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Miba Industrial Bearings Germany GmbH (formerly: John Crane Bearing Technology GmbH)

Goettingen

Annual financial statements for the business year from June 1st, 2018 to January 31st, 2019

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MANAGEMENT REPORT FOR THE SHORT FISCAL YEAR FROM JUNE 1, 2018 TO JANUARY 31, 2019

OF MIBA INDUSTRIAL BEARINGS GERMANY GMBH

FUNDAMENTALS OF THE COMPANY

1. Business model

Until May 31, 2018, Miba Industrial Bearings Germany GmbH was part of the scope of consolidation of Smiths Group PLC, an international technology group headquartered in London. Due to the sale of all shares to the Miba Group, a family-owned technology company with headquarters in Laakirchen, Austria, with effect from June 1, 2018, the 2017/2018 financial year ended prematurely on May 31, 2018 and a short financial year for the period from Filed August 1, 2017 to May 31, 2018. As a result of the adjustment of the company's financial year to the annual financial statements of the Miba Group as of January 31, the past financial year resulted in another short financial year, which ran from June 1, 2018 to June 31

Miba develops and produces components that make vehicles, trains, ships, aircraft, industrial plants and systems for the production and transmission of energy more efficient, more powerful, quieter and more environmentally friendly. The group specializes in the development and production of sintered molded parts, slide bearings, friction linings, coatings and power electronics components. In addition, Miba develops and produces special machines.

Slide bearings have been produced at the Göttingen site since 1948. Miba Industrial Bearings Germany GmbH offers its global customers from the power generation as well as process and drive technology industries tailor-made axial and radial plain bearings for gear, turbine, compressor and pump construction. Miba Bearings Holding GmbH, Laakirchen / Austria, has been the sole shareholder of Miba Industrial Bearings Germany GmbH since June 1st, 2018. The financial statements of Miba Industrial Bearings Germany GmbH are included in the consolidated financial statements of Miba AG.

2. Research & Development

In the area of research and development, various projects were processed in the short fiscal year 2018/2019. The focus was on increasing the performance of radial bearings and the analysis and optimization of the load balancing system of axial bearings. In addition, there were further basic investigations by means of bench tests. Participation in projects of the FVV - Research Association for Combustion Engines eV - was continued.

In the year under review, two employees worked in research and development (previous year: 2 employees), research and development expenses totaled € 167 thousand in the short financial year (previous year: € 206 thousand). New research priorities were defined for the coming financial year in order to achieve successful product development. The focus will continue to be on increasing the performance of radial and axial tilting segment bearings. We want to offer our customers innovative and sophisticated products and achieve unique selling points for the company.

ECONOMIC REPORT

1. Macroeconomic and industry-specific framework conditions

Development of the world economy

The global economy is currently growing at a slower pace. In its spring forecast of April 2019, the IMF anticipates a slowdown in global growth in 2019 to 3.3% after 3.6% in 2018.

The weak growth in Europe continued at a slightly higher level. In the euro area, the gross domestic product increased by 1.9% in the 2018 calendar year and in the 1st quarter! 2019 by 0.4%. An acceleration of growth was particularly noticeable in Italy and Spain. It remains to be seen how the further development of the Brexit process will affect European economic activity.

The gross domestic product of the USA grew in the first quarter of 2019, price and seasonally adjusted, by a strong 0.8% after growth of 2.9% in 2018. The main impetus here came from private and public consumer spending. The US is in a serious trade conflict with China, which harbors risks, unsettles investors and slows down the growth of world trade. The pace of growth in the Chinese economy continued to slow, with the trade conflict making itself felt particularly in foreign trade. The Chinese gross domestic product rose by 6.4% in 2018 and by 1.4% in the first quarter of 2019. The Brazilian economy has also recently been unable to maintain its pace of expansion,

Development in Germany

After the German economy stagnated in the second half of 2018, it grew significantly in the first quarter of 2019. The gross domestic product in Germany increased by 1.4% in 2018 and by 0.4% in the first quarter of 2019.

The strong domestic economy defied the current turbulent external economic environment in the first quarter: added value in domestically oriented services increased, while it fell in the more export-oriented manufacturing sector. Incoming orders in the manufacturing sector weakened, the economic prospects remain subdued here. The construction industry, on the other hand,

recorded increases in production. Based on rising incomes, consumer spending by private households has increased noticeably. The positive development on the labor market continues: employment is increasing, unemployment is decreasing. In spring 2019, employment rose to 44.9 million people.

Industry development

In the German mechanical and plant engineering sector, incoming orders in the 2018 calendar year increased by 5% compared to the previous year, production increased by 2.1% in 2018 and sales by 2.8%. The number of employees in German mechanical engineering increased within the reporting period, the number of permanent employees in December 2018 was 1,065,000 employees, 3.3% above the figure for the previous year.

In the first four months of the 2019 calendar year, incoming orders in the German mechanical engineering sector fell by 10% compared to the same period of the previous year. The uncertainty on the world markets is particularly noticeable here. On the one hand one sees the danger of an intensified trade dispute between China and the USA, on the other hand the trade dispute between the USA and the EU is still smoldering. Sales in the German mechanical engineering sector increased by 1.5% in the first quarter of 2019 compared to the previous year, the number of employees in German mechanical engineering increased to 1,068,000 people by the end of March 2019.

The price of the European lead crude oil Brent has recovered after the significant decline from 85 to 50 dollars in the 4th quarter of 2018 and rose again in the 1st quarter of 2019. At the end of April 2019, the price was around \$ 75 a barrel.

2. Control-relevant performance indicators

The control of Miba Industrial Bearings Germany GmbH was integrated into the control system of the Miba Group in the year under review. The control system is based on various individual systems. Primarily, a plan is drawn up, the values of which are regularly subjected to a deviation analysis during the year. If necessary, countermeasures are taken on the basis of this deviation analysis. The findings of the risk management system flow into this control loop of planning, management and control.

The financial performance indicators include gross profit, earnings before interest and taxes (EBIT) and operating cash. The development of the financial performance indicators is shown in the presentation of the asset, financial and earnings position.

The number of work accidents and productivity in the production area are used as control-relevant, non-financial performance indicators.

The subject of occupational safety is very important to Miba. After no reportable accident occurred in the 2016/2017 and 2017/2018 financial years, there were no reportable accidents in the 2018/2019 financial year, so that the forecast made in the previous year was met.

The productivity in the production area results from the ratio of the hours booked to the hours of attendance. A percentage of 81.4% was achieved here in the year under review, and the continued high occupancy rate meant that the target value of 80.0% was exceeded again.

