden mit den OEM oder großen Systemlieferanten erzielt – ist die POLYTEC GROUP dem Bonitätsrisiko der Automobilindustrie ausgesetzt. Die Außenstände werden laufend kritisch verfolgt und die vereinbarungsgemäße Bezahlung von Forderungen sichergestellt. Im Geschäftsjahr 2016 wurden rund 56%¹ (Vorjahr: 58%) des Umsatzes mit den drei größten Kunden erzielt. Dies ergibt ein gewisses Klumpenkreditrisiko, das vom Management aber als unkritisch im Hinblick auf Kreditausfälle eingestuft wird. Die Abhängigkeit von wenigen Kunden ist ein Wesensmerkmal der Automobilzulieferindustrie. Als Kunde wird in diesem Zusammenhang eine Gruppe verbundener Unternehmen definiert, die durchaus auch mehrere Automobilmarken herstellen kann. Das Management setzt zukünftig auf eine höhere Diversifizierung durch die Verbreiterung der Kundenbasis im Bereich Non-Automotive.

Das Ausfallrisiko bei flüssigen Mitteln wird als gering eingeschätzt.

Trotz des allgemein als gering eingestuften Kreditrisikos entspricht das maximale theoretische Ausfallrisiko grundsätzlich den Buchwerten der einzelnen finanziellen Vermögenswerte. In Einzelfällen werden auf Basis der laufenden Debitorenüberwachung Kreditversicherungen in Anspruch genommen. Zum Stichtag bestehen keine wesentlichen Kreditversicherungsvereinbarungen

An der Einbringlichkeit von finanziellen Vermögenswerten, die weder überfällig noch wertgemindert sind, bestehen keine Zweifel. Nennenswerte Risikokonzentrationen aus der Veranlagung von finanziellen Vermögenswerten bei nur einem Geschäftspartner bestehen nicht.

Liquiditätsrisiko: Die Gruppe sichert ihren Liquiditätsbedarf durch Vorhalten einer Barreserve sowie durch vertragliche Vereinbarung entsprechender Kreditrahmen. Die Steuerung erfolgt einheitlich durch die Konzernzentrale.

Währungsrisiko: Der weitaus überwiegende Anteil der Umsätze der POLYTEC GROUP wird in Euro fakturiert, sodass das Währungsrisiko den Konzern in Summe nur in geringem Maß betrifft. Zum Teil erfolgt der Einkauf von Vorleistungen in derselben Währung wie der Verkauf, sodass sich Währungsrisiken natürlich „hedgen“. Die Gruppe ist größeren Währungsrisiken in jenen Ländern ausgesetzt, in denen in Euro fakturiert, Vorleistungen aber in lokaler Währung zugekauft werden müssen. Solche Risiken bestehen etwa gegen die Tschechische Krone, Ungarische Forint und Türkische Lira. Diese Risiken sind vielfach nicht Finanzinstrumenten zuzuordnen, da sie vor allem auch auf Personalkosten zurückzuführen sind.

Zinsänderungsrisiko: Dem Zinsänderungsrisiko begegnet die POLYTEC GROUP durch ein der langfristigen Zinsmeinung entsprechendes Portfolio von variablen und fixen Finanzierungen, wobei langfristige Finanzierungen zum ganz überwiegenden Teil variabel verzinst sind.

¹ Inklusive MAN nach Eingliederung in die VW-Gruppe

Cyber Crime: Auch die POLYTEC GROUP unterliegt vermehrt Angriffen durch Cyber Crime-Attacken. Diese konnten bisher erfolgreich abgewehrt werden. Dennoch ist die Professionalisierung im Bereich zu einem ernstzunehmenden Risikobereich im operativen Geschäft geworden. Die internen Kontrollen der POLYTEC GROUP wurden laufend verschärft sowie die Sensibilisierung der Mitarbeiter hinsichtlich dieses Themas in regelmäßigen Abständen adressiert und laufend evaluiert.

Sonstige Risiken: Verschiedene Verfahren und Klagen, unter anderem im Zusammenhang mit der Veräußerung des Bereichs Interior-Systems, sind gegen die POLYTEC GROUP anhängig. Obwohl der Ausgang dieser Verfahren und Klagen nicht mit Sicherheit bestimmt werden kann, ist der Vorstand der Meinung, dass das Ergebnis dieser Verfahren und Klagen im Einzelnen und insgesamt keinen wesentlichen negativen Einfluss auf die Liquidität, das Ergebnis oder die Finanzlage des Konzerns haben wird. Unabhängig von dieser sorgfältig getroffenen Einschätzung verbleiben Restrisiken.

