



HALF-YEAR FINANCIAL REPORT 2020

MBB SE, Berlin

MBB in figures

Half year (unaudited)	2020	2019	Δ 2020 / 2019
Earnings figures (adjusted*)	€k	€k	%
Revenue	328,854	251,395	30.8
Operating performance	327,544	251,657	30.2
Total performance	337,120	263,060	28.2
Cost of materials	-179,634	-159,972	12.3
Staff costs	-100,507	-63,596	58.0
EBITDA	28,721	24,207	18.6
<i>EBITDA margin</i>	8.8%	9.6%	
EBIT	14,685	16,303	-9.9
<i>EBIT margin</i>	4.5%	6.5%	
EBT	9,142	15,641	-41.6
<i>EBT margin</i>	2.8%	6.2%	
Consolidated net profit after non-controlling interests	6,566	5,200	26.3
eps in €	1.11	0.84	32.1
Average number of shares in circulation	5,936	6,198	
Earnings figures (IFRS)	€k	€k	%
EBITDA	25,416	24,207	5.0
Consolidated net profit	3,520	4,941	-28.8
eps in €	0.59	0.80	-26.3
Figures from the statement of financial position (IFRS)	30 Jun €k	31 Dec €k	%
Non-current assets	347,476	346,084	0.4
Current assets	460,068	498,608	-7.7
thereof cash and equivalents**	308,613	340,193	-9.3
Issued capital (share capital)	5,932	5,941	-0.2
Other equity	463,706	468,611	-1.0
Total equity	469,638	474,552	-1.0
<i>Equity ratio</i>	58.2%	56.2%	
Non-current liabilities	146,297	149,919	-2.4
Current liabilities	191,609	220,221	-13.0
Total assets	807,544	844,692	-4.4
Net debt (-) or net cash (+)**	215,286	249,838	-13.8
Employees	3,485	3,505	-0.6

* For details of adjustments please see the information on the results of operations, financial position and net assets in the interim Group management report.

** This figure includes physical gold reserves and securities.

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Welcome note from the Executive Management

Dear Shareholders,

In the first half of 2020, the outbreak of the COVID-19 pandemic brought the world to a standstill that would previously have been hard to imagine. Lockdowns and other drastic measures to combat the pandemic not only limited people's social lives, but also precipitated a dramatic economic slump. With fiscal and monetary policy stimulus measures running to the trillions, governments and central banks are now attempting to ameliorate the economic collapse.

MBB has also keenly felt the effects of the pandemic. However, the diversification of the MBB Group achieved in recent years has borne fruit, and the economic downturn in individual business areas has been compensated by positive developments in others. Overall, in spite of COVID-19, MBB's performance in the first half of the year was remarkably robust, with revenue growth of 30.8% to €328.9 million and an EBITDA margin of 8.8%.

In particular, the MBB companies affected the most by COVID-19 include Aumann, Delignit and OBO, which together form the Technological Applications segment. This segment's revenue declined by 32.9% to €118.5 million in the first half of the year, with EBITDA of €0.8 million. At Aumann, the slump in the automotive industry affected both the company's incoming orders and its profitability. Moreover, to improve its cost structure, Aumann has decided to close its smallest German location. At Delignit, production had to be scaled back significantly for several weeks owing to customer shutdowns.

In the Consumer Goods segment as well, which comprises Hanke Tissue and CT Formpolster, the impact of the pandemic caused revenue to decline, though this was less severe than in the Technological Applications segment at -13.5%. The reasons for this decline were firstly the weak demand for commercial tissue products and secondly reduced mattress sales due to shop closures.

At €171.9 million, the Service & Infrastructure segment contributed more than half of the MBB Group's revenue in the first half of the year. The segment's contribution to consolidated EBITDA was also substantial at €24.9 million. This was thanks not just to the growth of the energy infrastructure companies acquired last year, Friedrich Vorwerk and Bohlen & Doyen, but also a significant increase in revenue to €33.9 million at the IT security specialist DTS.

