

# MAX Automation AG

6M Report 2017



## HIGHLIGHTS AT A GLANCE

- MAX Group posts strong business performance in the first half of 2017 fully in line with expectations
- Order backlog as of June 30 at a high level of EUR 189.1 million
- Group sales increase by 12.6% to EUR 180.2 million
- Group EBIT before PPA amortization nearly doubles to EUR 9.7 million
- Extension of the Group's loan to EUR 190 million provides additional scope for further growth
- Outlook for the full year 2017 confirmed

## CONSOLIDATED RESULTS AT A GLANCE (IFRS)

in EUR mill.	Jan-June 2017	Jan-June 2016	Change
New order intake	176.4	203.0	-13.1%
Order book position*	189.1	177.4	6.6%
Revenue	180.2	160.1	12.6%
EBITDA	12.9	8.3	56.7%
EBIT before PPA	9.7	5.0	94.8%
EBIT after PPA	8.6	2.8	++
Earnings for the period	5.0	0.4	++
EBIT per share before PPA (in EUR)	0.36	0.18	100.0%
Earnings per share (in EUR)	0.19	0.01	++

\*Date June 30, 2017, compared to June 30, 2016

in EUR mill.	30.06.2017	31.12.2016	Change
Equity	115.8	111.3	4.1%
Equity ratio (in %)	35.5	36.3	-0.8%-points
Gross financial debt	118.5	92.9	27.5%
Cash and cash equivalents	14.6	23.0	-36.5%
Net debt	103.9	69.9	48.6 %
Employees (by headcount)*	1,741	1,747	-0.3%
- of which trainees	111	123	-9.8%

\* Date June 30, 2017, compared to June 30, 2016

## To our shareholders

### Letter from the Management Board

Dear shareholders,

MAX Automation AG recorded a strong first half of 2017. After getting off to a dynamic start to the year, our businesses developed positively in the second quarter and are now fully within our expectations after six months. The good business performance was supported by both segments.

At the end of the first half of the year, the MAX Group's order book stood at EUR 189.1 million, 6.6% higher than the previous year's figure and only slightly below the record value of EUR 193.8 million at the end of 2016. Order intake was down 13.1% in the first six months. Here, however, it should be taken into consideration that the orders were particularly high at the end of the comparative period of the previous year, as we had communicated in detail last year. At EUR 176.4 million, incoming orders were the second highest in the history of the MAX Group following the record value we achieved in 2016 (EUR 203.0 million).

Group sales improved by 12.6% to EUR 180.2 million in the first half of the year. Consolidated earnings before interest and taxes (EBIT) as well as before depreciation from purchase price allocations (PPA) grew significantly faster than sales and almost doubled to EUR 9.7 million.

Industrial Automation continued to develop quite positively in the first half of the year. The Group continues to benefit from its focus on key growth drivers, including electromobility, the trend towards driving assistance systems, the diversity of variants in the automotive industry, and the tightening of CO<sub>2</sub> emissions. The order backlog in Industrial Automation rose by 6.7% to EUR 164.5 million, resulting in high overall capacity utilization among the Group companies. Segment revenue rose by 20.6% to EUR 133.6 million, while segment EBIT before PPA increased by more than half to EUR 9.5 million.

In Environmental Technology, we succeeded in adapting the segment to the still subdued market environment last year by improving the cost structure and lowering the break-even point. As a result, half-year EBIT before PPA multiplied from EUR 0.3 million to EUR 2.6 million. The renewed product portfolio and the expanded service business led to higher gross profit. The order backlog at the end of June amounted to EUR 24.6 million, 6.0% above the previous year's level. Segment revenue fell by 5.6% in the first six months to EUR 46.6 million.

The development of the MAX Group in the first half of the year shows that our strategic orientation is successful. We place special emphasis on the internationalization of our businesses. To this end, we launched MAX Automation North America Inc. at the beginning of the year, which expands our network in the Americas and helps our Group companies to support their customers by serving as an operational platform.

At the beginning of August, we signed an investment agreement on the majority acquisition of the activities of the fast-growing Chinese mechanical engineering company Shanghai Cisens Automation Co., Ltd. We are currently planning to complete the acquisition in the fourth quarter of this year. Shanghai Cisens Automation specializes in industrial automation. The automotive industry is by far its largest customer segment. Some of our Group companies are already active in substantial business activities in China, but with the planned acquisition we would be able to create added value in handling customer projects.

On the financing side, we recently extended our syndicated loan, which was concluded in 2015. We have thus increased the previous volume by EUR 40 million to EUR 190 million and prolonged the original term to 2024. Here, we benefit from lower interest rates and comfortable covenants, i.e. agreed financial ratios. With the increase, we have created additional financial leeway for our growth plans and for the implementation of our Strategy 2021.

We consider the successful business development in the first six months to be a good basis for the second half of 2017. We therefore confirm our previous forecast for the full year and expect Group sales of at least EUR 370 million and consolidated EBIT before PPA amortization in the range of EUR 22 million to EUR 25 million.

We would like to thank you, dear shareholders, for your confidence in our company's good growth prospects. We will continue to work hard to position the MAX Automation Group successfully and in a way that creates value in its markets.

Düsseldorf, August 2017

Daniel Fink

Fabian Spilker

Chairman of the Management Board

Member of the Management Board

# MAX-SHARE

## MAX Automation AG Share

The share of MAX Automation AG has been listed in the Prime Standard of the Frankfurt Stock Exchange since 2015.

### Price performance

The share of MAX Automation AG developed dynamically overall in the first six months of 2017, significantly better than the price index SDAX. The share reached its lowest level of EUR 5.78 already at the beginning of the year on January 2, 2017, and continually rose in value until the end of February. Following a slight decline at the beginning of April, it slowly recovered again and entered into a clear sideward movement starting in mid-May. On June 26, 2017, it reached its high of EUR 7.65. It then closed the reporting period at EUR 7.44. This represents an increase of 29.4% compared to the closing price for 2016 of EUR 5.75. The SDAX gained 13.9% in value in the same period.

After the end of the reporting period, the share of MAX Automation remained at its high level and was also priced at EUR 7.44 on July 31, 2017.

