STABILUS

Interim Report

Stabilus S.A., Luxembourg
Third Quarter and First Nine Months of Fiscal 2014

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Key Figures

in € millions	Three months ended June 30, 2014	2013	change	% change
Revenue	130.2	120.7	9.5	7.9%
EBITDA	9.4	21.4	(12.0)	(56.1)%
Adjusted EBITDA	24.5	22.6	1.9	8.4%
EBIT	(0.4)	11.5	(11.9)	<(100.0)%
Adjusted EBIT	17.9	15.8	2.1	13.3%
Capital expenditure	(8.8)	(11.0)	2.2	(20.0)%
Adjusted operating cash flow before tax (AoCF)	20.3	10.7	9.6	89.7%
Free cash flow (FCF)	(11.5)	8.4	(19.9)	<(100.0)%
EBITDA as % of revenue	7.2%	17.7%		
Adjusted EBITDA as % of revenue	18.8%	18.7%		
EBIT as % of revenue	(0.3)%	9.5%		
Adjusted EBIT as % of revenue	13.7%	13.1%		
Capital expenditure as % of revenue	6.8%	9.1%		
AoCF as % of adjusted EBITDA	82.9%	47.3%		
FCF as % of adjusted EBITDA	(46.9)%	37.2%		

in € millions	Nine months ended June 30, 2014	2013	change	% change
Revenue	376.1	340.1	36.0	10.6%
EBITDA	50.2	54.5	(4.3)	(7.9)%
Adjusted EBITDA	68.0	62.1	5.9	9.5%
EBIT	20.8	24.8	(4.0)	(16.1)%
Adjusted EBIT	48.1	41.9	6.2	14.8%
Capital expenditure	(25.7)	(24.6)	(1.1)	4.5%
Adjusted operating cash flow before tax (AoCF)	54.4	22.2	32.2	>100.0%
Free cash flow (FCF)	2.5	2.6	(0.1)	(3.8)%
EBITDA as % of revenue	13.3%	16.0%		
Adjusted EBITDA as % of revenue	18.1%	18.3%		
EBIT as % of revenue	5.5%	7.3%		
Adjusted EBIT as % of revenue	12.8%	12.3%		
Capital expenditure as % of revenue	6.8%	7.2%		
AoCF as % of adjusted EBITDA	80.0%	35.7%		
FCF as % of adjusted EBITDA	3.7%	4.2%		

Definitions of non-IFRS key figures

EBITDA, i.e. earnings before interest, taxes, depreciation and amortization, represents our profit for the period before net finance cost, income taxes, depreciation and amortization.

Adjusted EBITDA represents EBITDA, as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes, IPO related costs, launch costs for new products and other non-recurring costs, as well as interest on pension charges. Adjusted EBITDA is presented because we believe it is a useful indicator of operating performance before items which are believed to be exceptional and not relevant to an assessment of our operational performance.

EBIT, i.e. earnings before interest and taxes, represents the IFRS income statement item “profit from operating activities”.

Adjusted EBIT represents EBIT, as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes, IPO related costs, launch costs for new products and other non-recurring costs, as well as interest on pension charges and the depreciation and amortization of adjustments of group’s assets to fair value resulting from the April 2010 purchase price allocation. Adjusted EBIT is presented because we believe that it helps understanding our operating performance without the April 2010 acquisition related non-cash accounting charges.

Adjusted operating cash flow before tax (AoCF) represents operating cash flow before tax and as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes, IPO related costs, launch costs for new products and other non-recurring costs, as well as interest on pension charges. Operating cash flow before tax, in turn, comprises IFRS cash flow statement line items “cash flow from operating activities” and “cash flow from investing activities” according to IAS 7, excluding “changes in restricted cash”, “income tax payments”, and “payment for upstream shareholder loan”.

Free cash flow (FCF) comprises IFRS cash flow statement items “cash flow from operating activities”, “cash flow from investing activities” and “payments for interest” (net interest payments), excluding “payment for upstream shareholder loan”.

Interim Group Management Report
for the three and nine months ended June 30, 2014

Reorganization and IPO

Following the shareholder resolution dated May 5, 2014, the corporate form and the name of the Company were changed from “Servus HoldCo S.à r.l.” to “Stabilus S.A.”

On May 23, 2014 Stabilus S.A. (former Servus HoldCo S.à r.l., Luxembourg, hereinafter also referred to as “Stabilus” or “Company”) was listed in the Prime Standard of the Frankfurt Stock Exchange’s regulated market. Shares of the company were offered to the public in Germany and placed privately with institutional investors in certain jurisdictions outside Germany between May 9, 2014 and May 22, 2014. The price range was set between €19 and €25 per share. Shares were allocated at €21.50. Stabilus S.A.’s IPO was oversubscribed multiple times at the issue price. The first trading price was €22.75. In the IPO 12,157,335 bearer shares with a nominal value of €0.01 each were placed; thereof 9,134,079 shares were placed by the selling shareholder Servus Group HoldCo II S.à r.l. and 3,023,256 new shares were issued.

The Group used the proceeds from the issuance of new shares amounting (before deduction of transaction costs) to €65.0 million to partially redeem its senior secured notes. In addition, prior to the IPO and immediately following the IPO the Group structure was reorganized (hereinafter also referred to as “IPO reorganization”). As a result, the equity upside-sharing instruments (EUSIs) and the upstream loan to the selling shareholder were extinguished and will no longer be recognized on the Group’s balance sheet.

Following the Company’s IPO, the free float amounted to 58.7%, representing 12,157,335 shares out of a total capital stock of 20,723,256 shares. The remainder of 41.3% or 8,565,921 is still in the possession of the selling shareholder Servus Group HoldCo II S.à r.l. These shares are subject to a lock-up period of six months after May 27, 2014. The member of the Management Board also committed themselves to comply with market protection agreements and limitations on disposal (lock-up) for a period of twelve months.

IPO General Data	
Ticker symbol	STM
ISIN	LU1066226637
German securities code (WKN)	A113Q5
Stock exchange	Frankfurt Stock Exchange
Market segment / Transparency Standard	Regulated market (Prime Standard)
Type of issue	Public offering of shares in Germany and private placements in certain jurisdictions outside Germany
Offering Period	(i) May 12, 2014 - May 22, 2014 for retail investors (ii) May 9 , 2012 - May 22, 2014 for institutional investors
Price Range	€19.00 - €25.00
Subscription Price	€21.50
First Trading Day	May 23, 2014
First Price	€22.75
Issue volume (number of shares)	12,157,335 shares thereof capital increase (new shares): 3,023,256 shares threof secondary placement incl. executed greenshoe option (existing shares): 9,134,079 shares
Issue volume (in €)	€261,382,702.50 thereof capital increase (new shares): €65,000,004.00 threof secondary placement incl. executed greenshoe option (existing shares): €196,382,698.50
Underwriter	(i) Joint Global Coordinators & Joint Bookrunners: Commerzbank, J. P. Morgan (ii) Co-Lead Managers: Société Générale Corporate & Investment Banking, UniCredit Bank AG
Free float after IPO	58.67%
Lock-up	(i) Present members of the Management Board: 12 months (ii) Servus Group HoldCo II S.à r.l.: 6 months

Results of operations

Third quarter of fiscal 2014

The table below sets out Stabilus Group's consolidated income statement for the third quarter of fiscal 2014 in comparison to the third quarter of the previous fiscal year:

in € millions	Three months ended June 30, 2014	2013[1]	change	% change
Revenue	130.2	120.7	9.5	7.9%
Cost of sales	(97.9)	(93.3)	(4.6)	4.9%
Gross profit	**32.2**	**27.4**	**4.8**	**17.5%**
Research and development expenses	(4.9)	(4.1)	(0.8)	19.5%
Selling expenses	(9.9)	(7.0)	(2.9)	41.4%
Administrative expenses	(18.2)	(5.3)	(12.9)	>100.0%
Other income	0.9	1.7	(0.8)	(47.1)%
Other expenses	(0.6)	(1.2)	0.6	(50.0)%
Profit from operating activities (EBIT)	**(0.4)**	**11.5**	**(11.9)**	**<(100.0)%**
Finance income	2.2	10.7	(8.5)	(79.4)%
Finance costs	(14.2)	(18.3)	4.1	(22.4)%
Profit / (loss) before income tax	**(12.4)**	**4.0**	**(16.4)**	**<(100.0)%**
Income tax income/ (expense)	5.4	(1.3)	6.7	<(100.0)%
Profit for the period	**(7.0)**	**2.7**	**(9.7)**	**<(100.0)%**

[1] Information related to the adjustment of the prior-year figures is disclosed in the Note 1 to Condensed Interim Consolidated Financial Statements.

Our **revenue** in the third quarter of fiscal 2014 developed as follows:

in € millions	Three months ended June 30, 2014	2013	change	% change
Europe[1]	69.9	64.9	5.0	7.7%
NAFTA[1]	44.4	40.7	3.7	9.1%
Asia/Pacific and rest of world[1]	15.8	15.1	0.7	4.6%
Revenue[1]	**130.2**	**120.7**	**9.5**	**7.9%**

[1] Revenue breakdow n by location of Stabilus company (i. e. "billed-from view ").

	Three months ended June 30,			
in € millions	**2014**	**2013**	**change**	**% change**
Automotive	87.2	78.2	9.0	11.5%
Gas spring	65.2	63.3	1.9	3.0%
Powerise	22.0	14.9	7.1	47.7%
Industrial	36.9	36.1	0.8	2.2%
Swivel chair	6.1	6.4	(0.3)	(4.7)%
Revenue	**130.2**	**120.7**	**9.5**	**7.9%**

Our revenue in the third quarter of fiscal 2014 increased by €9.5 million or 7.9% compared to the third quarter of fiscal 2013. The revenue developed positively in all three operating segments, with Europe growing by 7.7% (€5.0 million), NAFTA by 9.1% (€3.7 million) and the region Asia/ Pacific with rest of the word growing by 4.6% (€0.7 million).

