

# Interim Financial Report

January 1 – June 30, 2016

## TECHNOTRANS AT A GLANCE

	Δ previous year	1/1- 30/6/2016	1/1- 30/6/2015	2015	2014
		€ `000	€ `000	€ `000	€ `000
<b>Earnings</b>	5.3%	<b>63,555</b>	<b>60,333</b>	<b>122,838</b>	<b>112,371</b>
of which Technology	3.9%	41,884	40,307	81,457	73,758
of which Services	8.2%	21,671	20,026	41,381	38,613
<b>EBITDA</b>	-0.3%	<b>5,967</b>	<b>5,982</b>	<b>12,187</b>	<b>9,873</b>
EBITDA margin (%)		9.4	9.9	9.9	8.8
<b>EBIT</b>	-1.4%	<b>4,377</b>	<b>4,440</b>	<b>8,952</b>	<b>6,830</b>
EBIT margin (%)		6.9	7.4	7.3	6.1
<b>Net profit for the period<sup>1</sup></b>	8.8%	<b>3,160</b>	<b>2,904</b>	<b>6,262</b>	<b>4,381</b>
as percent of the revenue		5.0	4.8	5.1	3.9
<b>Net profit per share (€)</b>	6.7%	<b>0.48</b>	<b>0.45</b>	<b>0.96</b>	<b>0.67</b>
<b>Dividend per share (€)</b>				<b>0.48</b>	<b>0.33</b>
<b>Balance sheet*</b>	2.1%	<b>77,676</b>	<b>77,468</b>	<b>76,043</b>	<b>74,534</b>
<b>Equity*</b>	0.4%	<b>51,907</b>	<b>48,649</b>	<b>51,725</b>	<b>47,470</b>
Equity ratio (%)		66.8	62.8	68.0	63.7
Return on equity (%) <sup>2</sup>		6.2	6.1	12.3	9.4
<b>Net debt<sup>3</sup></b>	-41.5%	<b>-6,768</b>	<b>-5,478</b>	<b>-11,575</b>	<b>-4,763</b>
<b>Free Cash flow<sup>4</sup></b>	-118.9%	<b>-564</b>	<b>2,984</b>	<b>8,542</b>	<b>4,821</b>
<b>Employees (average)</b>	6.3%	<b>845</b>	<b>795</b>	<b>810</b>	<b>771</b>
<b>Personnel expenses</b>	6.8%	<b>22,184</b>	<b>20,769</b>	<b>42,160</b>	<b>39,808</b>
as percent of revenue		34.9	34.4	34.3	35.4
<b>Revenue per employee</b>	-0.9%	<b>75.2</b>	<b>75.9</b>	<b>152</b>	<b>146</b>
<b>Number of shares in circulation at end of period</b>		<b>6,532,750</b>	<b>6,517,693</b>	<b>6,530,588</b>	<b>6,516,434</b>
share price max (€)		18.94	17.05	19.90	9.56
share price min (€)		15.75	9.21	9.21	7.41

<sup>1</sup>Net profit of the period

= profit attributable to technotrans AG shareholders

<sup>2</sup>Return on equity

= Net profit of the period/Equity to technotrans AG shareholders

<sup>3</sup>Net debt

= financial liabilities – cash and cash equivalents

<sup>4</sup>Free Cash flow

= Net cash from operating activities

+ cash used for investments acc. to cash flow statement

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Changes compared to 31/12/2015

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### Dear Shareholders,

After a mixed start into the new financial year, technotrans group was able to clearly grow again in all business areas in the second quarter, and to end with the highest quarter turnover since the financial crisis. The weakness of China, uncertainties in Europe and geopolitical risks – all of this touched the business of technotrans only little in the second quarter.

The strongest turnover growth was achieved in the print industry. The largest industry fair in the world, drupa in Düsseldorf, took place in May and June in this area. It was particularly positive that technotrans was able to present itself as a development partner in nearly all business fields. Not only the traditional offset print machines, but also a large share of flexographic and digital printers were equipped with technotrans devices. Due to the generally optimistic basic mood in the print industry, we assume continued turnover increase in print for the further course of the financial year.

The traditional machine and plant construction developed very positively as well after a weak start into the current financial year. Business with the laser manufacturers, which increased again recently, was essential here. Due to some new start-ups, we currently assume that we will be able to further increase our turnovers on this market as well in the next few months.

We were able to achieve the highest growth ratio again on our growth markets with the manufacturers of medical and lab devices, as well as in the scanner technology and in the area of battery cooling. It is particularly positive that technotrans has grown into a recognised development partner of various train, bus and automotive manufactures in the area of battery cooling in the meantime. Again, we expect additional growth impulses in the next few years.

Our service segment particularly profited of the continuous development of the technology areas in addition to expansion of our business activities in the area of technical documentation from acquisition of Ovidius GmbH. It is positive that more and more customers from the traditional engineering area have installation and maintenance of the technotrans devices performed by our service technicians.

We have met our target of growing clearly above the market rate in the second quarter, and consider ourselves well-prepared for continuing our positive course of business in the next quarters as well. In spite of various global insecurities, we continue to assume that we will achieve a turnover between € 126 million and €132 million and an EBIT between €9.5 million and € 10.5 million in 2016.