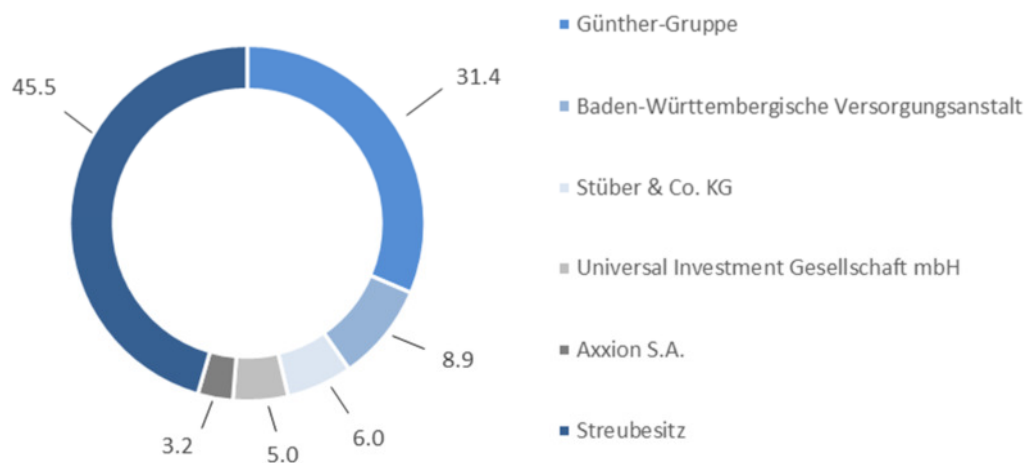
Key data for the MAX share	
German Securities Identification Number (WKN)	A2DA58
ISIN	DE000A2DA588
Ticker symbol	MXHN
Trading segment	Regulated Market (Prime Standard)
Share class	Par value ordinary bearer shares with no par value (no-par shares) with a proportionate amount of the share capital of EUR 1.00 respectively
Registered capital	26,794,415
Share price on December 30, 2016	5.75 EUR
Share price on June 30, 2017	7.44 EUR
Percentage change	29.4%
High for the reporting period	7.65 EUR
Low for the reporting period	5.78 EUR
Market capitalization on January 2, 2017	EUR 154.9 million
Market capitalization on June 30, 2017	EUR 205.0 million

### Performance of the MAX Automation AG share



### Shareholder structure

The Günther Group based in Hamburg, Germany, continues to be MAX Automation AG's largest single shareholder with a 31.4% voting rights interest. Other large shareholders based on voting rights notifications submitted to the company included Baden-Württembergische Versorgungsanstalt with 8.9%, Stüber & Co. KG with 6.0%, Universal Investment Gesellschaft mbH with 5.0% and Axxion S.A. with 3.2%. This means that around 45.5% of the voting rights are held by free float private and institutional investors.





# INTERIM GROUP MANAGEMENT REPORT

## Principles of the Group

### Business model

MAX Automation AG, which is based in Düsseldorf, Germany, and its subsidiaries operate as an international high-tech mechanical engineering Group and leading complete provider of integrated and complex system and component solutions. The Group has two operating segments: in its Industrial Automation segment, the Group's extensive technological expertise enables it to act as an innovation leader in the development and production of integrated and proprietary solutions for manufacturing and assembly in the long-term growth sectors of automotive, medical technology, packaging automation and electronics. In its Environmental Technology segment, MAX Automation develops and installs technologically complex systems for the recycling, energy and raw materials industries.

As an innovation leader in its business segments, MAX Automation attaches great importance to groundbreaking solutions for interlinked production. Core competences in this context relate to the production of machines and systems, and equally the development of software and interlinked applications, for product control or maintenance, for instance. MAX Automation serves several growth drivers in various areas in this context. These include the overall advancing automation in industry, digitalization in both the professional and private areas, robotics and related efficiency enhancements, trends to electromobility and autonomous driving, as well as cutting CO<sub>2</sub> emissions from automobiles.

### Group structure and locations

The Group companies of MAX Automation develop and produce high-tech automation solutions primarily in Germany and also at select locations abroad. The international service subsidiaries of the Group companies offer customers worldwide contacts for comprehensive care.

### Employee development

MAX Automation Group employed 1,741 people on the reporting date June 30, 2017. 111 of these were trainees. This represents an increase of 6 employees compared to the value on the same date in 2016 (1,747, of which 123 were trainees). In the Industrial Automation segment, the number of average employee capacities was expanded by 4.4%. In the Environmental Technology segment, on the other hand, the number of employee capacities decreased by approximately 8.0% due to the corresponding adjustment to meet market conditions in the second half of 2016.

## Economic Report

### Macroeconomic environment

The global economy developed positively in the first half of 2017. On the occasion of its "World Economic Outlook" in July 2017, the International Monetary Fund (IMF) announced that economic recovery had gained strength and confirmed its April forecast. According to it, the IMF continues to expect global economic growth of 3.5% in the current year and 3.6% for next year.

Nevertheless, the Monetary Fund noted that the expectations for individual countries had changed. For example, it revised its forecast for the US downwards, assuming economic growth of 2.1% in 2017 and 2018 respectively. He cited the uncertain development of government expenditures and tax revenues under the current US administration as the reasons. On the other hand, the IMF adjusted its expectations for the Chinese economy and expects growth of 6.7% in the current year and 6.4% next year.



The outlook for the euro zone has improved according to the IMF. The Monetary Fund expects an increase of 1.9% in 2017 and 1.7% in 2018 as a result of an above-expected economic development at the start of the year and a likely stronger demand on the domestic markets of the euro countries.

According to the IMF, the German economy will grow by 1.8% in the current year and by 1.6% in the coming year. Reasons for the improved prospects compared to April were the good domestic demand as well as stronger impulses for exports.

The Munich Ifo Institute, however, cited several risks to the development of the global economy. These include, among other developments, the current negotiations on the Brexit, i.e. the withdrawal of Great Britain from the European Union, the attitude of the US administration on the current free trade agreements, as well as structural reforms in the euro area, which are still being implemented too reluctantly.

#### **Business environment**

The German Engineering Federation (VDMA) reported good business development for its member companies in the first half of 2017. Order intake in the months of March to May increased by 4% compared to the same period of the previous year. Orders from abroad increased by 4%, while the orders from the euro partner countries increased by 23% and orders from the non-euro countries fell by 1%. Domestic business increased by 2%.

The VDMA increased its annual forecast for machine production in the current year from plus 1% to plus 3%. In addition to the dynamic order intake from the euro countries, the association also cited lively business with China and an expected further increase in domestic business. Nevertheless, the VDMA also listed risks for mechanical engineering, including the uncertain economic development in the US and the UK.