3. Business development of Miba Industrial Bearings Germany GmbH

Business development

The values given in the following refer to the short financial year 2018/2019, which only includes 8 months. In this respect, the stated values for the reference period (short financial year 2017/2018 with 10 months) are not fully comparable.

After three financial years with negative results (financial years 2014/2015 to 2016/2017), the positive result of the previous 10-month short financial year 2017/2018 (€ 392 thousand) was significantly improved in the eight-month short financial year 2018/2019. Due to the higher capacity utilization indicated in the previous year and the further expansion of the service business, an annual surplus of € 1,474 thousand was achieved in the short financial year 2018/2019.

The annual surplus is the main reason for the increase in the company's equity ratio from 70.7% as of May 31, 2018 to 76.2% as of January 31, 2019.

The improvement in gross profit forecast in the previous year was thus achieved.

The management rates the course of business in the short financial year 2018/2019 as very satisfactory due to the positive earnings development.

Gross result

In the short financial year 2018/2019, a gross profit (total of sales, inventory changes, cost of materials and other operating income) of € 8,771 thousand was achieved. Although this is 4.0% lower than in the previous year, it can be seen as a significant improvement over the previous year (€ 9,141 thousand) due to the two-month shorter reporting period.

Compared to the previous year's period, which was two months longer, total output (total of sales revenues and changes in inventories) decreased by 9.9%. In contrast, there was a disproportionate decline in material costs of 23.0%, mainly due to a better product mix.

The order range (measured from the relationship between the order backlog and sales in the last 12 months) decreased from 144 days on the balance sheet date of the previous year (May 31, 2018) to 103 days on January 31, 2019.

Investments

In the short financial year 2018/2019, € 76 thousand (previous year: € 45 thousand) was invested. The investment ratio (ratio of investments to fixed assets) was therefore 7.3% higher than in the previous year (3.7%).

The investments made in the year under review primarily consist of investments in machinery and in research and development. The largest investment in this context was a universal lathe with toolmaker precision, which was put into operation at the beginning of August 2018.

As of the balance sheet date, there were no significant investment obligations from replacement or expansion investments that had already been started.

4. Asset, financial and earnings position

Financial position

In the short financial year 2018/2019, the balance sheet total increased by 17.0% from € 7,978 thousand to € 9,333 thousand. The greatest change on the assets side of the balance sheet was in the current assets in the accounts receivable and other assets. This is mainly due to the significantly higher trade receivables, which increased by € 1,728 thousand compared to the previous balance sheet date. This also includes receivables from group companies of the former shareholder. As of May 31, 2018, these receivables, which were previously reported under the association receivables, had already been settled before the balance sheet date on the occasion of the change in shareholder for the 31st

Fixed assets were reduced by € 161,000 from € 1,211,000 to € 1,050,000, as investments in the short financial year were lower than depreciation. In the case of current assets, inventories decreased by € 171 thousand, this is mainly due to the decrease in the inventory of unfinished goods by € 177 thousand compared to the balance sheet date of the previous year.

The bank balances changed only slightly over the course of the financial year from € 2,024 thousand to € 2,010 thousand.

The equity of Miba Industrial Bearings Germany GmbH as of the balance sheet date was € 7,115 thousand (previous year: € 5,641 thousand). With total assets of € 9,333 thousand (previous year: € 7,978 thousand), the equity ratio continued to increase from 70.7% on the previous year's balance sheet date to 76.2% as of January 31, 2019. The decline in provisions by € 185 thousand compared to the balance sheet date of the previous year resulted mainly from lower obligations in the personnel area. This is due to the changed point in time on the balance sheet date.

Liabilities rose by € 98 thousand to € 589 thousand compared with the previous year's reporting date, with the largest share coming from the increase in liabilities to affiliated companies (€ 81 thousand).

Financial condition

As of the balance sheet date, there were no free credit lines with banks. In the past, there was full liquidity, and positive cash flow is also expected in the coming financial year. If necessary, liquid funds can be made available through group financing.

Earnings situation

In addition to the gross profit, which fell by 370 T €, there was a reduction in personnel expenses of 1,079 T €, a decrease in depreciation by 79 T € and a reduction in other operating expenses by 348 T €.

The main reason for the deviations compared to the previous year is the shorter reporting period: the past reporting year only comprised 8 months, while the reporting period of the previous year was made up of 10 months. Due to the positive development of the product mix in the short financial year 2018/2019, the gross profit developed very positively and with a reporting period of only 8 months that was 20% shorter after 10 months, it only fell by 4% compared to the previous year.

Taking into account the negative financial result of € -11 thousand (previous year: € -12 thousand), there was an annual surplus of € 1,474 thousand in the short financial year 2018/2019 after an annual surplus of 392 thousand euros in the short financial year 2017/2018. Earnings before interest, taxes, depreciation and amortization (EBITDA) were € 1,774 thousand in the reporting year (previous year: € 718 thousand), and earnings before interest and taxes (EBIT) were € 1,537 thousand (previous year: € 402 thousand).

5. Integrated management system

At the beginning of October 2018, the annual audit of the integrated management system, consisting of ISO 9001: 2015 (quality management), ISO 14001: 2015 (environmental management) and BS OHSAS 18001: 2007 (health and occupational safety management), took place and was carried out by Miba Industrial Bearings Germany GmbH successfully passed. All necessary material and human resources have been made available for the implementation and continuous improvement of the management systems in the areas of environment, quality as well as health and safety at work. There are no known cases in which damage has occurred due to negative environmental impacts.

Recertification of the integrated management system is planned for the beginning of November 2019. Due to the intended conversion to the new DIN ISO 45001: 2018 standard, the focus is on management systems for safety and health at work.

6. Employees

The average number of employees at Miba Industrial Bearings Germany GmbH in the 2018/2019 financial year was 101 (previous year: 94), as of January 31, 2019, Miba Industrial Bearings Germany GmbH had 101 employees (as of May 31, 2018: 95 employees). The employees as of January 31, 2019 were made up as follows: 73 employees in production, 8 employees in sales, 13 employees in construction! Technical support / research and development as well as 7 employees in administration.

Company social benefits such as childbirth and wedding grants, bonuses for anniversaries and support with qualifications are covered by the employer.

Personnel expenses in the short financial year 2018/2019 were € 5,135 thousand (previous year: € 6,213 thousand), which corresponds to personnel expenses per employee of 51,000 (previous year: € 66 thousand).

