



MAX Automation SE

QUARTERLY STATEMENT I.2019

Strategic highlights

- Structural re-segmentation
- Concentration on core business and de-risking
- Sales process of non-core business progresses

Operational highlights

- Order intake +41.6%
to EUR 69.3 million
- Adjusted EBITDA* +76.5%
to EUR 6.0 million
- Working capital -41.5%
to EUR 27.2 million



* Adjusted for proceeds from the disposal of NSM Packtec in Q1 2018

Key share data Q1 2019

Ticker/ISIN	MXHN/DE000A2DA588
Number of shares	29.46 million
Closing price (31/03/2019)*	EUR 4.76
Highest/lowest price*	5,20 Euro / 4,40 Euro
Price performance**	-0.1 %
Market capitalization (31/03/2019)	EUR 140.2 million

*Closing prices Xetra trading system of Deutsche Börse AG

** Comparison of price on 31/03/2019 with price on 31/12/2018

2019 financial calendar

17 May 2019	Ordinary AGM 2019
14 August 2019	Publication of half-yearly report
14 November 2019	Publication of quarterly statement
25-27 November 2019	German Equity Forum

STATEMENT BY THE MANAGING DIRECTORS

MAX Automation SE has made a dynamic start to the 2019 financial year. Demand for automation solutions in our core business (continuing operations) stood at a high level in the first quarter. Our Group's figures reflect a pleasing overall trend. This applies to both sales and the order situation. At EUR 83.8 million, our order intake grew by 41.6% compared with the previous year's EUR 59.2 million. The order backlog at the end of March 2019 was up by as much as 47.1% year-on-year, rising from EUR 123.5 million to EUR 181.7 million. The MAX Group has thereby laid a solid foundation for a successful 2019 financial year in its core business areas. Sales also built on the positive momentum of the past financial year and, at EUR 69.3 million, was up 14% year-on-year in the first quarter of 2019. Consolidated earnings before interest, tax, depreciation and amortization (EBITDA) amounted to EUR 6.0 million in the quarter under review, compared with EUR 6.7 million in the same period of the previous year. It should be noted here that the proceeds from the divestiture of NSM Packtec were still included in the first quarter of 2018. Adjusted for this one-time effect, operating profit in the first quarter of 2019 increased by 76.5%.

Last autumn, we initiated a structural reorganization of the Group with the aim of concentrating on our core business as well as significantly de-risking and reducing volatility. As part of this context, a structured divestment process was initiated for our subsidiaries ELWEMA, the IWM Group and our majority interest in MAX Automation (Shanghai). The sale process of the non-core business (discontinued operations) is progressing. At the same time, value enhancement plans are being drawn up, in order to further restructure or develop the companies before they are sold, if necessary. The MAX Group is constantly evaluating, how it can optimize the value of the companies to be divested. Discontinued operations had a further negative impact on Group earnings in the reporting period. We expect to incur further losses for this area during the course of the current financial year. In the medium term, we expect the disposal to exert a positive effect on our Group's profitability, risk profile and financial strength.

As part of the concentration on the core business, the planned structural re-segmentation within the Group was implemented in the first quarter of 2019. The operating core business is now divided into the three business areas *Process Technologies*, *Environmental Technologies* and *Evolving Technologies*, which replace the previous Industrial Automation and Environmental Technology business areas.

Our goal is to take a further step towards an integrated industry group and to adapt our strategy to the challenges of digitalization and globalization. We will network the individual companies even better and leverage the potential that only a larger group of companies with greater clout and reach can offer.

We were off in this direction in the first quarter: in light of the dynamic start to the year and the solid order backlog, we are optimistic for the further development of the current 2019 financial year and confirm our previous forecast for the core business.

