QUARTERLY STATEMENT

FOR THE 3RD QUARTER FROM JANUARY 1 TO SEPTEMBER 30, 2017

Gigaset

Wherever you go.

OVERVIEW OF KEY FIGURES

€ millions	1/1-09/30/2017	1/1-09/30/2016
Consolidated revenues	188.0	192.1
Result from the core business before depreciation and amortization (EBITDA)	9.5	12.3
Earnings before interest and taxes (EBIT)	0.9	0.9
Consolidated net loss for the fiscal year	-1.5	-0.4
Free cash flow	-30.0	-19.3
Earnings per share (diluted in EUR)	-0.01	0.00

€ millions	09/30/2017	12/31/2016
Total assets	201.9	221.7
Consolidated equity	16.0	17.8
Equity ratio (in %)	7.9	8.0
Number of employees	926	1,061

Information on the Gigaset share	Q3 / 2017	Q3 / 2016
Closing rate in EUR (at the end of the period)	0.74	0.45
Peak price in EUR (in the period)	0.86	0.60
Lowest price in EUR (in the period)	0.65	0.45
Number of shares in circulation (at the end of the period)	132,455,896	133,455,896
Market capitalization in EUR million (at the end of the period)	98.0	59.6

Sales broken down by region

Note: The quarterly report is not audited. It was prepared based on the accounting policies applied for the most recent consolidated financial statements.The quarterly report includes statements and information regarding Gigaset AG relating to future periods. The statements regarding the future represent estimates that were made based on all information available when the report was prepared. If the assumptions underlying the forecasts should prove inaccurate, the actual developments and results can deviate from current expectations. The Company does not accept any responsibility to update the statements included in this report outside of the provisions governing publication stipulated under the law. Amounts included in tables and percentages (monetary units, percentages) can differentiate from the mathematically correct values due to rounding differences.

QUARTERLY REPORT FOR THE 3RD QUARTER FROM JANUARY 1 TO SEPTEMBER 30, 2017

1 General economic environment

Gigaset continues to operate in a shrinking and increasingly competitive market environment in its core business for cordless telephones from which the most sales revenue is realized. Examining the economy as a whole, the two most important sales markets – Germany and France – are applied to describe the market situation; likewise, the four most important European countries (EU4)[1] are applied in an expanded examination.

Germany

The market for cordless telephones in Germany expanded by 2.3% in terms of units in the third quarter of 2017 compared with the third quarter of the previous year. This is a sign of a minor recovery – at least for the short term. Measured on sales, the market has grown by 3.0%. Despite the challenging circumstances, Gigaset increased its very good market share to 45.7% in terms of units and 45.4% based on sales. That corresponds to an increase in market share of 4.7% in terms of units and 1.4% based on sales compared with the third quarter of the previous year. Thus, Gigaset performed on the whole better than the market[2].

The Company presumes that the market trend in Germany will remain the same also in the fourth quarter and that it will succeed in defending Gigaset's market leadership. This effort should be supported by new products and the further expansion of the online business.

France

In France, the market for cordless telephones declined in the third quarter of 2017. Compared with the previous year, it shrank by 4.1% in terms of units and 2.0% based on sales. Gigaset also achieved a very good, sales-based market position of 35.4% in this important market and consequently maintained its position as the market leader[2].

EU4

If the examination is expanded to the market trend in the European markets observed by Gigaset (EU4), a decrease of 2.2% in units and 0.2% based on sales must be stated in comparison with the third quarter of the previous year. In total, Gigaset increased its market share to 41.8% measured on sales. Thus, Gigaset remains the market leader in Europe[2].

1 EU4 corresponds to Germany, France, Italy, and the Netherlands

2 The data was taken from surveys by the Retail Panel for cordless telephones of GfK Retail and Technology GmbH in the countries of Germany, France, Italy, the Netherlands. Collection period July to September 2017. This data includes IP and system telephones.

2 Course of business

Consumer Products

With a sales-based market share of 41.8%, Gigaset is emphasizing its clear premium position and market leadership in the EU4 area in the third quarter of 2017. However, the Consumer division continues to suffer under the general decline of the market of 0.2% year-on-year (see footnote 2).

Gigaset is countering this by consistently developing new products, in particular in the growth segments Single Handsets (also known as HX models) and a new offering in the segment of special telephones for elderly and handicapped individuals.