RISK AND OPPORTUNITY REPORT

1. Miba Group's risk management system

After the takeover into the Miba Group, the company was gradually integrated into the Miba Group's risk management system during the short financial year 2018/2019. After the end of the short fiscal year 2018/2019, the transition from the IT environment of the Smiths Group to the IT environment of the Miba Group took place. The risks that can be directly influenced by the management were regulated in close cooperation with the Miba Group with a strong focus on corporate governance aspects. We basically pursued a cautious corporate strategy and avoid uncontrollable risk potential.

2. Individual risks

Macroeconomic Risks

Macroeconomic risks could result from a downturn in the economy; a slowdown in global growth can currently be observed. Against this background, the effects of American customs policy on the global economy, especially in export-oriented countries, cannot be fully foreseen. Further negative effects on the macroeconomic situation could result from unanswered questions in connection with Brexit.

A significant economic downturn, especially with effects on the oil & gas sector, could have significant consequences for Miba Industrial Bearings Germany GmbH.

Personnel risks

In the personnel area, the risks resulting from the demographic change in Germany and the associated possible shortage of qualified specialists and managers have decreased due to new hires. Thanks to intensive advertising and selection, we have succeeded in gaining very well qualified employees who are well below the average age in production. Nevertheless, demographic change will increase the risk of insufficiently suitable specialist and managerial staff in the future in the medium and long term. For the 2019/2020 financial year, we consider the risks to be low; a significant increase in the number of employees is not planned for this financial year.

Procurement risks

In the context of the procurement of raw materials, parts, components and services, there is a risk of unexpected delivery bottlenecks or price increases, which could have medium to high financial consequences for the company's business activities. Through the cooperation with alternative suppliers and the storage of safety stocks for strategic raw materials, the procurement risks are reduced, so that no noteworthy procurement bottlenecks are expected for the coming financial year.

Sales risks

In the area of the sales market, demand has been stable at the level of the short financial year 2018/19, but overcapacities remain on the part of the providers. The customer focus was on delivery time and price. The delivery times in the industry have been significantly reduced and the focus is again on delivery reliability. In order to achieve this, the entire supply chain - including the suppliers of Miba Industrial Bearings Germany GmbH - has to work intensively on implementing short delivery times. The positive development of the last 12 months was stabilized at a somewhat reduced level, which can be attributed to a shift in the customer mix. A significant change in demand is currently not expected. Meanwhile, Miba Industrial Bearings Germany GmbH is working on increasing productivity in order to compensate for rising wage costs and, in some cases, material costs as well. For this purpose, the decision was made to use a self-equipping machining center with counter-spindle! to invest. This machining center, together with the larger numbers of Turbo-Charger bearings, will ensure the nightly utilization of the machine in unmanned operation. The unit with robot and machining center costs € 650,000 and will be delivered at the end of July 2019. In order to compensate for the rising wage costs and partly also material costs. For this purpose, the decision was made to use a self-equipping machining center with counter-spindle! to invest. This machining center, together with the larger numbers of Turbo-Charger bearings, will ensure the nightly utilization of the machine in unmanned operation. The unit with robot and machining center costs € 650,000 and will be delivered at the end of July 2019. To compensate for rising wage costs and, in some cases, material costs as well. For this purpose, the decision was made to use a self-equipping machining center with counter-spindle! to invest. This machining center, together with the larger numbers of Turbo-Charger bearings, will ensure the nightly utilization of the machine in unmanned operation. The unit with robot and machining center costs € 650,000 and will be delivered at the end of July 2019. Together with the larger quantities of Turbo-Charger bearings, ensure that the machine is used at night in unmanned operation. The unit with robot and machining center costs € 650,000 and will be delivered at the end of July 2019. Together with the larger quantities of Turbo-Charger bearings, ensure that the machine is used at night in unmanned operation. The unit with robot and machining center costs € 650,000 and will be delivered at the end of July 2019.

Default risks

In the third-party business, payment defaults and delays are still at a very low level. We counter potential risks from this through close coordination with sales and through prompt and periodically consistent monitoring of incoming payments. After the transition to the Miba Group's ERP system, protection against payment defaults will in future be provided by credit insurance. Due to the measures taken, no major bad debt losses are to be expected in the future either, so that the resulting financial risks are assessed as only very low.

Financial risks

Miba Industrial Bearings Germany GmbH maintains both national and international business relationships, so changes in exchange rates could result in a financial risk. However, since the vast majority of business is carried out in EUR and the majority of customers and suppliers are based in the euro area, the exchange rate risk has only a limited impact on the business of Miba Industrial Bearings Germany GmbH. In the short financial year 2018/2019, Miba Industrial Bearings Germany GmbH had a positive bank balance at all times; the need to take out a loan is currently not foreseeable. If necessary, the financing can be provided at short notice via the shareholder of Miba Industrial Bearings Germany GmbH, so that the financing is guaranteed. In summary, there are no significant financial risks for us.

Other risks

In addition to the risks already mentioned, IT and legal risks can also arise. The ERP system of Miba Industrial Bearings Germany GmbH was integrated into the ERP system of the Smiths Group in the past short financial year, which operates an extensive IT risk and security management, so that we were largely protected against possible IT risks. As a result of the transition from the John Crane / Smiths IT system landscape to the Miba IT system landscape, in particular the transition to the Miba SAP system on May 1, 2019, extensive protection against possible IT Risks ensured.

There are currently no known legal disputes or court cases which have not been taken into account in the balance sheet and which could have a significant negative impact on the result.

3. Opportunities

Relevant studies assume a further increase in energy consumption, whereby the energy mix will change significantly over the next 10 years. In many regions of the world, between 2020 and 2025, the costs of renewable energy will be below those of conventional energies (oil, gas, coal). The break-even point here is around 6 cents / kWh. At the same time, the global demand for electrical energy, driven by the shift from vehicles powered by internal combustion engines to electric vehicles, will roughly double in the next 25 years. All in all, this means that our products for the power generation industry will have reduced demand (possibly approx. -25% over 5 years) and compensated for by the increased demand for industrial compressors and air separators triggered by population growth. In order to be able to enter new market niches with innovative products, the cooperation with the Miba slide bearing plants in the USA as well as with the main engine bearing plant in Laakirchen was significantly expanded, especially in development projects. Our currently strong market position in the European market will be expanded further in the medium term. The cooperation with the Miba slide bearing plants in the USA and with the main engine bearing plant in Laakirchen was significantly expanded, especially in development projects. Our currently strong market position in the European market will be expanded further in the medium term. The cooperation with the Miba slide bearing plants in the USA and with the main engine bearing plant in Laakirchen was significantly expanded, especially in development projects. Our currently strong market position in the European market will be expanded further in the medium term.