6. BERICHT ÜBER FORSCHUNG UND ENTWICKLUNG

Die POLYTEC GROUP wendete 2016 rund EUR 10,1 Mio. für Forschungs- und Entwicklungsarbeit auf und lag damit leicht über dem Niveau des Vorjahres in Höhe von EUR 9,8 Mio. Entsprechend der Konzernstrategie, laufend neue Technologien und Anwendungen zu entwickeln, arbeiten die Forschungs- und Entwicklungsabteilungen der POLYTEC GROUP intensiv an technischen Neu- und Weiterentwicklungen im Automotive- und Non-Automotive-Bereich mit dem Ziel, die Wettbewerbsfähigkeit und damit den Unternehmenserfolg kontinuierlich zu verbessern.

Neben der Integration von immer mehr Funktionen in Kunststoffteile und der laufenden Erweiterung der Möglichkeiten zur Materialsubstitution von metallischen Werkstoffen zählt die Entwicklung neuer Materialien und Verfahren, mit denen Kunststoffteile noch leichter und stabiler gemacht werden können, zu den Kerntätigkeiten der POLYTEC GROUP. Die Gruppe liefert dabei nicht nur Produkte und Systeme, sondern bringt sich als Technologiepartner ihrer Kunden auch aktiv in die Entwicklung neuer Lösungen ein.

So wurde POLYTEC im Oktober 2016 mit dem renommierten „SPE Automotive Award“ in der Kategorie Power Train ausgezeichnet. Verliehen wurde der Preis für die Entwicklung einer kompakten Ölwanne mit integrierten Funktionen für den Sechs-Zylinder-Boxermotor des Porsche 911 Carrera. Die besondere Herausforderung bei diesem Entwicklungsprojekt waren die äußerst begrenzten Platzgegebenheiten im Motorraum. Dem POLYTEC-Entwicklungsteam war es gelungen, in das dreiteilige Ölwanne-Modul einen Luft-Öl-Abscheider, einen Schottkasten und die Ölleitungen zu integrieren und es gleichzeitig platzsparend im Motorraum einzupassen. Neben der deutlichen Gewichtsreduktion gegenüber der früheren Umsetzung konnten auch verbesserte Akustikeigenschaften erreicht werden.

Die große Vielfalt an Materialien und Verfahren von Spritzguss-, über verschiedenste Faserverbund- oder Polyurethan-Anwendungen kombiniert mit zeitgemäßen Produktions-Know-how ermöglicht es der POLYTEC GROUP, maßgeschneiderte Lösungen für ihre Kunden in einem adäquaten Preis-Leistungs-Verhältnis bei bester Qualität zu realisieren. Die Komplexität dieses Gestaltungsspielraums erfordert jedoch auch durchdachte, schlanke und abgestimmte Prozesse. Daher wurden alle historisch gewachsenen, in den einzelnen Standorten oft sehr unterschiedlich umgesetzten Entwicklungsabläufe einer umfassenden Analyse unterzogen und komplett neu aufgestellt. Der nun gruppenweit vereinheitlichte POLYTEC-Entwicklungs-Prozess (PEP) orientiert sich an einem Soll-Wertstrom, der die erforderliche Flexibilität bei Projekten unterschiedlichster Kunden gewährleistet. Die wesentlichen Vorteile des neuen PEP liegen in einer strukturierten Arbeitsweise und einer damit verbundenen geringeren Fehleranfälligkeit bei gleichzeitig höherer Kosteneffizienz und entsprechend weniger Zeitaufwand. Die geforderte Transparenz der Abläufe wird durch Systemintegration und Digitalisierung der Betriebsdatenerfassung sichergestellt.

Die stetige Weiterentwicklung des POLYTEC-Produktportfolios schafft einen entscheidenden Wettbewerbsvorteil. Neben der permanenten Aufgabe der Gewichtsreduktion von Teilen und Modulen durch die Substitution von Metall durch Kunststoff, steht auch die Emissionsreduktion im Fokus der Entwicklungsarbeit. Die Forschungs- und Entwicklungsteams der POLYTEC GROUP verfügen über umfassendes Know-how und langjährige Expertise.

Im Innovationszentrum im Werk Lohne entwickeln und optimieren Mitarbeiter zum Beispiel Luft- und Dämpferfilter. Dafür wurde der Testbereich deutlich erweitert und auf dem neuesten Stand der Technik gebracht. Unter anderem wurde in einen modernen Luftfilterprüfstand, eine Pulsationsprüfanlage sowie den Umbau der Akustikkammer investiert.

Mit dem Luftfilterprüfstand können nun Parameterstudien zur optimalen Auslegung von Filtern und Gehäusen sowie Staubprüfungen durchgeführt werden. Letztere dienen der Ermittlung der Staubaufnahmekapazität eines Produkts. Am Prüfstand können darüber hinaus Bauteilkennwerte wie die Höhe des Druckverlusts festgestellt werden.