On behalf of the Board of Management



Henry Brickenkamp

## TECHNOTRANS AT THE CAPITAL MARKET – THE SHARE

Price details (Xetra)		H1 2016	FY 2015
High	€	18.94	19.90
Low	€	15.75	9.21
Closing price at reporting date	€	17.28	19.30
Number of shares at the end of period		6,532,750	6,530,588
Market capitalisation (at the end of period)	€'000	112,886	126,040
Earnings per share	€	0.48	0.96

(basic, IFRS)

The technotrans share experienced a rate development in the current stock market year that was particularly characterised by the strong market fluctuations. The technotrans management continued to maintain the dialogue with institutional investors in the scope of conferences and road shows in and outside of the country. The circle of potential investors has thus expanded once again. As of 30 June 2016, the technotrans share was by 10.5 percent below the final rate of the year of 2015 (DAX -9.9 percent, SDAX -3.5 percent) at 17.28 Euro. Current rate estimates of the six analysts for the technotrans share are between 20.00 and 23.10 Euro. The shares are without exception recommended as a buy.

On 20 June 2016, BHF-Bank started coverage of the technotrans share as the sixth institute.

On 12 May 2016, the annual general meeting of technotrans AG took place in Münster. The shareholders present followed the statements of the board, asked questions and voted on five agenda items that were accepted with a great majority. The general meeting decided, among others, on the promised distribution of a dividend at 3,135,790.00 Euro, which corresponds to a dividend of 0.48 Euro (previous year: 0.33 Euro) per dividend-entitled share. The dividend was paid out on 13 May 2016.

### Rate development from 1 January 2015 to 30 June 2016



› technotrans AG

› TecDAX

› SDAX

Business progress of the technotrans group in the first six months of 2016.

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### // ECONOMIC REPORT

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#### **General and Industry-Specific Economic Environment**

The global economic development took up speed in spring 2016 again according to the IfW summer forecast, and the signs for strengthening of the economic development are present. The economic dynamics different in the individual countries, however.

For the German machinery and plant constructors, the first half of 2016 went decently, with the order volume growing by three percent as compared to the previous year. Only demand from the Euro area shrank (minus 4 percent). This and an order reach of nearly six months, ensure turnover and production for the upcoming months. The most recent political developments - Brexit, attempted coup in Turkey - demand caution, however.

According to a new forecast of the International Monetary Fund (IMF), the German economy will grow by nearly half a percentage point less than previously expected. The situation deteriorated, although the start into the year had been better than expected, the economists of the IMF emphasised.

#### **Business Performance**

After a cautious start into the year during the first quarter 2016, technotrans group had a much more positive business development in the second quarter.

The group turnover increased by 11.4 percent from € 29.8 million in the previous year to € 33.2 million.

The operative result (EBIT) for Q2 was by 8.0 percent above the previous year's level of € 2.1 million, at € 2.3 million. The EBIT margin reached 7.0 percent. The indicated operating result includes trade fair costs for drupa, which was successfully completed on 10 June 2016, at about € 0.4 million.

Viewed across the first six months, the EBIT thus remained on the previous year's level at about € 4.4 million.

For the financial year of 2016, the board continues to expect a turnover of € 126 to 132 million and an EBIT margin between 7.5 and 8.0 percent.

## FINANCIAL PERFORMANCE, NET WORTH AND FINANCIAL POSITION

### Financial Performance

The group turnover of technotrans AG grew by 5.3 percent as compared to the previous year in the first six months of the financial year of 2016, and achieved a total of € 63.6 million (previous year: € 60.3 million). Thus, the group achieved a turnover volume that is fully within the expected scope.

Business with the customers from the print industry continued to develop very positively in the period under

review; turnover grew by 8.0 percent as compared to the first half of 2015. The turnover shares outside of the print industry have also contributed positively to growth, in particular in the second quarter. Additionally, the first-time inclusion of Ovidius GmbH and its subsidiary EasyBrowse GmbH in the consolidated statement of technotrans AG led to a small turnover increase (€ 0.4 million).

Earning figures	H1 2016	H1 2015	Δ in %
Revenue (€ million)	63.6	60.3	5.3
EBITDA (€ million)	6.0	6.0	-0.3
EBIT (€ million)	4.4	4.4	-1.4
EBIT margin (in %)	6.9	7.4	
Net profit for the period (€ million)	3.1	3.0	4.6
EPS (in €)	0.48	0.45	6.7

The operative result (EBIT) reaches € 4.4 million after six months (previous year: € 4.4 million). It must be considered that, in addition to increased trade fair costs, expenses in connection with the acquisition and integration of Ovidius GmbH put a stress on the indicated operating result in the first half of 2016. Additionally, the key-date evaluation of group-internal assets and liabilities in the current business year leads to a net currency translation loss at € 0.1 million (previous year: currency translation gains of € 0.4 million). The EBIT margin thus was only 6.9 percent, after 7.4 percent in the comparison period of the previous year.

The gross result at the end of the half-year amounted to € 21.6 million. After the previous year's value at € 20.3 million, this corresponds to a plus of 6.1 percent. As expected, the gross margin of 33.9 percent was just above that for the 2015 financial year.

