

# Q1 | 2015

Growth course continues



**[INDUS]**  
H O L D I N G A G

# JANUARY 1 TO MARCH 31, 2015

## KEY FIGURES (in EUR millions)

	Q1 2015	Q1 2014
Sales	327.9	287.2
EBITDA	43.4	39.2
EBIT	31.5	28.3
Net result for the period	15.9	13.3
Earnings per share (in EUR) of continuing operations	0.65	0.60
Operating cash flow	3.5	-9.8
	31.3.2015	31.12.2014
Total assets	1,357.4	1,308.4
Equity capital	569.7	549.9
Net debt	366.4	345.9
Equity ratio (in %)	42.0	42.0
Investments (as of the reporting date)	42	42

## SALES IN THE FIRST THREE MONTHS OF 2015

# 327.9

EUR million

## SEGMENT TREND Q1 2015 IN COMPARISON TO Q1 2014

### GROUP SALES

# ↗ 14%

### GROUP EBIT

# ↗ 11%

> Construction/Infrastructure	> Sales -4 % EBIT +2 %
> Automotive Technology	> Sales +6 % EBIT +13 %
> Engineering	> Sales +62 % EBIT +79 %
> Medical Engineering/Life Science	> Sales +25 % EBIT +7 %
> Metals Technology	> Sales +6 % EBIT -24 %

---

AS THE LEADING SPECIALIST IN THE FIELD OF SUSTAINABLE INVESTMENT AND GROWTH IN GERMAN-SPEAKING SMALL AND MEDIUM-SIZED COMPANIES, INDUS PRIMARILY ACQUIRES OWNER-MANAGED COMPANIES AND HELPS THEIR BUSINESS GROW OVER THE LONG TERM. WE ENSURE IN THE PROCESS THAT THEY ARE ABLE TO RETAIN THEIR PARTICULAR STRENGTH:

THEIR IDENTITY AS MEDIUM-SIZED COMPANIES.

---

—————> **CONTENTS**

p. 2	—>	LETTER TO THE SHAREHOLDERS
p. 4	—>	GROWTH PLATFORM INDUS
p. 6	—>	INDUS ON THE CAPITAL MARKET
p. 7	—>	INTERIM MANAGEMENT REPORT
p. 19	—>	CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2015
p. 36	—>	CONTACT AND FINANCIAL CALENDAR

## LETTER TO THE SHAREHOLDERS

### DEAR SHAREHOLDERS,

*The economic environment at the start of 2015 lacked momentum. While the situation has improved in some economies in the Eurozone, economic momentum was surprisingly weak in the USA. Most emerging markets are also reporting weak economic growth. China, Brazil and Russia will grow less than in the previous year in 2015. The markets are determined by monetary policy. Although the Federal Reserve has allowed its bond buying program to end, the first interest rate increase is not to be expected before fall. The ECB is sticking with its very expansionary monetary policy and buying EUR 60 billion worth of bonds a month.*

In contrast, the German economy grew surprisingly rapidly in the fourth quarter of 2014 after a weak third quarter. This positive sentiment continues. For the time being, both the decrease in the oil price and the depreciation of the euro will have a positive impact on the German economy in 2015.

INDUS is now generating around half its sales abroad. The products sold in Germany are often indirectly exported via our customers on a continuing basis. The shape of the global economy and not just Germany therefore plays a decisive role in our business success. We are deliberately cautious at the moment: The markets are currently primarily money-market-driven. Various crises flaring up may slow down the economy or even send it into a downturn at any time. Some investors and analysts therefore assess our planning for the current fiscal year as “too moderate”.

We expect stable business for 2015 – providing the current conditions do not change. Our group is a truly healthy, well-positioned company with very good operating results and with at least equally good prospects for the future. Our COMPASS 2020 strategy is increasingly paying off. We expect organic sales growth of at least 1.5% (in line with German GDP growth), but very much see opportunities for an increase in sales to up to EUR 1.3 billion (that would be equivalent to 3.6%). We want to generate an operating result of EUR 125 to 130 million. That represents a Group-wide EBIT margin of 10%.

The interim result for the first three months confirms our expectation. With sales of approximately EUR 328 million, we were able to achieve an operating result of approximately EUR 31.5 million. INDUS has thus made a satisfying and good start to the year.

We have already made strong investments in the first three months: around EUR 22 million has been put into growth-strengthening acquisitions and property, plant and equipment. At the beginning of the year, we acquired the ESDA production site in Glauchau for our portfolio company OFA and its integration. With the acquisition of the Dutch company NEA in May, we then acquired a profitable addition for OFA. By the middle of the year, we are looking to complete two more acquisitions. They are to come from the fields of medical engineering/life science and automation.

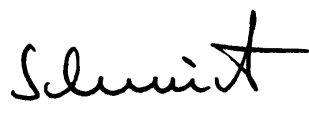
We want to provide information and personally answer your questions on all this and further development at our AGM in Cologne on June 3. INDUS will not only present itself in a whole new light to you there, but also propose a dividend increase. We are thus reinforcing our promise of shareholders participating fairly in the company's success. We are looking forward to your visit and the dialog.

Bergisch Gladbach, May 2015

Yours, The Board of Management



Jürgen Abromeit



Dr. Johannes Schmidt



Rudolf Weichert

ofa bamberg

61.0

SALES 2014  
(IN EUR MILLIONS)

456

EMPLOYEES  
2014

## GROWTH PLATFORM INDUS STRATEGIC ACQUISITIONS FOR OFA

*With gross value added of close to EUR 260 billion, the health care market is one of the key pillars of the German economy. At the same time, it is a core engine of further economic development. This is because demographic changes and increasing prosperity in emerging markets will increase its significance yet further. INDUS and OFA are adapting to this and investing significantly in order to participate in this growth.*

> OFA has been part of the INDUS portfolio since 2000 and has developed dynamically ever since. Today the Upper Franconia-based company generates revenues of more than EUR 60 million (revenues in 2000: approx. EUR 31 million).



Its compression hosiery, bandages, custom orthotic devices and health care products such as surgical and travel stockings mean OFA has its finger on the pulse of the times. It is not just in Germany that people are getting older, and all of them want to be able to move as comfortably as possible for as long as possible. OFA helps them do this. In addition, the company's love of innovation means it keeps opening up new fields and thus new target groups – from athletes to diabetics. The products are sold via specialist medical retailers and pharmacies, a market that requires specialist knowledge. Not a problem for OFA, as the company has been in the market since as far back as 1928. And has an increasingly international presence: Its market extends to over 40 countries worldwide. "Made in Germany" has a good reputation in the health care market in particular.