CORE BUSINESS KEY FIGURES AT A GLANCE

in EUR million ¹	Q1 2019	Q1 2018	Change
Order Intake	83.8	59.2	+41.6 %
Order Backlog	181.7	123.5	+47.1 %
Working Capital	27.2	46.5	-41.5 %
Sales	69.3	60.8	+14.0 %
EBITDA	6.0	6.7	-10.4 %
EBITDA (adjusted)	6,0	3,4	+76,5 %
Result from continuing operations	1.8	3.5	-48.6%
Employees	1,289	1,267	+1.8%
Process Technologies			
Sales	13.7	10.4	+31.7 %
EBITDA	2.6	2.1	+23.8 %
Environmental Technologies			
Sales	28.7	25.0	+14.8 %
EBITDA	3.5	1.8	+94.4 %
Evolving Technologies			
Sales	27.1	25.3	+7.1 %
EBITDA	1.9	1.5	+26.7 %

TRENDS IN THE FIRST QUARTER OF 2019

Owing to the Group's structural re-segmentation, the interim report for the first quarter of 2019 is presented for the first time according to the three new business areas *Process Technologies*, *Environmental Technologies* and *Evolving Technologies*. These business areas represent the Group's most important sales markets and reflect the focus on the core business. The previous year's figures from the former business areas of Industrial Automation and Environmental Technology are allocated in accordance with the new breakdown in order to ensure comparability.

In addition, from 2019 financial year, the primary management of the Group will be based on EBITDA, which replaces EBIT, in addition to the existing sales and working capital indicators. The Board of Directors is convinced that EBITDA better reflects the Group's operating business.

The structured disposal process of the subsidiaries ELWEMA, the IWM Group and the majority interest in MAX Automation (Shanghai) progressed in the first three months of the current financial year.

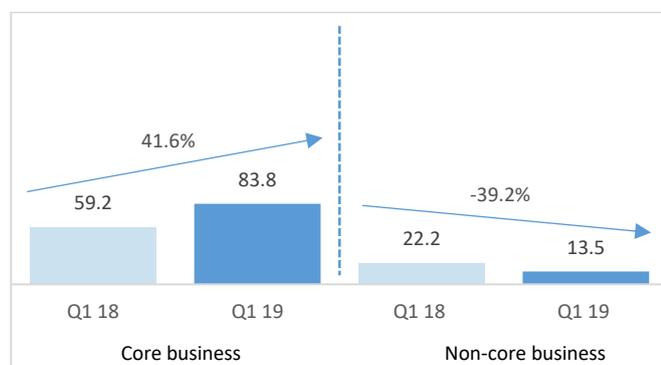
In this interim report, the continuing operations are defined as the core business. Discontinued operations are included in the non-core business.

¹ The presentation is based on external sales, adjusted for intersegment sales.

PERFORMANCE OVERVIEW

Order Intake

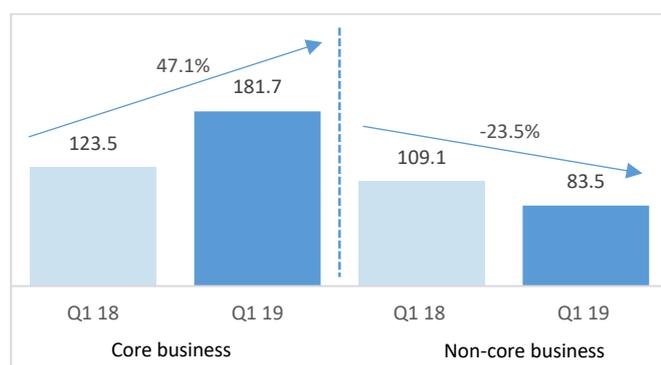
EUR million



- In the first quarter of 2019, order intake in the Group's core business (continuing operations) increased to EUR 83.8 million (Q1 2018: EUR 59.2 million).
- Robust demand in all three business areas was the main reason for the significant growth of 41.6 % year-on-year.
- The book-to-bill ratio rose to 1.21 in the first quarter of 2019 (31 March 2018: 0.97). The significant growth in the usually weak first quarter underlines the Group's successful realignment.
- The discontinued operations, which are not part of the core business, were affected by the ongoing difficult market environment in the Automotive sector during the reporting period. This underlines the challenges posed by the selling process of the companies to be divested.

Order Backlog

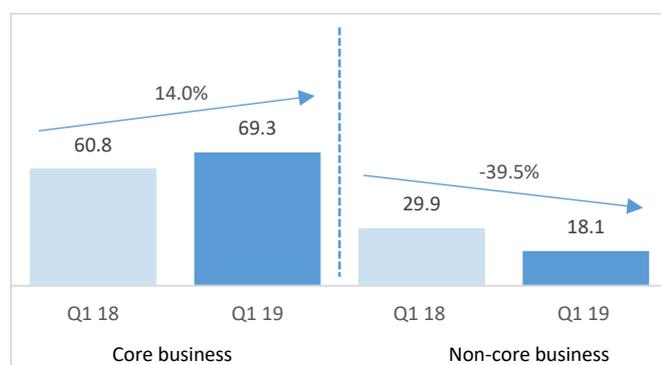
EUR million



- As of 31 March 2019, the order backlog in the core business amounted to EUR 181.7 million, up 47.1% on the same reporting date in the previous year (31 March 2018: EUR 123.5 million) and 4.7% on the figure at the end of the previous year (31 December 2018: EUR 173.6 million).
- The solid order backlog underscores the good visibility for an expected high capacity utilization level and a positive sales trend in the current financial year.