The increased revenue volume, especially in the technological business areas, played a major part in improving profitability. The administrative costs remained nearly stable as compared to the previous year's period, while the sales costs increased slightly due to the sustained business expansion and trade fair activities. The development costs increased to € 2.1 million (previous

year: € 2.0 million), the R+D-ratio at the end of the first half year was unchanged at 3.3 percent. The planned depreciations were only slightly above the previous year's level at about € 1.6 million. The balance of the other operating income and expenses led to a positive result contribution at € 0.4 million (previous year: € 1.0 million) after six months of the business year of 2016.

The financial result totalled up to € 0.1 million (interest expenses) and thus continued the reducing trend. The income tax expense was by € 0.2 million below that of the previous year (€ 1.3 million) at € 1.1 million. This produced an effective tax rate of 26.6 percent (previous year: 29.8 percent).

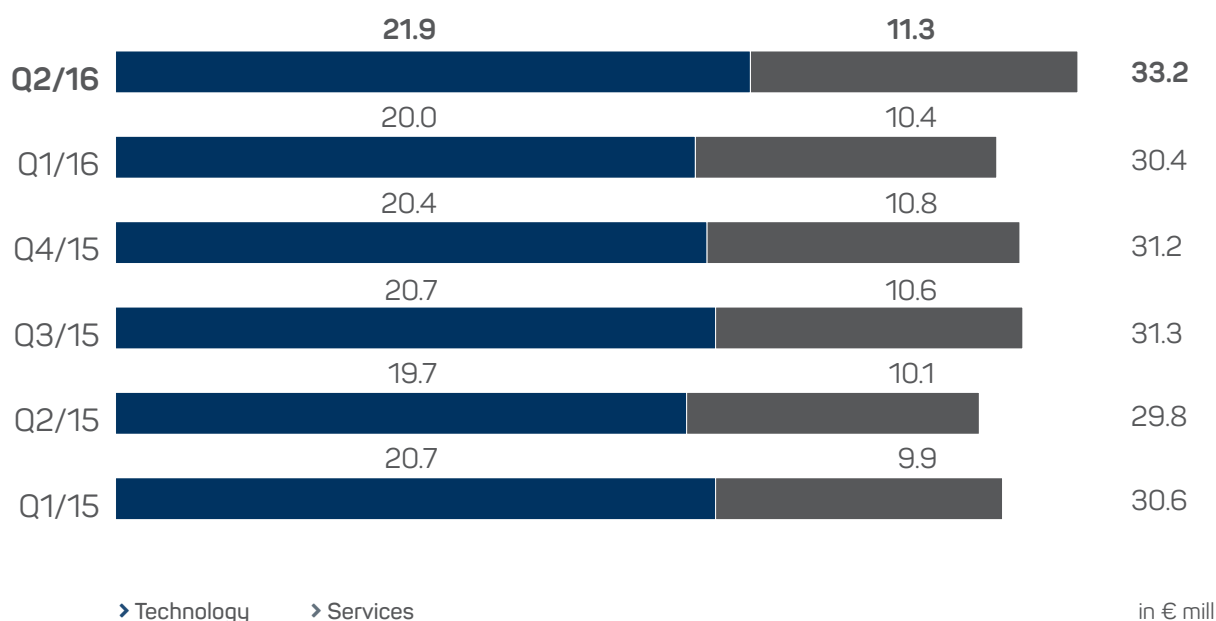
The consolidated result after taxes reached a total of € 3.1 million in the first half of 2016 (previous year: € 3.0 million), which corresponds to a plus of 4.6 percent as compared to the previous year. The rate of return was 4.9 percent (previous year: 4.9 percent). This corresponds to earnings per share outstanding of € 0.48 (previous year: € 0.45) for the period under review.

## Segment Report

In the Technology segment, turnovers increased from € 40.3 million in the previous year to € 41.9 million in the current year. The turnover share of the segment reached 66 percent. The increase by € 1.6 million or 3.9 percent as compared to the previous year's period is mostly due to the successful business expansion in the second

quarter. The segment profited both of the sustained strong business in the print industry and the turnover share in the non-print area, which is increasing again. As compared to the weak first quarter of 2016, the turnover outside of the print industry increased by about 18 percent in the second quarter.

## REVENUE BY SEGMENT



The segment result (EBIT) in the Technology segment remained by € 0.2 million below that of the previous year (€ 1.1 million) at € 0.9 million in the first six months of the business year of 2016. The segment result was reduced in particular by increased trade fair costs (€ 0.4 million) in the period under review. The segment return achieved 2.1 percent as of 30 June 2016. After adjustment, the profit rate developed positively as expected as compared to the previous year, however.