The member companies of the VDMA-Fachverband Abfall- und Recyclingtechnik (VDMA) are also confident optimistic concerning the development in the current year. In a federation survey, 74% of the companies reported an increase in sales compared to the previous year, with only 13% expecting a slight decline in sales. Overall, according to the association, the industry is aiming for 1.5% higher sales in 2017 after 0.5% the previous year. As a positive factor, the VDMA-Fachverband specifically mentioned the provisions of the German Bio Waste Ordinance and stronger foreign business for its companies.

The VDMA trade association Robotics and Automation sees its member companies on a growth path. Following record turnover of EUR 12.8 billion for the industry in 2016, the association expects a further increase of 7% to EUR 13.7 billion this year.

The global automotive markets continued the overall positive development of the previous year in the first half of 2017. According to data from the German Association of the Automotive Industry (VDA), growth was driven by the major automotive markets in Western Europe and China. In the first half of the year, new registrations increased by 3.7% and by 2.7% in China. On the other hand, business development negatively in the US and was down by 2%.

German medical technology companies remain optimistic for the current year. Whereas industry sales in 2016 had risen by 2.5% to EUR 28.3 billion compared to the previous year, further growth in sales of at least 4% is expected in the current year. The industry association Spectaris listed increasing protectionism in individual markets, a stronger decline in demand in China and continued geopolitical tensions as risks, however.

# INTERIM GROUP MANAGEMENT REPORT

## SIGNIFICANT EVENTS IN THE REPORTING PERIOD

### **MAX Automation AG acquires a stake in ESSERT GmbH**

MAX Automation AG completed the closing for a stake in ESSERT GmbH in Ubstadt-Weiher (near Karlsruhe) in January 2017 and informed about this on January 10, 2017. With its shareholding in ESSERT, MAX Automation has significantly expanded its expertise in software development for Industrie 4.0 applications and in collaborative robotics.

### **MAX Group expands presence in North America**

On February 15, 2017, MAX Automation AG reported that it has opened a site in Atlanta, the capital of the US state of Georgia, MAX Automation North America Inc. The company serves as an operational platform (business hub) for several Group companies of MAX Automation in the Industrial Automation segment. The Group companies serve in particular customers in the Midwest in the automotive and medical technology sectors from out of Atlanta. MAX Automation North America Inc. has expanded its network of operations on the American continent, which now comprises offices in South Carolina, Oklahoma and Mexico.

### **Annual General Meeting resolves SE conversion**

On June 30, 2017, the Annual General Meeting of MAX Automation AG approved the plan for the conversion of MAX Automation AG into the established legal form of a European Company (Societas Europaea, SE) by a large majority. With the planned transformation, the company takes account of the growing importance of its international business activities. The legally effective implementation is to take place in the second half of 2017. The Articles of Association of the future MAX Automation SE contained in the conversion plan stipulate that the current dualistic management structure of the company with the Executive Board and the Supervisory Board be adapted to the monistic management system with an Administrative Board. The members of the first Board of Directors of MAX Automation SE were joined by the former members of the Management Board, Daniel Fink and Fabian Spilker, as well as the former Supervisory Board members Gerhard Lerch, Dr. Jens Kruse and Oliver Jaster.

In addition, the meeting approved a constant dividend compared to last year of EUR 0.15 per share for financial year 2016, which corresponds to a dividend payment of EUR 4.0 million.

## Orders received by the Group

### Incoming orders

in EUR mill.	Jan-June 2017	Jan-June 2016	Change in%	Apr-June 2017	Apr-June 2016	Change in%
Industrial Automation segment	134.2	161.9	-17.2%	72.6	113.3	-35.9%
Environmental Technology segment	42.3	41.0	3.0%	17.9	16.0	12.1%
Group	176.4	203.0	-13.1%	90.6	129.3	-30.0%

Order intake for the MAX Group reached EUR 176.4 million in the first six months of 2017 and thus remained at a high level. This represents a decrease of EUR 26.6 million or 13.1% compared to the figure for the same period of last year (EUR 203.0 million). It should be taken into account, however, that order intake was particularly strong especially at the end of the comparison period in 2016. The book-to-bill ratio for the first six months of the year amounted to 0.98.

In the Industrial Automation segment, orders decreased to EUR 134.2 million in the first half of 2017 (previous year: EUR 161.9 million; -17.2%). In Environmental Technology, incoming orders rose by 3.0% to EUR 42.3 million (same period of the previous year: EUR 41.0 million).

### Order backlog

The Group's order backlog increased by 6.6% to EUR 189.1 million as of June 30, 2017 (June 30, 2016: EUR 177.4 million). It was thus only slightly lower than the record value of EUR 193.8 million at the end of 2016.

The order backlog in the Industrial Automation segment increased by 6.7% to EUR 164.5 million at the end of June 2017 (June 30, 2016: EUR 154.2 million). In Environmental Technology, the order backlog increased by 6% to EUR 24.6 million as of the end of June 2017 (same date of the previous year: EUR 23.2 million).

## Group sales development

### Group sales

in EUR mill.	Jan-June 2017	Jan-June 2016	Change in%	Apr-June 2017	Apr-June 2016	Change in%
Industrial Automation segment	133.6	110.8	20.6%	70.7	58.7	20.6%
Environmental Technology segment	46.6	49.4	-5.6%	22.3	25.9	-14.0%
Group	180.2	160.1	12.6%	93.0	84.5	10.1%

Group sales of MAX Automation rose dynamically by EUR 20.1 million or 12.6% to EUR 180.2 million in the first half of 2017 (first half of 2016: EUR 160.1 million) as a result of the higher sales in the area of Industrial Automation.

In the second quarter, revenue amounted to EUR 93.0 million, which was EUR 8.5 million or 10.1% higher than in the same quarter of the previous year (EUR 84.5 million).

# INTERIM GROUP MANAGEMENT REPORT

In the first six months of 2017, the Industrial Automation segment significantly increased its revenue by 20.6% from EUR 110.8 million to EUR 133.6 million. The Environmental Technology segment, on the other hand, recorded a drop in sales to EUR 46.6 million (previous year: EUR 49.4 million; -5.6%).

The overall performance of the MAX Group increased by EUR 21.2 million or 12.9% to EUR 186.1 million in the first half of the year (previous year: EUR 164.9 million). This includes EUR 4.9 million in changes in inventories (previous year: EUR 3.4 million).