Die Pulsationsprüfanlage dient dem Nachweis der Dauerbelastbarkeit luftführender Bauteile. Dabei setzt die Anlage das Bauteil abwechselnd Über- und Unterdruck aus. Auf diese Weise können zum Beispiel Ansaugsysteme auf Schwachstellen untersucht oder die Auslegung von Schweißprozessen optimiert werden. Die gewonnenen Daten fließen als wichtige Grundlagen in die Optimierung der neuen Module ein.

Zur weiteren Optimierung von Acoustic Solutions wurde die Akustikkammer im Werk Lohne runderneuert und Anfang 2016 erneut in Betrieb genommen. Im Raum sorgen Schallabsorber für nahezu reflexionsfreie Verhältnisse. Ein Ring aus zahlreichen Mikrofonen nimmt unter diesen idealen Bedingungen Schallmessungen so gut wie störungsfrei vor. Die Daten werden von einer akustischen Kamera in Bilder umwandelt, an denen die Ingenieure punktgenau ablesen können, an welchen Stellen ein Bauteil Schall „schluckt“ und wo es durchlässig ist. Dabei lassen sich auch detaillierte Aussagen über die Dämpfungseigenschaften des getesteten Materials treffen. Auf dieser Basis können Materialzusammensetzungen weiter optimiert sowie Bauteile noch besser konstruiert werden.

Ein für die POLYTEC GROUP wesentlicher Werkstoff ist Sheet Moulding Compound (SMC). Bei der Herstellung und Verarbeitung von SMC zählt POLYTEC europaweit zu den Technologieführern. Diese Halbzeuge bestehen aus duroplastischen Reaktionsharzen und Glasfasern und werden zur Herstellung von Faser-Kunststoff-Verbunden, zum Beispiel für Nutzfahrzeuge und Personenkraftwagen, verwendet. Das Resultat sind Produkte mit besonders hoher mechanischer Festigkeit sowie Temperatur- und Medienbeständigkeit bei gleichzeitig gutem Formfüllverhalten und hoher Oberflächenqualität.

Innerhalb der POLYTEC GROUP belegt POLYTEC COMPOUNDS im baden-württembergischen Kraichtal-Gochsheim die Position eines gruppeninternen Entwicklungs- und Produktionszentrums für SMC-Technologie. Im Mittelpunkt der Materialentwicklung stehen dabei neue Materialrezepturen – etwa mit hoher mechanischer Festigkeit, Class-A-Oberfläche, reduzierten Emissionswerten oder Lebensmittelechtheit. In Kraichtal-Gochsheim werden dazu auch wirksame Prüfverfahren zur Erhöhung der Produktqualität entwickelt. Das ganzheitliche Verfahren kann während der laufenden Serienproduktion angewendet werden und liefert Messergebnisse zu einer Vielzahl von Materialeigenschaften in Echtzeit. So kann unmittelbar in die Fertigungsprozesse eingegriffen und rasch auf etwaige Abweichungen reagiert werden. Derartige innovative Produktionssysteme leisten einen wichtigen Beitrag zur weiteren Stärkung der Position von POLYTEC im wichtigen Werkstoffbereich SMC.

7. WESENTLICHE MERKMALE DES INTERNEN KONTROLL- UND RISIKOMANAGEMENTSYSTEMS IM HINBLICK AUF DEN RECHNUNGSLEGUNGSPROZESS

Die Einrichtung eines angemessenen internen Kontroll- und Risikomanagementsystems im Hinblick auf den Rechnungslegungsprozess bzw. die Finanzberichterstattung liegt in der Verantwortung des Vorstands. Durch entsprechende organisatorische Maßnahmen und Kontrollen wird sichergestellt, dass die gesetzliche Vorgabe, nach der die Eintragungen in die Bücher und die sonstigen Aufzeichnungen vollständig, richtig, zeitgerecht und geordnet zu erfolgen haben, erfüllt wird.

Der gesamte Prozess von der Beschaffung bis zur Zahlung unterliegt strengen Regeln und konzernweit gültigen Richtlinien, die jegliche damit im Zusammenhang stehende Risiken, etwa „CEO Fraud“-Szenarien, vermeiden sollen. Zu diesen Maßnahmen und Regeln zählen u. a. Funktionstrennungen, Unterschriftenordnungen, ausschließlich kollektive und auf wenige Personen eingeschränkte Zeichnungsermächtigungen für Zahlungen sowie systemunterstützte Prüfungen durch die verwendete Software.