The strength of the Service & Infrastructure segment during an economically more than challenging phase highlights the crisis resilience of the energy infrastructure and IT security industries. Thanks to this resilience, MBB's management is again aiming for its original forecast for the year of revenue of more than €660 million and an adjusted EBITDA margin of between 8% and 10% despite the COVID-19 pandemic. With net liquidity in the Group of €215.3 million, €182.1 million of which relates to the MBB SE holding company, MBB is excellently positioned for new acquisitions, for which we anticipate a significant increase in the number of opportunities.

Yours,

The Executive Management of MBB SE

Interim Group management report

MBB SE is a medium-sized, family-owned company that forms the MBB Group together with its subsidiaries.

Business and economic conditions

The global economic climate was largely defined by the impact of the global COVID-19 pandemic in the first half of 2020. The measures taken to curb the spread of the virus led to the closure of shops lasting several weeks, production shutdowns and cost-cutting programmes all over the world, which together resulted in a significant decline in business activity.

The recession sparked by the COVID-19 pandemic caused a double-digit decline in German GDP in the second quarter of 2020. As things currently stand, the economic recovery is largely dependent on there being no second wave. Overall, the German Institute for Economic Research (DIW) is forecasting that German GDP will slump by 9.4% year-on-year for 2020 as a whole.

Developments on the sub-markets relevant to MBB were mixed. The consequences of the COVID-19 pandemic have hit the automotive industry especially hard. According to figures from the German Association of the Automotive Industry (VDA), 43% fewer cars were registered in the European Union compared to the first half of the previous year. New registrations fell by 27% in China and by 23% in the US. The dramatic slump in consumer demand, the intermittent disruption of supply chains and the shutdown of production lines for weeks at a time caused car production in Germany to fall to its lowest level in 45 years in the first half of 2020, down 40% year-on-year at 1.5 million vehicles. Developments were similar in the commercial vehicle sector.

According to figures from the German Association for Information Technology, Telecommunications and New Media (Bitkom), the German IT market is slightly more robust than Germany's overall economy. While the market volume expanded by 1.7% to €169.1 billion in 2019, Bitkom is forecasting a decline of approximately 3.3% to €163.5 billion for 2020. In particular, the main drivers of this decline are IT hardware (down 7.5%) and consumer electronics (down 7.0%), which are less relevant to MBB.

The forecast for the German energy industry is also better than for the economy as a whole. The German Federal Association of the Energy and Water Industry (BDEW) rates the energy industry as having among the highest investment of any sector in Germany, with more than €320 billion projected by 2030. It forecasts that the industry will deliver key economic stimulus even before the end of 2020, which might allow GDP in Germany to rise by 0.6% year-on-year. The energy industry would therefore contribute substantially to the economic recovery from the recession brought about by COVID-19.

Business development

In the first six months of 2020, MBB achieved revenue growth of 30.8% year-on-year to €328.9 million (previous year: €251.4 million). EBITDA climbed by 18.6% as against the previous year to €28.7 million in the same period (previous year: €24.2 million). The EBITDA margin was down at 8.8% in the first half of 2020 after 9.6% in the same period of the previous year. Adjusted earnings per share amounted to €1.11, an increase of 32.1% as against the same period of the previous year. The MBB Group had 3,485 employees as at the end of the reporting period, 20 fewer than as at the end of 2019.

The growth of the MBB Group in the first half of the year is thanks to the positive development of the Service & Infrastructure segment, which generated revenue of €171.9 million. The segment comprises DTS, which specialises in IT security products and the Friedrich Vorwerk Group acquired in the 2019 financial year, which also included the Bohlen & Doyen companies acquired in December 2019. DTS contributed to the segment's success with further revenue growth of 11.6%. At €138.0 million, the revenue generated by the Friedrich Vorwerk Group, which operates in the energy infrastructure sector, exceeded our expectations. The companies of the Service & Infrastructure segment are yet to experience any significant negative effects due to COVID-19.