## Consolidated results of operations

in EUR mill.	Jan-June 2017	Jan-June 2016	Change in%	Apr-June 2017	Apr-June 2016	Change in%
EBIT before PPA						
Industrial Automation segment	9.5	6.1	54.6%	5.6	3.9	45.2%
EBIT before PPA						
Environmental Technology segment	2.6	0.3	++	1.1	0.6	95.6%
EBIT before PPA Group	9.7	5.0	94.8%	5.1	3.5	45.3%
EBIT after PPA Group	8.6	2.8	++	4.6	2.5	86.7%
Consolidated net profit	5.0	0.4	++	2.5	0.7	++

Other operating income declined to EUR 2.8 million in the first six months of 2017 after EUR 3.8 million in the same period of the previous year. This was mainly due to lower income from foreign exchange differences. They declined to EUR 0.4 million after EUR 0.9 million in the same quarter of the previous year. Correspondingly, expenses related to exchange rate differences decreased only slightly from EUR 1.1 million to EUR 1.0 million.

The cost of materials increased from EUR 84.7 million to EUR 96.2 million (+13.5%) due to the higher overall output. Nevertheless, at 51.7%, the cost of materials ratio based on overall performance was only slightly higher than the level of the same period last year of 51.4%.

Personnel expenses rose by 5.4% from EUR 53.5 million to EUR 56.4 million due to the hiring of new staff in fast-growing areas and increases in wages. The personnel expense ratio based on total output improved from 32.5% to 30.3 % due to fixed cost digression.

At EUR 3.3 million, depreciation was at the same level as last year.

Other operating expenses increased from EUR 22.1 million to EUR 23.2 million (+4.9%). At EUR 1.1 million, expenses for currency differences were roughly at the same level as in the previous year. The balance of currency effects thus amounted to EUR -0.6 million after EUR -0.2 million in the first half of 2016.

Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) rose by more than half to EUR 12.9 million in the first six months of 2017 compared to the same period of the previous year (previous year: EUR 8.3 million; +56.7%).

MAX Group reported operating earnings before interest and taxes (EBIT) and before amortization of purchase price allocations of EUR 9.7 million for the first half of 2017, which is nearly twice as high as in the same period of the previous year (first half of 2016: EUR 5.0 million). The EBIT margin in relation to total output improved

significantly from 3.0% to 5.2%. Earnings per share before PPA amortization doubled from EUR 0.18 in the first six months of 2016 to EUR 0.36.

Group EBIT before PPA increased significantly to EUR 5.1 million in the second quarter (Q2 2016: EUR 3.5 million). The EBIT margin improved to 5.5% (Q2 2016: 4.0%).

PPA amortization decreased from EUR 2.2 million to EUR 1.0 million in the first half of 2017 (-52.1%). This resulted solely from the acquisition of ELWEMA Automotive GmbH at the end of 2013 and iNDAT Robotics GmbH in February 2015 and will be significantly lower than in previous years in the future as well.

EBIT after amortization arising from PPA amounted to EUR 8.6 million in the first six months of 2017, which is more than three times the value for the same period of the previous year (EUR 2.8 million). EUR 4.6 million of this amount was incurred in the second quarter (Q2 2016: EUR 2.5 million).

Net interest income of EUR -1.4 million was at the same low level of the previous year. The effects from the reorganization of Group financing in 2015 are reflected in this sustained improvement in net interest income.

Consolidated earnings before taxes (EBT) amounted to EUR 7.3 million in the first half of 2017 (EUR 1.4 million).

The net result for the first six months of 2017 improved considerably to EUR 5.0 million (previous year: EUR 0.4 million). This equates to earnings per share of EUR 0.19 (previous year: EUR 0.01). Net income in the second quarter amounted to EUR 2.5 million (Q2 2016: EUR 0.7 million). The quarterly earnings per share were EUR 0.10 (Q2 2016: EUR 0.03).

The Group's earnings developed dynamically in both segments in the first half of 2017. In Industrial Automation, EBIT before PPA increased by more than half to EUR 9.5 million after EUR 6.1 million in the same period of the previous year (+54.6%). In the Environmental Technology segment, EBIT before PPA was EUR 2.6 million after the cost structure was adjusted (first half of 2016: EUR 0.3 million) and could thus be significantly improved.

### **Group assets**

The MAX Group had total assets of EUR 325.7 million as of the June 30, 2017, reporting date which were thus EUR 19.4 million or 6.3% above the level on December 31, 2016 (EUR 306.3 million).

Non-current assets increased by 2.4% to EUR 112.8 million (December 31, 2016: EUR 110.2 million). Here, the item non-current financial assets rose considerably due to the shareholding in ESSERT GmbH that was acquired in January.

Current assets increased by 8.6% in total to EUR 212.9 million (December 31, 2016: EUR 196.2 million). Trade receivables rose significantly from EUR 121.2 million to EUR 143.8 million (+18.6%), partly due to higher PoC receivables, in other words filling of long-term orders. Other current assets decreased from EUR 2.9 million to EUR 1.3 million (-55.3%) due to lower sales tax receivables. At EUR 14.6 million, cash and cash equivalents were 36.5% below the level of the previous year (December 31, 2016: EUR 23.0 million).

# INTERIM GROUP MANAGEMENT REPORT

Working capital increased to EUR 136.9 million due to the high level of orders and the pre-financing of the operating business associated with this (December 31, 2016: EUR 100.7 million; +36.0%). Working capital is expected to decline due to the fact that a larger number of projects will be concluded in the second half of the year.

## Group financial position

The equity of the MAX Group amounted to EUR 115.8 million on June 30, 2017 (December 31, 2016: EUR 111.3 million; +4.1%). The equity ratio reached 35.5%, which is still well above the minimum target value of 30% (December 31, 2016: 36.3%).

Non-current liabilities amounted to EUR 101.5 million in total, 24.1% more than at the end of 2016 (EUR 81.8 million). In this case, non-current liabilities to banks rose from EUR 64.1 million to EUR 83.5 million. This was largely due to an increase in the credit line for pre-financing the operative business of the Group companies as a result of the higher incoming orders.

Current liabilities fell by 4.3% to EUR 108.5 million (December 31, 2016: EUR 113.3 million). Trade payables declined from EUR 61.8 million to EUR 51.4 million due, among other factors, to lower down payments on orders received. Current liabilities to banks increased by EUR 6.1 million to EUR 34.9 million due to the above-mentioned pre-financing of projects (December 31, 2016: EUR 28.8 million).

The Group's gross debt (short and long term) amounted to EUR 118.5 million after six months (December 31, 2016: EUR 92.9 million; +27.5%).

Net debt totaled EUR 103.9 million after six months, which was higher than at the end of last year (December 31, 2016: EUR 69.9 million; +48.6%), as is quite common in the industry. A decrease in net debt is expected in the second half of the year.

## Liquidity Development of the Group

The MAX Group posted operating cash outflow of EUR 24.3 million in the first six months of 2017 after EUR 24.1 million in the same period of last year. This mainly reflects the pre-financing of orders.