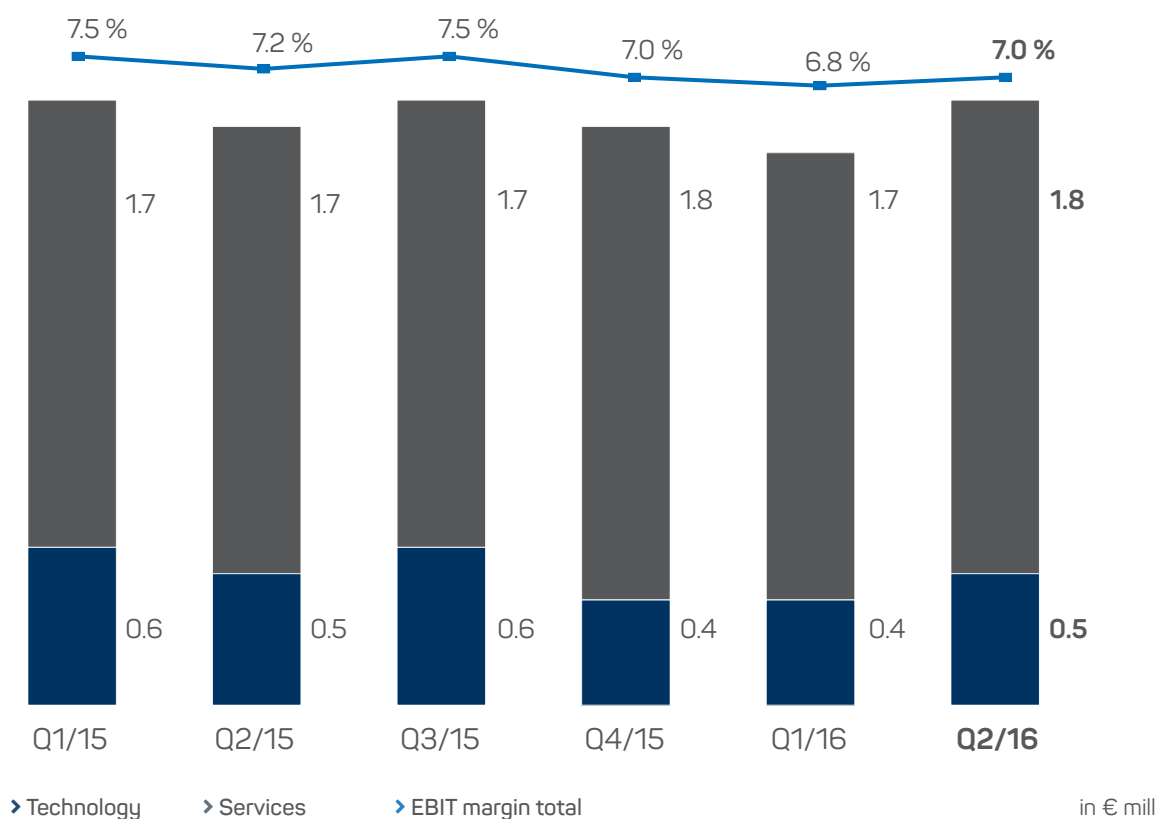
The segment Services achieved a successful growth of 8.2 percent as compared to the comparison period of the previous year (€ 20.0 million) at € 21.7 million in the first half of 2016. Within the segment, the increase resulted

both from the follow-up business in the technology markets, and the positive business development of the service business in the area of technical documentation. Additional sales contributions were also achieved for the first time from the most recent acquisition of Ovidius GmbH.

The segment confirmed the healthy financial performance of recent quarters in the period under review. At the end of the first six months of 2016, the segment result (EBIT) was slightly above the previous year's level of € 3.3 million at € 3.5 million. The segment return during this period amounted to 16.1 percent, after 16.6 percent in the previous year.



## EBIT BY SEGMENT



### Net Worth

The balance sheet total of technotrans group has increased by 2.1 percent to € 77.7 million since 31 December 2015 (€ 76.0 million), mostly due to development of the current assets. The first inclusion of Ovidius GmbH in the consolidated statement of technotrans AG only had some small effect on the consolidated balance sheet (see group annex). The long-term assets remained consistent at a total of € 25.2 million.

The group equity increased to € 51.9 million by the end of June 2016. This corresponds to an equity rate of 66.8 percent as of the key date of 30 June 2016. The long-term debt reduced again, mostly due to planned repayments of financial debt, by € 1.0 million. Due to the organic and inorganic business expansion in the first six months of 2016, the short-term debt developed contrary as compared to the end of the business year of 2015 and increased by € 2.4 million.

Balance sheet ratios	Jun 2016	Dec 2015	Δ in %
Balance sheet total (€ million)	77.7	76.0	2.1
Non-current assets (€ million)	25.2	25.3	-0.2
Current assets (€ million)	52.5	50.8	3.3
Equity (€ million)	51.9	51.7	0.4
Equity ratio (in %)	66.8	68.0	
Borrowings (€ million)	6.8	8.1	-15.5
Net liquidity (€ million)	6.8	11.6	-41.5

## Financial Position

Due to the strong month turnover of June 2016, the key-date-related increase of the receivables portfolio at about € +4.2 million led to a temporary reduction of cash and cash equivalents. The cash flow (net cash and cash equivalents from operating activity) thus remained negative at € -0.5 million as of 30 June 2016. Cash flow from investing activities was lower than in the previous year. Due to an inflow of cash and cash equivalents from the acquisition of participations in Ovidius, it was only at € -0.1 million (previous year: € -0.7 million). The free cash flow at the end of the first half of 2016 therefore was not yet satisfactory at € -0.6 million (previous year: € 3.0 million). The cash flow from financing activities came to € -4.5 million (previous year: € -4.0 million) and comprised the scheduled repayment of borrowings as well as the distribution of € 3.1 million in dividends to technotrans

shareholders (previous year: € 2.2 million).