Das wesentliche Management-Steuerungsinstrument ist das gruppenweit implementierte Planungs- und Berichtssystem. Darin sind insbesondere eine Mittelfristplanung mit dreijährigem Planungshorizont, eine jährliche Budgetplanung und die Monatsberichte enthalten. Die vom Group Accounting in Abstimmung mit dem Group Controlling erstellte monatliche Finanzberichterstattung zeigt zeitnahe die aktuelle Entwicklung aller Konzerngesellschaften. Der Inhalt dieses Berichts ist gruppenweit vereinheitlicht und umfasst neben Gewinn- und Verlustrechnung sowie Bilanz, die daraus abgeleiteten wesentlichen Kennzahlen und eine kommentierte Abweichungsanalyse.

Durch das standardisierte gruppenweite Finanzberichtswesen sowie eine interne Ad-hoc-Berichterstattung über unternehmenswichtige Ereignisse wird der Vorstand laufend über alle relevanten Sachverhalte und Risiken informiert. Der Aufsichtsrat wird in zumindest einer Aufsichtsratssitzung pro Quartal über den laufenden Geschäftsgang, die operative Planung und die mittelfristige Strategie des Konzerns unterrichtet, in besonderen Fällen wird der Aufsichtsrat auch unmittelbar informiert. In den Prüfungsausschusssitzungen wird u. a. auch das interne Kontroll- und Risikomanagement behandelt.

8. ANGABEN ZU KAPITAL-, ANTEILS-, STIMM- UND KONTROLLRECHTEN UND DAMIT VERBUNDENEN VERPFLICHTUNGEN GEMÄSS § 243A UGB

Das Grundkapital der POLYTEC HOLDING AG betrug zum Bilanzstichtag 31. Dezember 2016 unverändert EUR 22,3 Mio. und war in 22.329.585 auf Nennwert lautende Aktien unterteilt. Weitere Aktiegattungen bestanden nicht. Sämtliche Aktien waren zum Handel im Segment prime market der Wiener Börse zugelassen.

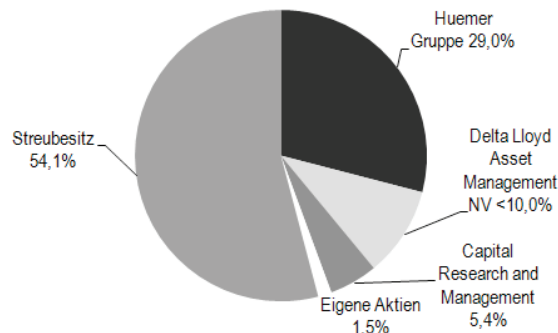
Aktionäre mit einer Beteiligung am Grundkapital von mehr als 10,0% waren zum Bilanzstichtag 31. Dezember 2016:

Die **Huemer-Gruppe** hielt rund 29,0% (16,0% Huemer Holding GmbH und 13,0% Huemer Invest GmbH) des Grundkapitals der POLYTEC HOLDING AG. Gegenüber dem Bilanzstichtag 31. Dezember 2015 blieb der Anteilsbesitz der Ing. Friedrich Huemer, CEO der POLYTEC GROUP, zurechenbaren Gesellschaften an der POLYTEC HOLDING AG unverändert.

Darüber hinaus waren dem Vorstand zum Bilanzstichtag keine Aktionäre bekannt, die eine Beteiligung am Grundkapital von mehr als 10,0% hielten. Keine Inhaber von Aktien verfügen über besondere Kontrollrechte.

Mitte Juli 2016 wurde der POLYTEC HOLDING AG vom Aktionär Delta Lloyd Asset Management NV, Amsterdam (Niederlande), mitgeteilt, dass am 15. Juli 2016 eine Meldeschwelle bezüglich einer Beteiligung unterschritten wurde. Zwei von Delta Lloyd Asset Management verwaltete Fonds (Delta Lloyd Europees Deelnemingen Fonds NV und Delta Lloyd L European Participation Fund) hielten per 15. Juli 2016 zusammen 9,98% bzw. 2.228.808 Aktien an der POLYTEC HOLDING AG. Darüber hinaus wurden der POLYTEC HOLDING AG seitens der Aktionäre im Berichtszeitraum 1. Jänner bis 31. Dezember 2016 keine Stimmrechtsmitteilungen gemäß § 91 BörseG gemeldet.

Zum 31. Dezember 2016 stellte sich die Aktionärsstruktur der POLYTEC HOLDING AG auf Basis der ausgegebenen 22.329.585 Aktien wie folgt dar:



EIGENE AKTIEN

Während des Geschäftsjahres 2016 hat die Gesellschaft keine eigenen Aktien erworben oder verkauft. Die POLYTEC HOLDING AG hielt am Bilanzstichtag 31. Dezember 2016 334.041 Stück eigene Aktien, was einem Anteil von rund 1,5% am Grundkapital entspricht. Die Ermächtigung des Vorstands zum Erwerb eigener Aktien der Gesellschaft, basierend auf dem Beschluss im Rahmen der 14. Ordentlichen Hauptversammlung vom 14. Mai 2014, endete am 13. November 2016.

