INTERIM FINANCIAL REPORT
JANUARY 1 – SEPTEMBER 30, 2013

INSIGHT FACTS

technotrans

KEY DATA OF THE TECHNOTRANS GROUP (IFRS)		**1/1/ – 30/9/2013**	**1/1/ – 30/9/2012**	**2012**	**2011**
Earnings					
Revenue	€'000	77,769	66,126	90,662	97,265
Technology	€'000	48,189	39,018	53,733	61,673
Services	€'000	29,580	27,108	36,929	35,592
Gross Profit	€'000	24,335	22,941	31,652	30,779
EBITDA[1]	€'000	5,465	5,657	8,319	7,980
Earnings before interest and tax (EBIT)	€'000	3,026	3,439	5,357	4,787
Net profit for the period	€'000	1,736	2,095	3,094	3,019
as % of revenue	%	2.2	3.2	3.4	3.1
Net profit per share (IFRS)	€	0.25	0.33	0.48	0.47
Balance sheet					
Issued capital	€'000	6,908	6,908	6,908	6,908
Equity	€'000	43,098	39,768	40,865	37,291
Equity ratio	%	56.3	57.9	63.2	55.5
Return on equity	%	4.0	5.4	7.9	8.5
Balance sheet total	€'000	76,520	68,640	64,705	67,215
Net debt[2]	€'000	–1,545	–430	–8,462	4,890
Working Capital[3]	€'000	27,400	22,933	27,087	18,527
ROCE[4]	%	5.3	6.3	10.1	8.9
Employees					
Number of employees (average)		768	633	646	659
Personnel expenses	€'000	27,883	23,966	32,651	33,224
as % of revenue	%	35.9	36.2	36.0	34.2
Revenue per employee	€'000	101.3	104.5	140	148
Cash flow					
Cash flow[5]	€'000	2,220	6,075	10,979	5,868
Free Cash flow[6]	€'000	–3,409	5,021	13,172	3,606
Shares					
Number of shares at the end of period		6,466,510	6,432,775	6,455,404	6,432,775
Share price (max)	€	10.35	6.27	7.20	7.51
Share price (min)	€	6.90	4.10	4.10	4.01

[1] EBITDA = EBIT + depreciation on intangible and tangible assets
[2] Net debt = financial liabilities + non-current provisions – cash and cash equivalents
[3] Working capital = current assets – current liabilities
[4] ROCE = EBIT/Capital employed
[5] Cash flow = cash from operating activities acc. to cash flow statement
[6] Free Cash flow = cash from operating activities + cash used for investments acc. to cash flow statement

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LETTER FROM THE BOARD OF MANAGEMENT

Dear Shareholders,
Dear Business Associates,

Hopes of a more dynamic development in the second half of the current financial year have not yet materialised. Although revenue for the third quarter was up 4.7 percent on the previous year, this came hand in hand with dwindling growth for the Technology segment to 0.7 percent despite the acquisition of KLH at the start of the year. The reason for this disappointing development is the renewed decline in business with customers from the printing industry, with the percentage rate of decrease well into double figures in the third quarter. The decline thus turned out to be much sharper than could have been expected, even after adjustment for the positive effects of the drupa in the same period of the previous year.

Based on this state of affairs, we have been obliged to adjust our targets for 2013 as a whole. The current position indicates that revenue for the full year will reach around € 102 million, whereas we previously believed a figure in excess of € 105 million was possible. The weaker revenue performance in the printing industry has equally had an impact on profit expectations. In the absence of any particular revenue stimulus in the fourth quarter, the EBIT margin for the full year is expected to come in at around 3.5 percent (previous target 6 percent). This is attributable to a combination of the lower-than-expected revenue volume and exchange rate movements plus structural measures such as the closure of the locations in Sweden and Switzerland.

However this short-term weaker business performance should not be allowed to mask the fact that the company's medium and long-term prospects remain positive. We again identified ample evidence of this in the past quarter: the integration of our latest acquisition KLH is making good progress. Both it and our subsidiary Termotek confirmed that the sales market for lasers is bouncing back, and we accordingly expect these companies to perform positively. Our own activities outside the printing industry, too, are increasingly taking shape. For example we have now twice taken part in the EMO, the leading exhibition for metalworking; the large number of visitors specifically seeking out our stand indicates that we are now viewed as a fully-fledged player in that market. The outcome was that we were able to leave the show with a long list of new contacts and specific customer projects.
Another area that is performing highly successfully is spray lubrication. Here again we have been able to sign up new, important reference customers and anticipate that the Blechexpo show, which opens on November 5, will provide a further positive impetus.

