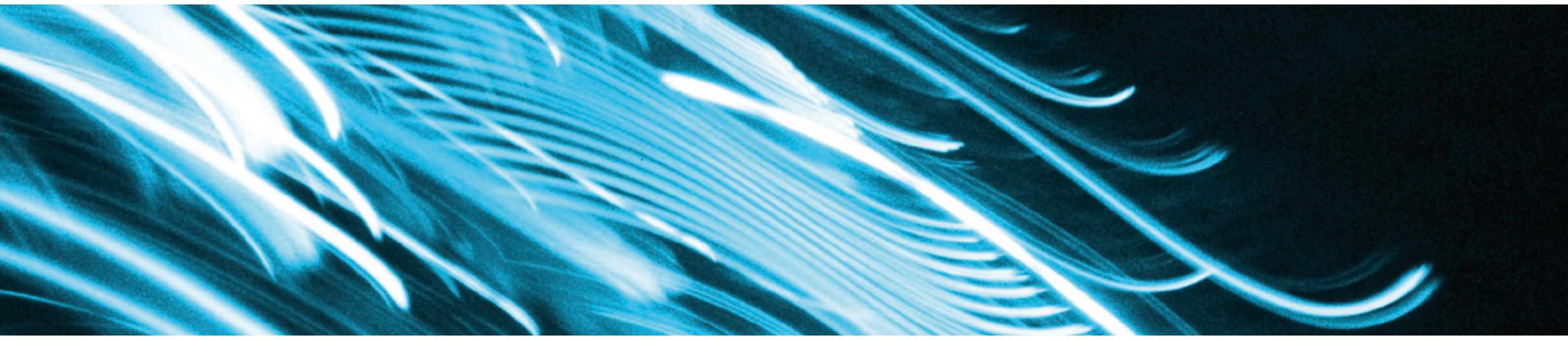
Q1-Q3 (May 2013 - Januar 2014)

Report on the First Three Quarters 2013/14 of Zumtobel AG



zumtobel group

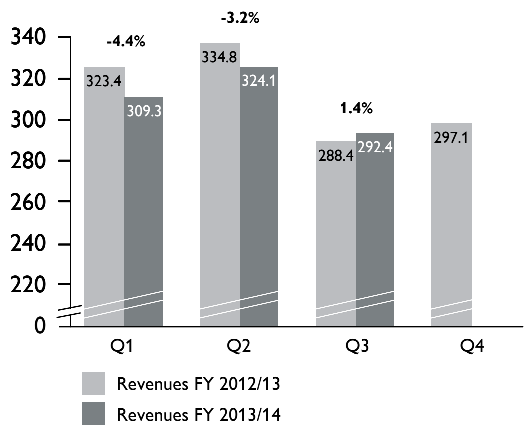
Overview of the Third Quarter 2013/14

- >> Slight growth in revenues (plus 1.4%) and sound improvement in operating profit during the seasonally weak third quarter
- >> Lighting Segment: positive signals from Europe – Q3 segment revenues plus 2.0%
- >> Components Segment: strong growth in LED converters and modules offsets decline in revenues from conventional products – Q3 revenues plus 0,3%
- >> Improved profitability in both segments

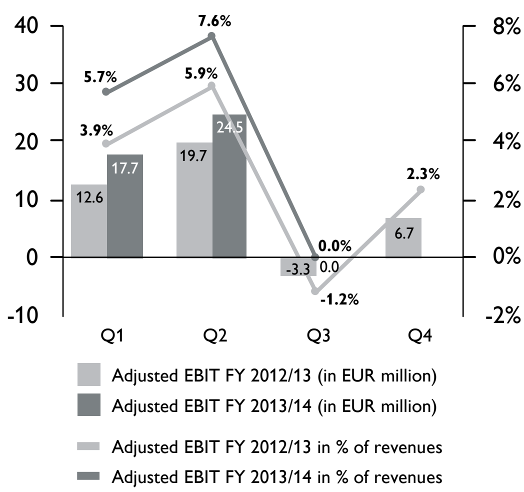
Key Data in EUR million	Q3 2013/14	Q3 2012/13 *restated	Change in %	Q1-Q3 2013/14	Q1-Q3 2012/13 *restated	Change in %
Revenues	292.4	288.4	1.4	925.8	946.5	(2.2)
Adjusted EBITDA	13.8	10.7	29.0	84.0	71.1	18.2
as a % of revenues	*4.7*	*3.7*		*9.1*	*7.5*	
Adjusted EBIT	0.0	(3.3)	99.3	42.2	29.0	45.8
as a % of revenues	*0.0*	*(1.2)*		*4.6*	*3.1*	
EBIT	(1.5)	(6.7)	78.1	27.8	21.9	26.8
as a % of revenues	*(0.5)*	*(2.3)*		*3.0*	*2.3*	
Net profit/loss for the period	(6.3)	(10.5)	39.7	12.1	8.5	41.4
as a % of revenues	*(2.2)*	*(3.6)*		*1.3*	*0.9*	
Cash flow from operating results	12.4	7.8	58.9	72.3	64.3	12.5
Investments	16.2	15.1	7.1	42.5	38.2	11.5
				31 January 2014	30 April 2013	Change in %
Total assets				997.9	994.8	0.3
Equity				351.4	357.4	(1.7)
Equity ratio in %				*35.2*	*35.9*	
Net debt				154.4	113.2	36.4
Headcount incl. contract worker (full-time equivalent)				7,194	7,162	0.5

Development of Business by Quarter

Revenues (in EUR million)

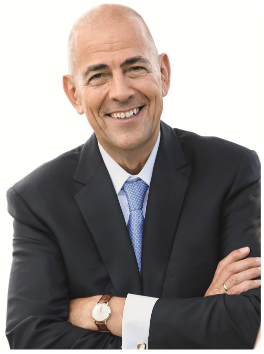


Adjusted EBIT



Letter to Shareholders

Dear Shareholders,



Ulrich Schumacher

I took over as Chief Executive Officer of the Zumtobel Group on 1 October 2013 and would now like to report to you on the changes and progress over the past months. The new organisational structure that was implemented on 1 December 2013 now allows us to manage the Zumtobel Group in a more entrepreneurial manner. It also helps us to optimally realise production and sales synergies and strengthens our innovative power. In the luminaire business, we have grouped our plants under a single global function to improve cost structures and capacity utilisation. We are also implementing a flat organisation in our multi-brand sales force to remain very close to our customers and market the complete Zumtobel and Thorn product portfolios from a single hand in all regions. Each of our three brands (Zumtobel, Thorn and Tridonic) and our merchandise business (OEM & TPP) will constitute a separate business division to drive the strategic development of the product portfolio, sharpen the brand profile and accelerate the time-to-market process. The better use of existing resources and know-how in our newly created central services – Group Technology, Group Purchasing and Group Logistics – will improve cooperation at the Group level, increase our innovative power and strengthen the realisation of synergy effects.

Sound progress in transformation process

We are pleased to inform you that we have now been able to fill all vacant management positions, for the most part with experienced employees from within our company. The budgeting process for the 2014/15 financial year, which started several weeks ago, will take place within this new structure. At the same time, we are establishing new reporting and controlling structures to support effective and efficient management in all areas of the new organisation. During the current budgeting and medium-term planning process, we will also define further details of our strategy, above all with regard to our sales structure and production locations. My first impression of the high level of knowledge, enormous commitment and great loyalty of our employees to their company has grown even stronger, and I am impressed by their enthusiasm and speed of reaction to the many changes. At the Light + Building trade fair in April, we will present more detailed information on our programme and medium-term goals during our Capital Market Day. I am particularly pleased that Karin Sonnenmoser, a talented and experienced financial manager, will complete our Management Board team as CFO starting on 1 May 2014.

Outlook: cautious optimism in an on-going difficult market environment

The latest positive signals from the third quarter allow us to look toward the coming months with cautious optimism in spite of the continued limited visibility and the on-going difficult market environment. Against this backdrop, we are expecting revenues for the 2013/14 financial year at or slightly below the prior year (2012/13: EUR 1,243.6 million) and a substantial improvement in adjusted EBIT (2012/13: EUR 35.7 million). The stabilisation of revenue development should also result in slightly positive adjusted EBIT contribution for the fourth quarter, despite the sizeable expenses related to the Light + Building trade fair in April 2014.

Ulrich Schumacher
Chief Executive Officer

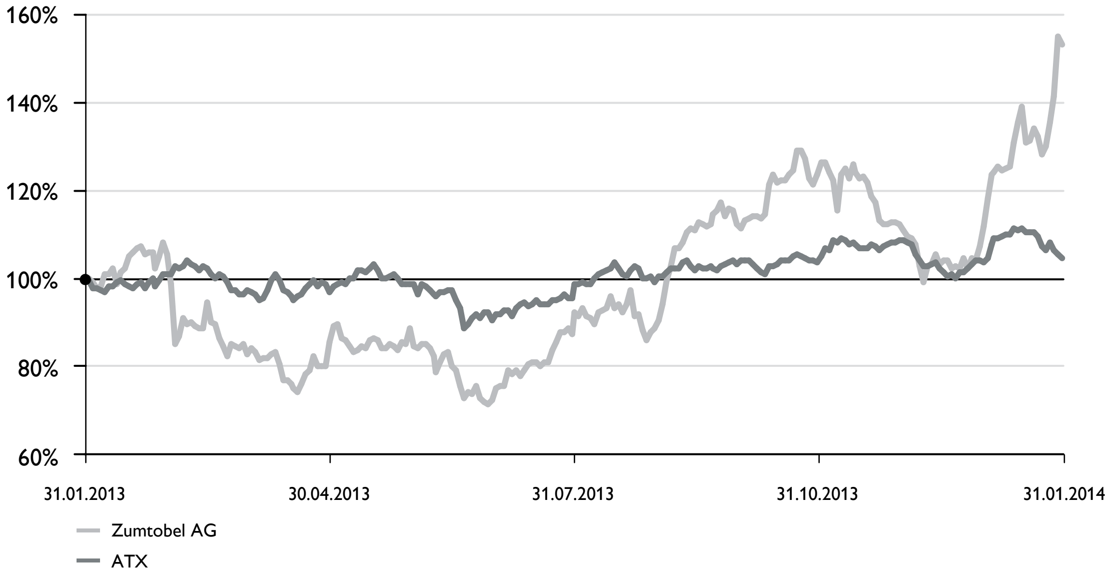
The Zumtobel Share

Share price development clearly above ATX average

The first three quarters of the 2013/14 financial year were a very good period for Zumtobel shareholders. With an increase of 91.1%, the share price nearly doubled and clearly outperformed the leading Austrian Traded Index ATX (plus 6%). This development was supported by solid financial data for the past two quarters, the first signs of the hoped-for recovery in the European economy with positive impulses for the construction industry and, above all, positive expectations related to the change on the Management Board and the related strategy and cost adjustments in the Zumtobel Group.