GENEHMIGTES KAPITAL

Der Antrag auf erneute Schaffung eines Genehmigten Kapitals (§ 169 AktG) innerhalb von höchstens drei Jahren ab Eintragung in das Firmenbuch, sohin bis zum 24. August 2019, zur Bar- oder Sachkapitalerhöhung bis zu Nominale EUR 6.698.875,00 mit der Möglichkeit zum Bezugsrechtsausschluss und der dementsprechenden Änderung der Satzung wurde mit der erforderlichen Mehrheit durch die 16. Ordentliche Hauptversammlung vom 19. Mai 2016 angenommen.

SONSTIGE ANGABEN

Es existiert keine Entschädigungsvereinbarung zwischen der Gesellschaft und Mitgliedern des Vorstandes für den Fall eines Kontrollwechsels. Ebenso gibt es keine Entschädigungsvereinbarungen für die Aufsichtsratsmitglieder und Arbeitnehmer. Weitere bedeutende Vereinbarungen, auf die ein Kontrollwechsel oder ein öffentliches Übernahmeangebot eine Auswirkung hätten, bestehen nicht. Es bestehen keine Satzungsbestimmungen, die über die gesetzlichen Bestimmungen zur Ernennung von Vorstand oder Aufsichtsrat sowie zur Änderung der Satzung hinausgehende Regelungen enthalten. Die im Firmenbuch eingetragene Website der POLYTEC HOLDING AG lautet: www.polytec-group.com

Hörsching, am 31. März 2017

Der Vorstand der POLYTEC HOLDING AG

Ing. Friedrich Huemer e. h.
Vorstandsvorsitzender – CEO

Dipl.-Ing. (FH) Markus Huemer, MBA e. h.
Stellvertretender Vorstandsvorsitzender – COO

Dipl.-Ing. Alice Godderidge e. h.
Mitglied des Vorstands – CSO

Dkfm. Peter Haidenek e. h.
Mitglied des Vorstands – CFO

Bestätigungsvermerk

Bericht zum Jahresabschluss

Prüfungsurteil

Wir haben den Jahresabschluss der POLYTEC Holding AG, Hörsching, bestehend aus der Bilanz zum 31. Dezember 2016, der Gewinn- und Verlustrechnung für das an diesem Stichtag endende Geschäftsjahr sowie dem Anhang, geprüft.

Nach unserer Beurteilung entspricht der beigefügte Jahresabschluss den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage zum 31. Dezember 2016 sowie der Ertragslage der Gesellschaft für das an diesem Stichtag endende Geschäftsjahr in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften.

Grundlage für das Prüfungsurteil

Wir haben unsere Abschlussprüfung in Übereinstimmung mit den österreichischen Grundsätzen ordnungsmäßiger Abschlussprüfung durchgeführt. Diese Grundsätze erfordern die Anwendung der International Standards on Auditing (ISA). Unsere Verantwortlichkeiten nach diesen Vorschriften und Standards sind im Abschnitt „Verantwortlichkeiten des Abschlussprüfers für die Prüfung des Jahresabschlusses“ unseres Bestätigungsvermerks weitergehend beschrieben. Wir sind von der Gesellschaft unabhängig in Übereinstimmung mit den österreichischen unternehmensrechtlichen und berufsrechtlichen Vorschriften, und wir haben unsere sonstigen beruflichen Pflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für unser Prüfungsurteil zu dienen.

Besonders wichtige Prüfungssachverhalte

Besonders wichtige Prüfungssachverhalte sind solche Sachverhalte, die nach unserem pflichtgemäßen Ermessen am bedeutsamsten für unsere Prüfung des Jahresabschlusses des Geschäftsjahres waren. Diese Sachverhalte wurden im Zusammenhang mit unserer Prüfung des Jahresabschlusses als Ganzem und bei der Bildung unseres Prüfungsurteils hierzu berücksichtigt, und wir geben kein gesondertes Prüfungsurteil zu diesen Sachverhalten ab.

- Werthaltigkeit der Anteile an verbundenen Unternehmen

Sachverhalt und Problemstellung

Der Buchwert der Anteile an verbundenen Unternehmen beträgt zum 31. Dezember 2016 TEUR 151.833. Finanzanlagen sind bei voraussichtlich dauernder Wertminderung außerplanmäßig auf den niedrigeren am Abschlussstichtag beizulegenden Wert abzuschreiben. Im Geschäftsjahr 2016 erfolgten keine außerplanmäßigen Abschreibungen.