The Technological Applications segment, which comprises the listed companies Aumann and Delignit in addition to OBO, which specialises in tooling products, reported a drop in revenue of 32.9% to €118.5 million. Much of this decline was anticipated and relates to weak incoming orders at Aumann in the past financial year. The tense market situation elicited cost sensitivity on the part of customers in the automotive industry. In conjunction with the optimisation of its corporate structure, Aumann AG has ceased operating at its Hennigsdorf location. The negative non-recurring earnings effect caused by this of €3.0 million was adjusted for. Both Delignit and OBO, after an initially promising start to the year, came to feel the force of the COVID-19 pandemic in the second quarter. The segment's EBITDA margin was

therefore less than 1% in the first half of the year. Within the MBB Group, the Technological Applications segment is likely to be the one hit hardest by the effects of the COVID-19 pandemic.

The Consumer Goods segment, which comprises the mattress manufacturer CT Formpolster and the tissue product specialist Hanke, reported a decline in revenue of 13.4% to €38.5 million with EBITDA of €3.6 million (previous year: €3.7 million). The impact of the COVID-19 pandemic on the Consumer Goods segment is thus less pronounced than on the Technological Applications segment, though the companies within the segment are nonetheless feeling the effects.

MBB acquired 305,000 shares in Aumann AG in total at a price of 2.5 Mio. € over the counter in the first half of 2020. Its shareholding is therefore 40.00% as at the end of the reporting period (31 December 2019: 38.00%).

On 18 March 2020, the Board of MBB SE resolved to exercise the authorisation granted by the Annual General Meeting on 28 May 2019 to purchase treasury shares and to purchase up to 594,075 treasury shares with a volume of not more than €3.0 million at a price of €55.00 per share over the counter in the period from 20 March 2020 up to and including 30 June 2020. The share buyback programme ended on 30 June 2020. In total, 8,498 shares with a total value of €0.4 million were repurchased.

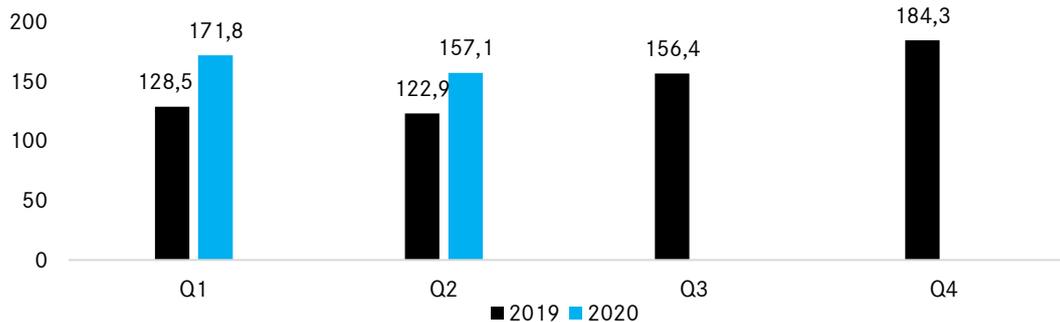
The Board and Executive Management of MBB SE wish for the shareholders to participate appropriately in the company's success. Given the high liquidity level, the very successful 2019 financial year and the moderate overall impact of the COVID-19 pandemic to date, the Board intends to propose a small increase in the dividend for the 2019 financial year to €0.70 per entitled share at the Annual General Meeting. This would be the tenth year in a row in which the base dividend has been increased.

In conjunction with the COVID-19 pandemic, the Annual General Meeting has been postponed until 24 August 2020.

Financial position and financial performance

The financial position and financial performance are still on track. At €328.9 million, the consolidated revenue of the MBB Group is 30.8% higher year-on-year after the first six months of the 2020 financial year (€251.4 million). The significant growth is largely thanks to the companies acquired in the second half of 2019.