The market capitalisation of the Zumtobel Group equalled EUR 707 million at the end of January 2014 based on an unchanged number of 43.5 million shares outstanding. The shareholder structure has not changed significantly since the end of the 2012/13 financial year. The Zumtobel family holds 35.4% of the voting rights. As of 31 January 2014, Delta Lloyd Asset Management NV held a stake of more than 5% and SICAV Objectif Small Caps Euro (Lazard Freres Gestion) a stake over 4%. The remaining shares are held primarily by other institutional investors. In the ATX, the leading index of the 20 largest listed companies in Austria, the Zumtobel share ranked 22nd as of 31 January 2014 based on market capitalisation and 19th based on trading volume. The average daily turnover on the Vienna Stock Exchange during the first three quarters of 2013/14 amounted to 96,575 shares, compared with 100,014 in the previous year (double-count, as published by the Vienna Stock Exchange). As of 31 January 2014, the company held 361,980 treasury shares.

Development of the Zumtobel Share vs the ATX



Key Data on the Zumtobel Share for the First Three Quarters 2013/14

Closing price at 30.04.13	EUR 8.503	Currency	EUR
Closing price at 31.01.14	EUR 16.250	ISIN	AT0000837307
Performance Q1-Q3 2013/14	91.1%	Ticker symbol Vienna Stock Exchange (XETRA)	ZAG
Market capitalisation at 31.01.14	EUR 707 million	Market segment	Prime Market
Share price - high at 30.01.14	EUR 16.450	Reuters symbol	ZUMV.VI
Share price - low at 02.07.13	EUR 7.559	Bloomberg symbol	ZAG AV
Ø Turnover per day (shares)	96,575	Number of issued shares	43,500,000

Group Management Report

The Economic Environment

Stronger signs of hoped-for recovery in Euro zone

The latest economic update by the International Monetary Fund (IMF) in mid-October 2013 included the sixth consecutive reduction of the forecast for worldwide growth during the 2013 and 2014 calendar years. The global economy is now only expected to grow by 2.9% in 2013 and by 3.6% in 2014. The developed economies stabilised, but momentum slowed in the emerging and developing countries. Most of the projections by bank and research institute economists for 2014 still point to growth of 1% in the Euro zone, a key market for the Zumtobel Group. This optimistic – compared with the past year – outlook reflects the latest developments in key confidence indicators for the Euro zone. On example is the Purchasing Managers' Index, which reached the highest level in two and one-half years during February and signalises sound expansion in the European industrial sector. This growth should be driven, above all, by the Central and Northern European countries.

The construction industry in Europe is not expected to make a notable contribution to economic recovery during the current calendar year. However, a November expert opinion by Euroconstruct forecasted stabilisation in commercial construction during 2014 after several years of declines. In the seven most important European markets for the Zumtobel Group (Austria, Germany, Switzerland, France, Great Britain, Italy and Scandinavia), Euroconstruct is predicting growth of 0.1% for the 2014 calendar year and 1.4% for the 2015 calendar year.

Significant Events since 30 April 2013

Zumtobel invests in market presence

The opening of the new "La Lumière d'Uzès" Light Center in the heart of Paris during June 2013 represented the latest addition to the worldwide network of nearly 20 Zumtobel Light Centers and three Light Forums. The 250 square metre exhibition area focuses on the presentation of products based on cutting-edge LED technology that perfectly combine energy savings potential and lighting comfort.

Tridonic exists from magnetic technology

On 25 June 2013 Tridonic, the Zumtobel Group's brand for lighting components, announced that it will terminate the production of magnetic ballasts and transformers (revenues in FY 2012/13: approx. EUR 35 million). This exit from the magnetics business will affect two production sites, the Fürstenfeld plant in Styria (Austria) with 102 employees and magnetics production in Melbourne (Australia) with 49 employees. The sale of the Melbourne plant to Custom Mould Plastics was finalised on 31 October 2013, and the plant in Fürstenfeld will be closed at the end of the 2013/14 financial year. In January 2014 the Tridonic management board and works' council reached an agreement on a social plan for the employees affected by the shutdown.

Tridonic increases activities in OLED technology

The Zumtobel Group acquired the remaining shares in the joint venture company LEDON OLED Lighting GmbH & Co KG (now "Tridonic Dresden GmbH & Co. KG") and LEDON OLED Verwaltungs-GmbH as of 17 July 2013. These companies were founded in 2009 together with the Fraunhofer Gesellschaft and a number of Fraunhofer employees. LEDON OLED, which is specialised in the development and production of highly efficient OLED lighting modules, is organisationally integrated in the Components Segment of the Zumtobel Group.

AGM approves dividend for 2012/13

The 37th annual general meeting of Zumtobel AG on 26 July 2013 approved the payment of a EUR 0.07 dividend for the 2012/13 financial year. This dividend was paid on 2 August 2013.

Thorn strengthens exterior lighting business in China

As part of the efforts to strengthen its presence on the Asian market, the Zumtobel Group acquired the joint venture partner's shares in Thorn Lighting Tianjin Limited as of 22 July 2013. The Zumtobel Group previously held a 70% stake in the company. Since its founding in 1996, Thorn Lighting Tianjin Limited in China has established an impressive position on the market for street and tunnel lighting.

Ulrich Schumacher appointed new CEO

The Supervisory Board of Zumtobel AG appointed Ulrich Schumacher Chief Executive Officer and interim Chief Financial Officer of the Zumtobel Group as of 1 October 2013. His term of office runs to 30 April 2017. He replaces Harald Sommerer who, together with Mathias Dähn, Chief Financial Officer of the Zumtobel Group, left the company as of 30 September.

Karin Sonnenmoser appointed new CFO

In January 2014 the Supervisory Board of Zumtobel AG appointed Karin Sonnenmoser as the company's Chief Financial Officer. Ms. Sonnenmoser was appointed for a three-year term and will start work on 1 May 2014.

Tridonic acquires shares in South African sales subsidiary

Tridonic, the Zumtobel Group's brand for lighting components and systems, increased the holding in its South African sales subsidiary from 49.99% to 100%. The shares were purchased from the former joint venture partner, Power Technologies (Pty) Ltd., as of 1 February 2014. The South African Tridonic sales company, which operates from its headquarters in Johannesburg and a branch office in Cape Town, currently has 15 employees.

No other significant events occurred after 30 April 2013.

Related Party Transactions

The members of the Management Board and Supervisory Board of Zumtobel AG are considered to be related parties. As of 31 January 2013 there were no business relationships between the company and related parties.

The provision of goods and services to associated companies is based on ordinary market conditions.

Premature Application of the Revised IAS 19

The premature application of the revised version of IAS 19 "Employee Benefits" led to the adjustment of prior year data. The adjustments involving the income statement were allocated to the individual quarters of the prior year and resulted in immaterial changes to the comparable data for the first three quarters of 2012/13.

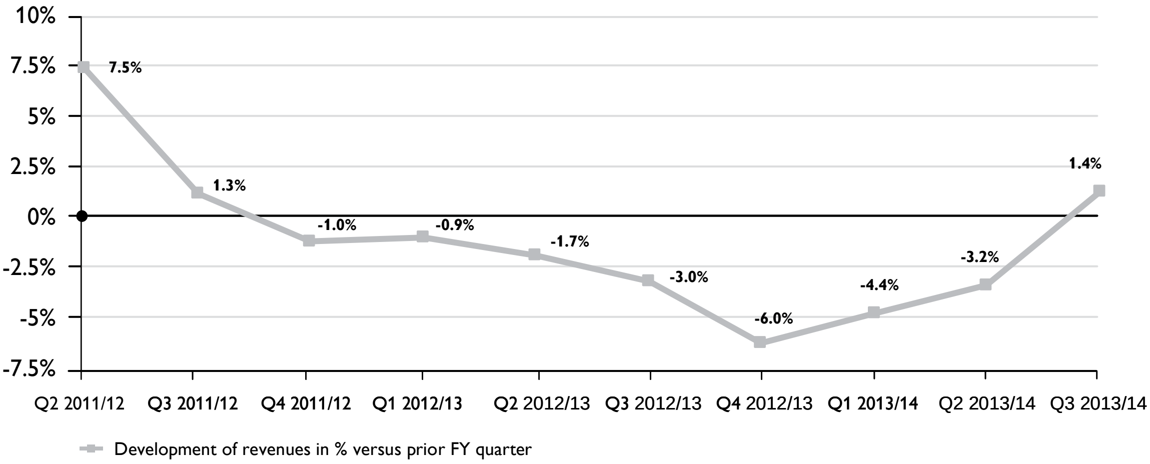
Development of revenues in the first three quarters of 2013/14

- Group revenues decline by 2.2%
- Continued dynamic growth with LED products (plus 45.1%)
- Increasing stabilisation in industry environment for lighting business – minus 2.3% in segment revenues
- Components Segment stable at prior year level (minus 0.2%) due to rising demand for LED converters and modules

2.2% decline in Group revenues

Revenues recorded by the Zumtobel Group for the first nine months of 2013/14 (1 May 2013 to 31 January 2014) fell by 2.2% year-on-year to EUR 925.8 million (previous year: EUR 946.5 million) in an ongoing difficult economic environment. The analysis by quarter shows consolidation in comparison with the respective quarters of the previous year. The third quarter of 2013/14 brought an increase of 1.4%, which represents the first growth after partly substantial revenue declines in the past seven quarters.

Development of revenues over the last 10 quarters



Energy-efficient LED technology remains the central revenue driver for the Zumtobel Group. This is illustrated by the continuing dynamic growth with LED products in both segments during the reporting period. With revenues of EUR 291.7 million and an increase of 45.1%, the LED share of Group revenues rose from 21.2% to 31.5% within 12 months.