Business Customers

The Business Customers segment posted an increase in sales of 8.9% in the third quarter of 2017 compared with the third quarter of the previous year. The largest share can be attributed to the region of Germany. The regions of Italy, Austria, Switzerland, and Spain posted increases in sales compared with the third quarter of the previous year. The largest sales growth based on product segments was achieved by the IP table telephones of the Maxwell series as well as the DECT cordless telephones of the "S class"[3].

The Maxwell series was consistently further developed in 2017 with respect to functionality and the range of models. Since August 2017, a new portfolio component has been available on the market in the form of the Maxwell expansion module, which should contribute to increasing sales volume and gaining market shares in the medium term.

Home Networks

The market for Smart Home solutions in Europe as well as worldwide continues to be regarded by experts as extremely promising. According to a current Statista forecast, 18 million households in the European Union should already have installed a Smart Home system in 2018. In 2019, it will already be 30 million households in the EU. Measured on the 12 million systems currently installed in 2017, this corresponds to an annual increase of around 10 million households[4].

From a current perspective, sales of the Home Networks segment developed at the previous year's level in the third quarter of 2017[3]. However, Gigaset AG is making an intensive effort to attract new customers with additional applications, such as Google Assistant and Google Home, that will be integrated in the alarm system. Currently, the opening of the Gigaset Smart Home system platform is also being accelerated in the infrastructure area in order to offer additional services.

A survey conducted by Splendid Research that was published by Statista[5] also imparts confidence. The survey focused on the question of why customers are currently not interested in a Smart Home system. In addition to a high price, the complicated installation and ongoing operating costs in particular were criticized – two points in which the Gigaset system can definitely score points, since a starter kit can be installed in approximately 15 minutes and the customers also don't incur any ongoing costs[6].

3 Gigaset Communications GmbH 2017: internal figures
4 Statista 2017 – Forecast regarding the number of Smart Home systems installed in the European Union as well as in North America in the years 2013 to 2019 (in millions)
5 Statista 2017 – Survey: "Why aren't you interested in the use of Smart Home applications"
6 Insofar as no billable special fuctions (e.g. in the context of the Gigaset camera) are booked.

Mobile Devices

The market for smartphones continues to grow uninterruptedly according to forecasts by Statista. In 2021, around 1,730 million devices should be sold, i.e. around 257 million more than in 2016[7]. After the first model GS160, which was introduced to the market in 2016, three additional smartphone models were launched by the third quarter of 2017: GS170, GS270 and GS270plus. An increase in sales of more than 200% year-on-year was achieved with these three models in the third quarter in the Mobile Devices segment[8]. A positive indication that the new product strategy set in the lower and mid-price segment is the right one.

The product introduction of the GS270 series was supported by an effective "People's Smartphone" advertising campaign in collaboration with the Axel Springer publishing house. With the product launch of two additional smartphone models in November, Gigaset expects to achieve the targets in 2017.

3 Financial performance, cash flows and financial position of the Group

3.1 Financial performance

The Gigaset Group generated sales revenue in the amount of EUR 188.0 million in the first nine months of fiscal year 2017 (prior year: EUR 192.1 million) in an industry environment that remains difficult; this corresponds to a decrease of 2.1% in sales. Sales revenue from the core business was subject to the usual seasonal fluctuations in the consumer business.

The decrease in sales revenue in the first three quarters of 2017 can be attributed to a further decrease of 10.7% in the Consumer Products segment from EUR 157.7 million to EUR 140.8 million. In contrast, sales were increased considerably by 19.8% to EUR 36.3 million in the Business Customers segment. At EUR 1.4 million, the Home Networks segment slightly exceeded the previous year's level (prior year: EUR 1.2 million). Sales in Mobile Devices were more than tripled to EUR 9.5 million year-on-year (prior year: EUR 2.9 million).