Revenue by quarters
in millions of €



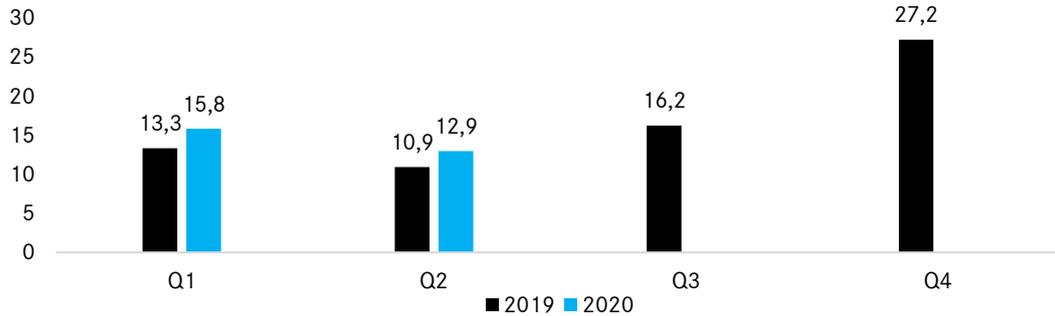
Other operating income of €9.6 million (previous year: €11.4 million) includes income from measurement at equity of €3.7 million, income from own work capitalised of €0.9 million, income from the offsetting of remuneration in kind of €0.7 million, income from securities of €0.5 million, income from the reversal of provisions of €0.5 million, currency translation income of €0.3 million and other income of €3.0 million. Own work capitalised relates to development costs recognised at Aumann AG.

The adjusted cost of materials rose at a slower rate than revenue, climbing by 12.3% to €179.6 million, while adjusted staff costs increased by 58.0% to €100.5 million in the first half of 2020. The change in the cost structure is as a result of the different portfolio structure than in the same period of the previous year.

Adjusted overheads of €28.3 million (previous year: €15.3 million) were incurred, including maintenance expenses, legal and consulting costs, advertising costs, insurance premiums, travel expenses and costs of third-party services in particular. The increase largely results from the acquisition of the Friedrich Vorwerk Group in the second half of 2019.

Adjusted EBITDA was €28.7 million in the first half of the 2020 financial year after €24.2 million in the same period of the previous year. Adjustments included non-recurring expenses incurred in connection with the optimisation of the Aumann Group's cost structure and vertical integration. These are mainly costs in the amount of €3.0 million due to the discontinuation of operations at the Hennigsdorf location.

EBITDA by quarters
in millions of €



Adjusted depreciation and amortisation climbed by €6.1 million as against the previous year to €14.0 million (previous year: €7.9 million). These figures have been adjusted for depreciation and amortisation on assets of €4.9 million capitalised in connection with purchase price allocation. There were also adjustments for impairment losses of €0.3 million on the assets of the Hennigsdorf location.

This results in adjusted EBIT of €14.7 million (previous year: €16.3 million).

Taking net finance costs of €-5.5 million into account, adjusted EBT amounted to €9.1 million (previous year: €15.6 million). The negative net financial costs essentially result from the non-controlling interests of Friedrich Vorwerk KG (GmbH & Co.).

Adjusted consolidated net profit after non-controlling interests amounts to €6.6 million (previous year: €5.2 million) or €1.11 (previous year: €0.84) per share in the first half of 2020.

Equity amounts to €469.6 million as at 30 June 2020 (31 December 2019: €474.6 million). Based on total consolidated assets of €807.5 million (31 December 2019: €844.7 million), the equity ratio is 58.2% as at the end of the reporting period after 56.2% as at 31 December 2019.

The MBB Group had cash funds (including securities and physical gold reserves) of €308.6 million as at 30 June 2020 (31 December 2019: €340.2 million), €182.1 million of which is attributable to MBB SE. The deduction of consolidated financial liabilities of €93.3 million (31 December 2019: €90.4 million) resulted in a net cash position for the MBB Group of €215.3 million as against €249.8 million as at 31 December 2019.

Segment performance

The following segments are reported:

- Service & Infrastructure
- Consumer Goods
- Technological Applications

External revenue in the Service & Infrastructure segment climbed significantly to €171.9 million as a result of the Vorwerk acquisition (previous year: €30.4 million). With a moderate rise in the EBITDA margin, EBITDA amounted to a gratifying €24.9 million for the period from 1 January to 30 June 2020 (previous year: €4.5 million).

Revenue and EBITDA declined significantly year-on-year in the Technological Applications segment. In the first half of 2020, the segment's external revenue amounts to €118.5 million (previous year: €176.5 million) with adjusted EBITDA of €0.8 million (previous year: €16.7 million). The performance of all companies in the segment was impacted by the slump in demand caused by the COVID-19 pandemic.