The recent business results with customers in the printing industry have confirmed our resolve to continue exploring applications for our core skills in other markets. We will therefore continue to invest in building up the necessary expertise and capacity, even if these activities are not yet bringing in the corresponding levels of revenue, in an effort to progress along technotrans' growth pathway. We will greatly value your continuing support for this venture.

On behalf of the Board of Management,

Henry Brickenkamp

INTERIM MANGEMENT REPORT

JANUARY 1 – SEPTEMBER 30, 2013

technotrans prepares the Interim Consolidated Financial Statements in accordance with the International Financial Reporting Standards (IFRS) and their interpretations, published by the International Financial Reporting Standards Board (IASB), as adopted by the European Union. Figures in brackets refer to the corresponding prior-year reporting period.

ECONOMIC REPORT

GENERAL AND INDUSTRY-SPECIFIC ECONOMIC ENVIRONMENT

For the fourth time this year, the International Monetary Fund (IMF) downgraded its forecast for the global economy at the start of October. It now anticipates that gross domestic product (GDP) worldwide will rise by only 2.9 percent, 0.3 percentage points down on the previous forecast. The experts from the German Economic Institute, too, conclude that the recovery is slow in coming. For the current year, they therefore anticipate that growth in Germany will reach only half of one percent.

According to the German Engineering Federation VDMA, incoming orders for the sector slipped by eleven percent in August and had thus fallen for ten months in succession. According to the VDMA, the renewed downturn in domestic business was a major factor here. Domestic orders were down 18 percent, the biggest drop since 2009, while orders from other countries fell by six percent compared with the prior-year period. There were fewer orders both from countries in the eurozone and from non-euro countries, reflecting the widespread mood of uncertainty. The printing press industry, too, continues to see a decline in incoming orders and revenue compared to the prior-year period.

BUSINESS PERFORMANCE AND POSITION OF THE GROUP

Revenue for the technotrans Group in the first nine months of 2013 climbed 17.6 percent to € 77.8 million (€ 66.1 million). This growth was driven first and foremost by the acquisition of KLH Kältetechnik GmbH and its Asian sister companies at the start of 2013. The unsatisfactory revenue performance in the Technology segment compared with the original target stemmed mainly from the renewed, unexpectedly sharp downturn in business with customers from the printing industry. The activities in other sales markets are making headway, but are not yet in a position to compensate for this volume in the short term.

The revenue shortfall compared to the target has also had a negative impact on earnings. Earnings before interest and taxes (EBIT) after nine months reached only € 3.0 million, representing a fall of 12.0 percent compared with the prior-year figure (€ 3.4 million); this meant that the EBIT margin was only 3.9 percent, compared with 5.2 percent for the corresponding prior-year period. The net income for the period amounts to € 1.7 million (€ 2.1 million), equivalent to earnings per share of € 0.25 (€ 0.33).

With an equity ratio of now 56.3 percent and net liquidity of € 1.5 million, as before the technotrans Group enjoys a sound basis on which to continue the pathway of growth that it is currently on.

REVENUE

In the course of the first nine months of the financial year the technotrans Group generated revenue of € 77.8 million, representing an increase of 17.6 percent on the prior-year period (€ 66.1 million). The third quarter of 2013 brought in revenue of € 25.3 million, up 4.7 percent on the prior-year quarter (€ 24.2 million). This rise in revenue after nine months falls significantly short of the original expectations regarding how the the financial year would unfold. It is attributable to a renewed, unexpectedly sharp drop in business with customers from the printing industry, which the company has been unable to compensate for elsewhere in the short term. technotrans now earns over 30 percent of its revenue outside the printing industry. Its top priority remains to work determinedly on increasing that share in order to achieve its ambitious growth targets in the medium and long term.

FINANCIAL PERFORMANCE, FINANCIAL POSITION AND NET WORTH

FINANCIAL PERFORMANCE

Gross Profit

At the nine-month point in 2013 gross profit was up 6.1 percent at € 24.3 million (€ 22.9 million) and the overall gross margin came to 31.3 percent (34.7 percent). Although the gross profit for Q3 was only € 8.4 million and therefore just 1.0 percent up on the prior-year figure (€ 8.3 million), the gross margin was 33.2 percent. Alongside operational improvements, this was attributable in part to the higher proportion of Service revenue.

Depreciation and Amortisation

Depreciation and amortisation came to € 2.4 million (€ 2.2 million) in the period under review and was increased by the assets identified and capitalised in the context of the acquisition of KLH. Earnings before taking account of depreciation and amortisation (EBITDA) amounted to € 5.5 million, just 3.4 percent down on the previous year's level (€ 5.7 million).