Sales revenue in € millions	1/1 - 9/30/2017	1/1 - 9/30/2016	Change
Consumer Products	140.8	157.7	-10.7%
Business Customers	36.3	30.3	19.8%
Home Networks	1.4	1.2	16.7%
Mobile Devices	9.5	2.9	227.6%
Gigaset Total	**188.0**	**192.1**	**-2.1%**

The decrease in the Consumer Products segment followed the general market trend in Europe. However, Gigaset increased its market share by 2.7% in terms of units and by 1.2% based on sales in the market for cordless telephones in the EU4 area, whereby the market share was increased by 4.5% in terms of units and by 4.3% based on sales in the Netherlands. Gigaset also expanded its share of the market in Germany (by 4.2% in terms of units and by 1.2% based on sales). In Italy, the market

7 Statista 2017 – Forecast regarding the sale of tablets, PCs, and smartphones worldwide from 2010 to 2021 (in millions of units)
8 Gigaset Communications GmbH 2017: internal figures

share increased by 4.1% in terms of units and by 4.1% based on sales. Thus, Gigaset also continues to underscore its premium position in the EU4 area with a market share of 37.6% in terms of units and 41.6% based on sales.

The Business Customers segment recorded a positive trend, whereby in particular the increase in sales revenue in Germany had a significant influence with an increase of EUR 2.9 million. The focus currently lies on the optimization of the product portfolio and the continuous expansion of the distribution channels, mainly in the European area.

In the Home Networks segment, a positive trend was recorded compared with the previous year. This can be attributed to the newly launched market strategy and the optimized product positioning. Growth continues to be forecasted in the smart home market. As a result of the new positioning and expected market growth, the trend is expected to remain positive in the next quarter.

The Mobile Devices segment remains in a process of reorientation. Thanks to the development of a new product portfolio and the optimization of the distribution strategy, the first positive developments compared with the previous year can already be observed. The focus currently lies on the positioning of the product portfolio and on the market entry in various European countries. The Company continues to rely on the continuation of the positive trend also in this segment over the next few quarters.

Sales fell by 2.1% across all business segments, however, the margin quality was held roughly at the previous year's level. As a consequence of the increased cost of materials, the result from the core business before depreciation and amortization decreased from EUR 12.3 million to EUR 9.5 million.

Revenue by sales region developed as follows:

Sales revenue in € millions	1/1 - 9/30/2017	1/1 - 9/30/2016	Change
Germany	80.3	78.5	2.3%
Europe	82.2	87.3	-5.8%
Rest of World	25.5	26.4	-3.4%
Gigaset Total	**188.0**	**192.2**	**-2.1 %**

The increase in sales in Germany can largely be attributed to the positive market growth in the Mobile Products segment and the solid performance in the Business Customers segment. The market decline in the Consumer Products segment was exceeded by the two segments.

Sales revenue by region of origin developed as follows:

Sales revenue in € millions	1/1 - 9/30/2017	1/1 - 9/30/2016	Change
Germany	80.3	87.9	-8.6%
Europe	81.3	81.6	-0.4%
Rest of World	26.4	22.7	16.3%
Gigaset Total	**188.0**	**192.2**	**-2.1 %**

The **cost of materials** for raw materials, merchandise, finished goods and purchased services was EUR 100.3 million in the third quarter of 2017 – an increase of 2.4% compared with the prior-year reference value of EUR 97.9 million. The cost of materials rate increased from 49.4% to 50.3%, including changes in inventories. This increase is mainly due to more costly purchasing conditions and the changed product mix.

At EUR 93.4 million, **gross profit**, comprising sales revenue less the cost of materials and taking into account the change in inventories of finished goods and work in progress fell slightly short of the previous year's level (EUR 97.2 million) as a consequence of the decrease in sales. The gross profit margin decreased in the first nine months of 2017 to 49.7% compared with 50.6% in the first nine months of 2016.

At EUR 7.5 million, **other own work capitalized** slightly exceeded the previous year's level of EUR 7.2 million and mainly includes costs related to the development of new products.

Other income from the core business amounts to EUR 2.7 million after EUR 3.4 million in the first nine months of the previous year.

At EUR 49.7 million, **personnel expenses before restructuring** for wages, salaries, social security contributions and old age pensions were down 16.9% compared with the first nine months of 2016 (EUR 59.8 million). The decrease can be attributed to the restructuring initiated at the end of 2015, which continues to have a sustained positive impact on earnings. The personnel cost rate decreased to 26.5% (prior year: 31.1%).

Other expenses from the core business increased to EUR 44.4 million in the first nine months of 2017 after amounting to EUR 35.6 million in the first nine months of 2016. This can be attributed in particular to higher marketing expenses (EUR 15.3 million; prior year: EUR 11.4 million). License fees increased by EUR 1.3 million from EUR 0.7 million to EUR 2.0 million, expenses for the loaning of employees by EUR 1.1 million from EUR 3.5 million to EUR 4.6 million, general administrative expenses by EUR 0.9 million from EUR 4.3 million to EUR 5.2 million, and advisory fees by EUR 0.4 million from EUR 1.5 million to EUR 1.9 million compared with the first nine months of the previous year.