External revenue in the Consumer Goods segment decreased to €38.5 million (previous year: €44.5 million), owing to the drop in revenue in shop-based mattress sales due to COVID-19 (CT Formpolster) and

the decline in demand for tissue products in the commercial sector (Hanke). Segment EBITDA is stable year-on-year at €3.6 million (€3.7 million).

Employees

The number of people employed by the MBB Group decreased by 0.6% from 3,505 as at 31 December 2019 to 3,485 as at 30 June 2020. The MBB Group is also currently training 214 apprentices and employees in dual study programmes.

Report on risks and opportunities

The risks and opportunities for the business development of the MBB Group are described in the Group management report for the 2019 financial year, which is available on our website www.mbb.com. The current COVID-19 pandemic is described in detail there. The assessment applies unchanged. MBB SE's risk management system is suitable for identifying risks early on and taking immediate action.

Outlook

Despite the COVID-19 pandemic, MBB feels it is able to confirm its original forecast for the year of revenue of more than €660 million and an adjusted EBITDA margin of between 8% and 10%. While the effects of the pandemic are being keenly felt in all divisions of MBB, and the forecast is therefore ultimately conditional, management currently expects that the shortcomings in the areas affected can be compensated by the positive performance of the Service & Infrastructure segment.

Berlin, 18 August 2020

The Executive Management of MBB SE

IFRS half-year consolidated financial statements for 2020

IFRS consolidated statement of profit or loss (unaudited)	1 Jan - 30 Jun 2020 €k	1 Jan - 30 Jun 2019 €k
Revenue	328,854	251,395
Increase (+) / decrease (-) in finished goods and work in progress	-1,310	262
Operating performance	327,544	251,657
Other operating income	9,576	11,403
Total performance	337,120	263,060
Cost of raw materials and supplies	-98,050	-122,437
Cost of purchased services	-84,140	-37,535
Cost of materials	-182,190	-159,972
Wages and salaries	-77,941	-51,096
Social security and pension costs	-22,906	-12,500
Staff costs	-100,847	-63,596
Other operating expenses	-28,667	-15,285
Earnings before interest, taxes, depreciation, and amortisation (EBITDA)	25,416	24,207
Amortisation and depreciation expense	-19,213	-8,614
Earnings before interest and taxes (EBIT)	6,203	15,593
Finance revenue	144	399
Finance costs	-1,365	-1,061
Earnings attributable to non-controlling interests	-3,157	0
Net finance costs	-4,378	-662
Earnings before taxes (EBT)	1,825	14,931
Income tax expense	-818	-4,645
Other taxes	-408	-210
Profit or loss for the period	599	10,076
Non-controlling interests	2,921	-5,135
Consolidated net profit	3,520	4,941
Earnings per share (in €)	0.59	0.80

IFRS consolidated statement of comprehensive income (unaudited)	1 Jan - 30 Jun 2020 €k	1 Jan - 30 Jun 2019 €k
Consolidated net profit	3,520	4,941
Non-controlling interests	-2,921	5,135
Profit or loss for the period	599	10,076
Items that may be subsequently reclassified to profit and loss		
Fair value changes bonds and gold	341	698
Currency translation differences	-1,079	258
Items that not be subsequently reclassified to profit and loss		
Pension reserve	22	0
Fair value changes shares and gold	-1,717	9,360
Other comprehensive income after taxes	-2,433	10,316
Comprehensive income for the reporting period	-1,834	20,392
thereof attributable to:		0
- Shareholders of the parent company	1,315	14,589
- Non-controlling interests	-3,149	5,803