Earnings Before Interest and Taxes (EBIT)

EBIT for the third quarter reached € 0.8 million (€ 1.7 million), which corresponds to an EBIT margin of 3.0 percent. This decrease was primarily due to the unexpectedly weak business performance. After the nine months of the 2013 financial year, EBIT amounted to € 3.0 million, or 12.0 percent less than at the same point of the previous year (€ 3.4 million). The EBIT margin at the reporting date fell to just 3.9 percent (5.2 percent).

Compared with the previous year fixed costs were higher as a result of the acquisition of KLH. Investment in activities outside the printing industry also represents a financial burden because it is not yet producing a corresponding level of revenue. The distribution costs remained unchanged at the slightly higher level of the first quarters, again reflecting the increased level of activity in the new markets, along with the involvement in various industry exhibitions. Both the administrative expenses and the development costs were roughly at the previous year's level. The other operating expenses were again inflated in the third quarter by valuation losses from currency translation that were not realised. At the nine-month mark, the positive effects nevertheless dominate the other operating income and expenses.

Financial Result

The financial result was only marginally higher than for the prior-year period and after nine months reached € 552 thousand (€ -482 thousand), first and foremost because of the higher financial liabilities following the takeover of KLH.

Tax Expense

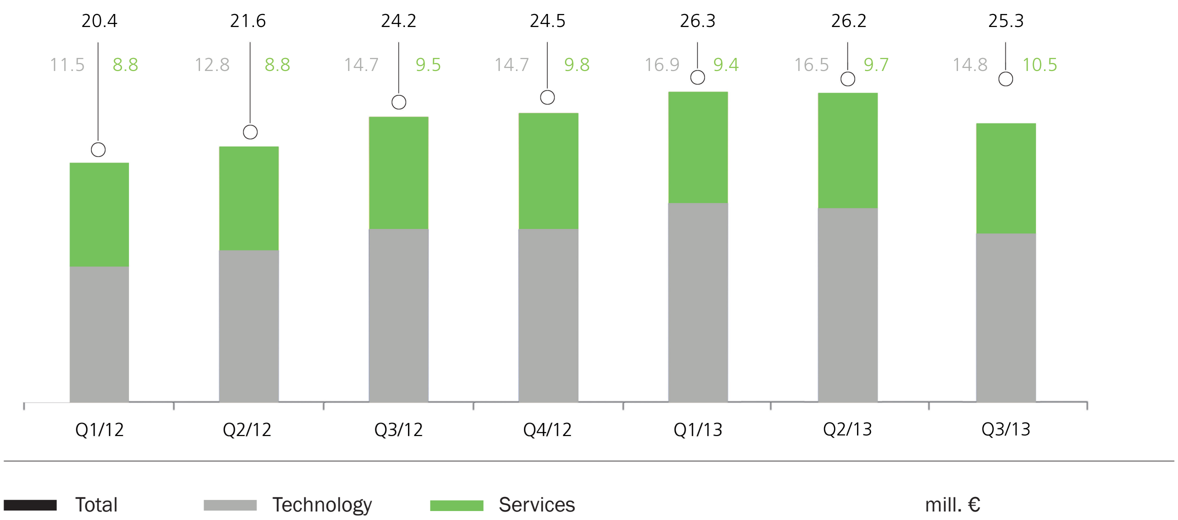
The lower level of income in the third quarter also led to a reduction in income tax expense. This item now amounted to € -738 thousand (€ -862 thousand) for the first nine months. The effective tax rate was 29.8 percent.