**OFA's production department focuses strongly on Germany, and in January 2015 it took advantage of an opportunity to acquire a modern production site in Glauchau in Saxony, Germany, a town of 25,000 inhabitants that is located near Zwickau.** In recent months, OFA has already had ESDA manufacture partial orders in the town when these needed to be

outsourced from Bamberg because of limited production capacity. When the parent company DAUN & Cie. decided to give up the site at the end of 2014, OFA took action and acquired the complete production site with INDUS's support. The Bamberg-based company had already been looking for opportunities to extend its production set-up for a long time and this can now take place at an accelerated rate in Saxony. Thanks to trained staff and modern machines, OFA will in future be able to react even quicker to changed market circumstances, further reduce delivery times and acquire additional manufacturing contracts. In the medium term, the plan is to concentrate custom manufacturing in Bamberg and mass production in Glauchau. By decoupling the two product segments, the processes in each segment can be further improved.

**In addition to the acquisition in Saxony, OFA made use of a second growth opportunity at the start of the year and acquired the Dutch company NEA International B.V. (NEA).** OFA had already been the exclusive sales partner for NEA products for the German and Austrian markets for some years and is developing the area for medical bandages more strongly with the OFA dynamics product area. As a developer and manufacturer of orthopedic premium bandages and orthotic devices (OBO), NEA is a specialist in the area of the treatment of joint injuries and chronic conditions. To date, NEA has concentrated primarily on developing and improving products and on distribution via exclusive distribution partners. The Dutch company uses external suppliers for its non-critical production steps. The NEA acquisition is a lucky find for OFA. The acquisition gives OFA the complete value chain in this promising sector, meaning it

will be able to significantly expand its range in the area of bandages.

The additional production unit in Saxony and the acquisition in the Netherlands mean INDUS has opened up new growth options for OFA.

#### THE GERMAN HEALTH CARE SECTOR WORLDWIDE

- The export volume of the medical technology and pharmaceutical industry in Germany was more than EUR 83 billion in 2013. The sector thus generated around 8 % of Germany's foreign trade revenue.
- Medical, orthopedic and optical equipment generate an export volume of EUR 22 billion.
- The sector has high growth momentum.
- By opening up emerging markets, exports could be significantly further increased.

#### THE MARKET FOR ORTHOPEDIC BANDAGES AND ORTHOTIC DEVICES (OBO)

- The OBO market volume in Europe in 2015 is around USD 765 million. That is equivalent to almost a tenth of the European market for orthopedic technology.
- Annual growth of around 3.5 % is expected for the orthopedic market until 2019.
- The OBO orthopedic sub-market is a more stable and relatively non-cyclical market.
- The OBO market is also a rapidly growing market globally. It is shaped by the growing global population and increasing spending per capita on health care.

## INDUS ON THE CAPITAL MARKET

### THE INDUS SHARE AT A GLANCE\*

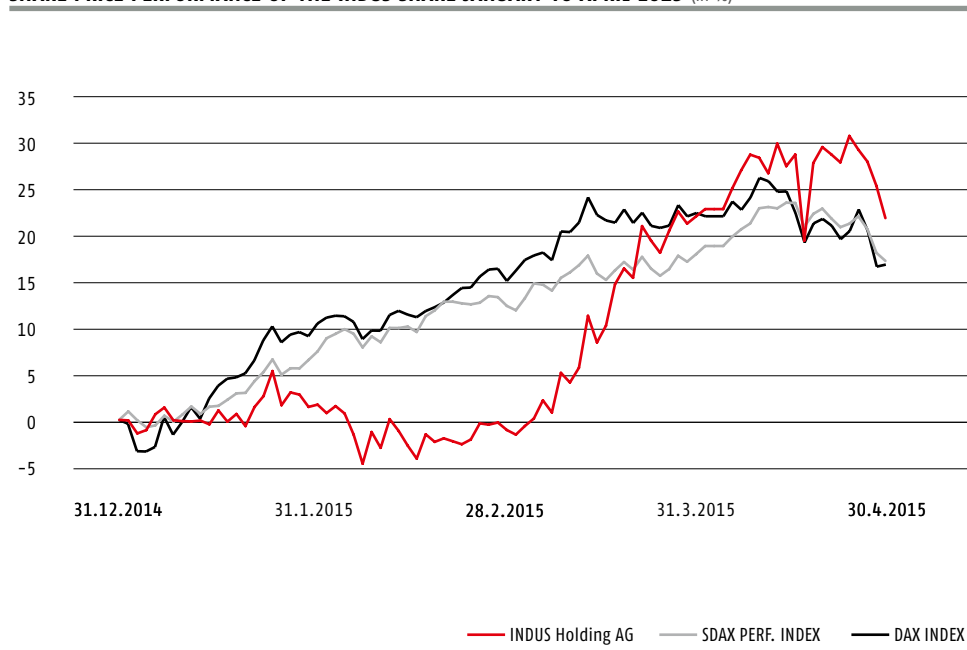
	Q1 2015	Full-year 2014
High (in EUR)	46.70	40.90
Low (in EUR)	36.37	28.00
Closing price at reporting date (in EUR)	46.38	38.11
Average daily trading volume (number of shares)	59,196	53,935
Number of shares outstanding	24,450,509	24,450,509
Market capitalization (in EUR millions)	1,134.0	931.8

\* share price acc. to XETRA, trading volume acc. to Deutsche Börse

### THE CAPITAL MARKET SEES FURTHER GROWTH OPPORTUNITIES FOR INDUS

The very positive share price performance in 2014 has continued in 2015. In the first three months, the INDUS share outperformed the SDAX and the DAX. The INDUS share's liquidity also further increased. Revenues. As of March 31, 2015, the share was up roughly 43%, thus substantially outperforming the markets at the close of 2014 (SDAX +16%, DAX +24%). This rally culminated in a new all-time high for the INDUS share of EUR 49.92 on April 24. Current price targets for the INDUS share range between EUR 39 and EUR 57. All analysts are recommending to either buy or hold.