Sales

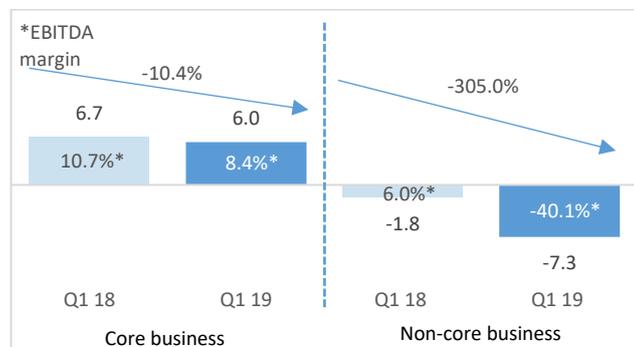
EUR million



- The increase in sales from the core business of around 14 % to EUR 69.3 million (Q1 2018: EUR 60.8 million) reflects solid growth in all three business areas.
- The Process Technologies business area made the most significant contribution to Group sales growth with a rise of 31.7% to EUR 13.7 million compared to EUR 10.4 million in the same quarter of the previous year.
- At EUR 28.7 million, the Environmental Technologies business area made the greatest contribution to sales in the reporting quarter, compared with EUR 25.0 million in the prior-year period, corresponding to an increase of 14.8%.
- The export share of sales amounted to 59.2% after 57.9% in the same period of the previous year.
- In the first quarter, total operating performance grew by 13.7% to EUR 71.8 million (Q1 2018: EUR 63.2 million). This includes changes in inventories of EUR 2.6 million (Q1 2018: EUR 2.3 million).

EBITDA

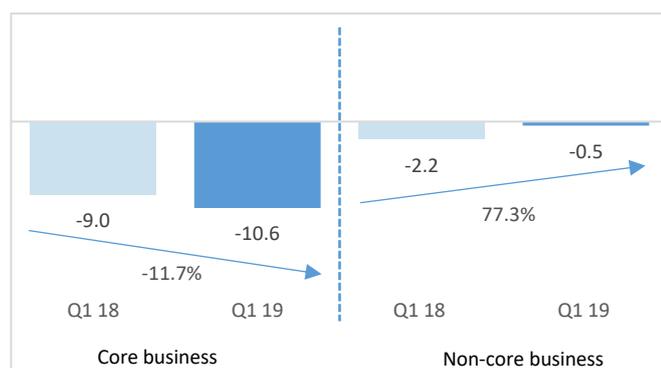
EUR million



- Consolidated earnings before interest, tax, depreciation and amortization (EBITDA) of the core business amounted to EUR 6.0 million in the quarter under review, compared with EUR 6.7 million in the same period of the previous year.
- The first quarter of 2018 included the proceeds from the disposal of NSM Packtec. Adjusted for this one-time effect, operating profit in the first quarter of 2019 rose by 76.5 %.
- The EBITDA margin of the core business (in relation to total operating sales) decreased by 8.4 % (Q1 2018: 10.7 %).
- The non-core business had a significant negative impact on the Group's operating result in the reporting period. The process of selling the companies to be divested is progressing. Nevertheless, Management continues to develop and review value-enhancing plans for this area.