At EUR 9.5 million, the **result from the core business before depreciation and amortization (EBITDA)** was considerably lower than in the first three quarters of 2016 (EUR 12.3 million). Taking into account depreciation and amortization in the amount of EUR 11.1 million (prior year: EUR 12.9 million), earnings after depreciation and amortization amount to EUR -1.5 million (prior year: EUR -0.5 million).

The **additional ordinary result** amounts to EUR 2.5 million (prior year: EUR 1.4 million) and includes profit and loss items that do not necessarily result from the core business. The primary share comprises reversals of provisions in the amount of EUR 1.7 million (prior year: EUR 1.4 million). As in the first nine months of the previous year, a positive contribution to earnings of EUR 0.2 million (prior year: EUR 0.2 million) resulted from exchange rate effects. Exchange rate gains of EUR 3.7 million (prior year: EUR 4.1 million) were offset by exchange rate losses of EUR 3.5 million (EUR 3.9 million).

As in the previous year, the **operating result** (earnings before interest and taxes, EBIT) is positive and amounted to EUR 0.9 million (prior year: EUR 0.9 million). In conjunction with the **financial result** in the amount of EUR -0.8 million (prior year: EUR -0.9 million), the **result from ordinary activities** amounted to EUR 0.1 million (prior year: EUR 0.0 million).

The **consolidated net loss for the fiscal year** as of September 30, 2017, amounts to EUR -1.5 million (prior year: EUR -0.4 million).

This results in earnings per share of EUR -0.01 (basic/diluted) (prior year: EUR 0.0 (basic/diluted)).

3.2 Cash flows

Cash flow can be broken down as follows:

in € millions	1/1 - 9/30/2017	1/1 - 9/30/2016
Cash flows from operating activities	-21.2	-11.5
Cash flows from investing activities	-8.9	-7.8
Free cash flow	-30.0	-19.3
Cash flows from financing activities	0.1	-0.4

In the past nine months, the Gigaset Group posted an **outflow of cash resources from continuing operations** in the amount of EUR -21.2 million (prior year: EUR -11.5 million). This can be attributed in particular to the payment of liabilities and other provisions in the amount of EUR 16.9 million as well as from the increase in inventory levels of EUR 11.7 million.

Cash outflow from investing activities amounts to EUR -8.9 million and thus exceeds the previous year's level of EUR -7.8 million. The majority of capital expenditures in the current and past fiscal year relate to investments in Non-current assets.

Thus, free cash flow amounted to EUR -30.0 million compared with EUR -19.3 million in the first nine months of the previous year.

Cash outflow from financing activities amounts to EUR 0.1 million as of September 30, 2017 (prior year: EUR -0.4 million).

Please refer to the cash flow statement presented in the quarterly report for a detailed presentation of changes in **cash and cash equivalents**. Cash flow includes changes in exchange rates in the amount of EUR -0.3 million (prior year: EUR -0.2 million). Cash and cash equivalents amounted to EUR 17.2 million as of September 30, 2017 (prior year: EUR 21.1 million).

3.3 Financial position

The Gigaset Group's **total assets** as of September 30, 2017, amounted to around EUR 201.9 million and thus decreased by approximately 8.9% compared with December 31, 2016.

Non-current assets decreased slightly by EUR 1.4 million to EUR 89.2 million compared with December 31, 2016. Depreciation and amortization and the disposals exceed capital expenditures in intangible assets and property, plant and equipment; consequently, intangible assets decreased by EUR 0.3 million to EUR 33.5 million and property, plant and equipment by EUR 1.9 million to EUR 23.3 million. In contrast, deferred tax assets increased by EUR 0.8 million to EUR 14.0 million.

Current assets represent 55.8% of total assets. Compared with December 31, 2016, they decreased by EUR 18.4 million and amount to EUR 112.7 million. Inventories increased by EUR 11.7 million to EUR 35.2 million. Trade receivables increased by EUR 9.6 million to EUR 40.0 million. Furthermore, the portfolio of cash and cash equivalents decreased from EUR 47.5 million to EUR 17.2 million compared with December 31, 2016. Please refer to the statement of cash flows presented in the quarterly report for a breakdown of changes in cash and cash equivalents.