Die Ermittlung der außerplanmäßig abzuschreibenden Beträge ist in einem hohen Maß von Einschätzungen der künftigen Entwicklung der Umsatzerlöse, der Ergebnismargen und der daraus resultierenden Zahlungsüberschüsse durch die gesetzlichen Vertreter abhängig und daher mit erheblichen Unsicherheiten behaftet.

Prüferisches Vorgehen

Unsere Prüfungshandlungen umfassten die Durchsicht der Dokumentation der Gesellschaft zur Ermittlung allfälliger außerplanmäßiger Abschreibungen sowie die Beurteilung der Angemessenheit der Annahmen der gesetzlichen Vertreter zu zukünftigen Entwicklungen auf Basis der vom Aufsichtsrat genehmigten Mittelfristplanung.

Sonstige Informationen

Die gesetzlichen Vertreter sind für die sonstigen Informationen verantwortlich. Die sonstigen Informationen beinhalten alle Informationen im Jahresbericht und im Jahresfinanzbericht, ausgenommen den Jahresabschluss, den Lagebericht und den Bestätigungsvermerk. Der Jahresbericht und der Jahresfinanzbericht werden uns voraussichtlich nach dem Datum des Bestätigungsvermerks zur Verfügung gestellt.

Unser Prüfungsurteil zum Jahresabschluss deckt die sonstigen Informationen nicht ab und wir werden keine Art der Zusicherung darauf geben.

In Verbindung mit unserer Prüfung des Jahresabschlusses ist es unsere Verantwortung, die oben angeführten sonstigen Informationen zu lesen und dabei abzuwägen, ob sie angesichts des bei der Prüfung gewonnenen Verständnisses wesentlich in Widerspruch zum Jahresabschluss stehen oder sonst wesentlich falsch dargestellt erscheinen.

Verantwortlichkeiten der gesetzlichen Vertreter und des Prüfungsausschusses für den Jahresabschluss

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Jahresabschlusses und dafür, dass dieser in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie als notwendig erachten, um die

Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist.

Bei der Aufstellung des Jahresabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen, Sachverhalte im Zusammenhang mit der Fortführung der Unternehmenstätigkeit – sofern einschlägig – anzugeben, sowie dafür, den Rechnungslegungsgrundsatz der Fortführung der Unternehmenstätigkeit anzuwenden, es sei denn, die gesetzlichen Vertreter beabsichtigen, entweder die Gesellschaft zu liquidieren oder die Unternehmenstätigkeit einzustellen, oder haben keine realistische Alternative dazu.

Der Prüfungsausschuss ist verantwortlich für die Überwachung des Rechnungslegungsprozesses der Gesellschaft.

Verantwortlichkeiten des Abschlussprüfers für die Prüfung des Jahresabschlusses

Unsere Ziele sind, hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist, und einen Bestätigungsvermerk zu erteilen, der unser Prüfungsurteil beinhaltet. Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit den österreichischen Grundsätzen ordnungsmäßiger Abschlussprüfung, die die Anwendung der ISA erfordern, durchgeführte Abschlussprüfung eine wesentliche falsche Darstellung, falls eine solche vorliegt, stets aufdeckt. Falsche Darstellungen können aus dolosen Handlungen oder Irrtümern resultieren und werden als wesentlich angesehen, wenn von ihnen einzeln oder insgesamt vernünftigerweise erwartet werden könnte, dass sie die auf der Grundlage dieses Jahresabschlusses getroffenen wirtschaftlichen Entscheidungen von Nutzern beeinflussen.

Die Abschlussprüfung umfasst keine Zusicherung des künftigen Fortbestands der geprüften Gesellschaft oder der Wirtschaftlichkeit oder Wirksamkeit der bisherigen oder zukünftigen Geschäftsführung.

Als Teil einer Abschlussprüfung in Übereinstimmung mit den österreichischen Grundsätzen ordnungsmäßiger Abschlussprüfung, die die Anwendung der ISA erfordern, üben wir während der gesamten Abschlussprüfung pflichtgemäßes Ermessen aus und bewahren eine kritische Grundhaltung.

Darüber hinaus gilt:

- Wir identifizieren und beurteilen die Risiken wesentlicher – beabsichtigter oder unbeabsichtigter – falscher Darstellungen im Abschluss, planen Prüfungshandlungen als Reaktion auf diese Risiken, führen sie durch und erlangen

Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unser Prüfungsurteil zu dienen. Das Risiko, dass aus dolosen Handlungen resultierende wesentliche falsche Darstellungen nicht aufgedeckt werden, ist höher als ein aus Irrtümern resultierendes, da dolose Handlungen betrügerisches Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen oder das Außerkraftsetzen interner Kontrollen beinhalten können.