Segment development in EUR million	Q3 2013/14	Q3 2012/13	Change in %	Q1-Q3 2013/14	Q1-Q3 2012/13	Change in %
Lighting Segment	219.3	214.9	2.0	696.0	712.0	(2.3)
Components Segment	89.7	89.4	0.3	287.6	288.1	(0.2)
Reconciliation	(16.6)	(15.9)	4.1	(57.7)	(53.6)	7.7
Zumtobel Group	292.4	288.4	1.4	925.8	946.5	(2.2)

Stabilisation in market environment for the professional lighting industry

In the late cyclical Lighting Segment (Zumtobel/Thorn), there are growing signs of stabilisation in the European commercial construction sector. Revenues declined by 2.3% to EUR 696.0 million for the reporting period (previous year: EUR 712.0 million), but an increase of 2.0% was recorded in the third quarter. Revenues from the sale of LED lighting rose by 45.5% compared to the first nine months of 2012/13.

Components Segment at prior year level

Revenues in the Components Segment (Tridonic) nearly matched the prior year at EUR 287.6 million (EUR 288.1 million). Good progress in the development and sale of LED converters and LED modules successfully offset the declining demand for magnetic and electronic ballasts. Revenues from the sale of LED components rose by 49.3% to EUR 79.9 million and confirmed the market's acceptance of these competitive and innovative new products. This development also confirms the strategic decision to terminate the production and sale of magnetic ballasts and transformers at the end of the 2013/14 financial year in order to concentrate resources more directly on LED technology.

Distribution of regional revenues	Q3 2013/14		Q1-Q3 2013/14		
	Revenues in EUR million	Change in %	Revenues in EUR million	Change in %	in % of Group
D/A/CH	79.3	(1.8)	259.8	(1.0)	28.1
Eastern Europe	15.5	(6.6)	48.7	(5.4)	5.3
Northern Europe	27.8	6.3	78.0	(1.4)	8.4
Western Europe	90.0	7.2	281.3	0.6	30.4
Southern Europe	23.8	10.2	77.4	9.0	8.4
Europe	**236.3**	**3.2**	**745.0**	**0.2**	**80.5**
Asia & Middle East	29.9	16.3	86.7	4.0	9.4
Australia & New Zealand	15.0	(31.8)	61.5	(24.4)	6.6
America	9.1	2.6	25.8	(15.0)	2.8
Others	2.0	(29.1)	6.8	(16.1)	0.7
Total	**292.4**	**1.4**	**925.8**	**(2.2)**	**100.0**

Stabilisation on European markets

Developments in the individual regions differed significantly during the first nine months of 2013/14. The regions outside Europe, with the exception of Asia and the Middle East, recorded in part substantial revenue declines. Development in Europe was slightly positive, above all in the third quarter. Revenues in the D/A/CH region amounted to EUR 259.8 million for the first nine months, but were somewhat lower than the previous year (EUR 262.3 million), with slight growth in the Lighting Segment especially in Germany and Switzerland. Group revenues in Eastern Europe and Northern Europe (Denmark, Finland, Norway, Sweden, Iceland) fell by 5.4% and 1.4%, respectively. Western Europe (Great Britain, France, Benelux), which is the strongest sales region in the Zumtobel Group, was negatively affected by foreign exchange effects resulting from the decrease in the value of the British Pound versus the Euro. However, revenues rose slightly by 0.6% to EUR 281.3 million. In Southern Europe (Italy, Spain, Greece, Turkey) both the Lighting Segment and the Components Segment reported an increase in revenues (in total: plus 9.0%). The relative share of Europe in Group revenues rose slightly to 80.5% (previous year: 78.5%).

Unsatisfactory developments outside Europe

The development of revenues in the Middle East was sound, but the lighting business in Asia remained disappointing. In total Group revenues in the Asia & Middle East region (which consists primarily of China, Hong Kong, Singapore, India and the Middle East) rose by 4.0% to EUR 86.7 million. The America region remained substantially below expectations with a drop of 15.0%, but the third quarter brought a stop to the negative development from the first half-year. Revenues in Australia & New Zealand were weakened by slower business development in both segments and negative foreign exchange effects, and revenues fell by 24.4%.

Development of earnings in the first three quarters of 2013/14

- >> Effectiveness of cost reduction measures implemented in earlier quarters reflected in earnings – adjusted Group EBIT rises 45.8% to EUR 42.2 million
- >> Exit from magnetic ballast business and expenses for previous Management Board members lead to negative special effects of EUR 14.5 million
- >> Net profit increases 41.4% over prior year to EUR 12.1 million despite decline in revenues and negative special effects

Income statement in EUR million	Q3 2013/14	Q3 2012/13 *restated	Change in %	Q1-Q3 2013/14	Q1-Q3 2012/13 *restated	Change in %
Revenues	292.4	288.4	1.4	925.8	946.5	(2.2)
Cost of goods sold	(201.9)	(204.4)	(1.3)	(622.4)	(646.9)	(3.8)
Gross profit	90.6	84.0	7.8	303.4	299.7	1.3
as a % of revenues	*31.0*	*29.1*		*32.8*	*31.7*	
SG&A expenses adjusted for special effects	(90.6)	(87.3)	3.8	(261.2)	(270.7)	(3.5)
Adjusted EBIT	0.0	(3.3)	99.3	42.2	29.0	45.8
as a % of revenues	*0.0*	*(1.2)*		*4.6*	*3.1*	
Special effects	(1.4)	(3.3)	(57.0)	(14.5)	(7.1)	> 100
EBIT	(1.5)	(6.7)	78.1	27.8	21.9	26.8
as a % of revenues	*(0.5)*	*(2.3)*		*3.0*	*2.3*	
Financial results	(4.1)	(3.5)	(17.6)	(11.9)	(9.3)	(28.5)
Profit/loss before tax	(5.5)	(10.1)	45.3	15.8	12.6	25.5
Income taxes	(0.8)	(0.3)	>100	(3.8)	(3.8)	(0.9)
Net loss from discontinued operations	0.0	0.0		0.0	(0.3)	93.1
Net profit/loss for the period	(6.3)	(10.5)	39.7	12.1	8.5	41.4
Depreciation and amortisation	(13.8)	(14.5)	(4.7)	(44.4)	(43.0)	3.2
Earnings per share (in EUR)	(0.15)	(0.24)	38.7	0.28	0.22	26.9

Note: EBITDA (EBIT plus depreciation and amortisation) amounted to EUR 72.2 million in the first three quarters of 2013/14.

Adjusted Group EBIT rises by 45.8%

In spite of the 2.2% decline in revenues, Group EBIT adjusted for special effects rose by 45.8% year-on-year to EUR 42.2 million (previous year: EUR 29.0 million). That represents an improvement in the return on sales from the operating business to 4.6% (previous year: 3.1%). Both segments benefited from the extensive restructuring measures implemented in earlier quarters, which focused on aligning cost structures with the lower level of revenues. The Lighting Segment was also able to reduce material costs through lower procurement prices and optimised product design. In the Components Segment, the strong demand for LED modules and LED converters led to economies of scale in the plants. Development costs included in the cost of goods sold rose slightly from EUR 48.4 million in the first nine months of the previous year to EUR 51.0 million for the reporting period.

Selling expenses reduced by EUR 10.0 million

Structural cost reduction measures were introduced in the sales areas of both segments during the past year in response to the uncertain economic developments in key markets. These measures led to a drop in selling expenses from EUR 244.1 million to EUR 234.1 million. Administrative expenses declined slightly by EUR 0.4 million to EUR 29.6 million (previous year: EUR 30.0 million). Other operating results, excluding special effects, of EUR 2.5 million (previous year: EUR 3.4 million) include, among others, license income from the LED business.

Exit from magnetic technology and expenses for former Management Board members lead to negative special effects

Negative special effects of EUR 14.5 million were recorded in the first nine months of 2013/14 (previous year: EUR 7.1 million). Most of these special effects are attributable to the Components Segment and consist mainly of expenses related to the exit from the magnetic ballast business. Included here are the shutdown of the plant in Fürstenfeld/Austria and an impairment charge to plant and equipment that is related to the sale of the magnetic ballast plant in Melbourne/Australia. Other negative special effects were recognised during the first quarter in connection with the shutdown of wire production in Australia. The second quarter also included expenses for termination agreements related to the changes on the Management Board of Zumtobel AG (EUR 4.7 million). Additional information is provided in the notes to this quarterly report.

Adjusted EBIT in EUR million	Q3 2013/14	Q3 2012/13 *restated	Change in %	Q1-Q3 2013/14	Q1-Q3 2012/13 *restated	Change in %
Reported EBIT	(1.5)	(6.7)	78.1	27.8	21.9	26.8
thereof special effects	(1.4)	(3.3)	(57.0)	(14.5)	(7.1)	>100
Adjusted EBIT	0.0	(3.3)	99.3	42.2	29.0	45.8
as a % of revenues	*0.0*	*(1.2)*		*4.6*	*3.1*	

Financial results below prior year at EUR 2.6 million

Financial results deteriorated by EUR 2.6 million year-on-year to minus EUR 11.9 million (previous year: minus EUR 9.3 million). Interest expense, which consists mainly of interest on the current credit agreement, fell by EUR 0.9 million during the reporting period. Other financial income and expenses totalled minus EUR 6.0 million (previous year: minus EUR 2.0 million). The change in comparison with the prior year resulted primarily from foreign exchange differences, above all a decline in the value of key currencies for the Zumtobel Group versus the Euro in the first three quarters of 2013/14. Additional information is provided in the notes to this quarterly report.