### SHARE PRICE PERFORMANCE OF THE INDUS SHARE JANUARY TO APRIL 2015 (in %)





—————> **INTERIM MANAGEMENT REPORT**

- p. 8 —> INDUS GROUP BUSINESS PERFORMANCE  
IN THE FIRST THREE MONTHS OF 2015
- p. 11 —> SEGMENT REPORT
- p. 14 —> EMPLOYEES
- p. 15 —> FINANCIAL POSITION
- p. 17 —> OPPORTUNITIES AND RISKS
- p. 17 —> EVENTS AFTER THE REPORTING DATE
- p. 18 —> OUTLOOK

## INDUS GROUP BUSINESS PERFORMANCE IN THE FIRST THREE MONTHS OF 2015

### CONSOLIDATED STATEMENT OF INCOME (in EUR millions)

	Q1 2015	Q1 2014
<b>Sales</b>	<b>327.9</b>	<b>287.2</b>
Other operating income	5.9	4.1
Own work capitalized	0.7	0.6
Changes in inventories	13.5	15.1
<b>Overall performance</b>	<b>348.0</b>	<b>307.0</b>
Cost of materials	-165.4	-144.5
Personnel expenses	-94.6	-84.1
Other operating expenses	-44.7	-39.4
Income from shares accounted for using the equity method	0.1	0.2
<b>EBITDA</b>	<b>43.4</b>	<b>39.2</b>
Depreciation and amortization	-11.9	-10.9
<b>Operating result (EBIT)</b>	<b>31.5</b>	<b>28.3</b>
Net interest	-6.7	-5.0
<b>Earnings before taxes (EBT)</b>	<b>24.8</b>	<b>23.3</b>
Taxes	-8.9	-8.5
Earnings attributable to discontinued operations	0.0	-1.5
<b>Earnings after taxes</b>	<b>15.9</b>	<b>13.3</b>
of which allocable to non-controlling shareholders	0.1	0.2
of which allocable to INDUS shareholders	15.8	13.1

The first quarter of 2015 went largely according to INDUS's business plan. The consolidated sales of INDUS Holding AG reached EUR 327.9 million at the end of March 2015 (previous year: EUR 287.2 million).

Cost of materials rose from EUR 144.5 million to EUR 165.4 million and was thus in line with the increase in sales. At 50.4 %, the cost of materials ratio was on par with the previous year's level of 50.3 %. Personnel costs rose from EUR 84.1 million to EUR 94.6 million, primarily reflecting a larger post-acquisition workforce; the personnel cost ratio was 28.9 % (previous year: 29.2 %).

EBITDA (earnings before interest, taxes, depreciation, and amortization) came in at EUR 43.4 million, up EUR 4.2 million versus last year's EUR 39.2 million. Due to the substantial investments made in the previous years, depreciation and amortization increased to a total of EUR 11.9 million (previous year: EUR 10.9 million).

The operating result (EBIT) for the first three months of 2015 came in at EUR 31.5 million, a significant increase on the previous year. The EBIT margin came to 9.6 % on Group average (previous year: 9.8 %). Detailed notes on the earnings position can be found in the segment report.

Net interest expense decreased from EUR -5.0 million to EUR -6.7 million, in particular due to results owed to third parties from shares in acquired companies with call/put options. This is solely due to the structure of recent company acquisitions. Earnings before tax (EBT) improved to EUR 24.8 million (previous year: EUR 23.3 million). At EUR -8.9 million, tax expenses remained in line with the previous year's level of EUR 8.5 million, corresponding to a tax rate of 35.9 % (previous year: 36.5 %). After deducting minority interests, the net result for the period improved to EUR 15.9 million (previous year: EUR 13.2 million). Earnings per share for continuing operations came to EUR 0.65 (previous year: EUR 0.60).

### **CAPITAL EXPENDITURE AND ACQUISITIONS IN THE MEDICAL ENGINEERING/LIFE SCIENCE AND AUTOMOTIVE TECHNOLOGY SEGMENTS**

At the start of the year, the INDUS portfolio company OFA Bamberg GmbH expanded its business and acquired a manufacturing site from ESDA GmbH in Glauchau, Saxony, Germany. A modern production site for textile products was built there in 1995 and closed in 2014. With the acquisition, OFA is planning to move its outsourced contract manufacturing back from Eastern Europe and wants to react quicker to changed market conditions and further reduce delivery times by manufacturing in Saxony. At the start of May, OFA also acquired 100 % of the shares in the Dutch company NEA International B.V. (NEA) from its parent company, Macintosh Retail Group N.V., Maastricht, the Netherlands. NEA develops orthopedic bandages and orthotic devices for specific use in the area of treatment of joint injuries and chronic conditions. The bandages are sold in more than 30 countries to customers from the medical and sports sectors. OFA Bamberg has been a distribution partner for NEA products in Germany and Austria since the start of the 1990s.

The INDUS portfolio company SELZER Fertigungstechnik, Driedorf, also acquired the remaining 10 % minority interest in Selzer Automotiva do Brasil. This ensures closer connection of the Brazilian activities to the German parent company. The previous minority shareholder Albert Rempel founded the Brazilian company together with SELZER Fertigungstechnik at the Vinhedo site near São Paulo. Dating back to 2005, the site mainly makes gear parts for the domestic truck market.

## SEGMENT REPORT

The INDUS Holding AG investment portfolio is organized into five segments: Construction/Infrastructure, Automotive Technology, Engineering, Medical Engineering/Life Science, and Metals Technology. The investment portfolio encompassed 42 operating units as of March 31, 2015.

### INDUS CONSTRUCTION/INFRASTRUCTURE SEGMENT

#### STABLE ORDER SITUATION

Continuous high demand for construction services ensures a stable order situation for the segment companies. The companies also have a good order backlog for the coming months. At EUR 47.3 million, segment sales in the first three months of 2015 came in just under the EUR 49.1 million achieved in 2014. Earnings before interest and taxes (EBIT) rose slightly year-on-year to EUR 4.7 million (previous year: EUR 4.6 million). Consequently, at 9.9 % the EBIT margin (previous year: 9.4 %) reached a very good level for the first quarter; business in this segment is usually often somewhat weaker at the start of the year for weather-related reasons and gradually increases over the course of the year. INDUS continues to plan a margin in a range of between 12 and 14 % for the Construction/Infrastructure segment this fiscal year.