The increase in total revenue is mainly due to our automotive, particularly to our growing Powerise, business. The increase in the Powerise segment by 47.7% is driven by new OEM platform wins and the following launch of new Powerise programs for a number of key vehicle OEMs. Moreover, the share of end customers (buyers of new vehicles) opting for this feature continues to rise as well, compared to previous periods, which drives up the take rate of our Powerise product line.

Revenue in the industrial segment increased from €36.1 million in the third quarter of fiscal 2013 to €36.9 million in the third quarter of fiscal 2014.

Swivel chair revenue decreased from €6.4 million in the third quarter of fiscal 2013 to €6.1 million in the third quarter of fiscal 2014, with the termination of unprofitable business projects being the key driver for this reduction.

Cost of sales in the third quarter of fiscal 2014 increased by 4.9%, compared to the third quarter of the previous fiscal year. Cost of sales as a percentage of revenue decreased by approximately two percentage points from 77.3% in third quarter of fiscal 2013 to 75.2% in third quarter of fiscal 2014.

Gross profit margin increased from 22.7% in the third quarter of fiscal 2013 to 24.7% in the third quarter of fiscal 2014.

R&D expenses in the third quarter of fiscal 2014 increased by 19.5%, compared to the third quarter of fiscal 2013, mainly due to higher material expenses and higher depreciation and amortization of projects capitalized in prior periods. As a percentage of revenue, R&D expenses increased in the third quarter of fiscal 2014 to 3.8% of revenue versus 3.4% in third quarter of fiscal 2013.

Selling expenses increased by 41.4% from €(7.0) million in the third quarter of fiscal 2013 to €(9.9) million in the third quarter of fiscal 2014, mainly due to higher personnel expenses. Higher staffing levels in various locations to support our revenue growth initiatives explain this increase. As a percentage of revenue, these expenses increased in the third quarter of fiscal 2014 to 7.6% (Q3 FY2013: 5.8%).

Administrative expenses increased by €12.9 million from €(5.3) million in the third quarter of fiscal 2013 to €(18.2) million in the third quarter of fiscal 2014, mainly due to IPO costs. As percentage of revenue, administrative expenses increased to 14.0% of total revenue (Q3 FY2013: 4.4%).

Other income decreased by €(0.8) million from €1.7 million in the third quarter of fiscal 2013 to €0.9 million in the third quarter of fiscal 2014. This decrease by (47.1)% is primarily the result of foreign currency fluctuations, i.e. lower foreign currency translation gains.

Other expense decreased from €(1.2) million in the third quarter of fiscal 2013 to €(0.6) million in the third quarter of fiscal year under review. This income statement line item comprises mainly the foreign currency translation losses.

Finance income decreased from €10.7 million in the third quarter of fiscal 2013 to €2.2 million in the third quarter of fiscal 2014. The higher finance income in the third quarter of the previous year was mainly due to the gains from changes in carrying amounts of equity upside-sharing instruments (EUSIs).

Finance costs decreased by (22.4)% from €(18.3) million in the third quarter of fiscal 2013 to €(14.2) million in the third quarter of fiscal 2014. The higher finance costs in third quarter of the previous year were primarily caused by losses from the valuation of the upstream shareholder loan. Following the IPO reorganization and the deconsolidation of Servus II (Gibraltar) Limited in the third quarter of fiscal 2014, the upstream shareholder loan is no longer part of the Group's balance sheet. See Notes 4 and 8 to the Condensed Interim Consolidated Financial Statements below for further details.

Tax income in the third quarter of €5.4 million (Q3 FY2013: €(1.3) million) is the result of increased deferred taxes following various IPO related balance sheet adjustments.

First nine months of fiscal 2014

The table below sets out Stabilus Group's consolidated income statement for the first nine months of fiscal 2014 in comparison to the first nine months of the previous fiscal year:

in € millions	Nine months ended June 30, 2014	2013[1)]	change	% change
Revenue	376.1	340.1	36.0	10.6%
Cost of sales	(285.1)	(261.4)	(23.7)	9.1%
Gross profit	**91.0**	**78.8**	**12.2**	**15.5%**
Research and development expenses	(14.8)	(12.4)	(2.4)	19.4%
Selling expenses	(29.1)	(26.9)	(2.2)	8.2%
Administrative expenses	(27.7)	(15.9)	(11.8)	74.2%
Other income	3.5	4.1	(0.6)	(14.6)%
Other expenses	(2.1)	(2.8)	0.7	(25.0)%
Profit from operating activities (EBIT)	**20.8**	**24.8**	**(4.0)**	**(16.1)%**
Finance income	10.4	0.7	9.7	>100.0%
Finance costs	(33.0)	(42.1)	9.1	(21.6)%
Profit / (loss) before income tax	**(1.8)**	**(16.6)**	**14.8**	**(89.2)%**
Income tax income/ (expense)	1.3	(3.9)	5.2	<(100.0)%
Profit for the period	**(0.5)**	**(20.4)**	**19.9**	**(97.5)%**

[1)] Information related to the adjustment of the prior-year figures is disclosed in the Note 1 to Condensed Interim Consolidated Financial Statements.

Our **revenue** in the first nine months of fiscal 2014 developed as follows:

in € millions	Nine months ended June 30, 2014	2013	change	% change
Europe[1]	199.8	182.5	17.3	9.5%
NAFTA[1]	129.2	115.6	13.6	11.8%
Asia/Pacific and rest of world[1]	47.1	42.1	5.0	11.9%
Revenue[1]	**376.1**	**340.1**	**36.0**	**10.6%**

[1] Revenue breakdow n by location of Stabilus company (i. e. "billed-from view ").

in € millions	Nine months ended June 30, 2014	2013	change	% change
Automotive	251.4	219.4	32.0	14.6%
Gas spring	191.5	181.3	10.2	5.6%
Powerise	59.9	38.1	21.8	57.2%
Industrial	106.2	101.2	5.0	4.9%
Swivel chair	18.5	19.5	(1.0)	(5.1)%
Revenue	**376.1**	**340.1**	**36.0**	**10.6%**

Total revenue in the first nine months of fiscal 2014 increased by €36.0 or 10.6% compared to the first nine months of fiscal 2013. In absolute terms this increase mainly results from higher sales in the European region which increased by €17.3 million in the period under review. The strongest revenue increase in relative terms was achieved in the Asia/ Pacific and RoW region which grew by 11.9%.

The increase in total revenue is mainly due to our automotive, particularly to our growing Powerise business. The increase in the Powerise segment by 57.2% is mainly the result of new OEM platform wins and the following launch of new Powerise programs for a number of key vehicle OEMs. Moreover, the share of end customers (buyers of new vehicles) opting for this extra equipment continues to rise as well, compared to the previous periods, which drives up the take rate of our Powerise product line.

Revenue in the industrial segment increased by 4.9% - from €101.2 million in the first nine months of fiscal 2013 to €106.2 million in the first nine months of fiscal 2014.

Swivel chair revenue decreased from €19.5 million in the first nine months of fiscal 2013 by €(1.0) million to €18.5 million in the first nine months of fiscal 2014, mainly due to the termination of unprofitable business projects.

Cost of sales in the first nine months of fiscal 2014 increased by 9.1%, compared to the first nine months of the previous fiscal year.

Gross profit increased by €12.2 million from €78.8 million in the first nine months of fiscal 2013 to €91.0 million in the first nine months of fiscal 2014, reflecting higher revenue as well as gross margin increase from 23.2% in the first nine months of fiscal 2013 to 24.2% in the first nine months of fiscal 2014. Improved fixed cost absorption and cost reduction actions facilitated this improvement.

R&D expenses in the first nine months of fiscal 2014 increased by 19.4%, compared to the first nine months of fiscal 2013 mainly due to higher material expenses and higher depreciation and amortization on the projects capitalized in previous years. As a percentage of revenue, R&D expenses in these period amounted to 3.9% (Q1-Q3 FY2013: 3.6%).

Selling expenses increased by 8.2% from €(26.9) million in the first nine months of fiscal 2013 to €(29.1) million in the first nine months of fiscal 2014, mainly due to higher personnel expenses. But as a percentage of revenue, these expenses decreased to 7.7% (Q1-Q3 FY2013: 7.9%).

Administrative expenses increased by 74.2% from €(15.9) million in the first nine months of fiscal 2013 to €(27.7) million in the first nine months of fiscal 2014, mainly due to IPO related costs. As percentage of revenue, in this period administrative expenses increased to 7.4% of total revenue (Q1-Q3 FY2013: 4.7%).

Other income decreased by €(0.6) million from €4.1 million in the first nine months of fiscal 2013 to €3.5 million in the first nine months of fiscal 2014. This decrease by (14.6)% is primarily the result of foreign currency fluctuations, i.e. lower foreign currency translation gains.

Other expense decreased by €0.7 million from €(2.8) million the first nine months of fiscal 2013 to €(2.1) million in the first nine months of fiscal 2014. This income statement line item comprises mainly the foreign currency translation losses.

Finance income increased from €0.7 million in the first nine months of fiscal 2013 to €10.4 million in the first nine months of fiscal 2014 primarily due to the gains from changes in carrying amounts of upstream shareholder loan and embedded derivatives. See Notes 3 and 8 to Condensed Interim Consolidated Financial Statements below for further details.

Finance costs decreased by (21.6)% from €(42.1) million in the first nine months of fiscal 2013 to €(33.0) million in the first nine months of fiscal 2014. Fiscal 2013 was burdened by an increase in the carrying amount of the equity upside-sharing instruments (EUSIs) due to their partial repayment following the issuance of senior secured notes. See Notes to the Condensed Interim Consolidated Financial Statements below for further details, particularly Note 4 for a breakdown of finance costs.

Tax income in the first nine months of fiscal 2014 amounting to €1.3 million (Q1-Q3 FY2013: €(3.9) million) is mainly due to the increased amount of deferred taxes.