Financial result in EUR million	Q3 2013/14	Q3 2012/13 *restated	Change in %	Q1-Q3 2013/14	Q1-Q3 2012/13 *restated	Change in %
Interest expense	(2.3)	(2.5)	(9.6)	(6.7)	(7.5)	(11.4)
Interest income	0.2	0.3	(22.9)	0.6	0.9	(27.6)
Net financing costs	(2.1)	(2.3)	8.0	(6.1)	(6.7)	9.4
Other financial income and expenses	(2.1)	(0.9)	<(100)	(6.0)	(2.0)	<(100)
Loss from companies accounted for at-equity	0.1	(0.3)	>100	0.2	(0.5)	>100
Financial results	(4.1)	(3.5)	(17.6)	(11.9)	(9.3)	(28.5)

Net profit for the period clearly higher than previous year at EUR 12.1 million

Profit before tax totalled EUR 15.8 million for the first three quarters of 2013/14 (previous year: EUR 12.6 million) and income tax expense amounted to EUR 3.8 million (previous year: EUR 3.8 million). Net profit for the period rose by 41.4% year-on-year to EUR 12.1 million in spite of the decline in revenues and substantially higher negative special effects. Earnings per share for the shareholders of Zumtobel AG (basic earnings per share based on 43.1 million shares) equalled EUR 0.28 (previous year: EUR 0.22).

Cash flow and asset position

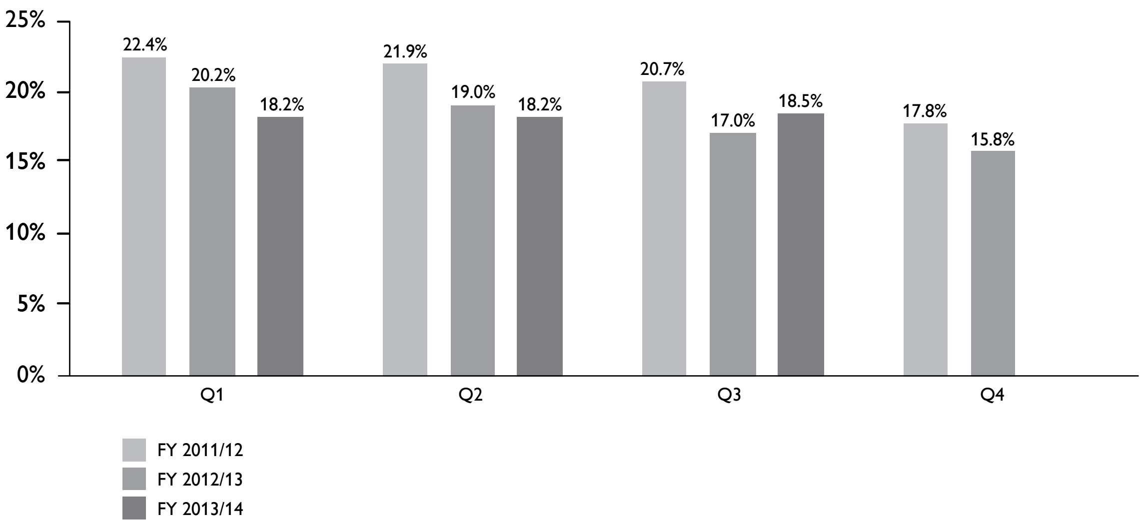
- >> Higher demand leads to increase in working capital
- >> Capital expenditures rise to EUR 42.5 million (previous year: EUR 38.2 million)
- >> Free cash flow equals minus EUR 22.1 million
- >> Continued solid balance sheet structure

Cash flow was determined on a monthly basis in accordance with the indirect method. The resulting monthly cash flows were translated at the average monthly exchange rate and then aggregated, while the balance sheet positions were translated at the exchange rate in effect on the respective closing date. Individual positions on the cash flow statement therefore differ significantly from the respective balance sheet positions, above all under cash flow from operating activities.

Higher demand leads to increase in working capital

Working capital totalled EUR 226.2 million as of 31 January 2014 (previous year: EUR 215.1 million), whereby the year-on-year increase resulted, above all, from the rising volume of business in the third quarter and higher inventories. Stocks of raw materials and finished goods were expanded at a higher rate than the change in revenues in order to safeguard production and supply capabilities to customers, also when revenues continue to rise. Working capital equalled 18.5% of rolling 12-month revenues at the end of the third quarter (previous year: 17.0%). The increase in working capital since 30 April 2013 led to cash outflows of EUR 36.6 million, compared with cash inflows of EUR 11.0 million in the first three quarters of 2012/13. Cash flow from operating activities declined to EUR 18.3 million for the reporting period (previous year: EUR 56.7 million).

Working Capital in % of rolling 12-month revenues



Free cash flow equals minus EUR 22.1 million

Investments in property, plant and equipment at various production facilities amounted to EUR 42.5 million during the reporting period (previous year: EUR 38.2 million). These investments include tools for new products, expansion investments, maintenance capex and capitalised research and development costs (EUR 13.1 million). The position "change in liquid funds from changes in the consolidation range" represents the positive cash effect from the sale of the shares in Tridonic Manufacturing pty Ltd, Australia, and the purchase of the shares in LEDON OLED Verwaltungs-GmbH, Dresden, and LEDON OLED Lighting GmbH & Co. KG (now "Tridonic Dresden GmbH & Co. KG"), Dresden. Higher investments and the increase in working capital resulted in free cash flow of minus EUR 22.1 million for the reporting period, which is substantially lower than the previous year (plus EUR 19.2 million).

Cash flow from financing activities consists chiefly of the increased use of the financing line provided by the consortium credit agreement, the increased use of short-term working capital credit lines, and interest paid during the first nine months of the reporting year. The dividend for the 2012/13 financial year that was approved by the annual general meeting on 26 July 2013 was paid on 2 August 2013 (EUR 3.0 million). The position "acquisition of minority interest" represents the purchase of the non-controlling interests in Thorn Lighting Tianjin Limited (China) during July 2013.

Balance sheet data in EUR million	31 January 2014	30 April 2013
Total assets	997.9	994.8
Net debt	154.4	113.2
Equity	351.4	357.4
Equity ratio in %	*35.2*	*35.9*
Gearing in %	*43.9*	*31.7*
Investments	42.5	59.5
Working capital	226.2	196.7
As a % of rolling 12 month revenues	*18.5*	*15.8*

Solid balance sheet structure

The quality of the balance sheet structure remains nearly unchanged. The equity ratio declined slightly from 35.9% on 30 April 2013 to 35.2%. Net debt rose by EUR 41.2 million over the level on 30 April 2013 to EUR 154.4 million (previous year: EUR 140.1 million), and gearing – the ratio of net liabilities to equity – deteriorated from 31.7% on 30 April 2013 to 43.9%.

Outlook: cautious optimism in an on-going difficult market environment

The latest positive signals from the third quarter allow us to look toward the coming months with cautious optimism in spite of the continued limited visibility and the on-going difficult market environment. Against this backdrop, we are expecting revenues for the 2013/14 financial year at or slightly below the prior year (2012/13: EUR 1,243.6 million) and a substantial improvement in adjusted EBIT (2012/13: EUR 35.7 million). The stabilisation of revenue development should also result in slightly positive adjusted EBIT contribution for the fourth quarter, despite the sizeable expenses related to the Light + Building trade fair in April 2014.

Dornbirn, 4 March 2014

Ulrich Schumacher
Chief Executive Officer

Martin Brandt
Chief Operating Officer

Income Statement

in TEUR	Q3 2013/14	Q3 2012/13 *restated	Change in %	Q1-Q3 2013/14	Q1-Q3 2012/13 *restated	Change in %
Revenues	292,402	288,390	1.4	925,830	946,535	(2.2)
Cost of goods sold	(201,851)	(204,421)	(1.3)	(622,392)	(646,859)	(3.8)
Gross profit	**90,551**	**83,969**	**7.8**	**303,438**	**299,676**	**1.3**
as a % of revenues	*31.0*	*29.1*		*32.8*	*31.7*	
Selling expenses	(80,193)	(78,642)	2.0	(234,127)	(244,128)	(4.1)
Administrative expenses	(10,882)	(9,870)	10.2	(29,612)	(30,016)	(1.3)
Other operating results	(935)	(2,109)	(55.7)	(11,941)	(3,635)	<(100)
thereof special effects	*(1,435)*	*(3,335)*	*(57.0)*	*(14,463)*	*(7,057)*	*<(100)*
Operating profit/loss	**(1,459)**	**(6,652)**	**78.1**	**27,758**	**21,897**	**26.8**
as a % of revenues	*(0.5)*	*(2.3)*		*3.0*	*2.3*	
Interest expense	(2,288)	(2,530)	(9.6)	(6,684)	(7,545)	(11.4)
Interest income	199	259	(23.2)	617	852	(27.6)
Other financial income and expenses	(2,066)	(901)	<(100)	(6,047)	(2,036)	<(100)
Loss from companies accounted for at-equity	73	(298)	>100	201	(545)	>100
Financial results	**(4,082)**	**(3,470)**	**(17.6)**	**(11,913)**	**(9,274)**	**(28.5)**
as a % of revenues	*(1.4)*	*(1.2)*		*(1.3)*	*(1.0)*	
Profit/loss before tax	**(5,541)**	**(10,122)**	**45.3**	**15,845**	**12,623**	**25.5**
Income taxes	(768)	(337)	<100	(3,774)	(3,810)	(0.9)
Net profit/loss from continuing operations	**(6,309)**	**(10,459)**	**39.7**	**12,071**	**8,813**	**37.0**
Net loss from discontinued operations	**0**	**0**		**(20)**	**(288)**	**93.1**
Net profit/loss for the period	**(6,309)**	**(10,459)**	**39.7**	**12,051**	**8,525**	**41.4**
as a % of revenues	*(2.2)*	*(3.6)*		*1.3*	*0.9*	
thereof due to non-controlling interests	*109*	*2*	*>100*	*87*	*(901)*	*>100*
thereof due to shareholders of the parent company	*(6,418)*	*(10,461)*	*38.6*	*11,964*	*9,426*	*26.9*
Average number of shares outstanding – basic (in 1,000 pcs.)	43,136	43,109		43,135	43,118	
Average diluting effect (stock options) (in 1,000 pcs.)	0	7		0	7	
Average number of shares outstanding – diluted (in 1,000 pcs.)	43,136	43,116		43,135	43,125	
Earnings per share (in EUR)						
Basic earnings per share	(0.15)	(0.24)		0.28	0.22	
Diluted earnings per share	(0.15)	(0.24)		0.28	0.22	
Earnings per share from continuing operations (in EUR)						
Basic earnings per share	(0.15)	(0.24)		0.28	0.20	
Diluted earnings per share	(0.15)	(0.24)		0.28	0.20	
Earnings per share from discontinued operations (in EUR)						
Basic earnings per share	0.00	0.00		0.00	(0.01)	
Diluted earnings per share	0.00	0.00		0.00	(0.01)	

* The premature application of the revised version of IAS 19 "Employee Benefits" led to the adjustment of prior year data. The adjustments involving the income statement were allocated to the individual quarters of the prior year and resulted in immaterial changes to the comparable data for the first three quarters of 2012/13.