Net Income for the Period

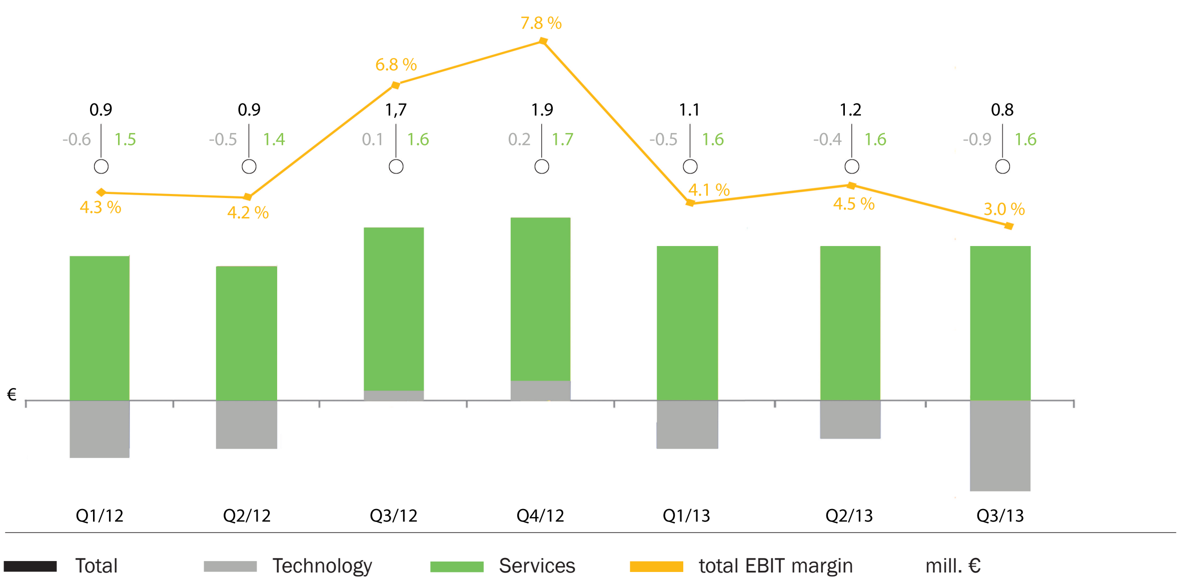
Net income for the nine-month period came to € 1.7 million (€ 2.1 million). After recording net income of € 0.7 million in both the first and second quarters, the third-quarter figure was only € 0.4 million for the reasons presented above. The rate of return was thus 2.2 percent (3.2 percent) overall. Earnings per share, for shares outstanding, are therefore € 0.25 (€ 0.33) after nine months.

Revenue

The first nine months of the financial year saw the Technology segment generate revenue of € 48.2 million (€ 39.0 million), or 62 percent of total revenue. The increase in the current financial year is largely attributable to business expansion following the takeover of KLH Kältetechnik. On the other hand print business again declined (especially compared to the drupa year 2012), at a rate which could not be counterbalanced by sales in other areas. This became particularly apparent in the third quarter of 2013, when revenue for the segment reached just € 14.8 million and was therefore merely on a par with the previous year despite growth in the new markets (€ 14.7 million; after adjustment for the “drupa effect” the prior-year quarter would have brought in approximately € 13.4 million). The revenue shortfall compared with the original plans for 2013 now amounts to around € 7 million; this has prompted the Board of Management to reduce the target for the full year.



Revenue for the Services segment at the nine-month mark reached € 29.6 million (€ 27.1 million). The 9.1 percent year-on-year growth is driven in part by the acquisition of KLH. Thus, the rise of 11.1 percent in the third quarter to € 10.5 million (€ 9.5 million) is partly attributable to the implementation of corresponding segment reporting at the new subsidiary since mid-way through the year. In all, the segment brings in 38.0 percent of total revenue.



Earnings (EBIT)

From the unexpectedly low revenue total, the Technology segment again brought in a slightly higher loss, which amounted to nearly € -0.9 million in the third quarter of 2013 (€ +0.1 million). This brought the aggregate loss for the first nine months of 2013 to € -1.8 million (€ -1.0 million). Over and above the effects of the revenue shortfall, the total reflects investment in accessing new sales markets and, to a lesser extent, one-off measures e.g. for the adjustment of international structures.

The Services segment again made a stable contribution towards earnings in the third quarter. At just over € 1.6 million for the quarter, the margin reached 15.5 percent (previous year just under € 1.6 million, margin 16.6 percent). One-off expenses such as the closing-down of the subsidiary in Sweden filtered into this item. The nine-month result for the segment is € 4.8 million (€ 4.4 million), representing growth of 7.8 percent. The EBIT margin at the reporting date remains virtually unchanged at 16.2 percent.

Employees

At the end of the first nine months there were 544 employees allocated to the Technology segment, compared with 428 in the segment at the year-end reporting date. This growth is again a consequence of the takeover of KLH. There were 243 employees in the Services segment at September 30, 2013, compared with 234 at the end of 2012.

FINANCIAL POSITION

Based on net income of € 1.7 million (€ 2.1 million) for the nine-month period, the cash flow from operating activities before changes in working capital totalled € 5.6 million (€ 6.5 million). Within working capital, there was a year-on-year change in liabilities due to reporting-date factors, mainly from the scaling-back of liabilities by KLH during the first nine months. Over the same period of the previous year, cash of € 0.4 million was released through changes in working capital.

After deduction of interest and income tax payments, the net cash from operating activities for the period under review was again comfortably positive at € 2.2 million (€ 6.1 million).

The cash sum of € 5.6 million used for investing activities comprises the customary maintenance investments as well as the cash outflow for the acquisition of the interest in KLH Kältetechnik GmbH and its Asian sister companies (€ 3.3 million net), plus a conditional purchase price component for the acquisition of Termotek AG (€ 0.8 million).

At the nine-month mark the free cash flow therefore remained negative at € -3.4 million (€ 5.0 million).