Cash flow from operating activities

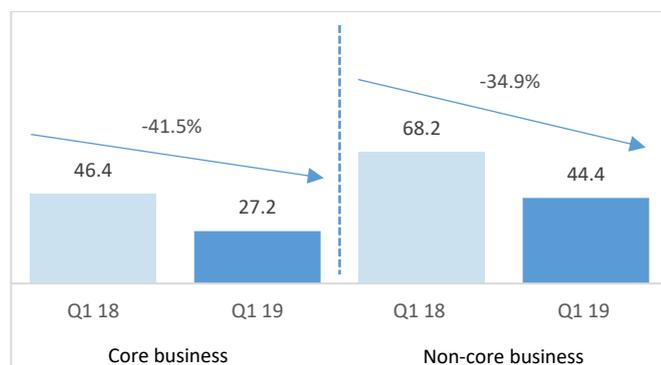
EUR million



- The MAX-Automation Group reports a cash outflow from operating activities from the core business in the reporting quarter of EUR 10.6 million (Q1 2018: cash outflow of EUR 9.0 million).
- Investing activities in the reporting period resulted in a cash flow of EUR -0.4 million (Q1 2018: EUR -9.8 million).
- In the first three months of the current financial year, cash flow from financing activities resulted in a net cash flow (cash inflow minus cash outflow) of EUR 2.4 million compared with EUR 15.8 million in the same period of the previous year.
- Cash and cash equivalents in the core business as of 31 March 2019 amounted to EUR 23.2 million compared with EUR 31.8 million as of 31 December 2018.

Working Capital

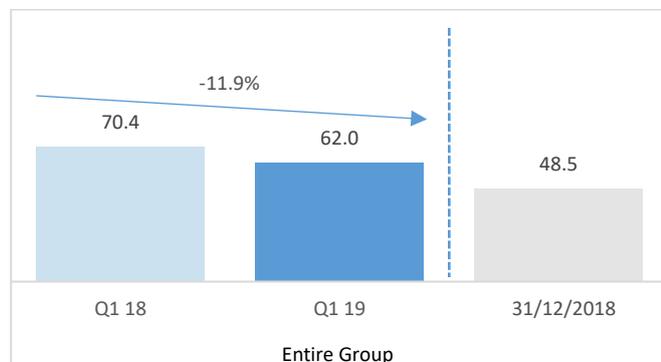
EUR million



- The working capital of the core business as of 31 March 2019 fell by 41.5% to EUR 27.2 million compared with the previous year's reporting date of 31 March 2018. The working capital management measures introduced at the operating companies are continuing to prove effective.

Net debt of the Group

EUR million

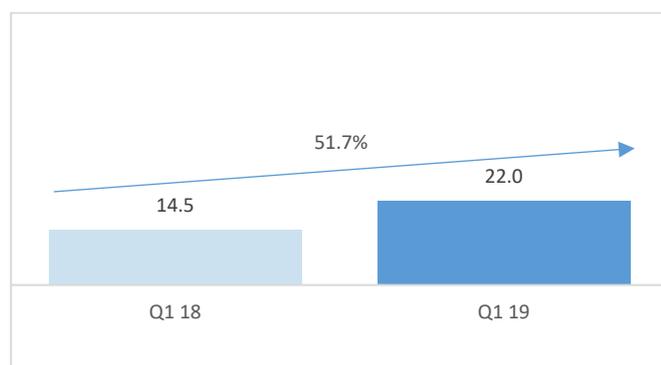


- The consolidated equity ratio stood at 24.0% as of 31 March 2019 (31 December 2018: 25.1%). Equity as recognized on the balance sheet reduced to EUR 86.7 million as of the end of the quarter under review (31 December 2018: EUR 91.6 million).
- Compared with the figure at the end of the first quarter of 2018, net debt fell by 11.9% (31 March 2018: EUR 70.4 million).
- Net debt increased by 27.8% to EUR 62.0 million as of 31 March 2019 (31 December 2018: EUR 48.5 million) due to the first-time application of IFRS 16 (Leases) as of 1 January 2019. The changeover effect amounted to EUR 16.5 million.

BUSINESS AREAS KEY FIGURES

Process Technologies – Order Intake

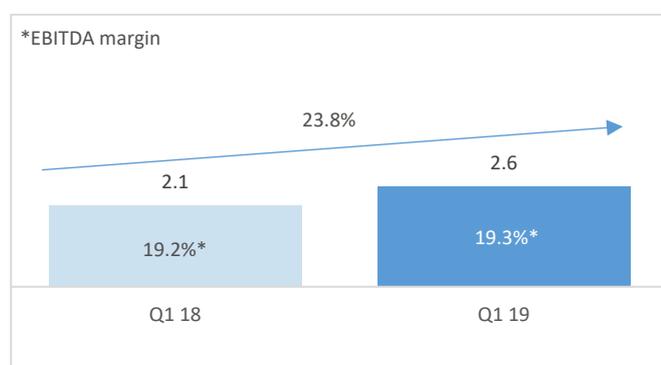
EUR million



- The Process Technologies area recorded the strongest relative growth in order intake in the reporting period with an increase of 51.7% to EUR 22.0 million (Q1 2018: EUR 14.5 million).
- This business area benefits from important growth drivers such as the trends towards electromobility and autonomous driving, as well as the associated expansion of safety electronics.