**SALES -3.7%**  
**EBIT MARGIN**  
**9.9%**

> **SALES CLOSE**  
**TO PREVIOUS**  
**YEAR'S LEVEL**

> **SLIGHTLY**  
**INCREASED**  
**EBIT AND**  
**IMPROVED**  
**MARGIN**

#### KEY FIGURES – CONSTRUCTION/INFRASTRUCTURE (in EUR millions)

	1.1.-31.3.2015	1.1.-31.3.2014
Sales with external third parties	47.3	49.1
EBITDA	6.2	5.9
Depreciation and amortization	-1.5	-1.3
EBIT	4.7	4.6
EBIT margin in %	9.9	9.4
Capital expenditure	2.9	2.9
Employees	1,118	1,093

## INDUS AUTOMOTIVE TECHNOLOGY SEGMENT

**SALES +5.7%**  
**EBIT MARGIN**  
**7.0%**

> **ECONOMIC**  
**SITUATION IN**  
**THE AUTOMO-**  
**TIVE BUSINESS**  
**STABLE**

> **STABLE**  
**MARGIN OF**  
**UP TO 7%**  
**EXPECTED**  
**OVER THE**  
**COURSE OF**  
**THE YEAR**

### FULL ORDER BOOKS

The global automotive business is doing well, particularly for German manufacturers, among others. Consequently, the segment companies were able to further increase their sales year on year, from EUR 84.4 million to EUR 89.2 million. The operating result also improved year on year and reached a higher figure at EUR 6.2 million. With an EBIT margin of 7.0 %, the segment has already achieved a figure in the target range for 2015 (of between 6 % and 8 %) in the first quarter.

### KEY FIGURES – AUTOMOTIVE TECHNOLOGY (in EUR millions)

	1.1.-31.3.2015	1.1.-31.3.2014
Sales with external third parties	89.2	84.4
EBITDA	10.7	10.2
Depreciation and amortization	-4.5	-4.7
EBIT	6.2	5.5
EBIT margin in %	7.0	6.5
Capital expenditure	5.8	4.3
Employees	3,228	3,094

## INDUS ENGINEERING SEGMENT

**SALES +62.0%**  
**EBIT MARGIN**  
**13.8%**

> **SALES**  
**GROWTH**  
**DUE TO NEW**  
**ACQUISITIONS**

> **HIGH**  
**PROFIT**  
**MARGIN**

### NEW ACQUISITIONS SUCCESSFULLY INTEGRATED

Segment sales increased from EUR 42.4 million to EUR 68.7 million and thus grew by more than 60 % on a percentage basis. The sales growth is characterized by the first-time consolidation of the new portfolio company MBN Neugersdorf. EBIT has also increased by almost 80 % from EUR 5.3 million to EUR 9.5 million. The improvement of the EBIT margin compared to the previous year to 13.8 % is pleasing (previous year: 12.6 %). As already reported in the section on events after the reporting date for the 2015 fiscal year, the going-concern forecast for SEMET is negative. As a result, the business will be discontinued in the middle of the year.

**KEY FIGURES – ENGINEERING** (in EUR millions)

	1.1.–31.3.2015	1.1.–31.3.2014
Sales with external third parties	68.7	42.4
EBITDA	11.3	6.8
Depreciation and amortization	-1.8	-1.5
EBIT	9.5	5.3
EBIT margin in %	13.8	12.5
Capital expenditure	2.5	0.9
Employees	1,368	1,141

**INDUS MEDICAL ENGINEERING/LIFE SCIENCE SEGMENT****JUMP IN SALES THANKS TO FULL CONSOLIDATION OF ROLKO**

The Medical Engineering/Life Science segment is sustained by stable consumer demand and good prospects for the health care sector. Segment sales increased by around 25% to EUR 31.5 million in the first three months (previous year: EUR 25.1 million); this is primarily due to the full consolidation of ROLKO – the company was acquired in the second quarter of 2015. Earnings before interest and taxes (EBIT) only rose slightly year-on-year to EUR 4.7 million (previous year: EUR 4.4 million). The impact of the one-off integration costs in OFA, resulting from the acquisition of the Glauchau production site in January, can be felt in segment earnings. The EBIT margin of 14.9% (previous year: 17.5%) is therefore still slightly below the target value range of around 15%, but will improve over the course of the year.

**SALES +25.5 %  
EBIT MARGIN  
14.9 %**

**> SALES AND  
EARNINGS  
GROWTH AS  
A RESULT OF  
ACQUISITION  
OF ROLKO**

**KEY FIGURES – MEDICAL ENGINEERING/LIFE SCIENCE** (in EUR millions)

	1.1.–31.3.2015	1.1.–31.3.2014
Sales with external third parties	31.5	25.1
EBITDA	5.7	5.0
Depreciation and amortization	-1.0	-0.6
EBIT	4.7	4.4
EBIT margin in %	14.9	17.5
Capital expenditure	5.7	0.6
Employees	921	699

**> GOOD PROFIT  
MARGIN  
DESPITE  
GROWTH-  
RELATED  
INTEGRATION  
COSTS**

## INDUS METALS TECHNOLOGY SEGMENT

**SALES +5.7%**  
**EBIT MARGIN**  
**7.8%**

> **SALES REMAIN**  
**STABLE, BUT**  
**EARNINGS ARE**  
**DOWN**

> **IMPROVEMENT**  
**MEASURES**  
**INTRODUCED**

### SEGMENT EARNINGS BELOW EXPECTATIONS

The Metals Technology segment has, as expected, decreased significantly compared to the same quarter of the previous year. The significant appreciation of the Swiss franc in mid-January 2015 worsened the competitive situation for our Swiss companies in the segment. INDUS currently believes that this topic could directly and indirectly have an impact of up to EUR 2 million on Group operating result. For the most part, this impact has been noticeable in the first quarter already. However, restructuring efforts have been made, which are expected to take effect over the course of the year. The good order situation in the segment led to an approximately 6 % increase in sales in the first quarter, with sales rising from EUR 86.3 million to EUR 91.2 million. However, earnings before interest and taxes fell noticeably, decreasing from EUR 9.4 million to EUR 7.1 million. At 7.8 % (previous year: 10.9 %), the margin was significantly below the target planned for 2015 of more than 9 %.

### KEY FIGURES – METALS TECHNOLOGY (in EUR millions)

	1.1.-31.3.2015	1.1.-31.3.2014
Sales with external third parties	91.2	86.3
EBITDA	10.1	12.1
Depreciation and amortization	-3.0	-2.7
EBIT	7.1	9.4
EBIT margin in %	7.8	10.9
Capital expenditure	5.1	3.2
Employees	1,376	1,273

## EMPLOYEES

As the year began, the number of employees working for the various INDUS Group companies held steady as a result of the order situation. At 28.8 % of sales, the personnel ratio is roughly at the previous year's level (previous year: 29.2 %). As of March 31, 2015, the company had 8,037 employees (previous year: 7,323 employees).