Statement of Comprehensive Income

in TEUR	Q3 2013/14	Q3 2012/13 *restated	Change in %	Q1-Q3 2013/14	Q1-Q3 2012/13 *restated	Change in %
Net profit/loss for the period	(6,309)	(10,459)	39.7	12,051	8,525	41.4
Actuarial gain/loss	0	0		0	0	
Deferred taxes due to actuarial gain/loss	0	0		0	0	
Total of items that will not be reclassified ("recycled") subsequently to the income statement	0	0		0	0	
Currency differences	(5,255)	(4,032)	(30.3)	(14,284)	(3,042)	<(100)
Currency differences arising from loans	1,616	(3,781)	>100	(231)	(1,700)	(86.4)
Hedge accounting	(77)	1,292	<(100)	1,752	376	>100
Deferred taxes due to Hedge Accounting	19	(323)	>100	(438)	(94)	<(100)
Total of items that will be reclassified ("recycled") subsequently to the income statement	(3,697)	(6,844)	(46.0)	(13,201)	(4,460)	<(100)
Subtotal other comprehensive income	(3,697)	(6,844)	(46.0)	(13,201)	(4,460)	<(100)
thereof due to non-controlling interests	*12*	*(102)*	*>100*	*(66)*	*(44)*	*(51.2)*
thereof due to shareholders of the parent company	*(3,709)*	*(6,742)*	*(45.0)*	*(13,135)*	*(4,416)*	*<(100)*
Total comprehensive income	(10,006)	(17,303)	(42.2)	(1,150)	4,065	<(100)
thereof due to non-controlling interests	*121*	*(101)*	*>100*	*20*	*(945)*	*>100*
thereof due to shareholders of the parent company	*(10,127)*	*(17,202)*	*41.1*	*(1,170)*	*5,010*	*<(100)*

* The premature application of the revised version of IAS 19 “Employee Benefits“ led to the adjustment of prior year data. The adjustments involving the income statement were allocated to the individual quarters of the prior year and resulted in immaterial changes to the comparable data for the first three quarters of 2012/13.

Balance Sheet

in TEUR	31 January 2014	in %	30 April 2013	in %
Goodwill	187,703	18.8	190,035	19.1
Other intangible assets	54,612	5.5	52,837	5.3
Property, plant and equipment	233,141	23.4	239,966	24.1
Financial assets accounted for at-equity	3,065	0.3	3,667	0.4
Financial assets	1,626	0.2	1,101	0.1
Other assets	4,171	0.4	4,233	0.5
Deferred taxes	38,072	3.8	38,413	3.9
Non-current assets	**522,390**	**52.4**	**530,252**	**53.4**
Inventories	181,809	18.2	160,472	16.1
Trade receivables	187,954	18.8	185,533	18.6
Financial assets	1,911	0.2	2,435	0.3
Other assets	24,394	2.4	29,098	2.9
Liquid funds	79,478	8.0	87,048	8.7
Current assets	**475,546**	**47.6**	**464,586**	**46.6**
ASSETS	**997,936**	**100.0**	**994,838**	**100.0**
Share capital	108,750	10.9	108,750	10.9
Additional paid-in capital	335,241	33.6	335,210	33.7
Reserves	(108,240)	(10.9)	(96,042)	(9.7)
Net profit/loss for the period	11,964	1.2	5,959	0.6
Capital attributed to shareholders of the parent company	347,715	34.8	353,877	35.5
Capital attributed to non-controlling interests	3,649	0.4	3,509	0.4
Equity	**351,364**	**35.2**	**357,386**	**35.9**
Provisions for pensions	71,260	7.2	74,669	7.5
Provisions for severance compensation	43,734	4.4	42,744	4.3
Provisions for other defined benefit employee plans acc. to IAS19	13,238	1.3	14,146	1.4
Other provisions	963	0.1	921	0.1
Borrowings	218,116	21.9	197,001	19.9
Other liabilities	2,216	0.2	1,911	0.2
Deferred taxes	7,301	0.7	7,307	0.7
Non-current liabilities	**356,828**	**35.8**	**338,699**	**34.1**
Provisions for taxes	21,288	2.1	20,487	2.1
Other provisions	23,708	2.4	24,580	2.5
Borrowings	16,787	1.7	4,264	0.4
Trade payables	120,782	12.1	131,801	13.2
Other liabilities	107,179	10.7	117,621	11.8
Current liabilities	**289,744**	**29.0**	**298,753**	**30.0**
EQUITY AND LIABILITIES	**997,936**	**100.0**	**994,838**	**100.0**

Cash Flow Statement

in TEUR	Q1-Q3 2013/14	Q1-Q3 2012/13 *restated
Operating profit from continuing and discontinued operations	27,738	21,609
Depreciation and amortisation	44,413	43,049
Gain/loss from disposal of fixed assets	216	(36)
Results from discontinued operations	(20)	(288)
Cash flow from operating results	**72,347**	**64,334**
Inventories	(26,072)	(1,484)
Trade receivables	(11,548)	30,872
Trade payables	(4,128)	(23,515)
Prepayments received	5,192	5,082
Change in working capital	**(36,556)**	**10,955**
Non-current provisions	(6,869)	(6,387)
Current provisions	(427)	549
Other current and non-current assets and liabilities	(6,857)	(9,795)
Change in other operating items	**(14,153)**	**(15,633)**
Taxes paid	**(3,322)**	**(2,933)**
Cash flow from operating activities	**18,316**	**56,723**
Proceeds from the sale of non-current assets	420	289
Capital expenditures on non-current assets	(42,534)	(38,153)
Change in non-current and current financial assets	(963)	(411)
Change in liquid funds from changes in the consolidation range	2,693	740
Cash flow from investing activities	**(40,384)**	**(37,535)**
FREE CASH FLOW	**(22,068)**	**19,188**
Change in net borrowings	28,138	(6,941)
thereof restricted cash	*(10)*	*188*
Change of minority interest	(1,524)	0
Dividends	(3,258)	(8,621)
Exercise of options	31	205
Interest paid	(5,235)	(6,011)
Interest received	617	852
Cash flow from financing activities	**18,769**	**(20,516)**
Effects of exchange rate changes on cash and cash equivalents	(6,874)	(1,199)
CHANGE IN CASH AND CASH EQUIVALENTS	**(10,173)**	**(2,527)**
Cash and cash equivalents at the beginning of the period	82,902	83,738
Cash and cash equivalents at the end of the period	72,729	81,211
Change absolute	**(10,173)**	**(2,527)**

* The premature application of the revised version of IAS 19 "Employee Benefits" led to the adjustment of prior year data. The adjustments involving the income statement were allocated to the individual quarters of the prior year and resulted in immaterial changes to the comparable data for the first three quarters of 2012/13.

Statement of Changes in Equity

Q1 – Q3 2013/14

	Attributed to shareholders of the parent company										
in TEUR	Share capital	Additional paid-in capital	Other Reserves	Currency reserve	Hedge accounting	Reserve for stock options	Reserve IAS 19	Net profit/loss for the period	Total	Non-controlling interests	Total equity
30 April 2013	**108,750**	**335,210**	**9,894**	**(29,466)**	**(4,371)**	**19,732**	**(91,831)**	**5,959**	**353,877**	**3,509**	**357,386**
+/- Additions to reserves	0	0	5,959	0	0	0	0	(5,959)	0	0	**0**
+/- Total comprehensive income	0	0	0	(14,448)	1,314	0	0	11,964	(1,170)	20	**(1,150)**
+/- Stock options – exercises	0	31	0	0	0	0	0	0	31	0	**31**
+/- Dividends	0	0	(3,019)	0	0	0	0	0	(3,019)	(239)	**(3,258)**
+/- Change of minority interest	0	0	(1,883)	0	0	0	0	0	(1,883)	359	**(1,524)**
+/- Changes in the consolidation range	0	0	132	0	0	(253)	0	0	(121)	0	**(121)**
31 January 2014	**108,750**	**335,241**	**11,083**	**(43,914)**	**(3,057)**	**19,479**	**(91,831)**	**11,964**	**347,715**	**3,649**	**351,364**

Q1 – Q3 2012/13

	Attributed to shareholders of the parent company										
in TEUR	Share capital	Additional paid-in capital	Other Reserves	Currency reserve	Hedge accounting	Reserve for stock options	Reserve IAS 19 *restated	Net profit/loss for the period	Total	Non-controlling interests	Total equity
30 April 2012	**108,750**	**335,006**	**3,724**	**(27,311)**	**(3,643)**	**19,732**	**(84,382)**	**15,955**	**367,831**	**2,714**	**370,545**
Restatement*	0	0	(431)	(427)	0	0	1,668	(733)	77	0	**77**
30 April 2012	**108,750**	**335,006**	**3,293**	**(27,738)**	**(3,643)**	**19,732**	**(82,714)**	**15,222**	**367,908**	**2,714**	**370,622**
+/- Additions to reserves	0	0	15,222	0	0	0	0	(15,222)	0	0	**0**
+/- Total comprehensive income	0	0	0	(4,698)	282	0	0	9,426	5,010	(945)	**4,065**
+/- Capital increases	0	0	0	0	0	0	0	0	0	403	**403**
+/- Stock options – exercises	0	205	0	0	0	0	0	0	205	0	**205**
+/- Dividends	0	0	(8,621)	0	0	0	0	0	(8,621)	0	**(8,621)**
+/- Changes in the consolidation range	0	0	0	0	0	0	0	0	0	740	**740**
31 January 2013	**108,750**	**335,211**	**9,894**	**(32,436)**	**(3,361)**	**19,732**	**(82,714)**	**9,426**	**364,502**	**2,912**	**367,414**

* The premature application of the revised version of IAS 19 "Employee Benefits" led to the adjustment of prior year data. The adjustments involving the income statement were allocated to the individual quarters of the prior year and resulted in immaterial changes to the comparable data for the first three quarters of 2012/13.