Process Technologies – EBITDA

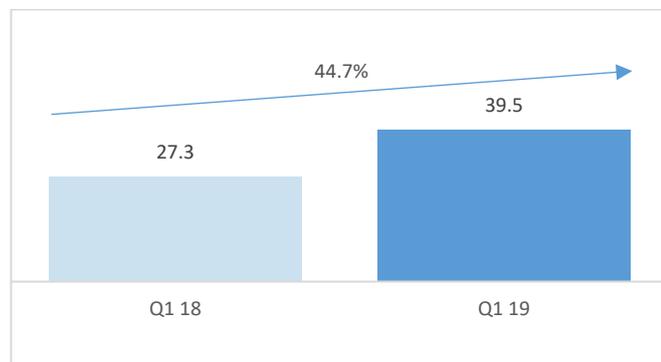
EUR million



- The Process Technologies business area improved its earnings before interest, tax, depreciation and amortization (EBITDA) by 23.8% to EUR 2.6 million in the quarter under review (Q1 2018: EUR 2.1 million), thanks to higher sales with consistently high margins.

Environmental Technologies – Order Intake

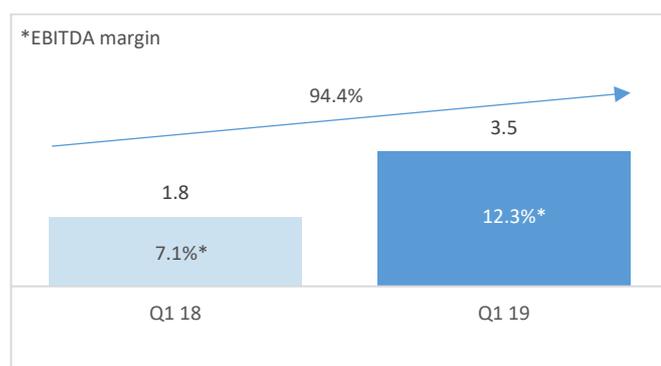
EUR million



- The Environmental Technologies area recorded the highest growth in order intake in absolute terms at EUR 39.5 million (Q1 2018: EUR 27.3 million).
- In the period under review, the business segment benefited particularly from higher demand for efficient components and plants for recycling and waste processing as well as stronger US business.

Environmental Technologies – EBITDA

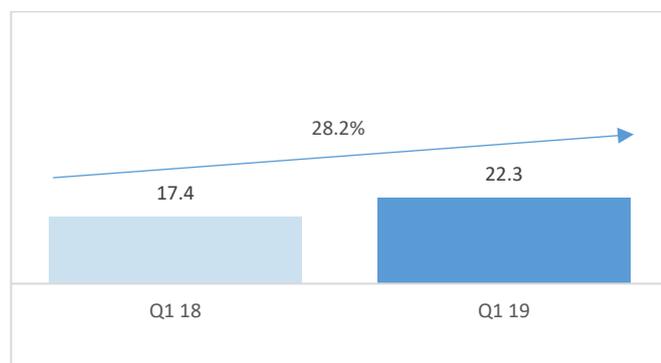
EUR million



- The Environmental Technologies area almost doubled its earnings before interest, tax, depreciation and amortization (EBITDA) from EUR 1.8 million in the previous year's quarter to EUR 3.5 million in the quarter under review.
- This increase is attributable to the pleasing sales trend, especially in the high-margin recycling and waste processing area, as well as the US business.