Investing activities resulted in cash outflow of EUR 7.2 million (previous year: cash outflow of EUR 4.8 million). This includes the acquisition of equity shares in ESSERT GmbH in the amount of EUR 3.7 million.

The pre-financing of orders (as in the previous year in the amount of EUR 24.2 million) resulted in cash inflow of EUR 23.8 million from financing activities.

A decrease in cash and cash equivalents to EUR 14.6 million at the end of the first six months of 2017 after EUR 23.0 million at the beginning of the reporting period stems from the total of the cash flows.

## **Supplementary Report**

### **Group financing extended**

On July 31, 2017, MAX Automation AG announced that it had expanded its Group financing and extended it to 2024 at the same time. An increase in the consortium loan concluded in 2015 by EUR 40 million to a total volume of EUR 190 million was agreed. MAX Automation used the ongoing favorable financing environment to expand the syndicated loan. The agreement with five bank partners, led by Commerzbank, has improved conditions so that, despite the higher credit volume, it is unlikely that any higher interest expenses can be expected. Furthermore, comfortable conditions (covenants) have been arranged. The syndicated loan primarily serves to finance the further internal as well as external growth in important future markets and thus the implementation of the growth strategy 2021.

### **MAX Automation AG plans strategic acquisition in China**

On August 2, 2017, MAX Automation AG announced that the Management Board signed an investment agreement for the majority acquisition of the activities of the Chinese mechanical engineering company Shanghai Cisens Automation Co., Ltd. that same day. The first step involves a 51% stake with the option to purchase all remaining shares in the coming years. Shanghai Cisens Automation's business operations are to be integrated into a new company as part of an asset deal. 49% of the shares will be held by its CEO and founder, Roger Lee. The transaction volume for the acquisition is expected to be in the low double-digit million euro range. The acquisition is to be completed in the fourth quarter of 2017. Shanghai Cisens Automation is a specialist in industrial automation. The automotive industry is by far its largest customer group.

No other events of particular significance for the assets, financial and earnings position occurred after the reporting period.

## **Opportunity and Risk Report**

The opportunity and risk profile of the MAX Group has not changed significantly compared to the detailed information contained in the management report as of December 31, 2016. For this reason, no additional risks or opportunities need to be addressed in this interim report.

## **Forecast Report**

The Management Board assesses the positive business trend in the first half of 2017 and the sustained high demand as a good basis for achieving the targets for the current year.

The Industrial Automation segment has an unchanged comfortable order backlog and high capacity utilization. This is a good basis for a continued successful development in the second half and beyond. In line with Strategy 2021, the segment will focus on the four business segments Mobility Automation, Process Technologies, Life Science Automation and New Automation Technologies. Important growth drivers are relevant to these business areas, including the reduction of CO2 emissions from modern motor vehicles, the increasing importance of sustainable mobility solutions, the development of increasingly efficient plants and networked applications in Industrie 4.0, or the ever-increasing health consciousness among the population with corresponding positive effects on the medical technology industry.

# INTERIM GROUP MANAGEMENT REPORT

The Environmental Technology segment will continue to focus on the development and production of high-quality individual components and system solutions for the recycling and processing industries. Last year's improvement of the cost structure and lowering of the profit threshold has resulted in the segment operating more profitably in a similar business volume and being able to react appropriately to the typical volatility in the relevant markets. The renewed product portfolio and an expansion of the service business lead to a sustained reduction in material use.

Based on the current portfolio, the Management Board's expectations for the full year 2017 are that

- Group sales of at least EUR 370 million (previous year: EUR 337.1 million) and
- Group earnings before interest and taxes (EBIT) and before PPA amortization in the range of EUR 22 million to EUR 25 million (previous year: EUR 17.4 million)

can be achieved.

In the medium term, the Management Board is aiming to achieve a significant increase in Group sales through organic growth and possible acquisitions. To this end, the Management Board is continuously monitoring the markets relevant to MAX Automation. In addition, Strategy 2021 provides for the MAX Group to increasingly focus on attractive growth markets and to adapt the organizational structure to the increasingly international business of the Group companies. In addition, existing synergy potentials are to be exploited and value creation in the Group further increased.

## Forward-Looking Statements

This report contains forward-looking statements based on current assumptions and forecasts made by the management of MAX Automation AG. Such statements are subject to risks and uncertainties. These and other factors can cause the actual results, financial situation, development or performance of the company to differ materially from the estimates given here. The company assumes no obligation to update such forward-looking statements or to adjust them to future events or developments.

Düsseldorf, August 2017

Daniel Fink

Fabian Spilker

Chairman of the Management Board

Member of the Management Board





## CONSOLIDATED BALANCE SHEET

of MAX Automation AG, Düsseldorf,

as of June 30, 2017

Assets	30.06.2017 in TEUR	31.12.2016 in TEUR
<b>Non-current assets</b>		
Intangible assets	14,455	15,396
Goodwill	53,109	53,139
Property, plant and equipment	31,661	31,625
Investment property	1,380	1,404
Financial investments accounted for using the equity method	3,713	0
Other financial investments	2,313	2,270
Deferred tax	5,731	5,993
Other non-current assets	450	335
<b>Total non-current assets</b>	<b>112,812</b>	<b>110,162</b>
<b>Current assets</b>		
Inventories	44,519	41,214
Trade receivables	143,799	121,227
Receivables due from related companies	64	90
Prepayments, accrued income and other current assets	9,922	10,615
Cash and cash equivalents	14,631	23,023
<b>Total current assets</b>	<b>212,935</b>	<b>196,169</b>
<b>Total assets</b>	<b>325,747</b>	<b>306,331</b>