The service and repair business declined somewhat due to the failure of the John Crane sales network without replacement, but was able to stabilize and is starting to increase again. The margins in this area are still disproportionately good and the further expansion of this part of the business remains the focus of efforts. The continuous development of a service exchange business with a customer in England helps to develop new business models for the service area.

4. Overall statement on the risk and opportunity report

The risk situation has improved compared to previous years as a result of the good capacity utilization, combined with a stabilization of positive results, compared to previous years. From today's perspective, risks that fundamentally jeopardize the continued existence of Miba Industrial Bearings Germany GmbH can arise as a result of the payment into the capital reserve made in the 2017/18 financial year and as a result of the continued positive development in the 2018/19 short financial year as well as the further forecast of earnings and Liquidity can be almost completely excluded. The low market risks are currently offset by significant opportunities that should enable the company to continue its successful development. As far as possible and appropriate,

FORECAST REPORT**Future macroeconomic environment**

The global economy is also on a growth path in 2019, but the outlook for the global economy remains cautious. In its spring forecast of April 2019, the IMF anticipates a slowdown in global growth in 2019 to 3.3% after 3.6% in 2018. The international trade conflicts (especially between the USA and China and between the USA and the EU) as well as uncertainties regarding the further course of the Brexit process are holding back growth in world trade.

The economy in the euro area is also developing cautiously. Industrial production recorded the second slight decline in a row in March 2019 after the sharp increase at the beginning of the year. As a result, the European Commission's business climate index clouded over somewhat, and the seasonally adjusted unemployment rate in the euro area fell in March 2019 to its lowest level since September 2008 (7.7%). The IMF's forecast for economic growth in the euro area is 1.3% for 2019, after growth of 1.8% was achieved in 2018. The Brexit process remains a risk factor for the economy in Europe. For the USA, the important leading indicators speak for moderate growth: industrial production was reduced in the 1. Quarter of 2019 slightly decreased (-0.1%), but there was an increase in incoming orders in March and the labor market is in very good shape. The IMF expects gross domestic product to rise by 2.3% in the USA in 2019.

The German economy started 2019 with solid growth, with gross domestic product increasing by 0.4% in the first quarter of 2019. However, incoming orders in the manufacturing sector fell by 4.1% in the first quarter of 2019 compared to the previous quarter and the business climate has deteriorated somewhat. On the other hand, the number of people in employment has continued to rise, wage increases and fiscal relief have given private consumer spending an additional boost. The IMF is forecasting economic growth for Germany of 0.5% in 2019 and 1.5% in 2020.

Future industry development

Sales in the German mechanical and plant engineering sector grew by 1.5% in the period from January to March 2019 compared to the same period in the previous year, while incoming orders fell by 10% in the period from January to April compared to the same period in the previous year. Since many orders from 2018 will only be manufactured in the 2019 calendar year, the VDMA expects a 1% increase in production for the entire 2019 calendar year in German mechanical and plant engineering.

Future business development of Miba Industrial Bearings Germany GmbH

During the short fiscal year, the order backlog fell by 17.9% from € 6,187 thousand at the beginning of the fiscal year on June 1, 2018 to € 5,082 thousand at the end of the fiscal year on January 31, 2019.

At the beginning of the short financial year 2018/2019 there was an unusually high order backlog, from which we benefited accordingly. At the same time, however, we entered the short fiscal year with a considerable processing backlog. The reduction of the backlog and the normalization of the order backlog have had a positive impact on the course of business in the past short financial year 2018/2019.

In the first 5 months of the current 2019/2020 financial year, sales are 12.7% below the sales of the first 5 months of the previous short financial year, the order backlog as of June 30, 2019 is now at a normal level (€ 5,494 thousand) .

In order to be able to implement the high capacity utilization, longer shifts were operated in the short fiscal year 2018/19 until November. From autumn 2018, the processing backlog could essentially be processed by the employees hired in the meantime and then also internally trained by the end of January 2019, so that at the end of the short financial year in January 2019 there was no longer any notable backlog.

As a result, the positive results are further supported by further savings measures, especially in the area of purchasing. After the decline in gross profit in the 1st half of the 2019/2020 financial year due to lower sales, a significant increase in sales and an improvement in EBIT are expected in the 2nd half of the year, so that a positive result will also be achieved in the 2019/2020 financial year but will probably not quite reach the level of the previous year. Overall, due to the development in the first half of the year, we expect a moderate decline in gross profit and EBIT compared to the previous short financial year. This will be reflected accordingly in the annual result.

Productivity is promoted on the one hand by the new machining center, which will be available in the second half of the year, as well as better evaluation options in SAP. An improvement from 80% at the beginning of the 2019/2020 financial year to around 82% at the end of the financial year is expected. This means that productivity for the entire 2019/2020 financial year will increase slightly compared to the reporting year.

Another important goal - supported by our continued consistent efforts to ensure occupational safety - is not to have any notifiable accidents in the coming financial year and thus for the fourth year in a row.

The continued positive development of the company - also beyond the 2019/2020 financial year - will be supported by the resumption of marketing activities (advertisements in specialist magazines, trade fair appearances such as the PowerGen in Paris in November) and the development of a growth strategy according to business segments. For the coming years up to 2021/22 a cumulative sales growth of 20% is planned. This growth should then also lead to a stabilization of the EBIT, so that a secure future is made possible even in times of recession and at the same time sufficient investments can be made in the future - be it through product developments, the latest production technology or training of employees.