Evolving Technologies – Order Intake

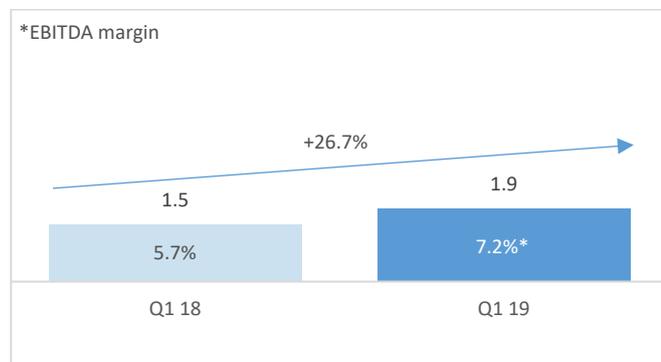
EUR million



- The Evolving Technologies business area expanded its order intake in the reporting period by 28.2 % to EUR 22.3 million, up from EUR 17.4 million in the first quarter of 2018.
- In its Evolving Technologies area, MAX Automation positions itself with innovative automation solutions in key industries such as the automotive sector or medical technology and benefits from the megatrends of robotics and demographic change.

Evolving Technologies – EBITDA

EUR million



- The EBITDA of the Evolving Technologies business area increased significantly in the reporting quarter by 26.7 % to EUR 1.9 million from EUR 1.5 million in the previous quarter.

- This was due to the strong sales development, especially in the medical technology segment, which started 2019 with a very high order backlog and strong margins.

DEVELOPMENTS FROM THE SECOND QUARTER

With the focus on its core business, the MAX Automation Group's management structure was realigned and a Management Board has been installed. For each of the three business areas a Management Board member has been appointed with responsibility as follows: Management Board Chairman/CEO: Andreas Krause (CFO of MAX Automation SE, member of the Board of Directors); Head of Process Technologies: Patrick Vandenruijn (Managing Director of MAX Automation SE, Managing Director of bdtronic GmbH), Head of Environmental Technologies: Werner Berens (Managing Director of MAX Automation SE, CEO of Vecoplan AG), Head of Evolving Technologies: Dr. Guido Hild (from 1 July 2019, Managing Director of MAX Automation SE).

GUIDANCE

In view of the dynamic start to the year and the sound order backlog, the Managing Directors of MAX Automation SE confirm their forecast for the 2019 financial year. For the core business, they continue to expect consolidated sales of more than EUR 300 million and EBITDA of more than EUR 20 million.

The withdrawal from special mechanical engineering for the automotive industry will exert a positive impact on the Group's risk profile and financial strength.

BALANCE SHEET

ASSETS	31/03/2019	31/12/2018
	TEUR	TEUR
Non-current assets		
Intangible assets	3,277	3,643
Goodwill	42,074	42,067
Right-of-use assets	10,643	-
Property, plant and equipment	24,901	25,136
Investment property	1,246	1,254
Equity accounted investments	2,153	2,369
Other investments	6,672	6,668
Deferred tax	5,750	6,482
Other non-current assets	910	330
Total non-current assets	97,626	87,949
Current assets		
Inventories	56,427	48,955
Trade receivables	43,079	49,940
Receivables due from related companies	19	19
Prepayments and accrued income, and other current assets	12,542	11,021
Cash and cash equivalents	23,192	31,779
Assets held for sale	128,475	134,674
Total current assets	263,734	276,388
Total assets	361,360	364,337

EQUITY AND LIABILITIES	31/03/2019	31/12/2018
	TEUR	TEUR
Equity		
Subscribed share capital	29,459	29,459
Capital reserve	18,907	18,907
Sales reserve	29,050	29,215
Equity difference from currency translation	232	-65
Non-controlling interests	-4,693	-4,520
Unappropriated earnings	13,756	18,588
Total equity	86,711	91,584
Non-current liabilities		
Non-current loans less current portion	74,603	76,768
Non-current leasing liabilities	8,511	-
Pension provisions	941	950
Other provisions	2,481	2,191
Deferred tax	6,864	6,816
Other non-current liabilities	155	150
Total non-current liabilities	93,555	86,875
Current liabilities		
Trade payables	72,327	71,057
Current loans and current portion of non-current loans	6,702	1,086
Liabilities to related companies	68	0
Current leasing liabilities	2,252	-
Other current financial liabilities	11,694	16,220
Income tax provisions and liabilities	3,298	4,321
Other provisions	8,400	8,127
Other current liabilities	2,016	4,048
Liabilities in relation to assets held for sale	74,337	81,019
Total current liabilities	181,094	185,878
Total equity and liabilities	361,360	364,337