<b>EQUITY AND LIABILITIES</b>	<b>30.06.2017</b>	<b>31.12.2016</b>
	<b>in TEUR</b>	<b>in TEUR</b>
<b>Equity</b>		
Subscribed capital	26,794	26,794
Capital reserve	3,055	3,055
Revenue reserve	26,144	26,144
Equity difference resulting from currency translation	473	966
Compensation for third party shares	444	426
Retained earnings	58,875	53,875
<b>Total equity</b>	<b>115,785</b>	<b>111,260</b>
<b>Non-current liabilities</b>		
Non-current loans less current portion	83,549	64,063
Pension provisions	1,015	1,033
Other provisions	1,249	1,229
Deferred tax	13,659	13,227
Other non-current liabilities	2,036	2,222
<b>Total non-current liabilities</b>	<b>101,508</b>	<b>81,774</b>
<b>Current liabilities</b>		
Trade payables	51,449	61,788
Short-term borrowings and current portion of long-term loans	34,938	28,840
Other current financial liabilities	10,688	12,271
Income tax provisions and liabilities	3,503	2,614
Other provisions	5,819	5,718
Other current liabilities	2,057	2,066
<b>Total current liabilities</b>	<b>108,454</b>	<b>113,297</b>
<b>Total equity and liabilities</b>	<b>325,747</b>	<b>306,331</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

of MAX Automation AG, Düsseldorf,

for the period from January 1 to June 30, 2017

	01.01.- 30.06.2017	01.01.- 30.06.2016	01.04.- 30.06.2017	01.04.- 30.06.2016
	in TEUR	in TEUR	in TEUR	in TEUR
<b>Revenue</b>	<b>180,246</b>	<b>160,110</b>	<b>93,015</b>	<b>84,491</b>
Change in finished goods and work in progress	4,933	3,428	-390	1,772
Work performed by the company and capitalized	906	1,350	470	1,110
<b>Total output</b>	<b>186,085</b>	<b>164,888</b>	<b>93,095</b>	<b>87,373</b>
Other operating revenue	2,778	3,758	1,576	1,760
Income from equity valuation	-127	0	-111	0
Cost of materials	-96,179	-84,746	-47,376	-45,857
Personnel expenses	-56,420	-53,536	-28,225	-26,568
Depreciation and amortization	-3,290	-3,305	-1,642	-1,720
Other operating expenses	-23,192	-22,102	-12,194	-11,461
<b>Operating profit</b>	<b>9,655</b>	<b>4,957</b>	<b>5,123</b>	<b>3,526</b>
PPA depreciation and amortization	-1,015	-2,117	-516	-1,058
<b>Operating profit after PPA depreciation and amortization</b>	<b>8,640</b>	<b>2,840</b>	<b>4,607</b>	<b>2,469</b>
Other investment income	0	-49	0	-49
Net interest result	-1,350	-1,357	-901	-775
<b>Earnings before tax</b>	<b>7,290</b>	<b>1,434</b>	<b>3,706</b>	<b>1,645</b>
Income tax	-2,260	-1,065	-1,172	-954
<b>Net income</b>	<b>5,030</b>	<b>369</b>	<b>2,534</b>	<b>691</b>
Thereof attributable to minority interests	30	-11	-26	-11
Thereof attributable to shareholders of MAX Automation AG	5,000	380	2,560	701
<b>Other comprehensive income that is never recycled to the income statement</b>				
Actuarial gains and losses from employee benefits	0	0	0	0
Income tax on actuarial gains and losses	0	0	0	0
<b>Other comprehensive income that can be recycled to the income statement</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change arising from currency translation	-493	13	-424	152
<b>Total comprehensive income</b>	<b>4,537</b>	<b>383</b>	<b>2,110</b>	<b>842</b>
Thereof attributable to minority interests	30	-11	-26	-11
Thereof attributable to shareholders of MAX Automation AG	4,507	394	2,136	852
Earnings per share (diluted and undiluted) in EUR	0.19	0.01	0.10	0.03

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of MAX Automation AG, Düsseldorf,

for the period from January 1 to June 30, 2017

	Subscribed capital in TEUR	Capital reserve in TEUR	Actuarial gains and losses in TEUR	Other revenue reserve in TEUR	Currency translation difference in TEUR	Compensation for third-party shareholders in TEUR	Unappropriated retained earnings in TEUR	Total in TEUR
<b>As of January 1, 2016</b>	<b>26,794</b>	<b>3,055</b>	<b>-244</b>	<b>21,373</b>	<b>689</b>	<b>618</b>	<b>54,575</b>	<b>106,861</b>
Dividend payments	0	0	0	0	0	0	0	0
Payments to third-party shareholders	0	0	0	0	0	-214	0	-214
Transfer to retained earnings	0	0	0	0	0	0	0	0
Other adjustments	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	0	13	-11	380	383
<b>As of June 30, 2016</b>	<b>26,794</b>	<b>3,055</b>	<b>-244</b>	<b>21,373</b>	<b>703</b>	<b>393</b>	<b>54,955</b>	<b>107,029</b>
<b>As of January 1, 2017</b>	<b>26,794</b>	<b>3,055</b>	<b>-229</b>	<b>26,373</b>	<b>966</b>	<b>426</b>	<b>53,875</b>	<b>111,260</b>
Dividend payments	0	0	0	0	0	0	0	0
Payments to third-party shareholders	0	0	0	0	0	-12	0	-12
Transfer to retained earnings	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	0	-493	30	5,000	4,537
<b>As of June 30, 2017</b>	<b>26,794</b>	<b>3,055</b>	<b>-229</b>	<b>26,373</b>	<b>473</b>	<b>444</b>	<b>58,875</b>	<b>115,785</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS,

of MAX Automation AG, Düsseldorf,

for the period from January 1 to June 30, 2017

	01.01.- 30.06.2017 in TEUR	01.01.- 30.06.2016 in TEUR
<b>1. Cash flow from operating activities</b>		
Consolidated net income	5,030	369
<b>Adjustments relating to the reconciliation of consolidated net income for the year to cash flow from operating activities:</b>		
Income tax	2,260	1,063
Net interest	1,350	1,357
Depreciation/impairment of property, plant and equipment	2,258	3,166
Depreciation of fixed assets	1,930	2,125
Depreciation of investment property	24	131
Profit (-) / loss (+) arising from the disposal of intangible assets	0	-1
Profit (-) / loss (+) arising from the disposal of property, plant and equipment	-6	-154
Deferred tax changes carried through P&L	694	-1,690
Other non-cash expenses and income	866	1,079
<b>Changes in assets and liabilities</b>		
Increase (-) / decrease (+) in other non-current assets	-230	-23
Increase (-) / decrease (+) in inventories	-3,968	-5,102
Increase (-) / decrease (+) in trade receivables	-22,375	-179
Increase (-) / decrease (+) in receivables due from related companies	26	0
Increase (-) / decrease (+) in prepayments, accrued income and other assets	693	-3,047
Increase (+) / decrease (-) in other non-current financial liabilities	86	-966
Increase (+) / decrease (-) in pension provisions	-18	-13
Increase (+) / decrease (-) in other provisions and liabilities	-1,472	-7,517
Increase (+) / decrease (-) in trade payables	-10,339	-7,064
Income tax paid	-1,645	-7,830
Income tax refund	572	241
<b>= Cash flow from operating activities</b>	<b>-24,264</b>	<b>-24,055</b>
<b>2. Cash flow from investing activities</b>		
Outgoing payments for investments in intangible assets	-1,572	-1,577
Outgoing payments for investments in property, plant and equipment	-2,046	-2,702
Outgoing payments for investments in financial assets	-3,931	-353
Incoming payments from the sale of intangible assets	285	2
Incoming payments from disposals of property, plant and equipment	86	948
Outgoing payments for the acquisition of subsidiaries less cash	0	-1,082
<b>= Cash flow from investing activities</b>	<b>-7,178</b>	<b>-4,764</b>
<b>3. Cash flow from financing activities</b>		
Outgoing payments for dividends	0	0
Borrowing of non-current financial loans	22,000	14,603
Repayment of non-current financial loans	-2,515	-794
Change in current financial debt	5,307	11,476
Interest paid	-1,211	-893
Interest received	250	17
Increase (-) / decrease (+) in restricted cash and cash equivalents	0	20
Payments arising from settlement claims for third parties	0	-184
<b>= Cash flow from financing activities</b>	<b>23,831</b>	<b>24,245</b>