Goettingen, July 16, 2019

Miba Industrial Bearings Germany GmbH

Horst Schackmann
Dr. Clemens Honeder

Balance sheet as of January 31, 2019**assets**

	January 31, 2019	May 31, 2018
	€	€
A. Fixed assets		
I. Intangible Assets		
Purchased concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	27,213.61	39,327.15
II. Tangible assets		
1. Land, land rights and buildings including buildings on third-party land	2,515.31	3,344.52
2. technical systems and machines	613,349.65	694,272.60
3. other equipment, factory and office equipment	406,476.13	465,911.44
4. Advance payments made and assets under construction	0.00	7,649.31
	1,022,341.09	1,171,177.87
	1,049,554.70	1,210,505.02
B. Current Assets		
I supplies		
1. Raw materials and supplies	108,495.23	97,359.56
2. Work in progress	598,075.71	775,080.11
3. Finished products and merchandise	2,482,349.03	2,487,094.52
	3,188,919.97	3,359,534.19
II. Receivables and other assets		
1. Trade accounts receivable	2,839,285.38	1,110,827.05
2. Receivables from affiliated companies	179,812.33	168,909.82
3. Other assets	34,268.02	58,690.95
	3,053,365.73	1,338,427.82
III. Cash and bank balances	2,009,907.57	2,023,992.18
	8,252,193.27	6,721,954.19
C. Prepaid expenses	31,524.10	46,021.02
	9,333,272.07	7,978,480.23

	January 31, 2019	May 31, 2018
	€	€
liabilities		
	January 31, 2019	May 31, 2018
	€	€
A. Equity		
I. Drawn capital	50,000.00	50,000.00
II. Capital reserve	6,000,000.00	6,000,000.00
III. Loss carryforward	-409,306.77	-801,761.23
IV. Profit for the year	1,474,498.46	392,454.46
	7,115,191.69	5,640,693.23
B. Provisions		
1. Provisions for pensions and similar obligations	421,634.00	396,583.00
2. Tax provisions	51,000.00	0.00
3. Other provisions	1,103,754.00	1,364,500.00
	1,576,388.00	1,761,083.00
C. Liabilities		
1. Advance payments received on orders	14,688.94	4,284.65
2. Trade accounts payable	385,994.04	388,316.73
3. Liabilities to affiliated companies	80,805.54	0.00
4. Other Liabilities	107,365.37	98,109.62
(of which from taxes € 90,781.81; previous year € 81,491.78)		
(thereof in the context of social security € 6,826.20; previous year € 5,653.14)		
	588,853.89	490,711.00
D. Prepaid expenses	52,838.49	85,993.00
	9,333,272.07	7,978,480.23

Income statement for the period from June 1, 2018 to January 31, 2019

	06/01/2018 to 01/31/2019	08/01/2017 to 05/31/2018
	€	€
1. Sales	12,497,679.49	13,184,565.55
2. Change in stocks of finished and unfinished goods	-181,749.89	485,355.72
3. other operating income	104,774.91	211,547.63
(thereof income from currency translation € 3,180.74; previous year € 3,389.07)		
	12,420,704.51	13,881,468.90
4. Cost of materials		
a) Expenses for raw materials and supplies and for purchased goods	3,350,848.98	4,413,783.73
b) Expenses for purchased services	298,884.26	326,443.57
	3,649,733.24	4,740,227.30
5. Personnel expenses		
a) Wages and salaries	4,306,897.92	5,282,499.03
b) social security contributions and expenses for pensions and support	827,743.94	930,401.55
(of which for pensions € 28,658.70; previous year € 16,949.99)		
	5,134,641.86	6,212,900.58
6. Depreciation on intangible assets and property, plant and equipment	237,080.72	315,761.90
7. other operating expenses	1,862,421.23	2,210,493.49
(thereof expenses from currency translation € 3,665.60; previous year € 5,279.37)		
8. Income from operations	1,536,827.46	402,085.63
9. other interest and similar income	0.00	1,510.00
(of which from affiliated companies € 0.00; previous year € 0.00)		
10. Interest and Similar Expenses	10,685.00	13,653.00
(thereof expenses from compounding € 10,685.00; previous year € 13,653.00)		
11. Financial result	-10,685.00	-12,143.00
12. Taxes on income and profits	51,000.00	55.36
13. Profit after tax	1,475,142.46	389,887.27
14. Other taxes (expenses, previous year income)	-644.00	2,567.19
15. Annual net income	1,474,498.46	392,454.46

Appendix for the short financial year 2018/19

I. General

As a result of the takeover of John Crane Bearing Technology GmbH by the Miba Group, together with the change of the company's name to "Miba Industrial Bearings Germany GmbH", the shareholders' meeting of May 18, 2018 decided for the previous fiscal year analogous to Date of transfer of ownership from John Crane Group Limited to Miba Bearings Holding GmbH, a short fiscal year for the period from August 1, 2017 to May 31, 2018.

In the year under review, it was decided at the shareholders' meeting on January 15, 2019 that the company's financial year will end on January 31 of each year, analogous to the Miba Group's consolidated financial statements. This resolution was entered in the commercial register on January 22, 2019. Accordingly, there is again a short fiscal year for the period from June 1, 2018 to January 31, 2019. In the following period, a financial year runs from February 1 of each calendar year to January 31 of the following year. Due to the short fiscal year, the previous year's figures are not comparable in the annual financial statements. Miba Industrial Bearings Germany GmbH is based in Göttingen and is entered in the commercial register at the Göttingen Local Court (HRB No.

For the balance sheet, the stipulated structure according to Section 266 of the German Commercial Code (HGB) was used. The total cost method according to Section 275 (2) of the German Commercial Code (HGB) was chosen for the structure of the income statement. The company makes partial use of the size-dependent relief in Section 288 (2) of the German Commercial Code (HGB).

II. Accounting and valuation principles

Intangible fixed assets purchased from third parties are capitalized at cost and depreciated on a straight-line basis in accordance with their expected useful life, pro rata temporis in the year of acquisition. Computer programs acquired for a fee are amortized over a normal useful life of three years. The IT programs with acquisition costs of up to € 800 (previous year: up to € 150) are an exception; these are immediately expensed in full. Insofar as the fair values of individual intangible assets fall below their book value, unscheduled depreciation is also made in the event of a likely permanent decrease in value.

Property, plant and equipment are accounted for at acquisition or production cost, reduced by scheduled depreciation over their normal useful life. The acquisition costs include the components specified in Section 255 (1) of the German Commercial Code (HGB). Production costs include direct production and material costs as well as appropriate portions of production and material overheads. Repair costs are recognized immediately as an expense. Borrowing costs are not recognized as part of the acquisition or production costs. The buildings are based on a useful life of 33 years. The technical systems and machines have a useful life of five to ten years, a useful life of three to fifteen years is used as a basis for other systems and operating and office equipment. Insofar as the fair values of individual items of property, plant and equipment fall below their book value, unscheduled depreciation is also made in the event of a likely permanent decrease in value.

Low-value assets with acquisition costs of up to € 800 are written off in full in the year of acquisition. Up to and including the short financial year 2017/2018, low-value assets with acquisition costs between € 150 and € 1,000 were still shown in a collective item analogous to the regulation in Section 6 (2a) of the Income Tax Act. This collective item is to be dissolved equally by a fifth in the financial year of education and in the following years. Due to the overall subordinate importance of the collective item, such an item was also formed for low-value assets that were acquired after December 31, 2009, despite the reversal of the reversed relevance through the Accounting Law Modernization Act.