STATEMENT OF COMPREHENSIVE INCOME

	Q1 2019	Q1 2018
	TEUR	TEUR
Continuing operations		
Sales	69,254	60,855
Change in finished goods and work-in-progress	2,578	2,266
Work performed by the company and capitalized	4	64
Total operating sales	71,836	63,185
Other operating sales	1,184	4,840
Cost of materials	-32,620	-29,031
Personnel expenses	-24,393	-22,760
Depreciation, amortization and impairment losses	-2,016	-1,516
Other operating expenses	-9,961	-9,506
Operating profit	4,030	5,212
Net interest result	-778	-558
Result from equity accounted investments	-216	-71
Earnings before tax	3,036	4,583
Income taxes	-1,229	-1,063
Earnings from continuing operations	1,807	3,520
Discontinued operations		
Result after tax from discontinued operations	-6,977	-1,908
Net income (loss)	-5,170	1,612
of which attributable to non-controlling interests	-173	-43
of which attributable to shareholders of MAX Automation SE	-4,997	1,655
Items that will not be reclassified to the income statement		
Actuarial gains and losses on employee benefits	0	0
Income taxes on actuarial gains and losses	0	0
Items that may be reclassified subsequently to the income statement	0	0
Change arising from currency translation	297	-220
Total comprehensive income	-4,873	1,392
of which attributable to non-controlling interests	-173	-43
of which attributable to shareholders of MAX Automation SE	-4,700	1,435
Earnings per share (diluted and basic) in EUR	-0.17	0.06
Earnings per share (diluted and basic) in EUR – continuing operations	0.06	0.12

STATEMENT OF CASH FLOWS

	Q1 2019 TEUR	Q1 2018 TEUR
Cash flow from continuing operations		
Cash and cash equivalents at the start of the financial year under review	33,518	26,154
Cash and cash equivalents at the start of the financial year under review that are attributable to discontinued operations	-1,739	-2,038
Cash flow from operating activities	-10,618	-8,992
Cash flow from investing activities	-441	-9,822
Cash flow from financing activities	2,426	15,759
Effect of changes in exchange rates	46	-102
Composition of cash and cash equivalents in continuing operations		
= Cash and cash equivalents	23,192	20,959

SEGMENT REPORTING

Segments	Process Technologies		Environmental Technologies		Evolving Technologies	
	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
Reporting period	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Order intake	21,993	14,527	39,512	27,278	22,334	17,402
Order backlog	44,505	23,280	45,389	31,401	91,822	68,866
Working capital	11,622	9,366	15,355	16,431	827	16,307
Segment sales	13,696	10,688	28,843	25,011	2,103	25,707
EBITDA	2,641	2,056	3,546	1,772	1,949	1,463
Return on sales (as % of total operating sales)	19.3	19.2	12.3	7.1	7.2	5.7
Equity ratio (in %)	381	326	444	414	623	590
Workforce (headcount)	23	23	33	33	40	36
- of which trainees	365	287	428	401	596	592
Weighted average number of employees	25	24	34	34	41	39

Reporting period	Discontinued operations		Reconciliation		Group	
	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Order intake	13,452	22,209	-13,452	-22,209	83,839	59,207
Order backlog	83,535	109,188	-83,535	-109,188	181,716	123,547
Working capital	44,391	68,248	-45,016	4,418	27,179	114,769
Segment sales	18,168	29,894	-18,556	-30,445	69,254	60,855
EBITDA	-7,310	-1,827	5,219	3,264	6,046	6,727
Return on sales (as % of total operating sales)	-40.1	6.0	-	-	8.7	11.1
Equity ratio (in %)	730	481	-730	-481	1,448	1,330
Workforce (headcount)	38	38	-38	-38	96	92
- of which trainees	656	458	-656	-458	1,389	1,280
Weighted average number of employees	40	38	-40	-38	100	96

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The interim report for the first quarter is also available in German. In case of differences, the German version shall take precedence. The digital version of the financial reports of MAX Automation SE as well as the interim reports are available on the Internet at www.maxautomation.com in the "Investor Relations / Financial Reports" section.

DISCLAIMER

This quarterly report contains forward-looking statements on the business, earnings, financial and asset situation of MAX Automation SE and its subsidiaries. These statements are based on the Company's current plans, estimates, projections and expectation and are therefore subject to risks and uncertainties that may cause the actual development to differ quite considerably from the expected development. These forward-looking statements apply only at the time of publication of this quarterly news release. MAX Automation SE does not intend to update these forward-looking statements and assumes no obligation to do so.