EBITDA and adjusted EBITDA

The tables below show reconciliations of profit from operating activities (EBIT) to EBITDA and adjusted EBITDA for the third quarter and first nine months of fiscal 2014 and 2013:

	Three months ended June 30,			
in € millions	**2014**	**2013**	**change**	**% change**
Profit from operating activities (EBIT)	**(0.4)**	**11.5**	**(11.9)**	**<(100.0)%**
Depreciation	5.0	5.4	(0.4)	(7.4)%
Amortization	4.8	4.5	0.3	6.7%
EBITDA	**9.4**	**21.4**	**(12.0)**	**(56.1)%**
Advisory*	14.1	0.6	13.5	>100.0%
Restructuring / Ramp-up	0.6	0.2	0.4	>100.0%
Pension interest add back	0.4	0.3	0.1	33.3%
Total adjustments	15.1	1.1	14.0	>100.0%
Adjusted EBITDA	**24.5**	**22.6**	**1.9**	**8.4%**

* IPO, legal, bond issuance, tax audit and reorganization related advisory expenses.

Nine months ended June 30,				
in € millions	**2014**	**2013**	**change**	**% change**
Profit from operating activities (EBIT)	**20.8**	**24.8**	**(4.0)**	**(16.1)%**
Depreciation	14.8	16.4	(1.6)	(9.8)%
Amortization	14.6	13.3	1.3	9.8%
EBITDA	**50.2**	**54.5**	**(4.3)**	**(7.9)%**
Advisory*	15.7	2.9	12.8	>100.0%
Restructuring / Ramp-up	1.0	3.6	(2.6)	(72.2)%
Pension interest add back	1.1	1.0	0.1	10.0%
Total adjustments	17.8	7.5	10.3	>100.0%
Adjusted EBITDA	**68.0**	**62.1**	**5.9**	**9.5%**

* IPO, legal, bond issuance, tax audit and reorganization related advisory expenses.

Adjusted EBITDA represents EBITDA, as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes, IPO related costs, launch costs for new products and other non-recurring costs, as well as interest on pension charges. Adjusted EBITDA is presented because we believe it is a useful indicator of operating performance before items which are believed to be exceptional and not relevant to an assessment of our operational performance.

EBIT and adjusted EBIT

The tables below show reconciliations of profit from operating activities (EBIT) to adjusted EBIT for the third quarter and first nine months of fiscal 2014 and 2013:

Three months ended June 30,				
in € millions	**2014**	**2013**	**change**	**% change**
Profit from operating activities (EBIT)	**(0.4)**	**11.5**	**(11.9)**	**<(100.0)%**
Advisory*	14.1	0.6	13.5	>100.0%
Restructuring / Ramp-up	0.6	0.2	0.4	>100.0%
Pension interest add back	0.4	0.3	0.1	33.3%
PPA adjustments - depreciation and amortization	3.2	3.2	-	0.0%
Total adjustments	18.3	4.3	14.0	>100.0%
Adjusted EBIT	**17.9**	**15.8**	**2.1**	**13.3%**

* IPO, legal, bond issuance, tax audit and reorganization related advisory expenses.

Nine months ended June 30,				
in € millions	**2014**	**2013**	**change**	**% change**
Profit from operating activities (EBIT)	**20.8**	**24.8**	**(4.0)**	**(16.1)%**
Advisory*	15.7	2.9	12.8	>100.0%
Restructuring / Ramp-up	1.0	3.6	(2.6)	(72.2)%
Pension interest add back	1.1	1.0	0.1	10.0%
PPA adjustments - depreciation and amortization	9.5	9.5	-	0.0%
Total adjustments	27.3	17.0	10.3	60.6%
Adjusted EBIT	**48.1**	**41.9**	**6.2**	**14.8%**

* IPO, legal, bond issuance, tax audit and reorganization related advisory expenses.

Adjusted EBIT represents EBIT, as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes, IPO related costs, launch costs for new products and other non-recurring costs, as well as interest on pension charges and the depreciation and amortization of adjustments of group's assets to fair value resulting from the April 2010 purchase price allocation.

Development of operating segments

Stabilus Group is organized and managed primarily on a regional level. The three reportable operating segments of the Group are Europe, NAFTA, Asia/ Pacific and rest of world (RoW).

The table below sets out the development of our operating segments in the first nine months of fiscal 2014, compared to the first nine months of the previous fiscal year.

	Nine months ended June 30,			
in € millions	**2014**	**2013**	**change**	**% change**
Europe				
External revenue[1)]	199.8	182.5	17.3	9.5%
Intersegment revenue[1)]	17.2	16.9	0.3	1.8%
Total revenue[1)]	217.0	199.4	17.6	8.8%
Adjusted EBITDA	41.1	36.8	4.3	11.7%
as % of revenue	18.9%	18.5%		
NAFTA				
External revenue[1)]	129.2	115.6	13.6	11.8%
Intersegment revenue[1)]	1.6	1.8	(0.2)	(11.1)%
Total revenue[1)]	130.8	117.3	13.5	11.5%
Adjusted EBITDA	18.1	16.0	2.1	13.1%
as % of revenue	13.8%	13.6%		
Asia/ Pacific and RoW				
External revenue[1)]	47.1	42.1	5.0	11.9%
Intersegment revenue[1)]	0.1	-	0.1	n/a
Total revenue[1)]	47.2	42.1	5.1	12.1%
Adjusted EBITDA	8.8	9.2	(0.4)	(4.3)%
as % of revenue	18.6%	21.9%		

[1)] Revenue breakdown by location of Stabilus company (i. e. "billed-from view").

The external revenue generated by our European companies increased by 9.5% from €182.5 million in the first nine months of fiscal 2013 to €199.8 million in the first nine months of fiscal 2014. Adjusted EBITDA of this operating segment increased in this period by 11.7% to €41.1 million with an adjusted EBITDA margin of 18.9%.

The external revenue of our companies located in the NAFTA region increased by 11.8% from €115.6 million in the first nine months of fiscal 2013 to €129.2 million in the first nine months of fiscal 2014 primarily due to the strong growth in Powerise business. NAFTA's adjusted EBITDA margin increased from 13.6% in the first nine months of fiscal 2013 to 13.8% in the first nine months of fiscal 2014.

In the first nine months of fiscal 2014, the external revenue of our companies in the Asia/ Pacific and RoW segment increased by €5.0 million or 11.9%, compared to the corresponding period of fiscal 2013.

This segment's result, measured as adjusted EBITDA, decreased by €(0.4) million or (4.3)%. Within this segment China remains strong, while Brazil recorded lower revenue and margin than in fiscal 2013.

Financial position

in € millions	June 30, 2014	Sept 30, 2013[1)]	change	% change
Assets				
Non-current assets	346.1	429.0	(82.9)	(19.3)%
Current assets	154.0	160.3	(6.3)	(3.9)%
Total assets	**500.2**	**589.3**	**(89.1)**	**(15.1)%**
Equity and liabilities				
Equity	71.3	80.3	(9.0)	(11.2)%
Non-current liabilities	351.1	421.1	(70.0)	(16.6)%
Current liabilities	77.8	87.9	(10.1)	(11.5)%
Total liabilities	428.8	509.0	(80.2)	(15.8)%
Total equity and liabilities	**500.2**	**589.3**	**(89.1)**	**(15.1)%**

[1)] Information related to the adjustment of the prior-year figures is disclosed in the Note 1 to Condensed Interim Consolidated Financial Statements.

The Group's **balance sheet total** decreased from €589.3 million as of September 30, 2013 by €(89.1) million or 15.1% to €500.2 million as of June 30, 2014. This is mainly due to the reorganization of the Group prior to and immediately following the IPO, which has been described in the prospectus. As a result, the equity upside-sharing instruments (EUSIs) and the upstream shareholder loan were extinguished and will no longer be recognized on the Group's balance sheet.

Compared to September 30, 2014**, non-current assets** as of June 30, 2014 decreased by €(82.9) million primarily due to the elimination of upstream shareholder loan in the third quarter of fiscal 2014, following the distribution of the Company's interest in Servus II (Gibraltar) Limited.

Current assets as of June 30, 2014 decreased by (3.9)% or €(6.3) million, compared to September 30, 2013, essentially due the lower trade accounts receivable. In the second quarter of fiscal 2014, Stabilus Group started a sale of receivables program (factoring) which reduced the receivables by ca. €20 million.

The Group's **equity** as of June 30, 2014 decreased by €(9.0) million mainly as a consequence of the in the first nine months of fiscal 2014 generated result amounting to €(0.5) million, IPO cost directly netted with equity amounting to €(1,1) million and other comprehensive expense amounting to €(1.3) million. Other comprehensive expense comprised unrealized actuarial losses of €(2.0) million on our German pension plan and losses from foreign currency translation of €0.7 million.

Our **non-current liabilities** as of June 30, 2014 decreased by €(70.0) million or (16.6)% versus September 30, 2014, primarily due to reduced non-current financial liabilities. The Group used the proceeds from capital increase (issue of new shares), to redeem the senior secured notes on June 5, 2014 by €58.9 million (i.e. €65.0 million proceeds from capital increase, net of transaction costs and early redemption premium). In addition, the equity upside-sharing instruments have been extinguished following the IPO reorganization and are not recognized on the Company's balance sheet as of June 30, 2014.

Current liabilities decreased by €(10.1) million from €87.9 million as of September 30, 2013 to €77.8 million as of June 30, 2014. This decrease of (11.5)% was mainly a result of lower current financial liabilities (-€6.9 million) and lower provisions (-€4.2 million), partially offset by higher other liabilities. Current financial liability reflects the accrued interest at the balance sheet date. Since the interest on the senior secured notes is paid in December and June, the accrued interest as of June 30, 2014 is lower vis-à-vis the interest amount accrued as of September 30, 2013 The decrease of provisions is primarily due to lower warranty provisions and lower old age part time working reserves, following utilizations (costs paid).

Liquidity

Our primary sources of liquidity are cash flows from operating and financing activities. We expect that our capital expenditure and debt service will be covered by operating cash flow in the next year/ twelve months.

in € millions	Nine months ended June 30,			
	2014	2013[1]	change	% change
Cash flows from operating activities	58.1	35.9	22.2	61.8%
Cash flows from investing activities	(25.7)	(104.5)	78.8	(75.4)%
Cash flows from financing activities	(32.2)	40.6	(72.8)	<(100.0)%
Net increase / (decrease) in cash	**0.2**	**(28.0)**	**28.2**	**<(100.0)%**
Effect of movements in exchange rates on cash held	(0.1)	(0.3)	0.2	(66.7)%
Cash as of beginning of the period	21.8	41.6	(19.8)	(47.6)%
Cash as of end of the period	**22.0**	**13.4**	**8.6**	**64.2%**

[1] Information related to the adjustment of the prior-year figures is disclosed in the Note 1 to Condensed Interim Consolidated Financial Statements.