The balance sheet position "reserves" comprises other reserves as well as the currency reserve, the reserve for hedge accounting, the reserve for stock options and the IAS 19 reserve.

Notes

Accounting and Valuation Methods

The condensed consolidated interim financial statements as of 31 January 2014 were prepared in accordance with the principles set forth in International Financial Reporting Standards, (IAS 34, Interim Financial Reporting). The company has elected to make use of the option set forth in IAS 34 and provide selected explanatory notes.

The condensed consolidated interim financial statements as of 31 January 2014 were neither audited nor reviewed by a certified public accountant.

The accounting and valuation methods applied as of 31 January 2014 reflect the methods applied in preparing the consolidated financial statements as of 30 April 2013, with the following exceptions:

IFRS 13 "Fair Value Measurement" as well as the additions to IAS 1 "Presentation of Financial Statements" and the Improvements to IFRS (2009-2011) have been applied since 1 May 2013 and had no material effect on the consolidated interim financial statements.

In order to improve the clarity and informative value of these financial statements, individual positions on the income statement and balance sheet were combined and are reported separately in the notes. The amounts in the tables are presented in thousand euros (TEUR), unless indicated otherwise. The use of automatic data processing equipment can lead to rounding differences.

The quarterly financial statements of the companies included in the interim consolidated financial statements were prepared on the basis of uniform accounting and valuation principles.

All prior year data in the interim consolidated financial statements that changed due to the premature application of the revised IAS 19 are based on the previously adjusted comparable amounts.

Foreign Currency Translation

The major currencies used to translate the financial statements of subsidiaries into the euro are as follows:

	Average exchange rate Income Statement		Closing rate Balance sheet	
1 EUR equals	31 January 2014	31 January 2013	31 January 2014	30 April 2013
AUD	1.4432	1.2398	1.5516	1.2649
CHF	1.2332	1.2073	1.2220	1.2238
USD	1.3370	1.2778	1.3516	1.3072
SEK	8.7441	8.6291	8.8509	8.5420
GBP	0.8460	0.8043	0.8214	0.8443

Consolidation Range

The condensed consolidated interim financial statements include all major Austrian and foreign companies that are controlled by Zumtobel AG. The changes in the consolidation range during the interim financial period are shown below:

	Consolidation Method		
	full	at equity	Total
30 April 2013	**93**	**5**	**98**
Change in consolidation method	2	(2)	0
Included during reporting period for first time	2	0	2
thereof newly founded	*2*	*0*	*2*
Deconsolidated during reporting period	(1)	0	(1)
Liquidated during reporting period	(1)	0	(1)
31 January 2014	**95**	**3**	**98**

- >> Zumtobel Lighting s.r.o. was initially consolidated in May of the 2013/14 financial year.

- >> Zumtobel Lighting Limited, Hong Kong, was founded in the second quarter of the 2013/14 financial year.

- >> In July 2013 51% of the shares in LEDON OLED Verwaltungs-GmbH, Dresden, and 49% of the shares in LEDON OLED Lighting GmbH & Co. KG (now "Tridonic Dresden GmbH & Co. KG"), Dresden, were acquired. The Zumtobel Group now owns 100% of the shares in both companies. These companies, which were previously included in the consolidated financial statements at equity, were fully consolidated as of July 2013.
These share purchases represent an investment to strengthen the Zumtobel Group's business activities in the future-oriented area of OLED technology.

- >> The contracts for the sale of Tridonic Manufacturing Pty Ltd were signed during the first quarter of 2013/14, but the shares were transferred in October 2013. The company was therefore deconsolidated during the second quarter of the reporting year.

- >> The Australian company Conlux Pty limited has been in liquidation since the third quarter of 2013/14. The company was therefore deconsolidated during the third quarter of the reporting year.

Notes to the Income Statement

The following comments explain the major changes to individual items in relation to the comparable prior year period.

Seasonality

Sales volumes are generally higher during the first two quarters than in the second half-year for seasonal reasons; in particular, the third quarter falls significantly below the average. This distribution reflects the Group's dependency on developments in the construction industry as well as the seasonal distribution of business in this sector.

Revenues

Revenues include an adjustment of TEUR 37,477 (prior year: TEUR 38,770) for sales deductions (primarily customer discounts). Gross revenues total TEUR 963,308 (prior year: TEUR 985,305). Net revenues for the first three quarters total TEUR 925,830 and are 2.2% below the comparable prior year value. The year-on-year decline in net revenues for the reporting period is attributable almost entirely to the Lighting Segment. However, the third quarter of 2013/14 brought an increase of 2.0% in net revenues recorded by the Lighting Segment to TEUR 219,310.

Expenses

The income statement was prepared in accordance with the cost of sales method. The following categories of income and expenses are included in the cost of goods sold (incl. development costs), selling expenses (incl. research costs), administrative expenses and other operating results:

Q1 – Q3 2013/14

in TEUR	Cost of goods sold	Selling expenses	Administrative expenses	Other operating results	Total
Cost of materials	(384,065)	(3,324)	(39)	0	(387,428)
Personnel expenses	(163,830)	(131,858)	(21,870)	(10,761)	(328,319)
Depreciation	(36,329)	(4,580)	(783)	(2,721)	(44,413)
Other expenses	(59,958)	(91,881)	(10,131)	(1,148)	(163,118)
Own work capitalised	14,115	40	0	0	14,155
Internal charges	4,543	(7,474)	2,967	(36)	0
Total expenses	**(625,524)**	**(239,077)**	**(29,856)**	**(14,666)**	**(909,123)**
Other income	**3,132**	**4,950**	**244**	**2,725**	**11,051**
Total	**(622,392)**	**(234,127)**	**(29,612)**	**(11,941)**	**(898,072)**

Q1 – Q3 2012/13

in TEUR	Cost of goods sold	Selling expenses	Administrative expenses	Other operating results	Total
Cost of materials	(407,193)	(3,072)	(53)	0	(410,318)
Personnel expenses	(165,872)	(136,910)	(21,433)	(4,419)	(328,634)
Depreciation	(36,680)	(4,543)	(886)	(940)	(43,049)
Other expenses	(56,713)	(95,721)	(10,766)	(1,852)	(165,052)
Own work capitalised	10,951	469	0	0	11,420
Internal charges	4,512	(7,368)	2,856	0	0
Total expenses	**(650,995)**	**(247,145)**	**(30,282)**	**(7,211)**	**(935,633)**
Other income	**4,136**	**3,017**	**266**	**3,576**	**10,995**
Total	**(646,859)**	**(244,128)**	**(30,016)**	**(3,635)**	**(924,638)**

The cost of goods sold includes development costs of TEUR 50,999 (prior year: TEUR 48,373).

Development costs of TEUR 13,119 (prior year: TEUR 10,434) were capitalised during the reporting period. The amortisation of capitalised development costs amounted to TEUR 10,059 (prior year: TEUR 9,788).

Selling expenses declined 4.1% year-on-year during the first three quarters of 2012/13, above all due to a reduction in personnel expenses.

Other Operating Results

in TEUR	Q3 2013/14	Q3 2012/13	Q1-Q3 2013/14	Q1-Q3 2012/13
Government grants	270	268	806	1,140
License revenues	168	958	1,291	2,225
Special effects	(1,435)	(3,335)	(14,463)	(7,057)
Impairment charges to non-current assets	*0*	*(483)*	*(2,650)*	*(940)*
Restructuring	*(1,435)*	*(1,352)*	*(6,230)*	*(4,617)*
expenses resulting from an exit agreement	*0*	*0*	*(4,675)*	*0*
Impairment charges to current assets	*0*	*(1,500)*	*0*	*(1,500)*
Changes in the consolidation range	*0*	*0*	*(908)*	*0*
Miscellaneous	62	0	425	57
Total	**(935)**	**(2,109)**	**(11,941)**	**(3,635)**

The year-on-year change in government grants reflects the partial repayment of a grant that was not utilised in full.

As in the first three quarters of the previous year, license income for the reporting period comprises income from the LED business.

The impairment charges of TEUR 2,650 to non-current assets are attributable to the Components Segment and relate to the signing of the contract for the sale of the magnetic ballast plant in Australia. In the previous year, this position covered the write-off of property, plant and equipment which were classified as impaired.

The position “restructuring“ is attributable primarily to the Components Segment and consists mainly of expenses connected with the closing of wire production facilities in Australia and the termination of magnetic ballast production in Austria during 2013/14. The prior year figures are related to restructuring measures in the Lighting Segment sales organisations in Germany, England and France (TEUR 3,127) as well as reorganisation measures at production facilities in the Components Segment (TEUR 1,490).

The expenses reported for termination agreements in 2013/14 are related entirely to costs connected with the changes on the Management Board of Zumtobel AG in September 2013.

In the third quarter of the prior year, an impairment charge was recognised to current assets in the Components Segment in connection with the sale of Ledon Lamp GmbH in February 2013.

The position “changes in the consolidation range“ consists primarily of the results from the deconsolidation of the Australian subsidiary Tridonic Manufacturing Pty Ltd in October 2013.

Miscellaneous items represent the net total of income and expenses arising from ordinary business operations, which cannot be clearly allocated to other functional areas.

Interest Expense

Interest expense consists primarily of interest on the current credit agreement.

Other Financial Income and Expenses

in TEUR	Q3 2013/14	Q3 2012/13	Q1-Q3 2013/14	Q1-Q3 2012/13
Interest component as per IAS 19 less income on plan assets	(1,183)	(1,242)	(3,510)	(3,731)
Foreign exchange gains and losses	(619)	(796)	(2,413)	(935)
Market valuation of financial instruments	(264)	1,137	(94)	2,230
Gains/losses on sale	0	0	(30)	400
Total	**(2,066)**	**(901)**	**(6,047)**	**(2,036)**

Foreign exchange gains and losses consist mainly of effects from the valuation of receivables and liabilities that are denominated in a foreign currency.

The market valuation of financial instruments shows the results from the valuation of forward exchange contracts at fair value as of the balance sheet date for these consolidated interim financial statements.