The inventories are valued at acquisition or production cost and taking into account the lower of cost or market principle. All identifiable risks in inventories resulting from above-average storage times, reduced usability and / or lower replacement costs are taken into account by means of appropriate value deductions. In all cases, the valuation was carried out loss-free, ie if the probable sales prices minus the costs incurred up to the sale lead to a lower fair value, corresponding devaluations were made.

Apart from the customary retention of title, the inventories are free of third party rights.

The raw materials, consumables and supplies and merchandise are valued at acquisition cost with moving average prices or the lower replacement cost on the balance sheet date. Work in progress and finished goods are valued at production cost or the lower applicable value. The production costs include material costs, direct production costs as well as a proportion of material and production overheads. Proportional borrowing costs are not capitalized. The valuations of the unfinished and finished products as well as the goods are below the realizable sales proceeds after taking into account the costs still to be incurred. All recognizable individual risks, such as obsolescence, poor mobility, etc.,

Receivables and other assets are stated at their nominal value or at the lower fair value on the balance sheet date. In the case of receivables whose collectibility is subject to recognizable risks, appropriate value deductions are made; bad debts are written off. To cover the general credit risk, a general value adjustment of 1% is made on the net receivables that have not been individually adjusted.

Liquid funds (cash in hand and bank balances) are shown at their nominal value on the balance sheet date.

Expenses before the balance sheet date are recognized as prepaid expenses insofar as they represent expenses for a certain period after this point in time.

The subscribed capital is reported at nominal value.

The provisions are measured in such a way that recognizable risks and uncertain obligations are taken into account. The valuation takes place in each case in the amount of the settlement amount, which is necessary according to a reasonable commercial assessment in order to cover future payment obligations. Future price and cost increases are taken into account if there is sufficient objective evidence that they will occur. Provisions for pensions and similar obligations are made on the basis of actuarial calculations using the projected unit credit method, taking into account the 2018 G mortality tables (previous year: 2005 G mortality tables) by Prof. Dr. Heubeck rated. The changeover to the new mortality tables did not have any material effect in the year under review. The provisions for pensions and similar obligations were discounted at a flat rate using the average market interest rate for the past ten years published by the Deutsche Bundesbank in February 2019, which results from an assumed remaining term of 15 years (Section 253 (2) sentence 2 HGB). This interest rate is 3.16%. When determining the provisions for pensions and similar obligations, annual pension increases of 2.0% per year were taken as the basis. Salary increases were not to be taken into account. Age- and gender-dependent fluctuation probabilities were used for fluctuation.

In the case of provisions for pension obligations, the difference between the recognition of the provisions in accordance with the corresponding average market interest rate from the past ten financial years and the recognition of the provisions in accordance with the corresponding average market interest rate from the past seven financial years in accordance with Section 253 (6) of the German Commercial Code (HGB) in each To determine the fiscal year. If the average market interest rate of 2.26 ° A) published by the Deutsche Bundesbank in February 2019 had been applied, this would have resulted in a pension provision of € 471 thousand; the difference is therefore T € 50. Profits may only be distributed if the freely available reserves remaining after the distribution plus a profit carryforward and minus a loss carryforward are at least equal to the difference. Accordingly, as in the previous year, there is no amount blocked from distribution in accordance with Section 253 (6) HGB.

Provisions for obligations from partial retirement are set up in accordance with the block model. The valuation of the provisions for partial retirement is based on an actuarial interest rate of 0.85% pa and on the basis of the 2018 G mortality tables (previous year: 2005 G mortality tables) by Prof. Dr. Klaus Heubeck according to actuarial principles. The calculation of the provisions for partial retirement obligations was based on annual wage and salary increases of 2.5%. The provisions for partial retirement contain (potentially) top-up amounts up to the balance sheet date. Obligations for partial retirement that are subject to provisions existed as of the balance sheet date in the amount of € 195 thousand (previous year: € 175 thousand).

The liabilities are stated at their settlement amount.

Income before the balance sheet date is recognized as deferred income, insofar as it represents income for a certain period after this point in time.

Foreign currency conversion

Business transactions in foreign currencies are generally recorded using the historical rate at the time of the initial posting. Balance sheet items are valued as follows on the reporting date:

Long-term foreign currency receivables are valued at the letter rate when the receivable arises or at the lower applicable value, based on the average spot exchange rate on the balance sheet date (imparity principle). Short-term foreign currency receivables (remaining term of one year or less) as well as liquid funds or other short-term assets in foreign currencies are converted at the mean spot exchange rate on the balance sheet date.

Long-term foreign currency liabilities are valued at the exchange rate when the liability arises or at the higher rate on the reporting date, based on the mean spot exchange rate on the reporting date (imparity principle). Short-term foreign currency liabilities (remaining term of one year or less) are converted at the mean spot exchange rate on the balance sheet date.

Deferred taxes

Deferred taxes are recognized on the differences in the balance sheet values of the commercial balance sheet and the tax balance sheet, provided that these are expected to decrease in later financial years. In the event of an excess of deferred taxes on the balance sheet date, the option to capitalize under Section 274 (1) sentence 2 HGB is not used. Due to the existing surplus of assets, no deferred tax assets are recognized as of the balance sheet date.

III. Notes on the balance sheet and income statement

Capital assets

The development of the individual items of fixed assets is shown in the attached schedule of fixed assets.

Trade accounts receivable and other assets

As in the previous year, the trade receivables have a remaining term of less than one year. The other assets include rental deposits of € 28 thousand (previous year: € 28 thousand) with a remaining term of more than one year.

Receivables from affiliated companies

The accounts receivable from affiliated companies of the Miba Group amount to T € 180 on the balance sheet date. These consist of receivables from the shareholder amounting to € 167 thousand and receivables from other affiliated companies amounting to € 13 thousand.

As in the previous year, the receivables have a remaining term of less than one year.

Equity

The company's subscribed capital remains unchanged at T € 50.

The capital reserve remains unchanged at T € 6,000.

In the previous year, an annual surplus of € 392,454.46 was achieved. This was offset against the loss carryforward. The remaining loss carryforward of € 409,306.77 was carried forward to the new account.