<hr/>		
<b>4. Cash and cash equivalents</b>		
Increase/decrease in cash and cash equivalents	-7,611	-4,574
Effect of changes in exchange rates	-781	-184
<b>Cash and cash equivalents at the start of the financial year</b>	<b>23,023</b>	<b>21,358</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>14,631</b>	<b>16,600</b>
<b>5. Composition of cash and cash equivalents</b>		
= Cash and cash equivalents	14,631	16,600

## SEGMENT REPORTING

of MAX Automation AG, Düsseldorf,

for the period from January 1 to June 30, 2017

Segment	Industrial Automation		Environmental Technology	
	Q1-Q2. 2017	Q1-Q2. 2016	Q1-Q2. 2017	Q1-Q2. 2016
Reporting period	in TEUR	in TEUR	in TEUR	in TEUR
<b>New order intake</b>	<b>134,152</b>	<b>161,923</b>	<b>42,265</b>	<b>41,046</b>
<b>Order book position</b>	<b>164,495</b>	<b>154,191</b>	<b>24,613</b>	<b>23,228</b>
<b>Segment revenue</b>	<b>133,620</b>	<b>110,783</b>	<b>46,593</b>	<b>49,360</b>
- with external customers	133,602	110,750	46,593	49,360
- of which Germany	44,649	44,355	9,596	3,273
- of which other EU countries	32,375	28,328	14,093	20,099
- of which North America	23,701	11,487	15,129	21,470
- of which China	16,161	15,706	0	0
- of which rest of the world	16,716	10,874	7,775	4,518
- Inter-segment revenue	18	33	0	0
<b>EBITDA</b>	<b>11,889</b>	<b>8,326</b>	<b>3,405</b>	<b>1,389</b>
<b>Segment operating profit (EBIT before PPA depreciation and amortization)</b>	<b>9,477</b>	<b>6,129</b>	<b>2,591</b>	<b>298</b>
Including:				
- Scheduled depreciation/amortization	-2,412	-2,197	-814	-1,091
- Additions to other provisions and pension provisions	-1,100	-1,130	-728	-890
- Result from the disposal of real estate held as a financial investment	0	0	0	0
- Result from at-equity valuation	0	0	0	0
<b>Segment operating profit after PPA depreciation and amortization</b>	<b>8,627</b>	<b>4,174</b>	<b>2,567</b>	<b>237</b>
Including:				
- PPA depreciation and amortization	-850	-1,955	-24	-61
<b>Segment result for ordinary activities (EBT)</b>	<b>7,107</b>	<b>3,223</b>	<b>2,333</b>	<b>-83</b>
Including:				
- Interest and similar income	23	10	10	21
- Interest and similar expenses	-1,543	-961	-244	-293
Income tax	-583	1,817	-953	-177
- Additions to income tax provisions	0	0	-818	-89
<b>Net profit/loss for the period</b>	<b>6,524</b>	<b>5,040</b>	<b>1,380</b>	<b>-260</b>
<b>Non-current segment assets (excluding deferred taxes)</b>	<b>47,372</b>	<b>48,518</b>	<b>13,443</b>	<b>21,160</b>
- of which Germany	46,971	48,074	10,803	18,141
- of which other EU countries	51	77	21	103
- of which North America	204	200	2,619	2,916
- of which rest of the world	146	167	0	0
<b>Investments in non-current segment assets</b>	<b>3,281</b>	<b>3,718</b>	<b>517</b>	<b>516</b>
<b>Working capital</b>	<b>114,278</b>	<b>71,076</b>	<b>23,501</b>	<b>25,691</b>
<b>Average number of employees excluding trainees</b>	<b>1,183</b>	<b>1,115</b>	<b>380</b>	<b>421</b>



	Reconciliation		Group total	
	Q1-Q2. 2017	Q1-Q2. 2016	Q1-Q2. 2017	Q1-Q2. 2016
	in TEUR	in TEUR	in TEUR	in TEUR
	0	0	176,417	202,969
	0	0	189,108	177,419
	33	-33	180,246	160,110
	51	0	180,246	160,110
	51	0	54,296	47,628
	0	0	46,468	48,427
	0	0	38,830	32,957
	0	0	16,161	15,706
	0	0	24,491	15,392
	-18	-33	0	0
	<b>-2,349</b>	<b>-1,453</b>	<b>12,945</b>	<b>8,262</b>
	<b>-2,413</b>	<b>-1,470</b>	<b>9,655</b>	<b>4,957</b>
	-64	-17	-3,290	-3,305
	-392	-374	-2,220	-2,394
	0	0	0	0
	-127	0	-127	0
	<b>-2,554</b>	<b>-1,571</b>	<b>8,640</b>	<b>2,840</b>
	-141	-101	-1,015	-2,117
	<b>-2,150</b>	<b>-1,706</b>	<b>7,290</b>	<b>1,434</b>
	227	-15	260	16
	178	-120	-1,610	-1,373
	-724	-2,705	-2,260	-1,065
	-555	-2,473	-1,372	-2,562
	<b>-2,874</b>	<b>-4,411</b>	<b>5,030</b>	<b>369</b>
	<b>46,267</b>	<b>39,463</b>	<b>107,082</b>	<b>109,141</b>
	46,267	39,463	104,041	105,678
	0	0	72	180
	0	0	2,823	3,116
	0	0	146	167
	<b>62</b>	<b>45</b>	<b>3,860</b>	<b>4,279</b>
	<b>-910</b>	<b>-259</b>	<b>136,869</b>	<b>96,508</b>
	<b>8</b>	<b>6</b>	<b>1,571</b>	<b>1,541</b>

## Accounting policies

The accounting and valuation contained in this quarterly Group financial report by MAX Automation AG published as of June 30, 2017, were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board, London (IASB), that were valid on the balance sheet date taking the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC) into account. The respective comparative figures for the previous year were determined on the basis of the same principles. Accordingly, these consolidated interim financial statements were prepared in accordance with IAS 34.