Cash inflow from operating activities increased from €35.9 million in the first nine months of fiscal 2013 to €58.1 million in the first nine months of fiscal 2014 mainly due to the improved net result of €(0.5) million in first nine months of fiscal 2014 versus €(20.4) million in first nine months of fiscal 2013) and sale of receivables (factoring). In the second quarter of fiscal 2014 we started a sale of receivables program.

Cash outflow for investing activities decreased by €78.8 million from €(104.5) million in the first nine months of fiscal 2013 to €(25.7) million in first nine months of fiscal 2014. The 2013 cash flow from investing activities included €80.0 million payments for meanwhile extinguished upstream shareholder loan. The cash outflow for capital expenditures increased from €(24.6) million to €(25.7) primarily due purchases of machinery, equipment and tools for the capacity expansion of our Chinese plant and further capacity increases for the Powerise production in Mexico and Romania to support the growth profile of the business.

Cash flow for financing activities decreased by €(72.8) million, from a cash inflow of €40.6 in the first nine months of fiscal 2013 million to a cash outflow of €(32.2) million in the nine months of fiscal 2014. This is mainly the result of higher interest payments in the first nine months of fiscal 2014 following the issuance of senior secured notes in June 2013, compared to the first nine months of fiscal 2013. Early redemption cost of €(4.6) million occurred with the partial senior secured notes repayment in June 2014.

As a result of the aforementioned changes of cash flows from operating, investing and financing activities and with adjustments to EBITDA amounting to €17.8 million (first nine months of fiscal 2013: €7.5 million), **adjusted operating cash flow before tax (AoCF)** increased by €32.2 million from €22.2 million in the first nine months of fiscal 2013 to €54.4 million in the first nine months of fiscal 2014. The following table sets out the composition and development of the non-IFRS key figure adjusted operating cash flow before tax in the reporting period.

in € millions	Nine months ended June 30, 2014	2013[1]	change	% change
Cash flows from operating activities	58.1	35.9	22.2	61.8%
Cash flows from investing activities	(25.7)	(104.5)	78.8	(75.4)%
Excl. payment for upstream shareholder loan	-	80.0	(80.0)	(100.0)%
Excl. changes in restricted cash	-	(2.7)	2.7	(100.0)%
Excl. income tax payments	4.2	6.0	(1.8)	(30.0)%
Operating cash flow before tax	**36.6**	**14.7**	**21.9**	**>100.0%**
Adjustments to EBITDA	17.8	7.5	10.3	>100.0%
Adjusted operating cash flow before tax	**54.4**	**22.2**	**32.2**	**>100.0%**

[1] Information related to the adjustment of the prior-year figures is disclosed in the Note 1 to Condensed Interim Consolidated Financial Statements.

Adjusted operating cash flow before tax (AoCF) represents operating cash flow before tax and as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes, IPO related costs, launch costs for new products and other non-recurring costs, as well as interest on pension charges. Operating cash flow before tax, in turn, comprises IFRS cash flow statement line items “cash flow from operating activities” and “cash flow from investing activities” according to IAS 7, excluding “changes in restricted cash”, “income tax payments”, and “payment for upstream shareholder loan”.

Free cash flow (FCF) decreased slightly from €2.6 million in the first nine months of fiscal 2013 to €2.5 million in the first nine months of fiscal 2014. The following table sets out the composition of the non-IFRS figure free cash flow.

in € millions	Nine months ended June 30, 2014	2013[1]	change	% change
Cash flows from operating activities	58.1	35.9	22.2	61.8%
Cash flows from investing activities	(25.7)	(104.5)	78.8	(75.4)%
Payments for interest	(29.9)	(8.8)	(21.1)	>100.0%
Excl. payment for upstream shareholder loan	-	80.0	(80.0)	(100.0)%
Free cash flow	**2.5**	**2.6**	**(0.1)**	**(3.8)%**

[1] Information related to the adjustment of the prior-year figures is disclosed in the Note 1 to Condensed Interim Consolidated Financial Statements.

Free cash flow (FCF) comprises IFRS cash flow statement items “cash flow from operating activities”, “cash flow from investing activities” and “payments for interest” (net interest payments), excluding “payment for upstream shareholder loan”.

Risks and opportunities

We refer to the risk related disclosures in the Group Management Report and in the audited Consolidated Financial Statements as of and for the fiscal year ended September 30, 2013.

Outlook

During the first nine months of fiscal 2014 the Group delivered strong sales and operating earnings growth compared to the previous financial year. Despite a minor slowdown in the global economy, business remains strong for a majority of Stabilus customers. The Group’s broad diversification in terms of products, business segments and regions gives it a good overall robustness. For fiscal 2014 the Group targets to reach €505 million sales and an adjusted EBIT in the range of €65 million to €67 million resulting in an EBIT margin of ca. 13%.

Condensed Interim Consolidated Financial Statements (unaudited)

As a consequence of the first-time adoption of revised IAS 19, Employee Benefits, in these Condensed Interim Consolidated Financial Statements, all following figures for the comparative periods have been adjusted/ restated in accordance with IAS 8. See Note 1 for further details.

Consolidated Statement of Comprehensive Income
for the three and nine months ended June 30, 2014 (unaudited)

		Three months ended June 30,		Nine months ended June 30,	
in € thousands	**Note**	**2014**	**2013[1)]**	**2014**	**2013[1)]**
Revenue	2	130,160	120,715	376,099	340,111
Cost of sales		(97,913)	(93,293)	(285,103)	(261,350)
Gross profit		**32,247**	**27,422**	**90,996**	**78,761**
Research and development expenses		(4,891)	(4,138)	(14,810)	(12,412)
Selling expenses		(9,928)	(7,022)	(29,145)	(26,918)
Administrative expenses		(18,151)	(5,254)	(27,655)	(15,934)
Other income		913	1,706	3,511	4,057
Other expenses		(580)	(1,214)	(2,063)	(2,759)
Profit from operating activities		**(390)**	**11,500**	**20,834**	**24,795**
Finance income	3	2,152	10,737	10,370	704
Finance costs	4	(14,187)	(18,260)	(32,954)	(42,063)
Profit/ (loss) before income tax		**(12,425)**	**3,977**	**(1,750)**	**(16,564)**
Income tax income/ (expense)		5,433	(1,270)	1,255	(3,883)
Profit/ (loss) for the period		**(6,992)**	**2,707**	**(495)**	**(20,447)**
thereof attributable to non-controlling interests		12	(99)	26	(73)
thereof attributable to shareholders of Stabilus		(7,003)	2,806	(520)	(20,374)
Other comprehensive income/ (expense)					
Foreign curreny translation difference [2)]	11	1,408	(2,519)	675	2,200
Unrealised actuarial gains and losses [3)]	11	-	-	(1,990)	(832)
Other comprehensive income/ (expense), net of taxes		**1,408**	**(2,519)**	**(1,315)**	**1,368**
Total comprehensive income/ (expense) for the period		**(5,584)**	**188**	**(1,810)**	**(19,079)**
thereof attributable to non-controlling interests		12	(99)	26	(73)
thereof attributable to shareholders of Stabilus		(5,596)	287	(1,836)	(19,006)
Earnings per share (in €):					
basic	5	(0.37)	0.16	(0.03)	(1.15)
diluted	5	(0.37)	0.16	(0.03)	(1.15)

[1)] Information related to the adjustment of the prior-year figures is disclosed in Note 1.
[2)] Item that may be reclassified ('recycled') to profit and loss at future point in time when specific conditions are met.
[3)] Item that will not be reclassified to profit and loss.
The accompanying Notes form an integral part of these Consolidated Financial Statements.

Consolidated Statement of Financial Position
as of June 30, 2014 (unaudited)

in € thousands	Note	June 30, 2014	Sept 30, 2013[1)]
Assets			
Property, plant and equipment	6	115,365	116,276
Goodwill		51,458	51,458
Other intangible assets	7	170,675	175,763
Other financial assets	8	-	77,134
Other assets	9	1,382	1,024
Deferred tax assets		7,244	7,353
Total non-current assets		**346,124**	**429,008**
Inventories	10	49,153	46,063
Trade accounts receivable		50,783	67,776
Current tax assets		1,556	397
Other financial assets	8	21,026	10,845
Other assets	9	9,527	13,380
Cash and cash equivalents		21,950	21,819
Total current assets		**153,995**	**160,280**
Total assets		**500,119**	**589,288**
Equity and liabilities			
Issued capital	11	207	5,013
Capital reserves	11	73,091	74,403
Retained earnings	11	(2,632)	(991)
Other reserves	11	422	1,737
Equity attributable to shareholders of Stabilus		**71,088**	**80,162**
Non-controlling interests		195	169
Total equity		**71,283**	**80,331**
Financial liabilities	12	255,511	315,097
Other financial liabilities	13	985	1,472
Provisions	14	5,065	7,037
Pension plans and similar obligations		41,884	39,123
Deferred tax liabilities		47,635	58,334
Total non-current liabilities		**351,080**	**421,063**
Trade accounts payable		44,641	44,977
Financial liabilities	12	827	7,663
Other financial liabilities	13	7,651	8,886
Current tax liabilities		1,314	1,587
Provisions	14	9,647	13,908
Other liabilities	15	13,676	10,873
Total current liabilities		**77,756**	**87,894**
Total liabilities		**428,836**	**508,957**
Total equity and liabilities		**500,119**	**589,288**

[1)] Information related to the adjustment of the prior-year figures is disclosed in Note 1.
The accompanying Notes form an integral part of these Consolidated Financial Statements.