Credit facilities agreed were used for example to finance the acquisition of the interest at the start of the financial year, while scheduled repayments amounting to € 3.5 million were made in the course of the year. A payment of € 0.8 million was made to the shareholders by way of a dividend for the 2012 financial year. The net cash employed for financing activities therefore came to € 2.7 million (€ -3.6 million) after nine months. Since the balance sheet date of December 31, 2012 cash and cash equivalents have fallen by 4.0 percent to € 18.0 million (€ 18.7 million). In conjunction with available credit facilities approved and promised, the current financial position continues to offer ample leeway for financing current business and also for potential acquisitions.

NET WORTH

Balance Sheet Total and Equity Ratio

Since the December 31, 2012 reporting date, total assets have grown by 18.3 percent to € 76.5 million (€ 64.7 million). The acquisition of the interest in KLH and its first-time inclusion in the Consolidated Financial Statements have various effects on the balance sheet at the reporting date. As well as the change in both assets and equity and liabilities from the full consolidation of the three affiliated companies (assets and debts 100 percent), the acquisition resulted in goodwill and in other capitalised assets. The equity ratio at September 30, 2013 was once again 56.3 percent.

Assets

The main asset-side changes are the consolidation-related additions of € 8.7 million within non-current assets (property, plant and equipment, real estate, goodwill and intangible assets). The two latter items stem from purchase price allocation for the interest acquired with effect from January 1, 2013. Current assets grew by € 3.1 million first and foremost from the acquisition-led expansion in business. Cash and cash equivalents were down 4.0 percent on the start of the year at € 18.0 million.

Equity and Liabilities

On the equity and liabilities side, equity improved by 5.5 percent to € 43.1 million. Based on the ownership interest – technotrans acquired a 65 percent interest in the KLH Group with effect from January 1, 2013 – there are minority interests to be reported.

There was a substantial acquisition-led rise in non-current liabilities to € 15.4 million, compared with € 8.6 million at the start of the year. The increased borrowings in connection with the raising of agreed credit lines for acquisition purposes account for around half of this increase. The other half substantially comprises conditional purchase price payments for past acquisitions, as well as liabilities from leases. Scheduled repayments of financial debt were in addition again made in the year to date.

Working Capital

Working capital (current assets € 45.4 million less current liabilities € 18.0 million) rose only minimally to € 27.4 million (€ 27.1 million) since the year-end reporting date, and therefore by a much slower rate than the expansion of business volume overall. Cash and cash equivalents account for € 18.0 million of current assets alone.

Net Debt and Gearing

The group's net liquidity, in other words interest-bearing liabilities less cash and cash equivalents, was € 1.5 million at September 30, 2013; gearing (the ratio of net debt to equity) is consequently negative at -3.6 percent.

OTHER INFORMATION

EMPLOYEES

Total and Changes

The number of employees in the group rose from 662 at the end of 2012 to 787 on September 30, 2013. There were 624 (504) employees in Germany and 163 (149) internationally. The increase in the current financial year is attributable to the acquisitions and the above-average number of new apprentices.

Personnel Expenses

Personnel expenses for the period under review reached € 27.9 million (€ 24.0 million), with the personnel expenses ratio amounting to 35.9 percent (36.2 percent).

SHARES

The bullish trend on stock markets continued in the third quarter of 2013. Largely for no fundamental reason, indices climbed to new record highs despite the euro crisis and US budget debacle. The quarter saw technotrans shares take time out from this movement and consolidate at trading prices ranging between € 8.50 and slightly more than € 9.00. As at the end of September, they had thus appreciated by just over 30 percent compared with the start of the year. The trading volume, too, was somewhat quieter in the quarter. As an average for the first nine months, around 17,000 shares changed hands every day. Following publication of the provisional figures on October 21, 2013 and the scaling-back of the targets for the financial year, the shares fell by 15 percent.

Related Parties – Directors' Holdings

	September 30, 2013
Board of Management	
Henry Brickenkamp	40,000
Dirk Engel	10,000
Dr. Christof Soest	3,764
Supervisory Board	
Reinhard Aufderheide	3,261
Dr. Norbert Bröcker	250
Heinz Harling	64,854
Thomas Poppenberg	458
Helmut Ruwisch	1,500
Dieter Schäfer	0

OPPORTUNITIES AND RISKS REPORT

Future Parameters

The signs of an economic recovery remain modest. The International Monetary Fund (IMF) has thus downgraded its forecast for 2014, too. Growth worldwide is expected to be lower at 3.6 percent, in contrast to the IMF's prediction of 3.8 percent back in July. On the other hand the IMF economists have actually upped their forecast for the eurozone slightly. According to their report, economic output this year will fall by only 0.4 percent. The IMF had previously been predicting a drop of 0.6 percent. It expects the eurozone to grow once again by 1.0 percent in 2014 – up from the previous forecast of 0.9 percent. For Germany, too, its estimates are a little brighter: this year the IMF expects GDP to rise by 0.5 percent (previously up 0.3 percent). The German economy is moreover set to achieve 1.4 percent growth in 2014 instead of the previously forecast 1.3 percent.