Total liabilities amount to EUR 186.0 million (prior year: EUR 203.9 million), 50.9% of which are current.

The Gigaset Group's **equity** amounted to around EUR 16.0 million as of September 30, 2017, and is EUR 1.9 million lower than at the beginning of the year. This corresponds to an equity ratio of 7.9% compared with 8.0% as of December 31, 2016. The decrease of EUR 1.9 million can be attributed mainly to the consolidated net loss of EUR 1.5 million for the fiscal year as well as a negative effect from foreign currency gains/losses of EUR 0.4 million. At EUR 2.7 million, remeasurement effects from the net liability under defined benefit plans had a positive influence, since the relevant interest rate for discounting increased from around 1.85% as of December 31, 2016, to around 2.04% as of the quarterly reporting date. This positive effect is offset by negative effects from cash flow hedging in the amount of EUR 2.7 million.

Non-current liabilities mainly include pension obligations, provisions for restructuring, and deferred tax liabilities as well as Non-current provisions for personnel expenses and provisions for guarantees. Non-current liabilities amounted to EUR 91.4 million as of September 30, 2017, after amounting to EUR 94.6 million on December 31, 2016.

Current liabilities decreased by 13.4% to EUR 94.6 million (December 31, 2016: EUR 109.3 million). The decrease in current liabilities can be attributed mainly to the decrease in provisions of EUR 4.2 million as well as the seasonal decrease in trade payables of EUR 9.6 million from EUR 41.4 million (December 31, 2016: EUR 51.0 million).

4 General assessment of the Group's expected performance

The strategic reorientation of the Company will be consistently continued. This means gaining market share in the Consumer business for the purpose of minimizing the decrease in sales in the core business, expanding sales in the Business Customers segment, and improving the market position in the Home Networks segment as well as the further expansion of the smartphone business in the Mobile Devices segment. Gigaset will continue to focus intensely on establishing new products and business segments also in the fourth quarter of 2017 and increase its expenditures for this purpose, in particular marketing expenses and capital expenditures. Gigaset therefore expects the following for the full fiscal year 2017:

- An increase in sales compared with 2016 in the lower double-digit millions as a result of the restructured smartphone business.

- The Company expects a result from the core business before depreciation and amortization of between EUR 15 million and EUR 25 million. The operating performance is influenced by further declining gross profits in the Consumer Products segment, rising gross profits in the Business Customers and Home Networks segments, as well as an expansion of expenses for development and marketing.

- Due to the substantial capital expenditures in new segments as well as expenditures for the social compensation plan and amounts set aside for risks arising from prior-year tax audits, the Company expects a negative free cash flow in the mid single-digit millions.

Consolidated income statement for the period from January 1 to September 30, 2017

in € thousands	1/1 – 9/30/2017	1/1 – 9/30/2016
Sales revenue	187,978	192,104
Change in inventories of finished goods and work in progress	5,750	2,982
Cost of materials	-100,284	-97,891
Gross profit	**93,444**	**97,195**
Other own work capitalized	7,497	7,193
Other income from the core business	2,707	3,446
Personnel expenses before restructuring	-49,736	-59,840
Other expenses from the core business	-44,393	-35,649
Result from the core business before depreciation and amortization	**9,519**	**12,345**
Depreciation and amortization	-11,059	-12,855
Result from the core business after depreciation and amortization	**-1,540**	**-510**
Additional ordinary income	3,541	3,348
Additional ordinary expenses	-1,253	-2,186
Personnel expenses from restructuring	0	-19
Exchange rate gains	3,694	4,101
Exchange rate losses	-3,535	-3,872
Additional ordinary result	**2,447**	**1,372**
Operating result	**907**	**862**
Other interest and similar income	41	24
Interest and similar expenses	-813	-897
Net financial income	**-772**	**-873**
Result from ordinary activities	**135**	**-11**
Taxes on income	-1,611	-353
Consolidated net loss for the fiscal year	**-1,476**	**-364**
Earnings per ordinary share		
- undiluted in EUR	-0.01	0.00
- diluted in EUR	-0.01	0.00