Consolidated Statement of Changes in Equity
for the nine months ended June 30, 2014 (unaudited)

in € thousands	Note	Issued capital	Capital reserves	Retained earnings	Other reserves	Equity attributable to shareholders of Stabilus	Non-controlling interest	Total Equity
Balance as of Sept 30, 2012		**5,013**	**30,550**	**20,588**	**899**	**57,050**	**319**	**57,369**
Effects from first-time adoption of IAS 19R[1)]		-	-	-	(1,635)	(1,635)	-	(1,635)
Balance as of Sept 30, 2012 adjusted[1)]		**5,013**	**30,550**	**20,588**	**(736)**	**55,415**	**319**	**55,734**
Profit/ (loss) for the period		-	-	(20,374)	-	(20,374)	(73)	(20,447)
Other comprehensive income[1)]	11	-	-	-	1,365	1,365	-	1,365
Total comprehensive income for the period		-	-	(20,374)	1,365	(19,009)	(73)	(19,082)
Contributions by owners	11	-	44,003	-	-	44,003	-	44,003
Dividends	11	-	(150)	-	-	(150)	-	(150)
Balance as of June 30, 2013		**5,013**	**74,403**	**215**	**629**	**80,260**	**246**	**80,506**
Balance as of Sept 30, 2013		**5,013**	**74,403**	**(991)**	**4,044**	**82,469**	**169**	**82,638**
Effects from first-time adoption of IAS 19R[1)]		-	-	-	(2,307)	(2,307)	-	(2,307)
Balance as of Sept 30, 2013 adjusted[1)]		**5,013**	**74,403**	**(991)**	**1,737**	**80,162**	**169**	**80,331**
Profit/ (loss) for the period		-	-	(520)	-	(520)	26	(494)
Other comprehensive income	11	-	-	-	(1,315)	(1,315)	-	(1,315)
Total comprehensive income for the period		-	-	(520)	(1,315)	(1,835)	26	(1,809)
Reduction of issued capital	11	(4,836)	4,836	-	-	-	-	-
Proceeds from capital increase	11	30	64,970	-	-	65,000	-	65,000
Contributions by owners	11	-	10,020	-	-	10,020	-	10,020
IPO costs directly netted with equity, net of tax	11	-	-	(1,121)	-	(1,121)	-	(1,121)
Dividends	11	-	(81,137)	-	-	(81,137)	-	(81,137)
Balance as of June 30, 2014		**207**	**73,091**	**(2,632)**	**422**	**71,088**	**195**	**71,283**

[1)] Information related to the adjustment of the prior-year figures is disclosed in Note 1.
The accompanying Notes form an integral part of these Consolidated Financial Statements.

Consolidated Statement of Cash Flows
for the nine months ended June 30, 2014 (unaudited)

in € thousands	Note	Nine months ended June 30, 2014	2013[1]
Profit/ (loss) for the period		(495)	(20,447)
Current income tax expense		6,253	5,579
Deferred income tax expense		(7,509)	(1,697)
Net finance result	3/ 4	22,584	41,359
Depreciation and amortization		29,401	29,700
Other non-cash income and expenses		(11,449)	(2,076)
Changes in inventories		(3,090)	1,386
Changes in trade accounts receivable		16,993	(7,462)
Changes in trade accounts payable		(336)	(4,393)
Changes in other assets and liabilities		5,965	3,054
Changes in restricted cash		-	2,669
Changes in provisions		(3,472)	(3,657)
Changes in deferred tax assets and liabilities		7,509	(2,044)
Income tax payments	19	(4,228)	(6,046)
Cash flows from operating activities		**58,126**	**35,925**
Proceeds from disposal of property, plant and equipment		16	154
Purchase of intangible assets		(9,602)	(9,216)
Purchase of property, plant and equipment		(16,078)	(15,393)
Cash flows from disposals and aquisitions of tangible and intangible assets		*(25,664)*	*(24,455)*
Payments for upstream shareholder loan		-	(80,014)
Cash flows from changes in non-current financial assets		-	*(80,014)*
Cash flows from investing activities		**(25,664)**	**(104,469)**
Receipts from contributions of equity		65,000	44,003
Receipts from issuance of senior secured notes		-	315,000
Receipts under revolving credit facility		8,000	-
Payments under revolving credit facility		(8,000)	-
Payments for redemption of financial liabilities		(58,877)	(303,806)
Payments for redemption of other financial liabilities		(1,661)	-
Payments for finance leases		(893)	-
Payments of transaction costs		(5,881)	(5,676)
Dividends paid		-	(150)
Payments for interest	19	(29,935)	(8,784)
Cash flows from financing activities		**(32,247)**	**40,587**
Net increase/ (decrease) in cash and cash equivalents		**215**	**(27,957)**
Effect of movements in exchange rates on cash held		(84)	(258)
Cash and cash equivalents as of beginning of the period		21,819	41,638
Cash and cash equivalents as of end of the period		**21,950**	**13,423**

[1] Information related to the adjustment of the prior-year figures is disclosed in Note 1.
The accompanying Notes form an integral part of these Consolidated Financial Statements.

Notes to Condensed Interim Consolidated Financial Statements
as of and for the three and nine months ended June 30, 2014

1. General Information

Company information

Stabilus S.A., Luxembourg (former Servus HoldCo S.à r.l., hereinafter also referred to as "Stabilus" or "Company") is a public limited liability company (*société anonyme*) incorporated in Luxembourg and governed by Luxembourg law. The company is registered with the Luxembourg Trade and Companies Register (*Register de Commerce et des Sociétés Luxembourg*) under the number B151589 and its registered office is located at 2, rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg. Servus HoldCo S.à r.l. was founded on February 26, 2010. Following the shareholder resolution dated May 5, 2014, the corporate form and the name of the Company were changed from "Servus HoldCo S.à r.l.", a private limited liability company (*sociéte à responsibilitée limitée*), to "Stabilus S.A.", a public limited liability company (*société anonyme*).

The fiscal year is from October 1 to September 30 of the following year (twelve-month period). The consolidated financial statements of Stabilus include Stabilus and its subsidiaries (hereafter also referred to as "Stabilus Group" or "Group").

The Stabilus Group is a leading manufacturer of gas springs and dampers, as well as electric tailgate lifting equipment. The products are used in a wide range of applications in automotive and industrial applications, as well as in the furniture industry. Typically the products are used to aid the lifting and lowering or dampening of movements. As a world market leader for gas springs, the Group ships to all key vehicle manufacturers. Various Tier 1 suppliers of the global car industry as well large technical focused distributors further diversify the Group's customer base. Overall, sales to car manufacturers account for approximately 65% of the Group's revenue; about 30% of the Group's revenue is derived from sales to a large group of industrial customers. The remaining sales of ca. 5% are to the furniture industry for swivel chair products.

Basis for preparation

The accompanying Condensed Interim Consolidated Financial Statements present the operations of Stabilus S.A., Luxembourg, and its subsidiaries. The company has prepared these financial statements under going concern assumption.

The Condensed Interim Consolidated Financial Statements as of and for the three and nine months ended June 30, 2014 have been prepared in accordance with IAS 34 "Interim Financial Reporting"; they comply with the International Financial Reporting Standards (IFRS) as adopted by the European Union. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of Stabilus Group since the last annual Consolidated Financial Statements as of and for the fiscal year ended September 30, 2013. These Interim Consolidated Financial Statements are condensed and do not include all information for full annual financial statements prepared in accordance with International Financial Reporting Standards and therefore should be read in connection with the Consolidated Financial Statements as of September 30, 2013.

The accounting policies adopted in the preparation of the Condensed Interim Consolidated Financial Statements are consistent with those followed in the preparation of the Group's annual financial statements for the fiscal year ended September 30, 2013, except for the new standards and interpretations, which are applied for the first time in these Condensed Interim Consolidated Financial Statements, noted below:

Standard/ Interpretation		Effective date stipulated by IASB	Effective date stipulated by EU
Amendment to IFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	July 1, 2011	January 1, 2013
Amendment to IFRS 1	Government Loans	January 1, 2013	January 1, 2013
Amendments to IFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	January 1, 2013	January 1, 2013
IFRS 13	Fair Value Measurement	January 1, 2013	January 1, 2013
Amendment to IAS 12	Deferred Taxes: Recovery of Unterlying Assets	January 1, 2012	January 1, 2013
IAS 19	Employee Benefits (Revised 2011)	January 1, 2013	January 1, 2013
Improvements to IFRSs (2011)	Collection of Amendments to International Financial Reporting Standards	January 1, 2013	January 1, 2013
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	January 1, 2013	January 1, 2013

The effective date presented above is the date of mandatory application in annual periods beginning on or after that date.

A detailed description of these new regulations can be found in the 2013 Annual Report. The IFRS amendments and new regulations effective as of June 30, 2014 had no material effect on the Condensed Interim Consolidated Financial Statements, except for the effects resulting from the first-time adoption of the revised IAS 19. Additional disclosures required by application of IFRS 13 are provided in the Note 17.

First-time adoption of IAS 19 (revised 2011) and adjustment of the prior-year figures

The first-time adoption of IAS 19 (revised 2011), Employee Benefits, had a material effect in the reporting period. The Group has previously used the corridor method, which is no longer permitted under the revised IAS 19. As a result, actuarial gains and losses have a direct effect on the Consolidated Statement of Financial Position and lead to an increase in provision for pensions and similar obligations and a reduction in equity. Going forward, the Group’s profit for the period will remain free from the effects of actuarial gains and losses, which will be recognized directly in other comprehensive income.

The amendments to IAS 19, Employee Benefits, must be applied retrospectively in financial statements for annual periods beginning on or after January 1, 2013. The Group has adjusted the figures for the comparative period for effects arising from application of the revised version of IAS 19. The following table sets out the effects of the application of IAS 19 on the line items of the Consolidated Statement of Financial Position as of June 30, 2014 and September 30, 2013. The effects on the Consolidated Statement of Comprehensive Income, i.e. the effects on other comprehensive income, for the first nine months of fiscal 2014 and 2013 are disclosed in the Note 11 below.

in € thousands	June 30, 2014	Sept 30, 2013
Other reserves	(4,286)	(2,307)
Total equity	**(4,286)**	**(2,307)**
Pension plans and similar obligations	6,123	3,296
Deferred tax liabilities	(1,837)	(989)
Total liabilities	**4,286**	**2,307**

In addition, the Group has adjusted the figures for the comparative period for the effect arising from the second equity contribution from shareholder amounting to €36,014 thousand in June 2013. In the previous year this equity contribution related to the contribution of shares in Servus II (Gibraltar) Limited, Gibraltar, in particular the value of receivables in EUSIs. There was no increase in equity from the contribution of €36,014 thousand receivables in EUSIs in group accounts because the transfer did not constitute a contribution of assets from the consolidated perspective. See Note 20 in the 2013 Annual Report. In the Consolidated Statement of Cash Flows the payments for upstream shareholder loan of €(80,014) thousand are classified under cash flows from investing activities, corresponding to the presentation of this line item in Consolidated Statement of Cash Flows for the fiscal year ended September 30, 2013.