Since the balance sheet date of December 31, 2015 cash and cash equivalents therefore reduced from € 20.0 million to € 14.9 million. The net liquidity of the group according to the balance sheet - after balancing cash and cash equivalents with interest-bearing financial liabilities - thus was at € 6.8 million at the end of the first six months of 2016 (31 December 2015: € 11.6 million). As compared to the previous year's period under review (30 June 2015: € 5.5 million), this liquidity figure improved a little, however. Together with available credit facilities agreed and promised, the current financial position thus continues to provide ample leeway both for financing current business and for potential acquisitions.

Cash flow ratios	H1 2016	H1 2015
Cash flow from operating activities (€ million)	-0.5	3.7
Cash flow from investing activities (€ million)	-0.1	-0.7
Free cash flow (€ million)	-0.6	3.0
Cash flow from financing activities (€ million)	-4.5	-4.0

## Employees

The technotrans Group had an average of 845 employees (previous year: 795 employees) in the first half of 2016. Effective as of 1 April 2016, Ovidius GmbH and its subsidiary EasyBrowse GmbH were included in the consolidated statement of technotrans AG. At the moment, the two companies have 34 employees. The employee number in the group has not increased apart from this since the beginning of 2016. Personnel expenditure climbed to € 22.2 million at the end of the first half, up from € 20.8 million in the previous year. The personnel expenses ratio of 34.9 percent (based on revenue) was slightly above the level for the 2015 reference period (previous year: 34.4 percent).

At the end of the first six months there were 577 employees allocated to the Technology segment, compared with 566 for this segment at the year-end reporting date of 31 December 2015. There were 285 employees allocated to the Services segment at 30 June 2016, compared with 262 at the end of 2015.

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## REPORT ON POST-BALANCE SHEET DATE EVENTS

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Since 01 July 2016, no events of special importance have occurred that essentially influence the revenue, asset and financial situation.

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## OPPORTUNITIES AND RISKS REPORT

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With regard to the opportunities and risks, we refer in the first instance to the statements made in the Combined Management Report at December 31, 2015, and which fundamentally remain valid. We continue to see economic uncertainties from the Euro and state debt crises and the pending EU exit of Britain. Additionally, uncertainty results from the political and economical development of selected regions. This could have a financial impact on

technotrans. At the same time, entrepreneurial activity creates fresh opportunities for it to secure and expand its market position in a variety of markets. Neither at present nor for the foreseeable future are we able to identify any risks which, either by themselves or in combination with other risk factors, could pose an existential threat to the technotrans Group.

### Expected Economic Environment

After the Brexit vote in Britain, the International Monetary Fund (IMF) slightly reduced its economic forecast. Both in this and the next year, economic growth will be impaired around the world according to this: For 2016, the IMF forecasts a growth of 3.1 percent, for 2017 of 3.4 percent. Either estimate is by 0.1 percentage points below the forecast from April 2016.

The USA will continue to grow according to the estimate of the IMF. For this year, however, only an economic growth of 2.2 percent is expected anymore, after a previous expectation of 2.4 percent. For the emerging countries, a slightly accelerated growth is forecast - in spite of continued slowing of growth in China. Russia and Brazil, however, are not expected to leave their recessions in 2016 either.

The British referendum barley left any traces in the business mood in the Eurozone so far. In spite of many very negative forecasts of economists after the British decision, the reduction of the German economy barometer, the Ifo-Index, was extremely moderate. In contrast to the financial market actors, who are taking a much more pessimist look at economic development in light of the exit announcement, the mood in the German economy has only slightly reduced so far. According to calculations of the Ifo-institute, economic growth will continue at a slight reduction in Germany in 2016. However, the insecurity in the industry sector of the Euro area that was caused by the British exit vote is expected to have a negative effect in the next months.

The slowdown in the global economic environment is also causing considerable uncertainty among most branches of the German mechanical and plant engineering sector. The VDMA-economists expect the production level of the previous year to be held in 2016 (plus 1 percent). A differentiated forecast of the future development of the technotrans Group is therefore difficult to make.

### Expected Business Development of the Group

The economic environment for 2016 is still broadly stable. The current economic development continues to reflect our expectations for the current financial year. The board assesses the perspectives for the business of technotrans in the business year of 2016 in general as positive. technotrans has set itself the target of growing more strongly than the market.

Despite the quiet start to the financial year in the markets of the laser industry and machine tool engineering, the Board of Management reaffirms its expectation for the technotrans Group that revenue will reach between € 126 and 132 million, with the EBIT margin in the range of 7.5 to 8.0 percent. The revenue and earnings planning does not reflect further acquisitions.

In the prevailing conditions the revenue and financial performance in the Technology segment should take a positive course as the year progresses. We are very satisfied with the course and the results of this year's drupa. Our customers from the print industry also signal success with inbound orders, so that we expect an increased demand for our print business in the next months. For the second half of 2016, we continue to be cautiously optimistic regarding development of our non-print markets, machine and plant construction, and the growth markets, as well. We expect that the revenue rates in general will continue to improve at rising turnover and under consideration of the special effects of the first half of 2016.

The Services segment continues to generate a high proportion of overall revenue and thus plays an important part in keeping our business stable. We expect revenue in this segment to increase by about 8 percent compared with 2015 thanks to business expansion through the inclusion of the majority interest in Ovidius GmbH from 1 April 2016, with the financial performance remaining stable.