Consolidated income statement
for the period from July 1 to September 30, 2017

in € thousands	7/1 – 9/30/2017	7/1 – 9/30/2016
Sales revenue	59,715	59,098
Change in inventories of finished goods and work in progress	5,655	2,089
Cost of materials	-36,288	-32,589
Gross profit	**29,082**	**28,598**
Other own work capitalized	2,793	2,555
Other income from the core business	953	889
Personnel expenses before restructuring	-15,097	-17,715
Other expenses from the core business	-13,955	-12,238
Result from the core business before depreciation and amortization	3,776	2,089
Depreciation and amortization	-3,722	-3,967
Result from the core business after depreciation and amortization	54	-1,878
Additional ordinary income	151	1,545
Additional ordinary expenses	0	0
Personnel expenses from restructuring	0	-9
Exchange rate gains	889	1,141
Exchange rate losses	-728	-1,143
Additional ordinary result	312	1,534
Operating result	**366**	**-344**
Other interest and similar income	10	9
Interest and similar expenses	-259	-262
Net financial income	**-249**	**-253**
Result from ordinary activities	**117**	**-597**
Taxes on income	-340	881
Consolidated net loss for the fiscal year	**-223**	**284**
Earnings per ordinary share		
- undiluted in EUR	-0.00	0.00
- diluted in EUR	-0.00	0.00

Consolidated statement of comprehensive income for the period from January 1 to September 30, 2017

in € thousands	1/1 – 9/30/2017	1/1 – 9/30/2016
Consolidated net loss for the fiscal year	**-1,476**	**-364**
Items that might be subsequently recycled to profit or loss		
Foreign currency gains/losses	-360	-258
Cash flow hedges	-3,902	-1,117
Income taxes recognized for these items	1,210	396
Items that will not be subsequently recycled to profit or loss		
Remeasurement effect net liability under defined benefit plans	3,895	-21,126
Income taxes recognized for this item	-1,239	6,549
Total changes recognized in other comprehensive income	**-396**	**-15,556**
Total recognized income and expense	**-1,872**	**-15,920**

Consolidated statement of comprehensive income for the period from July 1 to September 30, 2017

in € thousands	7/1 – 9/30/2017	7/1 – 9/30/2016
Consolidated net loss for the fiscal year	**-223**	**284**
Items that might be subsequently recycled to profit or loss		
Foreign currency gains/losses	-165	-143
Cash flow hedges	95	158
Income taxes recognized for these items	-29	-49
Items that will not be subsequently recycled to profit or loss		
Remeasurement effect net liability under defined benefit plans	-714	-3,420
Income taxes recognized for this item	227	1,060
Total changes recognized in other comprehensive income	**-586**	**-2,394**
Total recognized income and expense	**-809**	**-2,110**

Consolidated statement of financial position as of September 30, 2017

in € thousands	9/30/2017	12/31/2016
ASSETS		
Non-current assets		
Intangible assets	33,502	33,757
Property, plant and equipment	23,344	25,267
Financial assets	18,386	18,386
Deferred tax assets	13,967	13,204
Total Non-current assets	**89,199**	**90,614**
Current assets		
Inventories	35,215	23,529
Trade receivables	40,013	30,384
Other assets	19,860	29,032
Current tax assets	407	696
Cash and cash equivalents	17,244	47,490
Total current assets	**112,739**	**131,131**
Total assets	**201,938**	**221,745**

Consolidated statement of financial position as of September 30, 2017

in € thousands	9/30/2017	12/31/2016
EQUITY & LIABILITIES		
Equity		
Subscribed capital	132,456	132,456
Share premium	86,076	86,076
Revenue reserves	68,979	68,979
Accumulated other comprehensive income	-271,541	-269,669
Total equity	**15,970**	**17,842**
Non-current liabilities		
Pension obligations	78,400	80,743
Provisions	8,873	11,068
Deferred tax liabilities	4,119	2,833
Total Non-current liabilities	**91,392**	**94,644**
Current liabilities		
Provisions	24,413	28,571
Financial liabilities	58	0
Trade payables	41,427	51,026
Tax liabilities	14,571	15,093
Other liabilities	14,107	14,569
Total current liabilities	**94,576**	**109,259**
Total equity & liabilities	**201,938**	**221,745**