Presentation

These Condensed Interim Consolidated Financial Statements as of and for the three and nine months ended June 30, 2014 comprise Consolidated Statement of Comprehensive Income for the three and nine months ended June 30, 2014, the Consolidated Statement of Financial Position as of June 30, 2014, the Consolidated Statement of Changes in Equity for the nine months ended June 30, 2014, the Consolidated Statement of Cash Flows for the nine months ended June 30, 2014 and the explanatory Notes to the Condensed Interim Consolidated Financial Statements. The Condensed Interim Consolidated Financial Statements are prepared in euros (€) rounded to the nearest thousands. Due to rounding, numbers presented may not add up precisely to totals provided.

The Condensed Interim Consolidated Financial Statements were authorised for issue by the Management Board on August 18, 2014.

Scope of consolidation and business combinations

Effective January 30, 2014, the remaining 2% shares in Orion Rent Imobiliare S.R.L., Brasov, Romania, were acquired for €4.64.

Since September 30, 2013 the number of consolidated companies did not changed. In the third quarter of fiscal 2014 one company, Servus II (Gibraltar) Limited was sold and one company Servus III (Gibraltar) Limited was founded and included in consolidation for the first time.

Significant events and transactions

In the second quarter of fiscal 2014 the Group started a sale of receivables program (factoring). Trade accounts receivable amounting to €20.2 million were sold to a factor. The German tax audit covering the fiscal years 2009 to 2012 was finalized and tax assessments issued. The assessments followed essentially the facts reflected in the financial year ended September 2013.

In the third quarter of fiscal 2014, following the shareholders resolution dated May 5, 2014 Stabilus S.A. was listed in the Prime Standard of the Frankfurt Stock Exchange's regulated market. Shares of the Company were offered to the public in Germany and placed privately with institutional investors in certain jurisdictions outside Germany. Prior to the IPO and immediately following the IPO the Group structure was reorganized (hereinafter also referred to as "IPO reorganization"). As a result, the equity upside-sharing instruments (EUSIs) and the upstream loan to the selling shareholder were extinguished and will no longer be recognized on the Group's balance sheet.

2. Revenue

The Group's revenue developed as follows:

	Three months ended June 30,		Nine months ended June 30,	
in € thousands	**2014**	**2013**	**2014**	**2013**
Europe[1]	69,922	64,861	199,776	182,499
NAFTA[1]	44,447	40,735	129,196	115,553
Asia/Pacific and rest of world[1]	15,791	15,119	47,127	42,059
Revenue[1]	**130,160**	**120,715**	**376,099**	**340,111**

[1] Revenue breakdow n by location of Stabilus company (i. e. "billed-from view ").

	Three months ended June 30,		Nine months ended June 30,	
in € thousands	**2014**	**2013**	**2014**	**2013**
Automotive	87,123	78,169	251,413	219,367
Gas spring	65,186	63,256	191,535	181,296
Powerise	21,937	14,913	59,878	38,071
Industrial	36,873	36,079	106,163	101,223
Swivel chair	6,164	6,467	18,523	19,521
Revenue	**130,160**	**120,715**	**376,099**	**340,111**

Group revenue results from sales of goods.

3. Finance income

	Three months ended June 30,		Nine months ended June 30,	
in € thousands	**2014**	**2013**	**2014**	**2013**
Interest income on loans and financial receivables	6	21	25	144
Net foreign exchange gain	634	-	-	-
Gains from changes in carrying amount of financial assets	1,270	-	5,714	-
Gains from changes in fair value of derivative instruments	-	-	3,870	-
Gains from changes in carrying amount of EUSIs	-	10,624	-	-
Other interest income	242	92	761	560
Finance income	**2,152**	**10,737**	**10,370**	**704**

Other interest income mainly comprises capitalized interest expenses according to IAS 23.

4. Finance costs

in € thousands	Three months ended June 30, 2014	2013	Nine months ended June 30, 2014	2013
Interest expense on financial liabilities	(12,757)	(8,056)	(25,530)	(18,948)
Net foreign exchange loss	-	(1,145)	(416)	(3,544)
Loss from changes in carrying amount of financial assets	-	(8,900)	-	(8,900)
Loss from changes in fair value of derivative instruments	(1,367)	-	-	-
Loss from changes in carrying amount of EUSIs	-	-	(6,720)	(10,227)
Interest expenses finance lease	(14)	(32)	(56)	(113)
Other interest expenses	(49)	(127)	(232)	(331)
Finance costs	**(14,187)**	**(18,260)**	**(32,954)**	**(42,063)**

5. Earnings per share

Following the shareholder resolution dated May 5, 2014, the corporate form of the Company was changed from S.à r.l. (*sociéte à responsibilitée limitée*) to S.A. (*société anonyme*) and the number of shares outstanding was reduced from 501,250,001 to 17,700,000.

On May 27, 2014 3,023,256 new shares were issued.

The weighted average number of shares used for the calculation of earnings per share in the nine months ended June 30, 2014 and 2013 is set out in the following table. For the comparative period the number of shares was adjusted retrospectively according to IAS 33.64, i.e. the number of shares of the new corporate form S.A. (*société anonyme*) was used.

Date	Number of days	Transaction	Change	Total shares	Total shares (time-weighted)
October 1, 2012	273			17,700,000	17,700,000
June 30, 2013				**17,700,000**	**17,700,000**
October 1, 2013	238			17,700,000	15,430,769
May 27, 2014	35	Capital increase	3,023,256	20,723,256	2,656,828
June 30, 2014				**20,723,256**	**18,087,597**

The earnings per share for the nine months ended June 30, 2014 and 2013 were as follows:

	Nine months ended June 30, 2014	2013
Profit/ (loss) attributable to shareholders of the parent (in € thousands)	(520)	(20,374)
Number of weighted shares	18,087,597	17,700,000
Earnings per share (in €)	**(0.03)**	**(1.15)**

6. Property, plant and equipment

Additions to property, plant and equipment in the first nine months of fiscal 2014 amount to €15,790 thousand (first nine months of fiscal 2013: €15,536 thousand). The increase against the comparative period is mainly due to more assets under construction. The total assets under construction as of June 30, 2014 amount to €22,576 thousand (Sept 30, 2013: €19,410 thousand). The significantly higher assets under construction are the result of the capacity expansions in our Chinese plant as well as for Powerise production to support the growth profile of the business.

Disposals happened only in the ordinary course of the business. The net value of disposed property, plant and equipment in the first nine months of fiscal 2014 amounts to €2 thousand (first nine months of fiscal 2013: €108 thousand).

The Group did not recognize any impairment losses or reversals of impairment losses in the underlying reporting period.

7. Other intangible assets

Additions to intangible assets in the first nine months of fiscal 2014 amount to €9,602 thousand (first nine months of fiscal 2013: €9,216 thousand) and comprise mainly internally generated developments. Significant disposals have not been recognized.

In the first nine months of fiscal 2014, costs of €9,371 thousand (first nine months of fiscal 2013: €9,189 thousand) were capitalized for development projects that were incurred in the product and material development areas. Amortization expenses on development costs include impairment losses of €(514) thousand (first nine months of fiscal 2013: €(80) thousand) due to withdrawal of customers from the respective projects. The impairment loss is included in the research and development expenses.

The borrowing costs capitalized in the first nine months of fiscal 2014 amount to €730 thousand (first nine months of fiscal 2013: €536 thousand).

8. Other financial assets

	June 30, 2014			Sept 30, 2013		
in € thousands	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Loan to shareholder	-	-	-	-	77,134	77,134
Derivative instruments	14,715	-	14,715	10,845	-	10,845
Other miscellaneous	6,311	-	6,311	-	-	-
Other financial assets	**21,026**	**-**	**21,026**	**10,845**	**77,134**	**87,979**

Loan to shareholder

As part of the IPO reorganization the upstream shareholder loan was derecognized, following the distribution of Company's equity interest in Servus II (Gibraltar) Limited which held the upstream shareholder loan receivable.

Derivative instruments

Derivative financial instruments comprise solely fair values of early redemption options embedded in the indenture which was concluded on June 7, 2013. The increase in fair value of these embedded derivatives in the first nine months of fiscal 2014 amounting to €3,870 thousand is included in the Group's income statement as finance income. See also Note 3.

9. Other assets

	June 30, 2014			Sept 30, 2013		
in € thousands	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
VAT	3,693	-	3,693	6,514	-	6,514
Prepayments	1,747	432	2,179	892	144	1,036
Deferred charges	1,875	-	1,875	1,449	-	1,449
Other miscellaneous	2,212	950	3,162	4,525	880	5,405
Other assets	**9,527**	**1,382**	**10,909**	**13,380**	**1,024**	**14,404**

Non-current prepayments comprise prepayments on property, plant and equipment.

10. Inventories

in € thousands	June 30, 2014	Sept 30, 2013
Raw materials and supplies	24,208	23,809
Finished products	11,074	10,053
Work in progress	8,457	7,511
Merchandise	5,414	4,690
Inventories	**49,153**	**46,063**

11. Equity

The development of the equity is presented in the statement of changes in equity.

Issued capital as of June 30, 2014 amounted to €207 thousand (Sept 30, 2013: 5,013 thousand) and was fully paid in. It is divided into 20,723,256 shares with a nominal value of €0.01 each.