# FINANCIAL POSITION

## CONSOLIDATED STATEMENT OF CASH FLOWS, CONDENSED (in EUR millions)

	Q1 2015	Q1 2014
<b>Operating cash flow</b>	<b>3.5</b>	<b>-9.8</b>
Interest	-3.9	-4.2
<b>Cash flow from operating activities</b>	<b>-0.4</b>	<b>-14.0</b>
Cash outflow for investments	-22.2	-12.0
Cash inflow from the disposal of assets	0.3	0.6
<b>Cash flow from investing activities</b>	<b>-21.9</b>	<b>-11.4</b>
Cash inflow from the assumption of debt	17.0	36.0
Cash outflow from the repayment of debt	-17.7	-16.9
<b>Cash flow from financing activities</b>	<b>-0.7</b>	<b>19.1</b>
Net cash change in financial facilities	-23.0	-6.3
Changes in cash and cash equivalents caused by currency exchange rates	1.7	0.0
Cash and cash equivalents at the beginning of the period	116.5	115.9
<b>Cash and cash equivalents at the end of the period</b>	<b>95.2</b>	<b>109.6</b>

### STATEMENT OF CASH FLOWS:

#### SIGNIFICANT INVESTING ACTIVITY PLANNED AT THE START OF THE YEAR

Based on earnings after tax of EUR 15.9 million from continuing operations (previous year: EUR 14.9 million), at EUR 3.5 million operating cash flow in the first three months of 2015 increased significantly compared to the same period the previous year (previous year: EUR -9.8 million). The change in provisions is primarily due to the increased pension provisions as a consequence of low interest rates applied and also a provision for the closure costs for the portfolio company SEMET. Due to the stable economic situation, there was a further increase in inventories and trade receivables. An additional effect resulted from cash outflows for liabilities decreasing in comparison to the previous year.

At EUR -3.9 million, cash flow for interest paid was lower year-on-year in the first three months (previous year: EUR -4.3 million). Due to the effects mentioned above, cash flow from operating activities increased to EUR -0.4 million (previous year: EUR -14.0 million).

Cash outflow for investing activities was EUR -21.9 million in the first quarter (previous year: EUR -11.4 million); the acquisition of the manufacturing site in Glauchau for OFA Bamberg and increased investment as part of the increased internationalization of some portfolio companies are included in this item.

Cash inflow from financing activities dropped from EUR 19.1 million to EUR -0.7 million. At the start of last year, new credit lines were opened to ensure we can meet debt service obligations and to develop adequate reserve liquidity. At EUR 95.2 million as of the reporting date, cash and cash equivalents are slightly below the previous year's level.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONDENSED** (in EUR millions)

	March 31, 2015	Dec. 31, 2014
<b>Assets</b>		
<b>Noncurrent assets</b>	<b>757.4</b>	<b>748.0</b>
Fixed assets	752.8	742.8
Accounts receivable and other current assets	4.6	5.2
<b>Current assets</b>	<b>600.0</b>	<b>560.4</b>
Inventories	295.3	265.7
Accounts receivable and other current assets	209.5	178.2
Cash and cash equivalents	95.2	116.5
<b>Total assets</b>	<b>1,357.4</b>	<b>1,308.4</b>
<b>Equity and liabilities</b>		
<b>Noncurrent liabilities</b>	<b>1,048.3</b>	<b>1,029.6</b>
Equity	569.7	549.9
Debt	478.6	479.7
of which provisions	33.3	28.7
of which payables and income taxes	445.3	451.0
<b>Current liabilities</b>	<b>309.1</b>	<b>178.8</b>
of which provisions	56.7	52.0
of which liabilities	252.4	226.8
<b>Total equity and liabilities</b>	<b>1,357.4</b>	<b>1,308.4</b>

**STATEMENT OF FINANCIAL POSITION:**

**EQUITY RATIO REMAINS AT 42 %, LIQUIDITY REMAINS HIGH**

The INDUS Group's consolidated total assets were higher primarily due to the increase in working capital and amounted to EUR 1,357.4 million as of March 31 this year (December 31, 2014: EUR 1,308.4 million). The slight rise in long-term assets is largely due to the growth in property, plant and equipment; the acquisition of the production site for OFA in Glauchau had a particular impact here. The rise in current assets is primarily due to the growth in inventories and receivables. Cash and cash equivalents amounted to EUR 95.2 million as of the reporting date.

The Group's equity has increased to EUR 569.7 million (December 31, 2014: EUR 549.9 million) as a consequence of the increase in other reserves as a result of the allocation of retained earnings. Non-current liabilities fell slightly by EUR 5.7 million despite increased pension provisions (as a consequence of the application of lower interest rates). Current liabilities increased by EUR 25.6 million due mainly to a seasonal increase in working capital and higher trade payables. The equity ratio was unchanged from year-end 2014 at 42.0% (December 31, 2014: 42.0%). At EUR 461.6 million, following the first quarter of 2015, financial liabilities remain at the year-end level (December 31, 2014: EUR 462.3 million). Net debt in the Group rose slightly to EUR 366.4 million due to increased investments in growth (December 31, 2014: EUR 345.9 million).

## OPPORTUNITIES AND RISKS

INDUS Holding AG and its portfolio companies are exposed to a multiplicity of risks as a result of their international activities. Entrepreneurial activity is inextricably linked with risk-taking. At the same time, this enables the company to seize new opportunities and thus defend and strengthen the market position of the portfolio companies. The company operates an efficient risk management system for the early detection, comprehensive analysis, and systematic handling of risks. The structuring of the risk management system and significance of particular risks are discussed in detail in the 2014 annual report on pages 122 ff. Here it is stated that the company does not view itself as subject to any risks that could endanger its continued existence as a going concern. The INDUS Holding AG annual report can be downloaded free of charge at [www.indus.de](http://www.indus.de).

## EVENTS AFTER THE REPORTING DATE

Through a contract dated May 12, 2015, OFA Bamberg GmbH acquired 100% of the shares in the Dutch company NEA International B.V. (NEA). As a developer and manufacturer of orthopedic premium bandages and orthotic devices (OBO), NEA is a specialist in the area of treating joint injuries and chronic conditions. The purchase price allocation is not yet completed.