Other provisions

The composition of the other provisions results from the following breakdown:

January 31, 2019	May 31, 2018
T €	T €

	January 31, 2019	May 31, 2018
	T €	T €
Warranties	44	39
Partial retirement	195	175
Other obligations from the personnel area (vacation, flextime, bonuses, etc.)	499	951
Pending invoice	176	47
Legal, consulting and year-end costs	39	45
Rest	151	108
	1.104	1,365

liabilities

As in the previous year, all reported liabilities are due within one year.

Liabilities to affiliated companies amounted to € 81 thousand as of the balance sheet date. These liabilities consist exclusively of trade payables. As of January 31, 2019, there were no liabilities to the shareholder.

Other company income

The other operating income includes income unrelated to the accounting period from the reversal of provisions in the amount of T € 45 (previous year: T € 147).

The other operating income does not contain any amounts of exceptional magnitude or significance.

Other operating expenses

The other operating expenses mainly include license fees, consulting costs, temporary workers, vehicle costs, travel, entertainment and advertising costs, room rental, office and communication expenses, small items and tools as well as shipping and packaging costs. This financial year does not contain any significant expenses relating to other periods.

The other operating expenses do not include any amounts of exceptional magnitude or significance.

IV. Other information**Other financial obligations and contingent liabilities**

In addition to provisions and liabilities, as of January 31, 2019, there were other financial obligations from rental and leasing contracts in the amount of € 1,434 thousand. Of this, an amount of € 507,000 will be due in the 2019/2020 financial year and € 927,000 in the 2020/2021 to 2022/2023 financial years. There are no other financial obligations to affiliated or associated companies.

The rental and leasing contracts relate to the production and administration building in Göttingen, the vehicle fleet and certain office and business equipment (copiers, printers). In all cases it is a matter of so-called operating lease contracts, which do not result in any accounting for the objects by the company. The advantage of these contracts lies in the lower capital commitment compared to acquisition and in the elimination of the risk of realization.

The order commitment for fixed assets as of January 31, 2019 is € 29 thousand.

Contingent Liabilities

There are no contingent liabilities.

Derivative financial instruments

As of the balance sheet date, the company had not concluded any contracts for derivative financial instruments.

Information about the employees

In the short fiscal year 2018/2019, an average of 101 people were employed at Miba Industrial Bearings Germany GmbH (previous year 94 employees), of which 64 (previous year 56) were industrial workers and 37 (previous year 38) were salaried employees.

Information on the organs of the company

Managing directors in the short financial year 2018/2019 were:

Horst Schackmann, operational manager, graduate engineer, Salzgitter

Angelo Aielli, John Crane Regional Controller Western Europe, Milan / Italy (until July 6, 2018)

Dr. Clemens Honeder, Managing Director of Miba Bearings Holding GmbH, Micheldorf / Austria (from July 6, 2018)

Since only one managing director receives remuneration from the company, the remuneration is not stated in accordance with Section 286 (4) HGB.

Parent company and consolidated financial statements

Via the sole shareholder Miba Bearings Holding GmbH, Laakirchen / Austria, the company belongs to the group of Miba AG, Laakirchen / Austria.

The parent company that prepares the consolidated financial statements for the smallest and largest group of companies is Mitterbauer Beteiligungs-Aktiengesellschaft, Laakirchen, FN 105810 d. The consolidated financial statements are deposited with the Wels commercial register.

Appropriation of earnings

The management proposes to the shareholders' meeting to distribute the annual surplus of T € 500 and to carry forward the remaining amount of T € 974 to a new account.

Supplementary report

After the balance sheet date, no other important events with a significant impact on the company's asset, financial and earnings position occurred before the annual financial statements were prepared.

Göttingen, July 16, 2019

Horst Schackmann, managing director

Dr. Clemens Honeder, managing director

Development of fixed assets in the short financial year 2018/19

	Acquisition or manufacturing costs				January 31, 2019
	06/01/2018	Accesses	Rebookings	Departures	
	€	€	€	€	€
I. Intangible Assets					
Acquired concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	556,836.19	0.00	0.00	33,086.84	523,749.35
II. Tangible assets					
1. Land, land rights and buildings including buildings on third-party land	473,480.82	0.00	0.00	0.00	473,480.82
2. Technical systems and machines	4,956,542.51	1,909.83	65,649.31	239.80	5,023,861.85
3. Other equipment, factory and office equipment	1,927,068.17	16,260.40	0.00	129,415.73	1,813,912.84
4. Advance payments and assets under construction	7,649.31	58,000.00	-65,649.31	0.00	0.00
	7,364,740.81	76,170.23	0.00	129,655.53	7,311,255.51
	7,921,577.00	76,170.23	0.00	162,742.37	7,835,004.86

	Depreciation			January 31,
	06/01/2018	Accesses	Departures	2019
	€	€	€	€
I. Intangible Assets				
Acquired concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	517,509.04	12,113.54	33,086.84	496,535.74
II. Tangible assets				
1. Land, land rights and buildings including buildings on third-party land	470,136.30	829.21	0.00	470,965.51
2. Technical systems and machines	4,262,269.91	148,482.09	239.80	4,410,512.20
3. Other equipment, factory and office equipment	1,461,156.73	75,655.88	129,375.90	1,407,436.71
4. Advance payments and assets under construction	0.00	0.00	0.00	0.00
	6,193,562.94	224,967.18	129,615.70	6,288,914.42
	6,711,071.98	237,080.72	162,702.54	6,785,450.16
	Residual book values			
			January 31, 2019	May 31, 2018
			€	€
I. Intangible Assets				
Acquired concessions, industrial property rights and similar rights and values as well as licenses to such rights and values			27,213.61	39,327.15
II. Tangible assets				
1. Land, land rights and buildings including buildings on third-party land			2,515.31	3,344.52
2. Technical systems and machines			613,349.65	694,272.60
3. Other equipment, factory and office equipment			406,476.13	465,911.44
4. Advance payments and assets under construction			0.00	7,649.31
			1,022,341.09	1,171,177.87
			1,049,554.70	1,210,505.02

Independent auditor's report

To Miba Industrial Bearings Germany GmbH, Göttingen

Examination Opinions

We have the annual financial statements of Miba Industrial Bearings Germany GmbH, Göttingen, - consisting of the balance sheet as of January 31, 2019 and the income statement for the short financial year from June 1, 2018 to January 31, 2019 as well as the notes, including the presentation of accounting and valuation methods - checked. In addition, we have audited the management report of Miba Industrial Bearings Germany GmbH for the short fiscal year from June 1, 2018 to January 31, 2019.