According to the shareholder resolution dated May 5, 2014 the issued capital of the Company was reduced by €4,836 thousand. The Company's issued capital was brought from an amount of €5,013 thousand (divided into 501,250,001 shares having a nominal value of €0.01) to an amount of €177 thousand (divided into 17,700,000 shares having a nominal value of €0.01) by way of cancellation of 483,550,001 shares and allocation of an aggregate amount of €4,836 thousand to a newly created distributable reserve of the Company.

On May 27, 2014 the number of shares was increased by 3,023,256 shares (having a nominal value of €0.01) leading to an increase in the issued capital by €30 thousand. The total proceeds from this capital increase amounted to €65,000 thousand; a share premium of €64,970 thousand is included in capital reserves.

Capital reserves as of June 30, 2014 amounted to €73,091 thousand (Sept 30, 2013: €74,403 thousand) and contained premiums received for the issuance of shares of €64,970 thousand, a distributable reserve of €4,836 thousand and other capital contributions by owners of €3,286 thousand.

The capital reserves were presented as "additional paid-in capital" in the previous financial statements. The presentation, i.e. the name, of this balance sheet item was changed to "capital reserves" since it is more appropriate for the nature and composition of this line item.

Retained earnings as of June 30, 2014 amounted to €(2,632) thousand (Sept 30, 2014: €(991) thousand) and included Group's net result in the first nine months of fiscal 2014 amounting to €(520) thousand and expenses for the initial public offering of €(1,121) which were directly netted with equity.

Other reserves comprise all foreign currency differences arising from the translation of the financial statements of foreign operations and following the first-time adoption of revised IAS 19 the unrealized actuarial gains and losses. The following table shows the changes in other reserves recognized in equity through other comprehensive income as well as the income tax recognised in equity through other comprehensive income:

	Nine months ended June 30, 2014				
in € thousands	**Before tax**	**Tax (expense) benefit**	**Net of tax**	**Non-controlling interest**	**Total**
Unrealized gains/ (losses) from foreign currency translation	675	-	675	-	675
Unrealized actuarial gains and losses	(2,843)	853	(1,990)	-	(1,990)
Other comprehensive income/ (expense) for the period	**(2,168)**	**853**	**(1,315)**	**-**	**(1,315)**

	Nine months ended June 30, 2013				
in € thousands	**Before tax**	**Tax (expense) benefit**	**Net of tax**	**Non-controlling interest**	**Total**
Unrealized gains/ (losses) from foreign currency translation	2,200	-	2,200	-	2,200
Other comprehensive income/ (expense) for the period	**2,200**	**-**	**2,200**	**-**	**2,200**
Unrealized actuarial gains and losses[1)]	(1,189)	357	(832)	-	(832)
Other comprehensive income/ (expense) for the period adjusted	**1,011**	**357**	**1,368**	**-**	**1,368**

[1)] Effects from first-time adoption of IAS 19 (revised 2011)

12. Financial liabilities

The financial liabilities comprise following items:

		June 30, 2014			Sept 30, 2013	
in € thousands	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Notes*	827	255,511	256,338	7,663	311,797	319,460
EUSIs	-	-	-	-	3,300	3,300
Financial liabilities	**827**	**255,511**	**256,338**	**7,663**	**315,097**	**322,760**

* measured at amortized cost under consideration of transaction costs and embedded derivatives.

Senior secured notes

Senior secured notes are measured at amortized cost under consideration of transaction costs and embedded derivatives. The interest on the notes is payable semi-annually in arrears in June and December. The current portion of the financial liability reflects the accrued interest at the balance sheet date. The principal amount of the senior secured notes as of June 30, 2014 amounts to €256,123 thousand. It decreased in the third quarter of fiscal 2014 from €315 million to €256,123 thousand due to early redemption of senior secured notes amounting to €58,877 thousand on June 5, 2014.

Equity upside-sharing instruments (EUSIs)

As part of the IPO reorganization the equity upside-sharing instruments (EUSIs) were extinguished and will no longer be recognized on the Group's balance sheet.

13. Other financial liabilities

	June 30, 2014			Sept 30, 2013		
in € thousands	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Liabilities to employees	4,680	-	4,680	4,519	-	4,519
Social security contribution	2,186	-	2,186	1,539	-	1,539
Finance lease obligation	782	985	1,767	1,167	1,472	2,639
Liabilities to related parties	3	-	3	1,661	-	1,661
Other financial liabilities	**7,651**	**985**	**8,636**	**8,886**	**1,472**	**10,358**

The liability to the Group's shareholder Servus Group HoldCo II S.à r. l., Luxembourg, amounting to €1,661 thousand as of September 30, 2013 was settled in the third quarter of fiscal 2014.

14. Provisions

	June 30, 2014			Sept 30, 2013		
in € thousands	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Anniversary benefits	-	354	354	-	551	551
Early retirement contracts	-	4,143	4,143	-	5,913	5,913
Employee related costs	3,822	-	3,822	4,160	-	4,160
Environmental protection	714	-	714	915	-	915
Other risks	589	-	589	565	-	565
Legal and litigation costs	138	-	138	138	-	138
Warranties	3,195	-	3,195	6,057	-	6,057
Other miscellaneous	1,189	568	1,757	2,073	573	2,646
Provisions	**9,647**	**5,065**	**14,712**	**13,908**	**7,037**	**20,945**

The provision for payments resulting from early retirement contracts decreased in the first nine months of fiscal 2014 from €5,913 thousand as of September 30, 2013 to €4,143 thousand as of June 30, 2014 mainly due to utilizations (cost paid to the participants of the early retirement program). The program has been closed for new participants; the last employees finished the active phase of the early-retirement program in fiscal 2013; the passive phase will extend until fiscal 2016 for some employees.

The warranty provision decreased in the first nine months of fiscal 2014 by €2,862 thousand from €6,057 thousand as of September 30, 2013 to €3,195 thousand as of June 30, 2014 mainly due to utilizations (costs paid) - in particular settlements of old warranty claims.

15. Other liabilities

The Group's other liabilities mature within a year. Accordingly, they are disclosed as current liabilities. The following table sets out the breakdown of Group's other liabilities:

in € thousands	June 30, 2014	Sept 30, 2013
Advanced payments received	349	339
Vacation expenses	2,212	2,100
Other personnel related expenses	3,606	4,727
Outstanding costs	7,175	3,523
Miscellaneous	334	184
Other current liabilities	**13,676**	**10,873**

16. Contingent liabilities and other financial commitments

Contingent liabilities

Contingent liabilities are uncertainties for which the outcome has not been determined. If the outcome is probable and estimable, the liability is shown in the statement of financial position.

Guarantees

A detailed description of the guarantees the Group issued can be found in the 2013 Annual Report.

Other financial commitments

The nominal values of the other financial commitments as of June 30, 2014 are as follows:

in € thousands	June 30, 2014	Sept 30, 2013
Capital commitments for fixed and other intangible assets	5,900	3,003
Obligations under rental and leasing agreements	12,829	11,202
Total	**18,729**	**14,205**

Higher committed investments in China as well as for powder coating equipment at our Korea facility explain the year-over-year change.

17. Financial instruments

The following table shows the carrying amounts and fair values of the Group's financial instruments. The fair value of a financial instrument is the price at which a party would accept the rights and/or obligations of this financial instrument from another independent party. Given the varying influencing factors, the reported fair values can only be regarded as indicators of the prices that may actually be achieved on the market.

in € thousands	Measurement category acc. to IAS 39	June 30, 2014		Sept 30, 2013	
		Carrying amount	Fair value	Carrying amount	Fair value
Trade accounts receivables	LaR	50,783	50,783	67,776	67,776
Cash	LaR	21,950	21,950	21,819	21,819
Loan to shareholder	LaR	-	-	77,134	81,018
Derivative instruments	FAFV	14,715	14,715	10,845	10,845
Other miscellaneous	LaR	6,311	6,311	-	-
Other financial assets	LaR/ FAFV	21,026	21,026	87,979	91,863
Total financial assets		**93,759**	**93,759**	**177,574**	**181,458**
Senior secured notes	FLAC	256,338	276,997	319,460	321,624
EUSIs	FLAC	-	-	3,300	4,568
Financial liabilities	FLAC	256,338	276,997	322,760	326,192
Trade accounts payable	FLAC	44,641	44,641	44,977	44,977
Finance lease liabilities	-	1,767	1,403	2,639	2,582
Liabilities to related parties	FLAC	3	3	1,661	1,661
Other financial liabilities	FLAC/ -	1,770	1,406	4,300	4,243
Total financial liabilities		**302,749**	**323,044**	**372,037**	**375,412**
Aggregated according to categories in IAS 39:					
Loans and receivables (LaR)		79,044	79,044	166,729	170,613
Financial assets at fair value through profit and loss (FAFV)		14,715	14,715	10,845	10,845
Financial liabilities measured at amortized cost (FLAC)		300,982	321,641	369,398	372,830

The following table provides an overview of the classification of financial instruments presented above in the fair value hierarchy, except for financial instruments with fair values corresponding to the carrying amounts (i.e. trade accounts receivable and payable, cash and other financial liabilities).

	June 30, 2014				Sept 30, 2013			
in € thousands	**Total**	**Level 1[1)]**	**Level 2[2)]**	**Level 3[3)]**	**Total**	**Level 1[1)]**	**Level 2[2)]**	**Level 3[3)]**
Financial assets								
Loan to shareholder	-	-	-	-	81,018	-	-	81,018
Derivative instruments	14,715	-	14,715	-	10,845	-	10,845	-
Financial liabilities								
Senior secured notes	276,997	276,997	-	-	321,624	321,624	-	-
EUSIs	-	-	-	-	4,568	-	-	4,568
Finance lease liabilities	1,403	-	-	1,403	2,582	-	-	2,582

[1)] Fair value measurement based on quoted prices (unadjusted) in active markets for these or identical instruments.

[2)] Fair value measurement based on inputs that are observable on active markets either directly (i. e. as prices) or indirectly (i. e. derived from prices).

[3)] Fair value measurement based on inputs that are not observable market data.