- Wir gewinnen ein Verständnis von dem für die Abschlussprüfung relevanten internen Kontrollsystem, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit des internen Kontrollsystems der Gesellschaft abzugeben.
- Wir beurteilen die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den gesetzlichen Vertretern dargestellten geschätzten Werte in der Rechnungslegung und damit zusammenhängende Angaben.
- Wir ziehen Schlussfolgerungen über die Angemessenheit der Anwendung des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit durch die gesetzlichen Vertreter sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die erhebliche Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit aufwerfen kann. Falls wir die Schlussfolgerung ziehen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, in unserem Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss aufmerksam zu machen oder, falls diese Angaben unangemessen sind, unser Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch die Abkehr der Gesellschaft von der Fortführung der Unternehmenstätigkeit zur Folge haben.
- Wir beurteilen die Gesamtdarstellung, den Aufbau und den Inhalt des Jahresabschlusses einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegenden Geschäftsvorfälle und Ereignisse in einer Weise wiedergibt, dass ein möglichst getreues Bild erreicht wird.

Wir tauschen uns mit dem Prüfungsausschuss unter anderem über den geplanten Umfang und die geplante zeitliche Einteilung der Abschlussprüfung sowie über bedeutsame Prüfungsfeststellungen, einschließlich etwaiger bedeutsamer Mängel im internen Kontrollsystem, die wir während unserer Abschlussprüfung erkennen, aus.

Wir geben dem Prüfungsausschuss auch eine Erklärung ab, dass wir die relevanten beruflichen Verhaltensanforderungen zur Unabhängigkeit eingehalten haben, und tauschen uns mit ihm über alle Beziehungen und sonstigen Sachverhalte aus, von denen vernünftigerweise angenommen werden kann, dass sie sich auf unsere Unabhängigkeit und – sofern einschlägig – damit zusammenhängende Schutzmaßnahmen auswirken.

Wir bestimmen von den Sachverhalten, über die wir uns mit dem Prüfungsausschuss ausgetauscht haben, diejenigen Sachverhalte, die am bedeutsamsten für die Prüfung des Jahresabschlusses des Geschäftsjahres waren und daher die besonders wichtigen Prüfungssachverhalte sind. Wir beschreiben diese Sachverhalte in unserem Bestätigungsvermerk, es sei denn, Gesetze oder andere Rechtsvorschriften schließen die öffentliche Angabe des Sachverhalts aus oder wir bestimmen in äußerst seltenen Fällen, dass ein Sachverhalt nicht in unserem Bestätigungsvermerk mitgeteilt werden sollte, weil vernünftigerweise erwartet wird, dass die negativen Folgen einer solchen Mitteilung deren Vorteile für das öffentliche Interesse übersteigen würden.

Bericht zum Lagebericht

Der Lagebericht ist auf Grund der österreichischen unternehmensrechtlichen Vorschriften darauf zu prüfen, ob er mit dem Jahresabschluss in Einklang steht und ob er nach den geltenden rechtlichen Anforderungen aufgestellt wurde.

Die gesetzlichen Vertreter der Gesellschaft sind verantwortlich für die Aufstellung des Lageberichts in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften.

Wir haben unsere Prüfung in Übereinstimmung mit den Berufsgrundsätzen zur Prüfung des Lageberichts durchgeführt.

Urteil

Nach unserer Beurteilung ist der Lagebericht nach den geltenden rechtlichen Anforderungen aufgestellt worden, enthält zutreffende Angaben nach § 243a UGB und steht in Einklang mit dem Jahresabschluss.

Erklärung

Angesichts der bei der Prüfung des Jahresabschlusses gewonnenen Erkenntnisse und des gewonnenen Verständnisses über die Gesellschaft und ihr Umfeld wurden wesentliche fehlerhafte Angaben im Lagebericht nicht festgestellt.

Auftragsverantwortlicher Wirtschaftsprüfer

Der für die Abschlussprüfung auftragsverantwortliche Wirtschaftsprüfer ist Herr
Mag. Ulrich Dollinger.

Linz, am 31. März 2017

Deloitte Oberösterreich Wirtschaftsprüfungs GmbH

Mag. Ulrich Dollinger
Wirtschaftsprüfer

Mag. Nikolaus Schaffer
Wirtschaftsprüfer

Die Veröffentlichung oder Weitergabe des Jahresabschlusses mit unserem Bestätigungsvermerk darf nur in der von uns bestätigten Fassung erfolgen. Dieser Bestätigungsvermerk bezieht sich ausschließlich auf den deutschsprachigen und vollständigen Jahresabschluss samt Lagebericht. Für abweichende Fassungen sind die Vorschriften des § 281 Abs 2 UGB zu beachten.