Income Taxes

The classification of income taxes into current and deferred taxes is shown in the following table:

in TEUR	Q3 2013/14	Q3 2012/13	Q1-Q3 2013/14	Q1-Q3 2012/13
Current taxes	(925)	(235)	(4,117)	(3,945)
thereof current year	*(935)*	*(147)*	*(4,041)*	*(3,691)*
thereof prior years	*10*	*(88)*	*(76)*	*(254)*
Deferred taxes	157	(102)	343	135
Income taxes	**(768)**	**(337)**	**(3,774)**	**(3,810)**

Results from Discontinued Operations

Results from discontinued operations represent subsequent expenses in connection with the reorganisation process for Space Cannon VH SRL. This company was part of the event lighting business, which was discontinued during the second quarter of 2010/11. The net loss reported under this position in the prior year also reflects the discontinuation of the event lighting business.

Earnings per Share

Basic earnings per share were calculated by dividing net profit for the period by the average number of shares outstanding as of the balance sheet date for these interim financial statements.

Diluted earnings per share reflect the assumption that the options granted under the stock option programme (SOP) will be exercised. These shares are included in the calculation of the average number of shares outstanding.

Q1 – Q3 2013/14

in 1,000 pcs.	Balance Sheet Date	Average
1 May 2013	**43,134**	**43,134**
Stock options – exercises	4	1
31 January 2014	**43,138**	**43,135**

Q1 – Q3 2012/13

in 1,000 pcs.	Balance Sheet Date	Average
1 May 2012	**43,106**	**43,106**
Stock options – exercises	28	12
31 January 2013	**43,134**	**43,118**
Stock options – exercises	0	4
30 April 2013	**43,134**	**43,122**

Notes to the Statement of Comprehensive Income

Currency Differences

This position comprises translation effects resulting from the conversion of the financial statements of subsidiaries as well as the effects of foreign currency-related adjustments to goodwill following the application of IAS 21 ("The Effects of Changes in Foreign Exchange Rates").

Currency Differences arising from Loans

These currency differences result from long-term SEK, GBP and USD loans that qualify for classification as a net investment in a foreign operation and must therefore be reported under comprehensive income. This position also includes currency differences resulting from an interest rate hedge.

Deferred Taxes

This position consists solely of deferred taxes related to hedge accounting.

Notes to the Balance Sheet

The following comments refer to major changes in individual items compared to the balance sheet date on 30 April 2013.

Goodwill

In the first quarter of the previous year, the goodwill arising from the acquisition of the Thorn Lighting Group was reallocated to reflect a change in the internal reporting structure. This goodwill was assigned by region as of 30 April 2011, but subsequently reallocated by brand to newly defined cash-generating units (CGUs). These new CGUs are:

"CGU Zumtobel Brand"
"CGU Thorn Brand"

The changeover to the monitoring of results based on financial information classified by brands required the reallocation of goodwill in proportion to the relative fair values of the CGUs.

The newly defined CGUs represent operating segments as defined in IFRS 8.5, which are combined into the aggregated segment "Lighting Brands" for segment reporting.

in TEUR	CGU Zumtobel Brand	CGU Thorn Brand	Tridonic Jennersdorf	Total
30 April 2012	**140,486**	**48,634**	**1,722**	**190,842**
FX effects	(969)	162	0	(807)
30 April 2013	**139,517**	**48,796**	**1,722**	**190,035**
FX effects	(1,057)	(1,275)	0	(2,332)
31 January 2014	**138,460**	**47,521**	**1,722**	**187,703**

The accumulated amortisation of the newly allocated goodwill from earlier periods totals TEUR 338,278.

The application of IAS 21 ("The Effects of Changes in Foreign Exchange Rates") resulted in foreign currency-based adjustments of TEUR 2,332 to goodwill in the current business year 2013/14 (prior year: TEUR 2,332), which were not recognised through profit or loss. These foreign exchange effects are allocated to assets in the "Lighting Segment" for segment reporting.

The reallocation of goodwill had no effect on the value of these items.

Property, plant and equipment

The decline resulted primarily from the sale of the magnetic ballast plant in Australia, which was allocated to the Components Segment.

Other Non-Current Assets

This position consists primarily of capitalised reinsurance for the fulfilment of pension commitments.

Inventories

Group inventories rose by 16.1% to TEUR 181,809. This increase is intended to safeguard production and supply capabilities to customers, also when revenues continue to rise.

Trade Receivables

The increase in trade receivables over the level at 30 April 2013 resulted, above all, from the higher volume of business during the third quarter of the current financial year.

Other Current Assets

The decline is attributable primarily to payment received on a receivable that represented funds pledged as security for pending legal proceedings connected with Space Cannon VH SRL, Italy, which was deconsolidated in 2010/11.

Provisions for Pensions

The decline in the provisions for pensions is based chiefly on contributions to pension plans in Great Britain that were made during the first three quarters of 2013/14.

Non-Current Financial Liabilities

The increase in non-current financial liabilities resulted chiefly from an increase in the use of the financing line provided by the consortium credit agreement from TEUR 170,000 to TEUR 190,000.

Current Financial Liabilities

The change in current financial liabilities resulted chiefly from the increased use of short-term working capital credit lines.

Other Current Liabilities

The decrease in other current liabilities is attributable primarily to a decline in amounts due to employees.

Determination of Fair Value

The determination of fair value is based on a three-level hierarchy that reflects the valuation certainty.

Level 1: Listed prices on active markets for identical instruments
Level 2: Valuation based on input factors that can be monitored on the market
Level 3: Valuation based on input factors that cannot be monitored on the market

Zumtobel AG holds no financial instruments that are measured in accordance with the above criteria for Level 1 or Level 3. There were no reclassifications between the fair value hierarchy levels during the reporting period.

The Zumtobel Group bases the determination of fair value above all, on market values. The market value of non-current receivables and other non-derivative financial instruments represents the present value discounted with the market interest rate. The market value of current financial instruments reflects the carrying amount due to their short term.

The fair value of derivative financial instruments can be determined reliably as of every balance sheet date because valuation is generally based on external data sources (stock market prices, resp. bank confirmations).

Q1 – Q3 2013/14

Assets

in TEUR	Level	Carrying amount	Fair Value
Non-current financial assets	2	1,626	1,626
Securities and similar rights		*545*	*545*
Loans originated and other receivables		*1,081*	*1,081*
Current financial assets	2	1,911	1,911
Loans originated and other receivables		*1*	*1*
Positive market values of derivatives held for trading		*878*	*878*
Other		*1,032*	*1,032*
Trade receivables		187,954	187,954
Liquid funds		79,478	79,478
Total		**270,969**	**270,969**

Liabilities

in TEUR	Level	Carrying amount	Fair Value
Non-current borrowings	2	218,116	218,116
Loans received		*198,210*	*198,210*
Finance leases		*19,906*	*19,906*
Other non-current liabilities	2	2,216	2,216
Current borrowings	2	16,787	16,787
Loans received		*16,446*	*16,446*
Finance leases		*341*	*341*
Trade payables	2	120,782	120,782
Other current liabilities	2	107,179	107,179
Negative market values of derivatives held for trading		*2,649*	*2,649*
Negative market values of derivatives (hedge accounting)		*7,639*	*7,639*
Other		*96,891*	*96,891*
Total		**465,080**	**465,080**

The carrying amounts of the financial assets represent fair value, with the exception of the shares in other companies. These investments are carried at cost because the fair value of the shares could not be determined reliably.

The carrying amounts of other financial liabilities generally reflect fair value because most of these liabilities have short maturities.

Notes to the Cash Flow Statement

Cash flow was determined on a monthly basis in accordance with the indirect method. The resulting monthly cash flows were translated at the applicable average monthly exchange rate and then aggregated, while the balance sheet positions were translated at the exchange rate in effect on the respective closing date. Individual positions on the cash flow statement therefore differ significantly from the respective balance sheet positions, above all under cash flow from operating activities.

In agreement with the indirect method, operating profit is adjusted for the effects of non-cash transactions (e.g. depreciation and amortisation) as well as income and expenses that relate to investing or financing activities.

The amounts recorded on the statement of comprehensive income in accordance with IAS 19, IAS 21 and IAS 39 are reported on the cash flow statement under the changes in the respective balance sheet position.

The amounts reported under „results from discontinued operations" include subsequent payments in connection with the reorganization of Space Cannon VH SRL. This company was part of the event lighting business, which was discontinued in the second quarter of 2010/11.

Cash flow from operating activities declined by TEUR 38,407, above all due to a stronger year-on-year increase in inventories. The decline in this cash flow position compared with the previous year is also based on an increase in trade receivables and a decline in trade payables during 2013/14.

Cash flow from investing activities consists primarily of investments in development projects and additions to property, plant and equipment at various production facilities. The major investments in property, plant and equipment in 2013/14 were related to the expansion of the lighting production plant in Dornbirn. The position "change in liquid funds from changes in the consolidation range" represents the positive cash effect from the sale of the shares in Tridonic Manufacturing Pty Ltd, Australia, and from the purchase of shares in LEDON OLED Verwaltungs-GmbH, Dresden, and LEDON OLED Lighting GmbH & Co. KG (now "Tridonic Dresden GmbH & Co. KG"), Dresden. In the previous year, this position included the positive effect from the initial consolidation of Zumtobel Lighting Saudi Arabia Limited.

Cash flow from financing activities consists mainly of an increase in the use of the financing line provided by the consortium credit agreement, the increased use of short-term working capital credit lines, and interest expense for the first three quarters of the reporting year. The dividend for the 2012/13 financial year (TEUR 3,019) that was approved by the annual general meeting on 26 July 2013 was paid on 2 August 2013. The position "acquisition of minority interest" represents the purchase of the minority interest in Thorn Lighting (Tianjin) Co. Ltd., China.

Transition to Cash and Cash Equivalents

in TEUR	31 January 2014	30 April 2013	30 April 2012
Liquid funds	79,478	87,048	87,704
Not available for disposal	(202)	(204)	(391)
Overdrafts	(6,547)	(3,942)	(3,575)
Cash and cash equivalents	**72,729**	**82,902**	**83,738**

Notes to the Statement of Changes in Equity

Dividend

The annual general meeting on 26 July 2013 approved the payment of a EUR 0.07 dividend per share for the 2012/13 financial year. Based on this resolution, a dividend of TEUR 3,019 was paid on 2 August 2013 to the holders of the 43,133,890 shares outstanding as of 31 July 2013 (43,500,000 shares issued less 366,110 treasury shares).