In their autumn report for the German government, the leading research institutes forecast a sharp upturn in investment that should give the German economy a substantial lift next year. The upswing will be driven by domestic demand. Gross domestic product is thus expected to pick up by 1.8 percent, after much more subdued growth of 0.4 percent this year. They believe the improving global economic environment and diminishing uncertainty will boost investment.

Future Development of the Group

Revenue and Earnings

The delay in the recovery coming has been compounded by the unexpectedly sharp downturn in business with customers from the printing industry, resulting in the unsatisfactory business performance in the third quarter of 2013. The revenue shortfall compared with the original plans is in the order of € 7 million after nine months of the year, an amount that the company is not yet in a position to recoup through its activities in new markets in the short term. The Board of Management has consequently resolved to adjust the targets for the year as a whole. The current position indicates that revenue for the 2013 financial year will reach a total of around € 102 million (most recent forecast € 105 million). This assumption is based on the expectation that the business performance in the fourth quarter will change only minimally from that of the third quarter. The final total for the year will moreover depend on whether various customer projects can be completed in December as planned, or whether projects will be delayed until the next financial year.

We are rather more optimistic about developments in the next financial year. We are initially assuming revenue growth will reach six percent, on the one hand thanks to the more benign investment climate that the economic forecasts currently anticipate and on the other hand because projects beyond the printing industry will bring in an increasing share of revenue. However, based on recent experience we consider it advisable to anticipate that the latter of these effects could take longer to materialise, because in this respect too we are normally dependent on the progress of development work at our customers. Opportunities arising from growth in our market shares in the printing industry, from trends in the e-mobility sector or from the laser industry are only built into this estimate to the extent that their impact is already foreseeable today.

In order to accelerate growth further, we are stepping up our sales activities in the new markets. In an effort to see that the additional customer projects are completed successfully, we continue to invest considerable amounts in resources. The resulting revenue will then bring the cost ratios back down to normal levels. The revenue growth and the ongoing optimisation processes should therefore help improve the EBIT margin to 6 to 7 percent next year. Having already planned such levels for this year, this target appears to us to be realistic; the technotrans growth story thus remains fully intact and, as matters stand, the attainment of our medium and long-term goals is merely being postponed by a year. We will publish firm guidance for the 2014 financial year at the usual time in March.

Investment and Finance

We do not currently foresee any investments which would involve an increased need for financing. However our banks have expressed an interest in supporting us for further acquisitions as appropriate; on the other hand, in the absence of specific takeover targets at the reporting date there are as yet no firm commitments. The short-term borrowing arrangements with a volume of € 13.5 million have been reorganised. At present technotrans is not using the working capital credit facilities to any significant degree.

Overall Statement

So far, the 2013 financial year has not developed as hoped. Contrary to expectations the revenue shortfall increased further in the third quarter, with the result that revenue for the 2013 financial year is currently expected to be around € 102 million (previous forecast € 105 million). Due to the lower revenue, the EBIT margin for the full year is likely to come in at around 3.5 percent. The deviations from the original targets can be attributed to the renewed sharp downturn in business with customers from the printing industry. Whereas printing press manufacturers, for example, are once again having to introduce short-time, technotrans is again stepping up its efforts to access new sales markets outside the printing industry. We therefore stand by our medium and long-term growth targets.

Opportunities and Risks Report

The principal opportunities and risks of the group's anticipated future development are presented in the group management report for the past financial year. In the period under review, no significant changes over and above those portrayed have occurred in respect of developments in the remaining months of the current financial year.

DISCLAIMER

The Interim Management Report contains future-related statements. Considerable variation between anticipated developments and actual outcomes is possible due to any aforementioned or other element of uncertainty, or if the assumptions on the basis of which the forecasts are made prove to be incorrect.