IFRS consolidated statement of comprehensive income (unaudited)	1 April - 30 Jun 2020 €k	1 April 30 Jun 2019 €k
Revenue	157,053	122,930
Increase (+) / decrease (-) in finished goods and work in progress	-337	1,460
Operating performance	156,716	124,390
Other operating income	6,067	9,060
Total performance	162,783	133,450
Cost of raw materials and supplies	-47,409	-62,205
Cost of purchased services	-43,953	-21,064
Cost of materials	-91,362	-83,269
Wages and salaries	-38,722	-25,517
Social security and pension costs	-10,412	-6,195
Staff costs	-49,134	-31,712
Other operating expenses	-12,657	-7,551
Earnings before interest, taxes, depreciation, and amortisation (EBITDA)	9,630	10,918
Amortisation and depreciation expense	-9,763	-4,346
Earnings before interest and taxes (EBIT)	-133	6,572
Other interest and similar income	39	222
Interest and similar expenses	-580	-500
Earnings attributable to non-controlling interests	-2,077	0
Net finance costs	-2,618	-278
Earnings before taxes (EBT)	-2,751	6,294
Income tax expense	467	-2,035
Other taxes	-195	-103
Profit or loss for the period	-2,479	4,156
Non-controlling interests	3,181	-1,986
Consolidated net profit	702	2,170
Earnings per share (in €)	0.12	0.37

Statement of financial position	30 Jun 2020	31 Dec 2019
Assets (IFRS)	unaudited	audited
	€k	€k
Non-current assets		
Concessions, industrial property rights and similar rights	21,667	25,278
Goodwill	44,449	44,449
Advance payments and assets under development	654	134
Intangible assets	66,770	69,861
Land and buildings		
including buildings on third-party land	81,308	80,021
Technical equipment and machinery	50,431	51,176
Other equipment, operating and office equipment	22,168	22,138
Advance payments and assets under development	4,906	4,514
Property, plant and equipment	158,813	157,849
Investments in associates	15,340	13,214
Investment securities	91,132	89,549
Other loans	1,288	1,281
Financial assets	107,760	104,044
Deferred tax assets	14,133	14,330
	347,476	346,084
Current assets		
Raw materials and supplies	18,565	17,778
Work in progress	7,032	7,384
Finished goods and commodities	13,014	13,876
Advance payments	6,336	8,023
Inventories	44,947	47,061
Trade receivables	48,815	73,101
Contract assets	130,562	113,042
Other current assets	18,263	14,760
Trade receivables and other current assets	197,640	200,903
Gold	4,088	3,570
Securities	4,697	3,169
Financial assets	8,785	6,739
Cash in hand	79	84
Bank balances	208,617	243,821
Cash in hand, bank balances	208,696	243,905
	460,068	498,608
Total assets	807,544	844,692

Statement of financial position	30 Jun 2020	31 Dec 2019
Equity and liabilities (IFRS)	unaudited	audited
	€k	€k
Equity		
Issued capital	5,932	5,941
Capital reserve	254,366	253,260
Legal reserve	61	61
Retained earnings	83,601	82,286
Non-controlling interests	125,678	133,004
	469,638	474,552
Non-current liabilities		
Liabilities to banks	42,462	47,297
Liabilities to non-controlling interests	23,844	20,686
Liabilities from participation rights	9,963	9,963
Other liabilities	6,334	6,469
Lease liabilities	14,559	12,068
Pension provisions	28,433	28,387
Other provisions	1,156	1,195
Deferred tax liabilities	19,546	23,854
	146,297	149,919
Current liabilities		
Liabilities to banks	26,497	22,128
Contract liabilities	26,635	35,424
Trade payables	42,316	56,707
Liabilities to non-controlling interests	3,951	7,540
Other liabilities	20,320	28,962
Lease liabilities	9,809	8,863
Provisions with the nature of a liability	37,649	35,438
Tax provisions	10,232	7,750
Other provisions	14,200	17,409
	191,609	220,221
Total equity and liabilities	807,544	844,692