## OUTLOOK

**> SALES WILL EXCEED EUR 1.3 BILLION IN 2015**

**> OPERATING RESULT OF EUR 125 TO 130 MILLION EXPECTED**

The economic outlook for 2015 improved during the first three months of the year. At year-end 2014, although the expectations of the industry associations relevant for INDUS were positive overall, they did not expect growth rates of more than 2%. The German government's economic assessment currently forecasts GDP growth of 1.5% for 2015. However, the improved expectations (the Ifo Business Climate Index rose from 102 to 103.5 points from January to April 2015) primarily result not from an economic recovery, but are driven by the capital markets; the massive bond purchases by the ECB have caused the euro to depreciate significantly in the last few months. This weakness of the euro improves the competitiveness of the export-oriented German economy. In addition, the prices of raw materials and energy costs were stable.

INDUS reported significant growth in sales and achieved a good operating result in the first three months; the sales growth is primarily due to acquisitions. All business performance was in line with the plan. INDUS therefore reiterates its sales and earnings forecasts of more than EUR 1.3 billion and EBIT of around EUR 125 to 130 million before the inclusion of the proportional sales and earnings contributions from the acquisitions made over the course of the year.

—————> **CONSOLIDATED INTERIM  
FINANCIAL STATEMENTS**

- p. 20 —> CONSOLIDATED STATEMENT OF INCOME
- p. 21 —> STATEMENT OF INCOME AND  
ACCUMULATED EARNINGS
- p. 22 —> CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION
- p. 23 —> CONSOLIDATED STATEMENT OF EQUITY
- p. 24 —> CONSOLIDATED STATEMENT OF CASH FLOWS
- p. 25 —> NOTES

## CONSOLIDATED STATEMENT OF INCOME

in EUR '000	Notes	Q1 2015	Q1 2014
<b>Sales</b>		<b>327,870</b>	<b>287,187</b>
Other operating income		5,874	4,121
Own work capitalized		740	564
Change in inventories		13,540	15,081
Cost of materials	[4]	-165,440	-144,533
Personnel expenses	[5]	-94,613	-84,097
Depreciation and amortization		-11,932	-10,900
Other operating expenses	[6]	-44,702	-39,391
Income from shares accounted for using the equity method		119	207
Financial result		41	39
<b>Operating result (EBIT)</b>		<b>31,497</b>	<b>28,278</b>
Interest income		82	94
Interest expenses		-6,801	-5,047
<b>Net interest</b>	[7]	<b>-6,719</b>	<b>-4,953</b>
<b>Earnings before taxes</b>		<b>24,778</b>	<b>23,325</b>
Taxes	[8]	-8,923	-8,477
Income from discontinued operations		0	-1,559
<b>Earnings after taxes</b>		<b>15,855</b>	<b>13,289</b>
of which allocable to non-controlling interests		81	171
of which allocable to INDUS shareholders		15,774	13,118
Earnings per share undiluted and diluted in EUR (continuing operations)	[9]	0.65	0.60

## STATEMENT OF INCOME AND ACCUMULATED EARNINGS

in EUR '000	Q1 2015	Q1 2014
<b>Earnings after taxes</b>	<b>15,855</b>	<b>13,289</b>
Actuarial gains and losses	-4,350	-848
Deferred taxes	1,253	244
<b>Items not reclassified to profit or loss</b>	<b>-3,097</b>	<b>-604</b>
Currency translation adjustment	6,615	-423
Change in the market values of derivative financial instruments (cash flow hedge)	543	-792
Deferred taxes	-86	125
<b>Items to be reclassified to profit or loss in future</b>	<b>7,072</b>	<b>-1,090</b>
<b>Other income</b>	<b>3,975</b>	<b>-1,694</b>
<b>Overall result</b>	<b>19,829</b>	<b>11,595</b>
of which allocable to non-controlling shareholders	81	171
of which allocable to INDUS shareholders	19,748	11,424

The income and expenses of EUR 3,975,000 recognized directly in equity under other income include EUR -4,350,000 in actuarial losses from pension plans and similar obligations. These resulted primarily from lowering the interest rate on domestic commitments from 2.40 % as of December 31, 2014, to 1.44 % as of March 31, 2015.

Net income from currency translation of EUR 6,615,000 is derived from the translated financial statements of consolidated international subsidiaries. The change in fair values of derivative financial instruments in the amount of EUR 543,000 was chiefly the result of interest rate swaps transacted by the holding company in order to hedge interest rate movements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in EUR '000	Notes	March 31, 2015	Dec. 31, 2014
<b>ASSETS</b>			
Goodwill		369,662	368,239
Other intangible assets	[10]	43,865	44,029
Property, plant, and equipment	[11]	315,289	306,818
Investment property		6,095	6,131
Financial assets		10,753	10,526
Shares accounted for using the equity method		7,152	7,033
Other noncurrent assets		1,145	1,685
Deferred taxes		3,422	3,482
<b>Noncurrent assets</b>		<b>757,383</b>	<b>747,943</b>
Inventories	[12]	295,301	265,690
Accounts receivable	[13]	187,396	162,091
Other current assets		17,427	12,282
Current income taxes		4,692	3,890
Cash and cash equivalents		95,206	116,491
<b>Current assets</b>		<b>600,022</b>	<b>560,444</b>
<b>Total assets</b>		<b>1,357,405</b>	<b>1,308,387</b>
<b>EQUITY AND LIABILITIES</b>			
Subscribed capital		63,571	63,571
Capital reserve		239,833	239,833
Other reserves		264,259	244,511
<b>Equity held by INDUS shareholders</b>		<b>567,663</b>	<b>547,915</b>
Non-controlling interests in the equity		2,038	1,957
<b>Equity</b>		<b>569,701</b>	<b>549,872</b>
Provisions for pensions		31,750	27,174
Other noncurrent provisions		1,551	1,561
Noncurrent financial liabilities		361,202	367,935
Other noncurrent liabilities		51,186	49,844
Deferred taxes		32,892	33,165
<b>Noncurrent liabilities</b>		<b>478,581</b>	<b>479,679</b>
Other current provisions		56,715	52,014
Current financial liabilities		100,371	94,381
Trade accounts payable		66,621	47,942
Other current liabilities		80,756	77,836
Current income taxes		4,660	6,663
<b>Current liabilities</b>		<b>309,123</b>	<b>278,836</b>
<b>Total equity and liabilities</b>		<b>1,357,405</b>	<b>1,308,387</b>