In our opinion based on the knowledge gained during the audit

- the attached annual financial statements comply in all material respects with German commercial law regulations and, in compliance with German generally accepted accounting principles, give a true and fair view of the company's assets and financial position as of January 31, 2019, as well as its earnings position for the short financial year of June 1, 2018 until January 31, 2019 and
- the attached management report gives an overall accurate picture of the company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and accurately presents the opportunities and risks of future development.

In accordance with Section 322, Paragraph 3, Clause 1 of the German Commercial Code (HGB), we declare that our audit has not led to any objections to the correctness of the annual financial statements and the management report.

Basis for the examination results

We carried out our audit of the annual financial statements and the management report in accordance with Section 317 of the German Commercial Code (HGB) and in compliance with the generally accepted German auditing principles established by the Institute of Auditors (IDW). Our responsibility in accordance with these regulations and principles is described in more detail in the section entitled 'Auditor's Responsibility for the Audit of the Annual Financial Statements and Management Report' of our auditor's report Compliance with these requirements. We believe

Responsibility of the legal representatives for the annual financial statements and the management report

The legal representatives are responsible for the preparation of the annual financial statements, which comply with the German commercial law in all essential respects. In addition, the legal representatives are responsible for the internal controls that they have determined to be necessary in accordance with German generally accepted accounting principles in order to enable the preparation of annual financial statements that are free from material - intended or unintentional - misstatements.

When preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. They are also responsible for disclosing issues relating to the going concern of the company, if relevant. In addition, they are responsible for accounting for the going concern basis of accounting, unless actual or legal circumstances conflict with this.

In addition, the legal representatives are responsible for the preparation of the management report, which as a whole provides an accurate picture of the company's position and is consistent with the annual financial statements in all material respects, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) that they have deemed necessary to enable the preparation of a management report in accordance with the applicable German legal regulations and to provide sufficient suitable evidence for the statements in the management report can.

Auditor's responsibility for the audit of the annual financial statements and the management report

Our objective is to obtain sufficient certainty as to whether the annual financial statements as a whole are free from material - intended or unintentional - misrepresentation and whether the management report as a whole gives an accurate picture of the company's position and, in all material matters, with the annual financial statements as well as in line with the knowledge gained during the audit, complies with German legal regulations and correctly presents the opportunities and risks of future development, as well as issuing an auditor's report that includes our audit opinions on the annual financial statements and the management report.

Adequate security is a high level of security, but no guarantee that an audit carried out in accordance with Section 317 of the German Commercial Code (HGB) in accordance with the German principles of proper auditing established by the Institute of Auditors (IDW) will always reveal a material misrepresentation. Misrepresentations can result from violations or inaccuracies and are regarded as material if it could reasonably be expected that they individually or collectively influence the economic decisions of the addressees made on the basis of these annual financial statements and management report.

During the examination, we exercise due discretion and maintain a critical attitude. Furthermore

- We identify and assess the risks of material - intentional or unintentional - misrepresentations in the annual financial statements and the management report, plan and carry out audit procedures in response to these risks, and obtain audit evidence that is sufficient and suitable to serve as a basis for our audit opinions. The risk that material misrepresentations are not detected is higher in the case of violations than inaccuracies, since violations can involve fraudulent cooperation, falsifications, intentional incompleteness, misleading representations or the overriding of internal controls.
- We gain an understanding of the internal control system relevant to the audit of the annual financial statements and the precautions and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate under the given circumstances, but not with the aim of providing an audit opinion on the effectiveness of these Systems of society.
- we assess the appropriateness of the accounting methods used by the legal representatives as well as the acceptability of the estimated values presented by the legal representatives and the related information.
- we draw conclusions about the appropriateness of the going concern accounting principle applied by the legal representatives and, on the basis of the audit evidence obtained, whether there is any material uncertainty in connection with events or circumstances, the significant doubts about the company's ability to continue as a going concern can raise. If we come to the conclusion that there is material uncertainty, we are obliged to draw attention to the relevant

information in the annual financial statements and in the management report in the auditor's report or, if this information is inappropriate, to modify our respective audit opinion. We draw our conclusions based on the audit evidence obtained up to the date of our auditor's report. Future events or circumstances can, however, mean that the company can no longer continue its business activities.

- we assess the consistency of the management report with the annual financial statements, its compliance with the law and the picture it provides of the company's position.
- we perform audit procedures on the future-oriented information presented by the legal representatives in the management report. On the basis of sufficient suitable audit evidence, we particularly review the significant assumptions on which the future-oriented information is based by the legal representatives and assess the appropriate derivation of the future-oriented information from these assumptions. We do not issue an independent audit opinion on the future-oriented information or the underlying assumptions. There is a considerable unavoidable risk that future events will differ materially from the forward-looking statements.

Among other things, we discuss with those responsible for monitoring the planned scope and timing of the audit as well as significant audit findings, including any deficiencies in the internal control system that we discover during our audit.

Kassel, July 16, 2019

**PricewaterhouseCoopers GmbH
auditing company**

*Holger Plaum, auditor
ppa. Oliver Böhm, auditor*

Shareholder resolution

Miba Industrial Bearings Germany GmbH

1. Preliminary remark

Miba Bearings Holding GmbH, with business address at Dr.-Mitterbauer-Straße 3, Laakirchen, Republic of Austria, holds the entire share capital of Miba Industrial Bearings Germany GmbH (the "Company"), based in Göttingen, entered in the commercial register of the Göttingen Local Court under HRB 4092. A shareholders' meeting of the company is held and a decision is made as follows, dispensing with compliance with any form and deadline regulations for the calling and holding of a shareholders' meeting:

2. Shareholders' resolution

- 1.1 The annual financial statements of the Company for the short financial year 2018/2019 (the "Annual Financial Statements") are adopted.
- 1.2 Before the annual surplus of EUR 1,474,498.46, an amount of EUR 500,000.00 will be distributed to Miba Bearings Holding GmbH. The remainder of EUR 974,498.46 will be carried forward to the 2019/2020 financial year.
- 1.3 The acting managing directors in the short financial year 2018/2019 will be granted discharge for the short financial year 2018/2019.
- 1.4 PricewaterhouseCoopers GmbH, Frankfurt am Main, has been appointed as the company's auditor for the 2019/2020 financial year. The check can be carried out by any office of PricewaterhouseCoopers GmbH.

Laakirchen, August 26, 2019

*Dr. Wolfgang Litzbauer
for Miba Bearings Holding GmbH*

*Dr. Clemens Honeder
for Miba Bearings Holding GmbH*