CORPORATE CALENDAR 2017

6 April 2017	Thursday	Publication of the financial statements and annual report for 2016
8 May 2017	Monday	Publication of the interim report for Q1 2017
12 May 2017	Friday	Record date AGM
22 May 2017	Monday	17 th Ordinary Annual General Meeting for the 2016 financial year, Hörsching, 10:00 a.m.
29 May 2017	Monday	Ex-dividend day
30 May 2017	Tuesday	Dividend cut-off date (record date)
31 May 2017	Wednesday	Dividend pay-out day
10 August 2017	Thursday	Publication of the report for HY1 2017
7 November 2017	Tuesday	Publication of the interim report for Q3 2017



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NOTE

This annual 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 annual 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 annual report is published in German and English. The English translation serves information purposes and the original German text is the sole legally binding version. The financial statements and annual report for 2016 were published on 6 April 2017 and are available for downloading on the POLYTEC HOLDING AG website at www.polytec-group.com.

Editorial closing date: 31 March 2017

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Kaeser, Buderus

Company and technology

Blow Moulding	A process for the production of hollow, thermoplastic parts (lightweight construction technology)
Carbon SMC	SMC with cut carbon fibres
CAD	Computer-aided design
CAM	Computer-aided manufacturing
CAQ	Computer-aided quality control
CEO	Chief Executive Officer
CF	Carbon fibre
CFO	Chief Finance Officer
COO	Chief Operations Officer
CSO	Chief Sales Officer
ECM	Enterprise control management
ERP	Enterprise resource planning
GIT	Gas internal pressure technology
GMT	Glass mat thermoplastics
HR	Human Resources
ISO 14001	International Standard for environmental management
ISO 50001	International Standard for systematic energy management
JIS	Just-in-sequence: Parts arrive at a production line right in time as scheduled before they get assembled
JIT	Just-in-time: Parts arrive at the production line right in time
LFT	Long fibre reinforced thermoplastics: Increased toughness for parts
LWRT	Low weight reinforced thermoplastics: Glass-reinforced thermoplastic mixed-fibre fleeces for lightweight construction that absorb noise excellently.
MES	Manufacturing execution system
OEM	Original equipment manufacturer
One-shot process	Production in one single step
Organosheets	Fibre-reinforced composites (either with glass fibres or carbon fibres)
PA	Polyamide: Thermoplastic material with high strength, stiffness and toughness
PISA	POLYTEC In-moulded Sound Absorber
PIT	Projectile injection technology
PLA	POLYTEC Leadership Academy
PP	Polypropylene: Thermoplastic material
PPS	POLYTEC Performance System: Lean Management Programme of POLYTEC GROUP
PUR	Polyurethane: Material used by business units CAR STYLING and INDUSTRIAL
PUR RRIM	Polyurethane Reinforced Reaction Injection Moulding
SMC	Sheet moulding compound: Ready to mould glass-fibre reinforced polyester material primarily used in compression moulding
VICS	Variable In-moulded Composite Sandwich
WIT	Water injection technology

Financials	
CAD	Canadian Dollar
Capital employed	Capital employed includes non-current assets required for operations (intangible assets, goodwill, tangible assets, participations in companies accounted for at equity and other non-current receivables) less other non-current provisions and net current assets (non-interest bearing current assets less non-interest bearing current liabilities).
CNY	Chinese Renminbi Yuan
CZK	Czech Koruna
Deferred taxes	Balance sheet item to show fiscal valuation differences. In the case of temporary discrepancies between the group balance sheet and the fiscal balance sheet, both deferred tax assets and deferred tax liabilities are recognised in order to report the tax expenses in accordance with the group financial result.
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EBIT margin	Earnings before interest and EBIT/sales, in %
Equity ratio	Equity/balance sheet total, in %
EUR k	Euro thousands
EUR m	Euro millions
Free cash flow	Cash flow from operating activities less cash flow from investing activities
FTE	Full-time equivalents of employees
GBP	Great Britain Pound
Gearing	Net debt/equity
HUF	Hungarian Forint
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards, including International Accounting Standards (IAS)
IPO	Initial Public Offering
ISIN AT0000A00XX9	International Securities Identification Number of POLYTEC share
Market capitalisation	Value of Enterprise: number of issued shares multiplied with certain share price
Net financial liabilities/assets	Non-interest bearing current assets, less non-interest bearing current liabilities
Net current assets	Current assets (excluding cash, cash equivalents and interest-bearing receivables) less current liabilities (excluding financial liabilities)
OEM	Original Equipment Manufacturer
OTC	"Over-the-Counter" market, transactions with shares outside exchange, directly dealt between parties
ROCE	Return on Capital Employed (EBIT/average capital employed)
TRY	Turk Lira
USD	United States Dollar



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