Consolidated statement of cash flows (unaudited)	1 Jan - 30 Jun 2020 €k	1 Jan - 30 Jun 2019 €k
1. Cash flow from operating activities		
Earnings before interest and taxes (EBIT)	6,203	15,593
Adjustments for non-cash transactions		
Amortisation and depreciation	19,213	8,614
Increase (+) / decrease (-) in provisions	-3,180	-4,822
Gains (-) / losses (+) from disposal of PPE	457	-398
Results from equity investments	-3,663	0
Other non-cash expenses / income	-149	150
	12,678	3,544
Change in working capital:		
Increase (-) / decrease (+) in inventories, trade receivables and other assets	6,154	-9,271
Decrease (-) / increase (+) in trade payables and other liabilities	-32,852	-19,218
	-26,698	-28,489
Income taxes paid	-3,707	-4,054
Interest received	144	399
	-3,563	-3,655
Cash flow from operating activities	-11,380	-13,007
2. Cash flow from investing activities		
Investments (-) / divestments (+) intangible assets	-1,973	-3,528
Investments (-) / divestments (+) property, plant and equipment	-9,086	-5,968
Investments (-) / divestments (+) of financial assets and securities	-5,650	-6,978
Business combination (less cash and cash equivalents received)	-563	-6,468
Cash flow from investing activities	-17,272	-22,942
3. Cash flow from financing activities		
Payments to non-controlling interests	-168	-2,212
Profit distribution to shareholders	0	-4,099
Payments for the acquisition of shares without change of control	-2,486	0
Share buy back programme	-425	0
Payments from capital reductions	0	-62,082
Proceeds from borrowing financial loans	12,376	14,716
Repayments of financial loans	-9,991	-8,781
Payments for finance lease	-4,444	-1,321
Interest payments	-1,340	-1,040
Cash flow from financing activities	-6,478	-64,819
Cash and cash equivalents at end of period		
Change in cash and cash equivalents (Subtotal 1-3)	-35,130	-100,768
Effects of changes in foreign exchange rates (non-cash)	-79	-16
Cash and cash equivalents at start of reporting period	243,905	307,515
Cash and cash equivalents at end of period	208,696	206,731
Composition of cash and cash equivalents		
Cash in hand	79	19
Bank balances	208,617	206,712
Reconciliation to liquidity reserve on 30 Jun		
Cash and cash equivalents at end of period	208,696	206,731
Gold	4,088	3,188
Securities	95,829	82,841
Liquidity reserve on 30 Jun	308,613	292,760

Statement of changes in consolidated equity (unaudited)												
	Issued capital	Capital reserve	Legal reserve	Currency translation difference	Retained earnings			Generated consolidated equity	Share of shareholders of MBB SE	Non-controlling interests	Consolidated equity	
					Fair Value reserves	Pension reserve	Other reserves					
	€k	€k	€k	€k	€k	€k	€k	€k	€k	€k	€k	
1 Jan 2019	6,587	316,241	61	-703	130	-1,774	0	53,228	373,770	125,522	499,292	
Dividends paid	0	0	0	0	0	0	0	-4,099	-4,099	-2,394	-6,493	
Subtotal	6,587	316,241	61	-703	130	-1,774	0	49,129	369,671	123,128	492,799	
Amounts recognised in other comprehensive income	0	0	0	0	12,413	-1,338	0	0	11,075	-443	10,632	
Currency translation difference	0	0	0	225	0	0	0	0	225	10	235	
Consolidated net profit	0	0	0	0	0	0	0	26,945	26,945	7,653	34,598	
Total comprehensive income	0	0	0	225	12,413	-1,338	0	26,945	38,245	7,220	45,465	
Put-Option ISL	0	0	0	0	0	0	-2,741	0	-2,741	-685	-3,426	
Share buy back	-646	-61,418	0	0	0	0	0	0	-62,064	0	-62,064	
Acquisition ISL	0	0	0	0	0	0	0	0	0	1,778	1,778	
Others	0	-1,563	0	0	0	0	0	0	-1,563	1,563	0	
31 Dec 2019	5,941	253,260	61	-478	12,543	-3,112	-2,741	76,074	341,548	133,004	474,552	
Dividends paid	0	0	0	0	0	0	0	0	0	-168	-168	
Subtotal	5,941	253,260	61	-478	12,543	-3,112	-2,741	76,074	341,548	132,836	474,384	
Amounts recognised in other comprehensive income	0	0	0	0	-1,219	17	0	0	-1,202	-152	-1,354	
Currency translation difference	0	0	0	-1,003	0	0	0	0	-1,003	-76	-1,079	
Consolidated net profit	0	0	0	0	0	0	0	3,520	3,520	-2,921	599	
Total comprehensive income	0	0	0	-1,003	-1,219	17	0	3,520	1,315	-3,149	-1,834	
Share buy back programme	-9	-416	0	0	0	0	0	0	-425	0	-425	
Acquisition of non-controlling interests	0	1,522	0	0	0	0	0	0	1,522	-4,009	-2,487	
30 Jun 2020	5,932	254,366	61	-1,481	11,324	-3,095	-2,741	79,594	343,960	125,678	469,638	