The fair value of the financial instruments is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. In other words, the fair value is the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted senior secured notes is based on price quotations at the reporting date.
- The valuation technique used for the determination of unquoted instruments, i.e. the upstream shareholder loan, the equity upside-sharing instruments (EUSIs) and the obligations under finance leases, is the discounted cash flow method. The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate depending on the maturity of the payment. The expected payments are determined by considering contractual redemption payments and interest payments with the currently agreed interest rate. Significant unobservable inputs are the risk-adjusted discount rates, which range from 7.5% to 10.1%, and the forecasted interest payments. Therefore, the fair value would change if the risk-adjusted discount rate or the interest rate changes.
- The fair value of embedded derivative instruments is calculated using a standard option pricing model. For the valuation, the credit spread used is calibrated such that the model reproduces the current market price of the notes quoted on the Luxembourg Stock Exchange at the reporting date.

18. Risk reporting

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the Consolidated Financial Statements as of and for the fiscal year ended September 30, 2013.

19. Notes to the consolidated statement of cash flows

The statement of cash flows is prepared in compliance with IAS 7. The statement of cash flows of the Stabilus Group shows the development of the cash flows from operating, investing and financial activities. Inflows and outflows from operating activities are presented in accordance with the indirect method and those from investing and financing activities by the direct method.

The cash funds reported in the statement of cash flows comprise all liquid funds, cash balances and cash at banks reported in the statement of financial position.

Interest payments in the first nine months of fiscal 2014 amounting to €(29,935) thousand (first nine months of fiscal 2013: €(8,784) thousand) are taken into account in the cash outflows from financing activities. Income tax payments in the same period of €(4,228) thousand (first nine months of fiscal 2013: €(6,046) thousand) are allocated in full to the operating activities area, since allocation to individual business areas is impracticable. Payments for finance leases in the nine months ended June 30, 2013 amounting to €(881) thousand are included in the cash flow from operating activities.

20. Segment reporting

Stabilus Group is organized and managed primarily on a regional level. The three reportable operating segments of the Group are Europe, NAFTA, Asia/ Pacific and rest of world (RoW). The product portfolio is largely similar in these three regional segments.

The Group measures the performance of its operating segments through a measure of segment profit or loss (key performance indicator) which is referred to as “adjusted EBITDA”. Adjusted EBITDA represents EBITDA (i.e. earnings before interest, taxes, depreciation and amortization), as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes and other non-recurring costs, as well as interest on pension charges.

Segment information for the nine months ended June 30, 2014 and 2013 is as follows:

	Europe		NAFTA		Asia/ Pacific and RoW	
	Nine months ended June 30,		Nine months ended June 30,		Nine months ended June 30,	
in € thousands	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
External revenue[1]	199,776	182,499	129,196	115,553	47,127	42,059
Intersegment revenue[1]	17,180	16,868	1,633	1,764	89	32
Total revenue[1]	216,956	199,367	130,829	117,317	47,216	42,091
EBITDA	25,051	31,340	16,553	13,974	8,632	9,180
Depreciation and amortization	(14,289)	(14,521)	(4,544)	(4,868)	(1,262)	(1,486)
Adjusted EBITDA	41,097	36,781	18,112	16,032	8,801	9,244

	Total segments		Other/ Consolidation		Stabilus Group	
	Nine months ended June 30,		Nine months ended June 30,		Nine months ended June 30,	
in € thousands	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
External revenue[1]	376,099	340,111	-	-	376,099	340,111
Intersegment revenue[1]	18,902	18,664	(18,902)	(18,664)	-	-
Total revenue[1]	395,001	358,775	(18,902)	(18,664)	376,099	340,111
EBITDA	50,236	54,494	-	-	50,236	54,494
Depreciation and amortization	(20,095)	(20,875)	(9,306)	(8,824)	(29,401)	(29,699)
Adjusted EBITDA	68,009	62,057	-	-	68,009	62,057

[1] Revenue breakdow n by location of Stabilus company (i. e. "billed-from view ").

The amounts presented in the column "other/ consolidation" above include the elimination of transactions between the segments and certain other corporate items which are related to the Stabilus Group as a whole and are not allocated to the segments, e.g. depreciation from purchase price allocations.

The following table sets out the reconciliation of the total segments' profit (adjusted EBITDA) to profit before income tax.

	Nine months ended June 30,	
in € thousands	**2014**	**2013**
Total segments' profit (adjusted EBITDA)	**68,009**	**62,057**
Other/ consolidation	-	-
Group adjusted EBITDA	**68,009**	**62,057**
Adjustments to EBITDA	(17,773)	(7,563)
EBITDA	**50,236**	**54,494**
Depreciation and amortization	(29,401)	(29,699)
Profit from operating activities (EBIT)	**20,834**	**24,795**
Finance income	10,370	704
Finance costs	(32,954)	(42,063)
Profit/ (loss) before income tax	**(1,750)**	**(16,564)**

21. Changes in composition of the Management and Supervisory Boards

According to the resolution of the extraordinary general meeting from May 5, 2014 a new Supervisory Board was designated. The appointed Supervisory Board members are Udo Stark (Chairman), Nizar Ghoussaini, Dr. Stephan Kessel and Andi Klein.

The appointed members of the Management Board are Dietmar Siemssen (Chairman), Mark Wilhelms, Bernd-Dietrich Bockamp and Andreas Schröder.

22. Share-based payment

The variable compensation for the members of the Management Board includes a matching stock program. The matching stock program provides for four annual tranches granted each year during the fiscal year ending September 30, 2014 until September 17, 2017. Participation in the matching stock program requires Management Board members to invest in shares of the Company. The investment has generally to be held for the lock-up period.

As part of the matching stock program A (the "MSP A") for each share the Management Board invests in the Company in the specific year (subject to general cap), the Management Board members receive a certain number of fictious options to acquire shares in the Company for each tranche of the matching stock program. The amount of stock options received depends upon a factor to be set by the Supervisory Board annually which will be in a range between 1.0 times and 1.7 times for the outlined timeframe. Thus, if a Management Board member was buying 1,000 shares under the MSP in the Company, he would receive 1,000 to 1,700 fictious options for a certain tranche. The fictious options are subject to a lock-up period of four years and may be exercised during a subsequent two-year exercise period.

As part of matching stock program B (the "MSP B") for each share the Management Board holds in the Company in the specific year (subject to a general cap), the Management Board members receive a certain number of fictious options to acquire shares in the Company for each tranche of the matching stock program. The amount of stock options received depends upon a factor to be set by the Supervisory Board annually which will be in a range between 0.0 times and 0.3 times for the outlined timeframe. Thus, if a Management Board member was holding 10,000 shares under the MSP in the Company, he would receive 0 to 3,000 fictious options for a certain tranche. The fictious options are subject to a lock-up period of four years and may be exercised during a subsequent two-year exercise period.

The options may only be exercised if the stock price of the Company exceeds a set threshold for the relevant tranche, which the Supervisory Board will determine, and which needs to be between ten percent and fifty percent growth over the base price, which is the share price on the grant date. If exercised, the fictious options are transformed into a gross amount equalling the difference between the option price and the relevant stock price multiplied with the number of exercised fictious options. The generally limited net amount resulting from the calculated gross amount is paid out to the Management Board members. Alternatively, the Company may decide to buy shares in an amount equaling the net amount in order to settle the exercised options. The maximum gross amounts resulting from the exercise of the fictious options of one tranche in general is limited in amount. Reinvestment of IPO proceeds from previous equity programs are not taken into account for MSP A.

As of the date of this report no stock options have been granted according to this program.

23. Related party relationships

In accordance with IAS 24, persons or entities that control or are controlled by the Stabilus Group shall be disclosed, unless they are included in consolidation as a consolidated entity. Control exists if a shareholder holds more than half of the voting rights in Stabilus and has the possibility as a result of a provision in the articles of incorporation or a contractual arrangement to control the financial and business policies of the Stabilus Group.

The disclosure obligation under IAS 24 furthermore extends to transactions with persons who exercise a significant influence on the financial and business policies of the Stabilus Group, including close family members or interposed entrepreneurs. A significant influence on the financial and business policies of the Stabilus Group can hereby be based on a shareholding of 20 % or more in Stabilus, a seat on the management board of Stabilus or another key position.

Following the IPO on May 23, 2014 the shareholder structure of Stabilus changed. Related parties of the Stabilus Group in accordance with IAS 24 primarily comprise the shareholder Servus Group HoldCo II and Stabilus Group management which also holds an investment in the company.

To fund working capital requirements of Servus HoldCo S. à r. l. and Stable II S. à r. l. in the previous years, the shareholder Servus Group HoldCo II provided a working capital loan amounting to €1,661 thousand as of September 30, 2014. This loan has been fully redeemed in the third quarter of fiscal 2014. As of June 30, 2014 the Group has a liability to Servus II (Gibraltar) Limited amounting to €3 thousand; as of September 30, 2013 Servus II (Gibraltar) Limited was part of the Stabilus Group. See also Note 13.

The loan the Group has provided to the shareholder Servus Group HoldCo II in fiscal 2013 amounting to €80,014 thousand (principal amount) was derecognized from the Group's balance sheet following the distribution of the Company's equity interest in Servus II (Gibraltar) Limited which was the holder of the upstream shareholder loan receivable. See also Note 7.

24. Subsequent events

As of August 18, 2014 there were no further events or developments that could have materially affected the measurement and presentation of Group's assets and liabilities as of June 30, 2014.

25. Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit and loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Luxembourg, August 18, 2014

Stabilus S.A.
Management Board

Financial Calendar
for the fiscal year ending September 30, 2014

Date [1)2)]	**Publication / Event**
August 18, 2014	Publication of the third-quarter results for fiscal 2014 (Interim Report Q3 FY14)
December 15, 2014	Publication of full year results for fiscal 2014 (Annual Report 2014)
February 18, 2015	Annual General Meeting for fiscal 2014

[1)] We cannot rule out changes of dates, we recommend checking them on our website in the Investor Relations/ Financial Calendar section (www.ir.stabilus.com).

[2)] Please note that our fiscal year (FY) comprises a twelve-months period from October 1st until September 30th of the following calendar year. E.g. the fiscal year 2014 comprises a year ended September 30, 2014.

Information Resources

Further information including financial news, reports and publications can be found in the Investor Relations section of our website at www.ir.stabilus.com.

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