CONSOLIDATED BALANCE SHEET

ASSETS	30/09/2013	31/12/2012
	€'000	€'000
Non-current assets		
Property, plant and equipment	15,533	14,208
Investment property	956	0
Goodwill	5,852	3,134
Intangible assets	5,211	1,681
Income tax receivable	224	224
Financial assets	99	119
Deferred tax	3,210	3,021
Total	**31,085**	**22,387**
Current assets		
Inventories	15,775	13,490
Trade receivables	9,499	8,651
Income tax receivable	315	356
Financial assets	424	613
Other assets	1,454	493
Cash and cash equivalents	17,968	18,715
Total	**45,535**	**42,318**
Total Assets	**76,520**	**64,705**

CONSOLIDATED BALANCE SHEET

EQUITY AND LIABILITIES	30/09/2013	31/12/2012
	€'000	€'000
Equity		
Issued capital	6,908	6,908
Capital reserve	12,928	12,928
Retained earning	34,921	30,231
Other reserves	–14,486	–12,296
Net profit for the period	1,624	3,094
Equity total of technotrans AG shareholders	41,895	40,865
Minority interest in equity	1,203	0
Total	**43,098**	**40,865**
Non-current liabilities		
Borrowings	11,501	6,395
Provisions	959	925
Other financial liabilities	1,911	1,271
Deferred tax	1,016	18
Total	**15,387**	**8,609**
Current liabilities		
Borrowings	3,963	2,933
Trade payables	3,558	2,142
Prepayments received	1,969	2,321
Provisions	4,854	4,874
Income tax payable	722	201
Financial liabilities	1,068	1,064
Other liabilities	1,901	1,696
Total	**18,035**	**15,231**
Total equity and liabilities	**76,520**	**64,705**

CONSOLIDATED INCOME STATEMENT

	1/7/ – 30/9/2013	1/7/ – 30/9/2012	1/1/ – 30/9/2013	1/1/ – 30/9/2012
	€'000	€'000	€'000	€'000
Revenue	25,319	24,171	77,769	66,126
of which Technology	14,791	14,693	48,189	39,018
of which Services	10,528	9,478	29,580	27,108
Cost of sales	–16,918	–15,854	–53,434	–43,185
Gross profit	**8,401**	**8,317**	**24,335**	**22,941**
Distribution costs	–3,783	–3,162	–11,038	–9,902
Administrative expenses	–3,084	–2,947	–8,939	–8,402
Development costs	–633	–668	–1,937	–1,562
Other operating income	600	316	2,324	1,499
Other operating expenses	–733	–203	–1,719	–1,135
Earnings before interest and taxes (EBIT)	**768**	**1,653**	**3,026**	**3,439**
Financial income	2	2	13	11
Financial charges	–212	–156	–565	–493
Net finance costs	**–210**	**–154**	**–552**	**–482**
Profit before tax	**558**	**1,499**	**2,474**	**2,957**
Income tax expense	–187	–431	–738	–862
Net profit for the period	**371**	**1,068**	**1,736**	**2,095**
of which:				
Profit attributable to technotrans AG shareholders	362	1,068	1,624	2,095
Profit attributable to non-controlling interests	9	0	112	0
Earnings per share (€)				
(basic), after minority interests	0.06	0.17	0.25	0.33
(diluted), after minority interests	0.06	0.17	0.25	0.33

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

	1/1/ – 30/9/2013	1/1/ – 30/9/2012
	€'000	€'000
Net profit for the period	**1,736**	**2,095**
Other result		
Exchange differences from the translation of foreign group companies	86	646
Exchange rate differences from net investments in a foreign business	–130	–237
Change in the market value of cash flow hedges	66	–27
Other profit after tax	22	382
Overall result for the financial year	**1,758**	**2,477**
of which:		
Profit attributable to technotrans AG shareholders	1,646	2,477
Profit attributable to non-controlling interests	112	0

CONSOLIDATED CASH FLOW STATEMENT

	30/9/2013	30/9/2012
	€'000	€'000
Cash flow from operating activities		
Net profit for the period	1,736	2,095
Adjustments for:		
Depreciation and amortisation	2,439	2,218
Share-based payment transactions	72	
Income tax expense	738	1,481
Gain (-) / loss (+) on the disposal of property, plant and equipment	–13	–19
Foreign exchange losses (+) / gains (-)	92	278
Financial income	–13	–11
Financial charges	565	493
Cash flow from operating activities before working capital changes	**5,616**	**6,535**
Change in:		
receivables and other current assets	–344	–801
inventories	–215	–562
other non-current assets	–92	170
liabilities	–1,123	611
provisions	–292	1,017
Cash from operating activities	**3,550**	**6,970**
Interest income	13	9
Interest expense	–565	–435
Income taxes paid	–778	–469
Net cash from operating activities	**2,220**	**6,075**