Other Reserves

This position includes profit carried forward.

Currency Translation Reserve

This reserve includes the currency differences resulting from the application of the historical exchange rate on the initial consolidation date and the exchange rate in effect on the balance sheet date for companies that do not report in the euro as well as differences resulting from the translation of the income statement at the monthly average exchange rate and the exchange rate in effect on the balance sheet date. Also included here are the currency differences arising from long-term Group loans granted in SEK, GBP and USD, which are classified as net investments in foreign operations in accordance with IAS 21. This reserve also contains the foreign currency adjustments related to goodwill.

Hedge Accounting

The changes in equity from the application of hedge accounting reflect the changes in the fair value of derivative contracts that are recorded directly in equity as well as amounts transferred from equity to profit or loss following the exercise or realisation of contracts and the related deferred taxes.

Share Programme and Share Buyback

in pcs.	Total
Share buyback (to 30 April 2013)	1,539,211
Exercised (to 30 April 2013)	(1,173,101)
30 April 2013	**366,110**
Exercised	(4,130)
31 January 2014	**361,980**

A total of 4,130 stock options were exercised from the Stock Option Programme (SOP) during the first three quarters of 2013/14 (prior year: 27,280 options). The exercise of options during the reporting year took place during the second and third quarters.

Reserve for Stock Options

in TEUR	SOP	MSP	Total
30 April 2013	**15,985**	**3,747**	**19,732**
Addition through profit or loss	0	0	0
31 January 2014	**15,985**	**3,747**	**19,732**

The Stock Option Programme (SOP) and the Matching Stock Program (MSP) were terminated. No further options will be allocated from either programme in the future.

Segment Reporting

The areas of business represent the primary segments for Zumtobel. Segment reporting by the Zumtobel Group is based on the Lighting Segment (lighting solutions, interior and exterior lighting, electronic-digital lighting and room management systems) and the Components Segment (controls for conventional lighting, LED controls and LED/OLED modules, light management systems and connection technology). The transfer of goods and services between the two divisions is based on ordinary market conditions.

The segment information is principally based on the same presentation, accounting and valuation methods used to prepare the consolidated financial statements. In accordance with the management approach prescribed by IFRS 8, operating profit (EBIT) – a key indicator used for internal reporting – is included as part of the segment information.

The segment assets allocated to the divisions include property, plant and equipment that can be directly assigned as well as intangible assets and working capital (excluding accrued interest, tax receivables and tax liabilities).

The column "reconciliation" comprises assets and the related income statement items that could not be allocated to either of the two segments as well as property, plant and equipment, financial liabilities, and taxes that are used by or involve both segments.

Q3 2013/14

	Lighting Segment			Components Segment			Reconciliation			Group		
in TEUR	Q3 2013/14	Q3 2012/13	Q3 2011/12	Q3 2013/14	Q3 2012/13	Q3 2011/12	Q3 2013/14	Q3 2012/13	Q3 2011/12	Q3 2013/14	Q3 2012/13	Q3 2011/12
Net revenues	219,310	214,921	223,569	89,660	89,386	92,402	(16,568)	(15,917)	(18,550)	292,402	288,390	297,421
External revenues	*219,183*	*214,624*	*223,307*	*73,190*	*73,676*	*74,015*	*29*	*91*	*99*	*292,402*	*288,390*	*297,421*
Inter-company revenues	*127*	*297*	*262*	*16,470*	*15,711*	*18,387*	*(16,597)*	*(16,009)*	*(18,650)*	*0*	*0*	*0*
Operating profit/loss	1,786	(3,019)	(4,087)	1,169	(453)	(3,186)	(4,414)	(3,180)	(2,283)	(1,459)	(6,653)	(9,556)
Investments	13,254	9,776	7,424	3,330	4,934	4,149	(409)	396	1,063	16,175	15,106	12,636
Depreciation	(8,124)	(8,542)	(8,281)	(5,151)	(5,425)	(5,478)	(530)	(512)	(457)	(13,805)	(14,478)	(14,216)

Q1 – Q3 2013/14

in TEUR	Lighting Segment Q1-Q3 2013/14	Lighting Segment Q1-Q3 2012/13	Lighting Segment Q1-Q3 2011/12	Components Segment Q1-Q3 2013/14	Components Segment Q1-Q3 2012/13	Components Segment Q1-Q3 2011/12	Reconciliation Q1-Q3 2013/14	Reconciliation Q1-Q3 2012/13	Reconciliation Q1-Q3 2011/12	Group Q1-Q3 2013/14	Group Q1-Q3 2012/13	Group Q1-Q3 2011/12
Net revenues	695,969	712,016	712,370	287,595	288,122	310,906	(57,734)	(53,603)	(59,026)	925,830	946,535	964,250
External revenues	*695,498*	*711,372*	*711,699*	*230,281*	*234,893*	*252,273*	*51*	*270*	*278*	*925,830*	*946,535*	*964,250*
Inter-company revenues	*471*	*644*	*671*	*57,314*	*53,229*	*58,633*	*(57,785)*	*(53,873)*	*(59,304)*	*0*	*0*	*0*
Operating profit/loss	35,466	25,411	25,932	7,337	4,635	16,236	(15,045)	(8,149)	(8,101)	27,758	21,897	34,067
Investments	32,442	25,529	21,964	9,333	11,186	13,863	759	1,438	2,747	42,534	38,153	38,574
Depreciation	(24,408)	(25,211)	(24,208)	(18,455)	(16,335)	(14,526)	(1,550)	(1,502)	(1,253)	(44,413)	(43,048)	(39,987)

in TEUR	31 January 2014	30 April 2013	30 April 2012	31 January 2014	30 April 2013	30 April 2012	31 January 2014	30 April 2013	30 April 2012	31 January 2014	30 April 2013	30 April 2012
Assets	656,278	640,657	662,142	205,626	208,852	222,124	136,032	145,329	152,018	997,936	994,838	1,036,284

	31 January 2014	30 April 2013	30 April 2012	31 January 2014	30 April 2013	30 April 2012	31 January 2014	30 April 2013	30 April 2012	31 January 2014	30 April 2013	30 April 2012
Headcount (full-time equivalent)	5,219	5,091	5,328	1,851	1,946	2,000	124	125	128	7,194	7,162	7,456

The number of employees reported in the above table includes temporary employees working in the Zumtobel Group.

The elimination of inter-segment revenues is shown in the "reconciliation" column.

The "reconciliation" column comprises the following items:

in TEUR	Q3 2013/14	Q3 2012/13	Q1-Q3 2013/14	Q1-Q3 2012/13
Group parent companies	(4,444)	(3,232)	(14,824)	(8,087)
Group entries	30	52	(221)	(62)
Operating profit/loss	**(4,414)**	**(3,180)**	**(15,045)**	**(8,149)**

The Group parent companies represent companies that provide administrative or financing services for the entire Group and cannot be allocated to a specific segment. The reconciliation to operating profit includes Group entries for the elimination of interim profits in current and non-current assets.

No single external customer is responsible for more than 10% of total revenues.

Related Party Transactions

Related parties include the Management Board and Supervisory Board of Zumtobel AG. The company had no business relationships with related parties as of the closing date for the interim financial statements on 31 January 2014.

The supply and delivery transactions with associated companies reflect standard market conditions. As of 31 January 2014 trade receivables due from associated companies totalled TEUR 1,419 (30 April 2013: TEUR 991) and trade payables amounted to TEUR 2,534 (30 April 2013: TEUR 1,770). No receivables due from associated companies were written off as uncollectible during the first three quarters of 2013/14, and none of these receivables were classified as uncollectible as of 31 January 2014.

Contingent Liabilities and Guarantees

The Zumtobel Group has issued bank guarantees totalling TEUR 8,020 (30 April 2013 TEUR 6.782) for various purposes.

Subsequent Events

The investment in Tridonic SA (Proprietary) Limited, the South African sales company, was increased from 49.99% to 100% as of 1 February 2014. The additional shares were purchased from the previous joint venture partner Power Technologies (Pty) Ltd.

No other significant events occurred after the balance sheet date on 31 January 2014.

Dornbirn, 4 March 2014

The Management Board

Ulrich Schumacher Chief Executive Officer (CEO)	Martin Brandt Chief Operating Officer (COO)

Service

Financial Terms

Adjusted EBIT	EBIT adjusted for special effects
Adjusted EBIT margin	= Adjusted EBIT as a percentage of revenues
Adjusted EBITDA	EBITDA adjusted for special effects
Average capital employed	= Goodwill + intangible assets + property, plant and equipment + inventories + trade receivables - trade payables - provisions for income taxes - other provisions - other liabilities, as an average over four quarters
CAPEX	Capital expenditure
Debt coverage ratio	Net debt divided by EBITDA
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
Equity ratio	= Equity as a percentage of assets
Gearing	= Net debt as a percentage of equity
Labour productivity	= Adjusted EBIT as a percentage of personnel expenses
Net debt	= Non-current borrowings + current borrowings - liquid funds - current financial receivables from associated companies
WACC	Weighted average cost of capital (debt and equity)
Working capital	= Inventories + trade receivables - trade payables - prepayments received

Financial Calendar

Report on the First Three Quarters 2013/14 (1 May 2013 – 31 January 2014)	04 March 2014
Capital Markets Day in Frankfurt	02 April 2014
Annual Results 2013/14	25 June 2014
38th ordinary Shareholders' meeting	25 July 2014
Ex-dividend Day	29 July 2014
Dividend Payout Day	01 August 2014
Report on the First Quarter 2014/15 (1 May 2014 – 31 July 2014)	02 September 2014
Report on the First Half-year 2014/15 (1 May 2014 – 31 October 2014)	09 December 2014
Report on the First Three Quarters 2014/15 (1 May 2014 – 31 January 2015)	03 March 2015

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Financial Reports

Our financial reports are available in English and German for download under: http://www.zumtobelgroup.com. You can also order a copy by calling +43 (0)5572 509-1510.

More Information

on Zumtobel AG and our brands can be found in the Internet under:

www.zumtobelgroup.com
www.zumtobel.com
www.thornlighting.com
www.tridonic.com

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