On the financing side, the board expects that the financial liabilities will further reduce by planned repayments (about € 2.0 million) at the planned course of business. technotrans has sufficient liquid funds to finance the current business of all companies of the group. technotrans also has unutilised borrowing facilities which, together with the surplus financial resources, provide considerable flexibility for following up strategic options

where appropriate. At the end of the first half of 2016, the finance index „Free Cashflow“ was still below expectations due to the key date. From today's point of view, however, we assume that we will be able to achieve our target of a free cash flow at >€ 5 million.

### Goals of the Group and the Segments

		Realized 2015	target figure 2016
Revenue	€ million	122.8	126-132
Technology	€ million	81.4	84-88
Services	€ million	41.4	42-44
EBIT	€ million	9.0	9.5-10.5
	in %	7.3	7.5-8.0
Free Cash Flow	€ million	8.5	>5.0

### Overall Statement

The technotrans Group continues to progress steadily along its strategic path. The Board of Management will focus its activities on a combination of organic growth and expansion through potential acquisitions.

Revenue growth and the economies of scale that will result from this, along with a disciplined approach to costs and higher margins from growing technology and service business, should increase the value of the company. In addition, measures to optimise internal processes and group development projects are to continue according to plan or be kicked off.

At the time of preparation of these interim financial statements, the Board of Management continues to expect a positive business development for the technotrans Group in the 2016 financial year.

## CONSOLIDATED BALANCE SHEET

ASSETS	30/6/2016	31/12/2015
	€ '000	€ '000
<b>Non-current assets</b>		
Property, plant and equipment	14,169	14,700
Goodwill	6,047	5,828
Intangible assets	3,405	3,200
Income tax receivable	58	58
Other financial assets	104	48
Deferred tax	1,423	1,430
	<b>25,206</b>	<b>25,264</b>
<b>Current assets</b>		
Inventories	19,033	17,547
Trade receivables	15,709	11,552
Income tax receivable	188	142
Other financial assets	1,323	466
Other assets	1,309	1,094
Cash and cash equivalents	14,908	19,978
	<b>52,470</b>	<b>50,779</b>
<b>Total assets</b>	<b>77,676</b>	<b>76,043</b>

## EQUITY AND LIABILITIES

	30/6/2016	31/12/2015
	€ '000	€ '000
<b>Equity</b>		
Issued capital	6,908	6,908
Capital reserve	12,928	12,928
Retained earnings	38,637	36,147
Other reserves	-10,878	-11,448
Net profit for the period	3,160	6,262
<b>Total equity attributable to technotrans AG shareholders</b>	<b>50,755</b>	<b>50,797</b>
Non-controlling interests in equity	1,152	928
	<b>51,907</b>	<b>51,725</b>
<b>Non-current liabilities</b>		
Borrowings	3,955	6,061
Provisions	1,109	1,123
Other financial liabilities	1,352	360
Deferred tax	625	486
	<b>7,041</b>	<b>8,030</b>
<b>Current liabilities</b>		
Borrowings	2,850	1,997
Trade payables	3,368	2,433
Prepayments received	3,475	3,359
Provisions	5,265	5,428
Income tax payable	918	885
Other financial liabilities	656	532
Other liabilities	2,196	1,654
	<b>18,728</b>	<b>16,228</b>
<b>Total equity and liabilities</b>	<b>77,676</b>	<b>76,043</b>

## CONSOLIDATED INCOME STATEMENT

	1/4- 30/6/2016	1/4- 30/6/2015	1/1- 30/6/2016	1/1- 30/6/2015
	€ '000	€ '000	€ '000	€ '000
<b>Revenue</b>	<b>33,152</b>	<b>29,763</b>	<b>63,555</b>	<b>60,333</b>
of which Technology	21,931	19,628	41,884	40,307
of which Services	11,221	10,135	21,671	20,026
Cost of sales	-21,994	-19,660	-41,997	-40,006
<b>Gross profit</b>	<b>11,158</b>	<b>10,103</b>	<b>21,558</b>	<b>20,327</b>
Distribution costs	-4,696	-4,202	-8,801	-8,376
Administrative expenses	-3,404	-3,295	-6,628	-6,549
Development costs	-1,064	-1,031	-2,122	-2,003
Other operating income	656	709	1,369	2,307
Other operating expenses	-333	-138	-999	-1,266
<b>Earning before interest and taxes (EBIT)</b>	<b>2,317</b>	<b>2,146</b>	<b>4,377</b>	<b>4,440</b>
Financial income	4	6	4	17
Financial charges	-72	-105	-139	-218
<b>Net finance costs</b>	<b>-68</b>	<b>-99</b>	<b>-135</b>	<b>-201</b>
<b>Profit before tax</b>	<b>2,249</b>	<b>2,047</b>	<b>4,242</b>	<b>4,239</b>
Income tax expenses	-561	-617	-1,129	-1,263
<b>Net profit for the period</b>	<b>1,688</b>	<b>1,430</b>	<b>3,113</b>	<b>2,976</b>
<b>of which:</b>				
Profit attributable to technotrans AG shareholders	1,701	1,439	3,160	2,904
Profit/loss attributable to non-controlling interests	-13	-9	-47	72
<b>Earnings per share (€)</b>				
(basic)	0.26	0.22	0.48	0.45
(diluted)	0.26	0.22	0.48	0.45



## CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

	1/4/ 30/6/2016	1/4/ 30/6/2015	1/1/ 30/6/2016	1/1/ 30/6/2015
	€ '000	€ '000	€ '000	€ '000
Net profit for the period	1,688	1,430	3,113	2,976
Other results				
Items that were or must be reclassified to Income Statement				
Exchange differences from the translation of foreign group companies	-186	-71	-530	432
Change in the amount recognised within equity (Net investments in a foreign operation)	321	-20	420	-106
Change in the market values of cash flow hedges	11	17	17	22
Deferred tax	-3	-7	-5	-9
Change in the amount recognised within equity (cash flow hedges)	8	10	12	13
Other profit after tax	143	-81	-98	339
Overall result for the period	1,831	1,349	3,015	3,315
of which:				
Profit attributable to technotrans AG shareholders	1,844	1,358	3,062	3,243
Profit/loss attributable to non-controlling interests	-13	-9	-47	72

## CONSOLIDATED CASH FLOW STATEMENT

	1/1- 30/6/2016	1/1- 30/6/2015
	€ '000	€ '000
<b>Cash flow from operating activities</b>		
Net profit for the period	3,113	2,976
Adjustments for:		
Depreciation and amortisation	1,590	1,542
Share-based payment transactions	35	15
Income tax expenses	1,129	1,263
Gain (-) / loss (+) on the disposal of property, plant and equipment	-19	-11
Foreign exchange losses (+)/ gains (-)	-61	376
Net finance costs	135	201
<b>Cash flow from operating activities before working capital changes</b>	<b>5,922</b>	<b>6,362</b>
Change in:		
Inventories	-1,406	-2,533
Receivables and other assets	-4,763	-2,477
Other non-current assets	-140	-42
Liabilities and prepayments	1,455	3,245
Provisions	-275	233
<b>Cash from operating activities</b>	<b>793</b>	<b>4,788</b>
Interest received	4	17
Interest paid	-134	-284
Income taxes paid / income tax rebates	-1,167	-852
<b>Net cash from operating activities</b>	<b>-504</b>	<b>3,669</b>
<b>Cash flow from investing activities</b>		
Cash payments for investments in property, plant and equipment and in intangible assets	-367	-657
Cash inflow/outflow for the acquisition of consolidated companies	274	-49
Proceeds from the sale of property, plant and equipment	33	21
<b>Net cash used for investing activities</b>	<b>-60</b>	<b>-685</b>
<b>Cash flow from financing activities</b>		
Cash payment from the repayment of loans	-1,332	-1,888
Distributions to investors	-3,138	-2,151
<b>Net cash used in financing activities</b>	<b>-4,470</b>	<b>-4,039</b>
Net increase/decrease in cash and cash equivalents	-5,034	-1,055
Cash and cash equivalents at start of period	19,978	17,238
Net effect of currency translation in cash and cash equivalents	-36	-122
<b>Cash and cash equivalents at the end of the period</b>	<b>14,908</b>	<b>16,061</b>

## CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY

	Total equity of technotrans AG shareholders	Non-controlling interests in equity	30/6/2016	31/12/2015
	€ '000	€ '000	€ '000	€ '000
Equity at January 1st	50,797	928	51,725	47,470
Net profit for the period	3,160	-47	3,113	6,215
Other result	-98	0	-98	-56
Overall result for the period	3,062	-47	3,015	6,159
Transactions with owners				
Distribution of profit	-3,138	0	-3,138	-2,151
Issuance of treasury shares	35	0	35	247
Transactions with owners	-3,103	0	-3,103	-1,904
Change minority interest following acquisition	0	270	270	0
Equity at the end of the period	50,756	1,151	51,907	51,725

The notes of technotrans AG as of 30 June 2016, like the consolidated statement as of 31 December 2015, has been drawn up in correspondence with the International Financial Reporting Standards (IFRS) valid at the key date and their interpretations. These Interim Consolidated Financial Statements were prepared in agreement with IAS 34 "Interim Financial Reporting" and should be read in the context of the Consolidated Financial Statements published by the company for the 2015 financial year. technotrans prepares and publishes the Consolidated Financial Statements in Euro.

The Consolidated Balance Sheet together with the Consolidated Income Statement, Consolidated Statement of Recognised Income and Expense, Consolidated Statement of Movements in Equity and Consolidated Cash Flow Statement for the reporting periods ending on 30 June 2016 and 2015 as well as the Notes have been neither audited nor subjected to any other review.

All interim financial statements for the companies included in the Interim Consolidated Financial Statements were prepared in accordance with standard recognition and measurement principles, which were also applied for the Consolidated Financial Statements for the year ending 31 December 2015. The same recognition and measurement principles as well as the consolidation methods applied for the 2015 financial year were retained. For further explanatory remarks we refer to the Notes to the Consolidated Financial Statements at 31 December 2015.

The technotrans Group at 30 June 2016 comprised technotrans AG as well as 20 companies that were included in the Interim Financial Statements as fully consolidated companies. As compared to 31 December 2015, the number of companies in the group has increased by two.

On 1 April 2016, gds GmbH acquired 51 percent of the shares or voting rights and thus control of Ovidius GmbH, Berlin. In acquiring the majority interest in Ovidius GmbH, the technotrans Group reinforces its Services segment.

Ovidius GmbH and its full subsidiary, EasyBrowse GmbH based in Schwerin, develop XML-based content management and editorial systems for technical documentation and from now on will therefore complement the product portfolio of gds GmbH.