Notes to the interim consolidated financial statements

Accounting

The interim financial report of the MBB Group for the period 1 January to 30 June 2020 was prepared on the basis of the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) as adopted in the EU. It was prepared in accordance with IAS 34

Accounting policies

The accounting policies adopted are the same as those applied in preparing the consolidated financial statements as at 31 December 2019. The preparation of the financial statements is influenced by accounting policies and assumptions and estimates affecting the amount and reporting of recognised assets, liabilities, contingent liabilities and income and expense items. Matters relating to revenue are deferred intra-year..

Goodwill

The carrying amount of goodwill is unchanged at €44,449 thousand (31 December 2019: €44,449 thousand). Owing to the effects of the COVID-19 pandemic, goodwill was tested for impairment as at the end of the reporting period. The impairment test as at 30 June 2020 confirmed the recoverability of all capitalised goodwill.

Segment reporting

The management of the MBB Group defines the segments as reported in the interim Group management report. Segment liabilities do not include any liabilities for taxes, finance lease liabilities or liabilities to banks.

1 Jan - 30 Jun 2020 (unaudited)	Technological Applications €k	Consumer Goods €k	Service & Infrastructure €k	Recon- ciliation €k	Group €k
Revenue from third parties	118,453	38,538	171,863	0	328,854
Other segments	0	30	218	-248	0
Total revenue	118,453	38,568	172,081	-248	328,854
EBITDA	-2,475	3,562	24,932	-603	25,416
Amortisation and depreciation	4,546	1,710	12,825	132	19,213
Investments	1,924	1,127	8,507		
Segment assets	252,868	52,440	160,768		
Segment liabilities	77,527	15,313	102,104		

1 Jan - 30 Jun 2019 (unaudited)	Technological Applications €k	Consumer Goods €k	Service & Infrastructure €k	Recon- ciliation €k	Group €k
Revenue from third parties	176,516	44,498	30,381	0	251,395
Other segments	0	45	184	-229	0
Total revenue	176,516	44,543	30,565	-229	251,395
EBITDA	16,713	3,694	4,478	-678	24,207
Amortisation and depreciation	3,863	1,708	2,932	111	8,614
Investments	6,422	547	1,961		
Segment assets	282,058	52,681	33,238		
Segment liabilities	98,148	15,777	14,877		

Dividend

The Board intends to propose an increase in the dividend for the 2019 financial year to €0.70 per entitled share at the Annual General Meeting on 24 August 2020.

Changes in contingent liabilities

There were no changes in contingent liabilities as against 31 December 2019.

Related party transactions

Business transactions between consolidated Group companies and unconsolidated Group companies are conducted at arm's-length conditions.

Events after the end of the reporting period

There were no significant events after the end of the reporting period.

Review

The condensed interim consolidated financial statements as at 30 June 2020 and the interim Group management report were neither audited in accordance with section 317 of the *Handelsgesetzbuch* (HGB – German Commercial Code) nor reviewed by an auditor.

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 results of operations, financial position and net assets 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 principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Berlin, 18 August 2020

The Executive Management of MBB SE

Financial calendar

Montega Hamburger Investorentag Conference

Hamburg

20 August 2020

Annual General Meeting of MBB SE

Berlin

24 August 2020

Commerzbank Corporate Conference

Hamburg

2 September 2020

HAIB Stockpicker Summit

Stockholm

3 September 2020

Berenberg & GS German Corporate Conference

Munich

22 September 2020

CIC Market Solutions Forum

Paris

9 - 10 November 2020

Q3 Quarterly Report

13 November 2020

German Equity Forum

Frankfurt

16 - 18 November

End of 2020 financial year

31 December 2020

We would also like to inform you of our **MBB newsletter**, which you can subscribe to at www.mbb.com/newsletter. We also offer an **RSS feed** that can be found at www.mbb.com/rss.

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