# CONSOLIDATED STATEMENT OF EQUITY

in EUR '000	Subscribed capital	Capital reserve	Retained earnings	Other earnings	Equity held by INDUS shareholders	Interests allocable to non-controlling shareholders	Group equity
<b>Balance Dec. 31, 2013</b>	<b>63,571</b>	<b>239,833</b>	<b>216,024</b>	<b>-4,725</b>	<b>514,703</b>	<b>627</b>	<b>515,330</b>
Income after taxes			13,118		13,118	171	13,289
Other income				-1,694	-1,694		-1,694
<b>Overall result</b>			<b>13,118</b>	<b>-1,694</b>	<b>11,424</b>	<b>171</b>	<b>11,595</b>
<b>Balance March 31, 2014</b>	<b>63,571</b>	<b>239,833</b>	<b>229,142</b>	<b>-6,419</b>	<b>526,127</b>	<b>798</b>	<b>526,925</b>
<b>Balance March 31, 2014</b>	<b>63,571</b>	<b>239,833</b>	<b>252,270</b>	<b>-7,759</b>	<b>547,915</b>	<b>1,957</b>	<b>549,872</b>
Income after taxes			15,774		15,774	81	15,855
Other income				3,975	3,975		3,975
<b>Overall result</b>			<b>15,774</b>	<b>3,975</b>	<b>19,748</b>	<b>81</b>	<b>19,829</b>
<b>Balance March 31, 2015</b>	<b>63,571</b>	<b>239,833</b>	<b>268,044</b>	<b>-3,784</b>	<b>567,663</b>	<b>2,038</b>	<b>569,701</b>

Interests held by non-controlling shareholders essentially consist of the non-controlling interests in WEIGAND Bau GmbH and subsidiaries of the ROLKO Group. Non-controlling interests in limited partnerships and limited liability companies for which, at the time of purchase, the economic ownership of the relevant non-controlling interests had already been passed on under reciprocal option agreements are shown under other liabilities.

## CONSOLIDATED STATEMENT OF CASH FLOWS

in EUR '000	Q1 2015	Q1 2014
Income after taxes generated by continuing operations	15,855	14,850
Depreciation/write-ups of noncurrent assets	11,932	10,900
Taxes	8,923	8,477
Net interest	6,719	4,953
Cash earnings of discontinued operations	0	-1,033
Other non-cash transactions	1,582	-1,568
Changes in provisions	9,267	1,801
Increase (-)/decrease (+) in inventories, trade accounts receivable, and other assets	-60,266	-39,086
Increase (+)/decrease (-) in trade accounts payable and other liabilities	20,757	-504
Income taxes received/paid	-11,307	-8,570
<b>Operating cash flow</b>	<b>3,462</b>	<b>-9,780</b>
Interest paid	-3,907	-4,330
Interest received	82	94
<b>Cash flow from operating activities</b>	<b>-363</b>	<b>-14,016</b>
Cash outflow from investments in		
property, plant, and equipment, and in intangible assets	-21,626	-11,857
financial assets and shares accounted for using the equity method	-609	-185
Cash inflow from the disposal of other assets	382	660
<b>Cash flow from investing activities</b>	<b>-21,853</b>	<b>-11,382</b>
Cash inflow from the assumption of debt	17,000	35,959
Cash outflow from the repayment of debt	-17,744	-16,917
<b>Cash flow from financing activities</b>	<b>-744</b>	<b>19,042</b>
Net cash change in financial facilities	-22,960	-6,356
Changes in cash and cash equivalents caused by currency exchange rates	1,675	5
Cash and cash equivalents at the beginning of the period	116,491	115,921
<b>Cash and cash equivalents at the end of the period</b>	<b>95,206</b>	<b>109,570</b>

# NOTES

## BASIC PRINCIPLES

### [1] GENERAL INFORMATION

INDUS Holding AG, based in Bergisch Gladbach, Germany, prepared its consolidated financial statements for the period January 1 through March 31, 2015, in accordance with International Financial Reporting Standards (IFRS) and interpretations of these standards by the International Financial Reporting Standards Interpretations Committee (IFRS IC) as to their applicability in the European Union (EU). The consolidated financial statements are prepared in euros (EUR). Unless otherwise indicated, all amounts are stated in thousands of euros (EUR '000).

These interim financial statements are prepared in accordance with IAS 34 in condensed form. The interim report has not been audited, nor subjected to perusal or review by an auditor.

New obligatory standards are reported on separately in the section “Changes in Accounting Guidelines”. Otherwise, the same accounting methods were applied as in the consolidated financial statements for the 2014 fiscal year. They are described there in detail. Because this interim financial report does not provide the full scope of information found in the annual financial statements, these financial statements should be considered within the context of the last annual financial statements.

In the Board of Management’s view, this quarterly report includes all of the usual ongoing adjustments that are necessary for an appropriate presentation of the Group’s financial position and financial performance. The results achieved in the first quarter of the 2015 fiscal year do not necessarily predict future business performance.

The preparation of consolidated financial statements is influenced by accounting and valuation principles, and requires assumptions and estimates to be made which have an impact on the recognized value of the assets, liabilities, and contingent liabilities, as well as on income and expenses. When estimates are made regarding the future, actual values may deviate from the estimates. If the original basis for the estimates changes, the statement of the relevant items is adjusted through profit and loss.

## **[2] CHANGES IN ACCOUNTING GUIDELINES**

All obligatory accounting standards in effect as of fiscal year 2015 have been implemented in these interim financial statements.

The new standards do not affect in any way the presentation of the financial position and financial performance of INDUS Holding AG in the consolidated financial statements.

## **[3] SCOPE OF CONSOLIDATION**

The consolidated financial statements include all subsidiaries, in which INDUS Group is able to directly or indirectly control the financial and business policies of said subsidiaries. A parent company controls a subsidiary when the parent is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Associated companies whose financial and business policies can be significantly influenced are consolidated using the equity method. Companies purchased during the course of the fiscal year are consolidated as of the date on which control over their finance and business policy is transferred. Companies which are sold are no longer included in the scope of consolidation as of the date on which the business is transferred. After the date on which the decision is made to divest the company in question, these are classified as “held for sale”.