	30/9/2013	30/9/2012
	€'000	€'000
Cash flow from investing activities		
Cash payments for investments in property, plant and equipment	–1,566	–855
Cash payments for the acquisition of consolidated companies	–4,134	–320
Proceeds from the sale of property, plant and equipment	71	121
Net cash used for investing activities	**–5,629**	**–1,054**
Cash flow from financing activities		
Cash receipts from the raising of short-term and long-term loans	7,000	3,900
Cash payments from the repayment of loans	–3,541	0
Distribution to shareholders	–776	–7,539
Net cash used in financing activities	**2,683**	**–3,639**
Net effect of currency translation and consolidation related in cash and cash equivalents	–22	127
Net increase in cash and cash equivalents	–748	1,509
Cash and cash equivalents at start of period	18,715	12,798
Cash and cash equivalents at end of period	**17,967**	**14,307**

STATEMENT OF MOVEMENTS IN EQUITY

	Equity total of tt AG shareholders	Minority interest in equity	30/9/2013	2012
	€'000	€'000	€'000	€'000
Equity at January 1st	40,865	0	**40,865**	**37,291**
Net profit for the period	1,624	112	1,736	3,094
Other result				
Exchange differences from the translation of foreign group companies	86	0	86	729
Exchange rate differences from the net investment in a foreign business	–130	0	–130	–292
Change in the fair value of cash flow hedges	66	0	66	–100
Other results	**22**	**0**	22	**337**
Overall result	**1,646**	**112**	**1,758**	**3,431**
Transactions with shareholders of technotrans AG				
Distributions	–776	0	–776	0
Issuance of treasury shares	160	0	160	143
Transactions with shareholders of technotrans AG	**–616**	**0**	**–616**	**143**
Change minority interest following aquisition	0	1,091	1,091	0
Equity at end of period	**41,895**	**1,203**	**43,098**	**40,865**

NOTES

The Consolidated Financial Statements of technotrans AG at September 30, in common with the Consolidated Financial Statements at December 31, 2012, have been prepared in accordance with the International Financial Reporting Standards (IFRS) and their interpretations as applicable at the reporting date. 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 2012 financial year.

The Consolidated Balance Sheet together with the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Movements in Equity and Consolidated Cash Flow Statement for the reporting periods ending on September 30, 2013 and 2012 as well as the Notes have been neither audited nor subjected to any other formal audit examination.

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 December 31, 2012.

The same recognition and measurement principles as well as the consolidation methods applied for the 2012 financial year were retained. For further explanatory remarks we refer to the Notes to the Consolidated Financial Statements at December 31, 2012.

Consolidated Companies

The technotrans Group at September 30, 2013 comprised technotrans AG as well as 19 companies that were included in the Interim Financial Statements as fully consolidated companies. The number of group companies has increased by two compared to the position at December 31, 2012.

On January 1, 2013 technotrans AG acquired 65 percent of the shares and voting rights in each of – and thus control of – KLH Kältetechnik GmbH, Bad Doberan (Germany), KLH Cooling International Pte. Ltd (Singapore) and Taicang KLH Cooling Systems Co. Ltd, Taicang (PR China).

Through KLH Kältetechnik, the technotrans Group is stepping up its activities in the area of laser applications. Its customers include leading manufacturers of laser applications, as well as customers from the machine tool and food industries.

By way of counter-performance for the acquisition package, a fixed payment of € 4.0 million as well as a conditional purchase price component dependent on the profit performance over the years 2013 to 2017 were agreed. The value of the conditional payment obligations discounted at the reporting date is € 0.7 million.

The companies were included in consolidation from the date of their acquisition.

The goodwill of € 2.7 million was recognised in proportion to the revalued net assets and is based on non-identifiable intangible assets not recognised separately. Distribution of the purchase price among the identifiable assets at fair value was carried out using the IFRS 3 purchase price allocation process. The allocation of the purchase price had not yet been completed by the date of preparation of the financial statements for Q3. 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:

	fair value at date of aquisition
	€'000
Intangible assets	3,614
Property, plant and equipment	3,154
Inventories	2,066
Receivables and other assets	1,479
Cash and cash equivalents	675
Deferred tax	177
Liabilities	–6,950
Deferred tax	–1,099
Identifiable assets and debts	**3,116**
Goodwill	2,718
Non-controlling interests measured at the share in net assets at the date of aquisition	–1,091
Cost of acquisition	**4,743**
of which paid	4,000
of which not paid (earn-out)	743
Total	**4,743**
Cash and cash equivalents acquired	-675
Net cash outflow	**3,325**

With effect from July 1, 2013 gds AG has sold its interest in gds Schweiz GmbH. The resulting effects to the Consolidated Financial Statements are insignificant.

CORPORATE CALENDAR

Interim Report 1–9/2013	**November 5, 2013**
Annual Report 2013	**March 11, 2014**

For the latest version of this financial calendar and the individual reports, visit us on the internet at www.technotrans.com.

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