The acquisition was completed on the one hand through the takeover of the own shares held by Ovidius GmbH itself and on the other hand by way of an increase in the share capital of Ovidius GmbH. All in all, Ovidius GmbH received cash at approx. € 0.5 million from the acquisition. In addition, a put and call option was agreed with one shareholder of Ovidius GmbH; if exercised the interest held by gds GmbH in Ovidius GmbH can be increased to 85 percent. The put-/call-option contains identical rights for the purchaser and seller respectively. The value of the put-/call-option depends on the turnover and result development of both companies in 2017-2020. The conditional purchasing price payment was discounted to the time of the acquisition and at an amount of € 1.0 million, since execution of the option is considered likely.

The companies were consolidated for the first time at the time of the acquisition. The share of the acquired companies in the consolidated turnover is € 0.4 million. The share in the period result is € -0.1 million.

The goodwill at € 0.2 million was indicated at the amount of the prorated newly assessed net assets and does not result from the non-identifiable intangible assets that were not indicated separately. The distribution of the purchasing price at the fair values at the time took place in the scope of the purchasing price allocation according to IFRS 3. The balance sheet total of technotrans group increased by € 2.6 million as a consequence of initial consolidation.

The distribution of the purchasing price was not finally completed at the time the half-year's statements were drawn up. The goodwill is not deductible for income-tax purposes.

The acquisition of this company has the following effects on the Consolidated Financial Statements of technotrans AG:

€ million	Carrying amount before acquisition	Revaluation of assets and liabilities	Fair value
Intangible assets	0.0	0.9	0.9
Inventories	0.1	0.0	0.1
Receivables and other assets	0.5	0.0	0.5
Cash and cash equivalents	0.8	0.0	0.8
<b>Total assets</b>	<b>1.5</b>	<b>0.9</b>	<b>2.3</b>
Provisions	0.1	0.0	0.1
Liabilities	0.4	0.0	0.4
Deferred tax liabilities	0.0	0.3	0.3
<b>Total liabilities</b>	<b>0.5</b>	<b>0.3</b>	<b>0.8</b>
<b>Identifiable assets and debts</b>	<b>1.0</b>	<b>0.6</b>	<b>1.6</b>
Goodwill			0.2
Non-controlling interests based on the share of assets and liabilities			-0.2
<b>Cost of acquisition</b>			<b>1.5</b>
of which paid			0.0
of which capital increase			0.5
of which conditional purchase price (put-/call-option)			1.0
			1.5
Cash and cash equivalents acquired			0.3
<b>Net cash inflow</b>			<b>0.3</b>

#### Responsibility Statement by the Management

We represent according to our best knowledge that the consolidated statement conveys an image of the asset, financial and revenue situation of the group that corresponds to the actual situation according to the applicable accounting principles, and that the course of business, including the business relations is pretend in the group's management report and the course of business and the group's situation in the group's interim management report to convey an image that corresponds to the actual situation, and that the essential opportunities and risks of the expected development of the group are described.

Sassenberg, August 2016

technotrans AG



Henry Brickenkamp  
Board Spokesman



Dirk Engel



Dr. Christof Soest

## SUPPLEMENTARY INFORMATION

### Shareholder Structure

Shareholder Structure at the end of the period in %		30/06/2016
Freefloat	in %	75.27
technotrans AG	in %	5.43
Objectif Small Cap (F)	in %	6.29
Hauck & Aufhäuser Investment Gesellschaft S.A. (L)	in %	5.11
Midlin NV (NL)	in %	4.90
Baring Asset Managers Limited (UK)	in %	3.00

### Directors' Holdings (Board of Management and Supervisory Board Members)

	30/06/2016
<b>Board of Management</b>	
Henry Brickenkamp	47,037
Dirk Engel	20,000
Dr. Christof Soest	18,764
<b>Supervisory Board</b>	
Reinhard Aufderheide	3,366
Dr. Norbert Bröcker	250
Heinz Harling	64,854
Dr. Wolfgang Höper	0
Thomas Poppenberg	642
Dieter Schäfer	0

At the reporting date of 30 June 2016 the total number of treasury shares came to 374,915. The shareholder structure otherwise remained broadly unchanged and no new voting right notifications [Sections 21 (1) or (1a) of German WpHG] have been received.

### IR Service

Our website provides a comprehensive IR service. In addition to corporate reports (online Annual Report), analyst estimates, financial presentations and information on the Annual General Meeting, you will also find our factsheet and financial communications there.

<http://www.technotrans.com/en/investor-relations.html>

### Note

The half-year financial report of technotrans AG at 30 June 2016 has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and is in accordance with Section 51 of the stock exchange rules for the Frankfurt Stock Exchange (FSE).

The half-year financial report is published in German and English. The German version is always definitive.

This consolidated interim management report contains statements on the future development of the technotrans Group. These reflect the present views of the management of technotrans AG and are based on the corresponding plans, estimates and expectations. We point out that the statements are subject to certain risks and uncertainties which could mean that the actual results differ considerably from those expected. The figures and percentages contained in this report may lead to differences due to rounding.

### Financial Calendar


Publications	Date
Interim Report 1-9/2016	28/10/2016
German Equity Forum 2016	21 to 23/11/2016
Annual Report 2016	14/03/2017



Member of  
the technotrans group

 technotrans

 gds

 termotek

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