Consolidated statement of changes in equity as of September 30, 2017

	in € thousands	Subscribed capital	Share premium	Revenue reserves
	December 31, 2015	132,456	86,076	68,979
1	Consolidated net loss for fiscal year 2016	0	0	0
2	Foreign currency gains/losses	0	0	0
3	Cash flow hedges	0	0	0
4	Remeasurement effects net liability under defined benefit plans	0	0	0
5	Total changes recognized in other comprehensive income	0	0	0
6	**Total net income (1+5)**	**0**	**0**	**0**
	September 30, 2016	**132,456**	**86,076**	**68,979**
	December 31, 2016	132,456	86,076	68,979
1	Consolidated net loss for fiscal year 2017	0	0	0
2	Foreign currency gains/losses	0	0	0
3	Cash flow hedges	0	0	0
4	Remeasurement effects net liability under defined benefit plans	0	0	0
5	Total changes recognized in other comprehensive income	0	0	0
6	**Total net income (1+5)**	**0**	**0**	**0**
	September 30, 2017	**132,456**	**86,076**	**68,979**

Consolidated statement of changes in equity as of September 30, 2017

Accumulated other comprehensive income	Consolidated equity		
-269,655	17,856	**December 31, 2015**	
-364	-364	Consolidated net loss for fiscal year 2016	1
-258	-258	Foreign currency gains/losses	2
-721	-721	Cash flow hedges	3
-14,577	-14,577	Remeasurement effects net liability under defined benefit plans	4
-15,556	-15,556	Total changes recognized in other comprehensive income	5
-15,920	-15,920	Total net income (1+5)	6
-285,575	**1,936**	**September 30, 2016**	
-269,669	17,842	December 31, 2016	
-1,476	-1,476	Consolidated net loss for fiscal year 2017	1
-360	-360	Foreign currency gains/losses	2
-2,692	-2,692	Cash flow hedges	3
2,656	2,656	Remeasurement effects net liability under defined benefit plans	4
-396	-396	Total changes recognized in other comprehensive income	5
-1,872	-1,872	Total net income (1+5)	6
-271,541	**15,970**	**September 30, 2017**	

Consolidated statement of cash flows for the period from January 1 to September 30, 2017

in € thousands	1/1 - 9/30/2017	1/1 - 9/30/2016
Result from ordinary activities before taxes on income	135	-11
Depreciation of property, plant and equipment and amortization of intangible assets	11,059	12,855
Addition (+)/decrease (-) in pension provisions	1,552	2,055
Gain (-)/loss (+) from the sale of Non-current assets	-29	-56
Gain (-)/loss (+) from currency translation	1,098	-120
Net interest income	772	873
Interest received	23	22
Interest paid	-275	-422
Income taxes paid	-1,984	-1,641
Increase (-)/decrease (+) in inventories	-11,686	-4,002
Increase (-)/decrease (+) in trade receivables and other receivables	-4,359	-6,733
Increase (+)/decrease (-) in trade payables, other liabilities and other provisions	-16,934	-14,654
Increase (+)/decrease (-) in other balance sheet items	-550	400
Cash inflow (+)/outflow (-) from continuing operations (net cash flow)	**-21,178**	**-11,434**
Proceeds from the disposal of Non-current assets	29	56
Payments for investments in Non-current assets	-8,881	-7,886
Cash inflow (+)/outflow (-) from investing activities	**-8,852**	**-7,830**
Free cash flow	**-30,030**	**-19,264**

Consolidated statement of cash flows for the period from January 1 to September 30, 2017

in € thousands	1/1 - 9/30/2017	1/1 - 9/30/2016
Cash flows from the raising (+)/repayment (-) of current financial liabilities	58	0
Mandatory convertible bonds	0	-428
Cash inflow (+)/outflow (-) from financing activities	**58**	**-428**
Cash and cash equivalents at the beginning of the period	39,867	35,339
Foreign exchange rate gains/losses	-274	-152
Cash and cash equivalents at the beginning of the period measured at the rate of exchange prevailing at the prior-year reporting date	40,141	35,491
Increase (-)/decrease (+) in restricted cash	2,874	-462
Change in cash and cash equivalents	-29,972	-19,692
Cash funds at the end of the period	**12,769**	**15,185**
Restricted cash	4,475	5,934
Cash and cash equivalents reported on the statement of financial position	**17,244**	**21,119**

QUARTERLY STATEMENT

for the 3rd Quarter from January 1 to September 30, 2017

Wherever you go.

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