Taking into account the purpose of quarterly financial reporting as an information tool that builds on the consolidated financial statements, we refer you to the Notes to the consolidated financial statements dated December 31, 2016, in which the accounting, valuation and consolidation methods as well as the exercise of the options included in the IFRSs are explained in detail. The same accounting policies and consolidation principles have been applied as in the most recent annual consolidated financial statements.

Deeper analysis of the new standard IFRS 15 - Revenue from Contracts with Customers, which will be applied in the MAX Group as of January 1, 2018, with regard to the quantitative effects has revealed the following:

- Sales will (marginally) decrease because contractual penalties, which were shown in the other operating expenses so far, must from now on be deducted from it. However, since it is a variable consideration, the amount can only be estimated so far.

Sales could be recognized later by:

- Maintenance, spare parts warranties, etc., for which contractual debts that are transacted over a subsequent period must be entered.
- the turnover of larger machines at a time while the POC method would have been applied with the current directive.

Sales could be recognized earlier by:

- Customer-specific spare parts (for which an order already exists), which may be subject to payment due to storage.
- Contracts which would be transacted in accordance with the current directives at one time, but will be realized over a period of time in the future.

Income tax is determined on the basis of estimated average annual income tax rates.

## Consolidation principles

In the case of capital consolidation, the acquisition costs of the subsidiaries are offset against the proportionate equity at fair value at the time of acquisition (revaluation method). Remaining differences are reported as goodwill in the balance sheet and subjected to an impairment test (DCF method with WACC approach) on an annual basis or in the case of indicators for impairment.

Debt and income consolidation consolidates receivables and liabilities between Group companies as well as income and expenses incurred within the Group. Group interim results are eliminated.

## Scope of consolidation

All of the Group's active subsidiaries are included in its scope of consolidation. These are majority shareholdings. Subsidiaries which even collectively are of minor significance for the determination of a true picture are not included.

As of the reporting date, Besides MAX Automation AG, the scope of consolidation of MAX Automation AG comprises 25 subsidiaries as well as ESSERT GmbH and the joint venture Vecoplan FuelTrack GmbH i.L., which are accounted for using the equity method.

In following a clear strategic orientation, the current companies have been assigned to the segments Industrial Automation and Environmental Technology. The scope of consolidation is comprised as follows:

Number of companies included	2017	2016
Industrial Automation	18	17
Environmental Technology	7	7
<b>Group</b>	<b>25</b>	<b>24</b>

## Changes in the scope of consolidation

On January 3, 2017, MAX Automation AG opened a new facility in Atlanta, the capital of the US state of Georgia, called MAX Automation North America Inc. The company serves as an operational platform (business hub) for several Group companies of MAX Automation in the Industrial Automation segment. The Group companies will mainly serve customers in the Midwest in the automotive and medical technology sectors from out of Atlanta. With its new location, MAX Automation is expanding its network on the American continent with its presence in South Carolina, Oklahoma and Mexico.

## Earnings per share

The calculation of earnings per share is based on the following data:

	Q1-Q2.2017	Q1-Q2.2016
Basis for earnings per share	5,000	380
Number of shares as of June 30	26,794	26,794
Earnings per share	0.19	0.02

No dilution in the share according to IAS 33 took place in the years 2016 and 2017.

## Events after the reporting date, June 30, 2017

Events of major importance that took place after the reporting date are listed in the quarterly financial report under the Supplementary Report.

## **IMPRINT**

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The annual report and interim reports of MAX Automation AG are available as digital versions on the Internet at [www.maxautomation.de](http://www.maxautomation.de) in the “Investor Relations / Reports” section.

## **DISCLAIMER**

This quarterly report contains forward-looking statements on the business, earnings, financial and financial situation of MAX Automation AG and its subsidiaries. These statements are based on the company's current plans, estimates, forecasts and expectations, and are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated. The forward-looking statements are only valid at the time of the publication of this quarterly report. MAX Automation AG does not intend to update the forward-looking statements and does not take on any obligation to do so.

## GROUP AUDIT CERTIFICATE

### To MAX Automation AG, Düsseldorf

We have audited the condensed interim financial statements consisting of the condensed balance sheet, the condensed statement of comprehensive income, the condensed statement of cash flows, the condensed statement of changes in equity, the condensed segment reporting and select notes to the consolidated statements as well as the interim Group management report prepared by MAX Automation AG for the period January 1 until June 30, 2017, in accordance with Section 37w WpHG (German Securities Trading Act). The preparation of the condensed interim consolidated financial statements according to IFRS for interim financial reporting as adopted by the EU, and the interim management report in accordance with the regulations applicable to interim group management reports of the WpHG is the responsibility of the company's management. Our responsibility is to issue a certificate on the condensed interim consolidated financial statements and the interim group management report based on our audit review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German standards for the audit of financial statements promulgated by the Institute of Auditors (IDW). These require that the audit be planned and carried out in such a way that we can rule out with some degree of certainty through critical evaluation that the condensed consolidated interim financial statements in terms of all material respects were not prepared in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU and that the interim management report has not been prepared according to the applicable regulations of the WpHG. An auditing review is primarily limited to the questioning of company employees and analyses of the financial data and therefore provides less assurance than an audit. Since we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRSs for interim financial reporting that are applicable in the European Union, or that the interim Group management report has not been prepared, in all material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Hannover, August 14, 2017

Ebner Stolz GmbH & Co. KG

Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft

Hans-Peter Möller

Steffen Fleitmann

Certified Public Auditor

Certified Public Auditor

## RESPONSIBILITY STATEMENT

We hereby confirm that to the best of our knowledge and in accordance with the applicable accounting principles for interim reporting, the condensed interim consolidated financial statements give a true and fair view of the assets, financial and earnings position of the Group and that the interim group management report presents business performance including business results and the position of the Group in a way that conveys a true and fair view and describes the main opportunities and risks associated with the expected development of the Group for the remainder of the financial year.

Düsseldorf, in August 2017

MAX Automation AG

Daniel Fink

Fabian Spilker

Chairman of the Management Board

Member of the Management Board