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INFORMATION

THIRD QUARTER

2017

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THIRD QUARTER 2017

## REVENUES UP BY 8.5% COMPARED WITH THE PREVIOUS YEAR.

During the third quarter of 2017 we generated revenues of EUR 102.6 million (vs. EUR 95.9 million in the previous year), representing an increase of 7%. The first nine months of the year saw even stronger turnover growth, at 8.6%, representing an increase from EUR 293.4 million to EUR 318.5 million.

Between July and September 2017, the **engineered products** segment turned over EUR 72.4 million (vs. EUR 69.9 million in the previous year), equating to an increase of 3.6% compared with the previous year. Revenues by segment for this year up to the end of September showed growth of 5.7% to EUR 227.3 million (vs. EUR 215 million in the previous year).

In the **automotive components** segment we were able to increase revenues by 16.3% to EUR 30.6 million (vs. EUR 26.3 million in the previous year), whilst we generated a 16.1% increase in revenues in this segment in the first nine months of this year, totalling EUR 92.3 million (vs. EUR 79.5 million in the previous year). These figures have exceeded our expectations.

The operating result of EUR 17.8 million (vs. EUR 12.8 million in the previous year) for the period between January and September 2017 is significantly up on the previous year.

In **engineered products**, the segmental result in the third quarter of 2017 increased by 12.1% to EUR 3.7 million (vs. EUR 3.3 million in the previous year). The first three quarters of the fiscal year 2017 generated EUR 12.9 million (vs. EUR 11.4 million in the previous year), representing an increase of 13.2%.

The segmental result for **automotive components** rose sharply during the third quarter of 2017 to EUR 2.3 million (vs. EUR 0.3 million in the previous year). On a cumulative basis, the first nine months show a segmental result of EUR 6.3 million (vs. EUR 1.2 million in the previous year), and ongoing development continues in a very positive way.

Given the lack of business activities in **all other segments**, the segmental result fell to EUR -3.4 million (vs. EUR -1.9 million), which is principally down to higher advisory costs. Over the third quarter of 2017, the operating result was EUR -2.3 million (vs. EUR -0.8 million in the previous year).

Investments in tangible assets amounted to EUR 9.8 million in the third quarter (vs EUR 5.5 million in the previous year). Depreciation accounted for EUR 4.9 million (vs. EUR 4.9 million in the previous year). In total over the period from January to September 2017, EUR 18.1 million (vs. EUR 14.8 million in the previous year) was invested in tangible assets. These are offset by depreciation and amortisation of EUR 14.9 million (vs. EUR 14.9 million in the previous year).

As at 30 September 2017, net financial liabilities increased to EUR 78 million (vs. EUR 70.7 million in the previous year).

As at 30 September 2017, the Group employed 2,634 people (vs. 2,612 in the previous year).

## OUTLOOK

The third quarter of 2017 saw the completion of the comprehensive refinancing with a five-year syndicated loan. This has increased the level of certainty around the planning and implementation of the new corporate strategy. Moreover, the divestment of our 74% share in Kirson Industrial Reinforcements GmbH was completed with effect from 6 October. The sale price has already been paid to us and strengthens our financial position. This means that the acquisitions which have been announced in the field of surface engineering can be financed out of existing liquidity. The income contribution as a result of the sale amounts to approximately EUR 23 million.

For the full fiscal year 2017, and taking into account the change in the scope of consolidation, our assumption is that revenues will exceed EUR 400 million. We are also maintaining our target for a disproportional increase in adjusted operating result to at least EUR 16.5 million, despite the one-off exceptional costs for a social plan in the fourth quarter as a result of the closure of the Haslach facility, as well as charges relating to the refinancing and corporate transactions. This underlines the ongoing positive developments surrounding the increase of our earning power.

Fulda, November 2017

KAP Beteiligungs-AG



Guido Decker  
Chief Executive Officer



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# IMPRINT

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## **Rounding and rates of change**

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