## NOTES TO THE STATEMENT OF INCOME

### [4] COST OF MATERIALS

in EUR '000	Q1 2015	Q1 2014
Raw materials and goods for resale	-136,980	-126,581
Purchased services	-28,460	-17,952
<b>Total</b>	<b>-165,440</b>	<b>-144,533</b>

### [5] PERSONNEL EXPENSES

in EUR '000	Q1 2015	Q1 2014
Wages and salaries	-80,435	-71,523
Social security	-13,406	-11,776
Pensions	-772	-798
<b>Total</b>	<b>-94,613</b>	<b>-84,097</b>

### [6] OTHER OPERATING EXPENSES

in EUR '000	Q1 2015	Q1 2014
Selling expenses	-17,352	-15,635
Operating expenses	-15,767	-14,546
Administrative expenses	-8,830	-7,817
Other expenses	-2,753	-1,393
<b>Total</b>	<b>-44,702</b>	<b>-39,391</b>

## [7] NET INTEREST

in EUR '000	Q1 2015	Q1 2014
Interest and similar income	82	94
Interest and similar expenses	-4,312	-4,184
<b>Interest from operations</b>	<b>-4,230</b>	<b>-4,090</b>
Other: Market value of interest-rate swaps	60	172
Other: Non-controlling interests	-2,549	-1,035
<b>Other interest</b>	<b>-2,489</b>	<b>-863</b>
<b>Total</b>	<b>-6,719</b>	<b>-4,953</b>

## [8] INCOME TAXES

Income tax expense is calculated for the interim financial statements based on the assumptions of current tax planning.

## [9] EARNINGS PER SHARE

in EUR '000	Q1 2015	Q1 2014
Earnings attributable to INDUS shareholders	15,774	13,118
Earnings attributable to discontinued operations	0	-1,559
<b>Earnings attributable to continuing operations</b>	<b>15,774</b>	<b>14,677</b>
Weighted average shares outstanding (in thousands)	24,451	24,451
Earnings per share, continuing operations (in EUR)	0.65	0.60
Earnings per share, discontinued operations (in EUR)	0.00	-0.06

# NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## [10] OTHER INTANGIBLE ASSETS

in EUR '000	March 31, 2015	Dec. 31, 2014
Capitalized development costs	9,748	9,501
Property rights, concessions, and other intangible assets	34,117	34,528
<b>Total</b>	<b>43,865</b>	<b>44,029</b>

## [11] PROPERTY, PLANT, AND EQUIPMENT

in EUR '000	March 31, 2015	Dec. 31, 2014
Land and buildings	174,677	167,478
Plant and machinery	90,859	88,076
Other equipment, factory, and office equipment	41,770	41,294
Advance payments and work in process	7,982	9,970
<b>Total</b>	<b>315,289</b>	<b>306,818</b>

## [12] INVENTORIES

in EUR '000	March 31, 2015	Dec. 31, 2014
Raw materials and supplies	93,494	82,638
Unfinished goods	89,667	80,220
Finished goods and goods for resale	91,640	86,429
Prepayments for inventories	20,500	16,403
<b>Total</b>	<b>295,301</b>	<b>265,690</b>

## [13] ACCOUNTS RECEIVABLE

in EUR '000	March 31, 2015	Dec. 31, 2014
Accounts receivable from customers	167,385	144,421
Accounts receivable from construction contracts	12,972	11,649
Accounts receivable from associated companies	7,039	6,021
<b>Total</b>	<b>187,396</b>	<b>162,091</b>

## OTHER DISCLOSURES

### [14] SEGMENT REPORTING

#### SEGMENT INFORMATION BY OPERATION (CONTINUING OPERATIONS) FOR THE FIRST QUARTER OF 2015

##### SEGMENT INFORMATION IN ACCORDANCE WITH IFRS 8 (in EUR '000)

	Construction/ Infrastructure	Automotive Technology	Engineering	Medical Engineering/ Life Science	Metals Technology	Total Segments	Reconciliation	Consolidated financial statements
<b>Q1 2015</b>								
Sales with external third parties	47,344	89,245	68,712	31,450	91,169	327,920	-50	327,870
Sales with Group companies	2,059	9,647	10,612	1,828	7,749	31,895	-31,895	0
<b>Sales</b>	<b>49,403</b>	<b>98,892</b>	<b>79,324</b>	<b>33,278</b>	<b>98,918</b>	<b>359,815</b>	<b>-31,945</b>	<b>327,870</b>
<b>Segment earnings (EBIT)</b>	<b>4,695</b>	<b>6,209</b>	<b>9,513</b>	<b>4,707</b>	<b>7,145</b>	<b>32,269</b>	<b>-772</b>	<b>31,497</b>
Earnings from equity valuation	0	119	0	0	0	119	0	119
<b>Depreciation and amortization</b>	<b>-1,489</b>	<b>-4,515</b>	<b>-1,771</b>	<b>-1,033</b>	<b>-2,969</b>	<b>-11,777</b>	<b>-155</b>	<b>-11,932</b>
<b>Segment EBITDA</b>	<b>6,184</b>	<b>10,724</b>	<b>11,284</b>	<b>5,740</b>	<b>10,114</b>	<b>44,046</b>	<b>-617</b>	<b>43,429</b>
<b>Capital expenditure</b>	<b>2,879</b>	<b>5,782</b>	<b>2,497</b>	<b>5,653</b>	<b>5,112</b>	<b>21,923</b>	<b>312</b>	<b>22,235</b>
<b>Q1 2014</b>								
Sales with external third parties	49,142	84,371	42,443	25,066	86,309	287,331	-144	287,187
Sales with Group companies	2,680	8,605	8,727	409	7,731	28,152	-28,152	0
<b>Sales</b>	<b>51,822</b>	<b>92,976</b>	<b>51,170</b>	<b>25,475</b>	<b>94,040</b>	<b>315,483</b>	<b>-28,296</b>	<b>287,187</b>
<b>Segment earnings (EBIT)</b>	<b>4,572</b>	<b>5,536</b>	<b>5,330</b>	<b>4,379</b>	<b>9,377</b>	<b>29,194</b>	<b>-916</b>	<b>28,278</b>
Earnings from equity valuation	0	207	0	0	0	207	0	207
<b>Depreciation and amortization</b>	<b>-1,316</b>	<b>-4,692</b>	<b>-1,442</b>	<b>-589</b>	<b>-2,722</b>	<b>-10,761</b>	<b>-139</b>	<b>-10,900</b>
<b>Segment EBITDA</b>	<b>5,888</b>	<b>10,228</b>	<b>6,772</b>	<b>4,968</b>	<b>12,099</b>	<b>39,955</b>	<b>-777</b>	<b>39,178</b>
<b>Capital expenditure</b>	<b>2,943</b>	<b>4,255</b>	<b>906</b>	<b>567</b>	<b>3,202</b>	<b>11,873</b>	<b>169</b>	<b>12,042</b>



The table below reconciles the total operating results of segment reporting with the income before tax in the consolidated income statement:

**RECONCILIATION** (in EUR '000)

	Q1 2015	Q1 2014
<b>Segment earnings (EBIT)</b>	<b>32,269</b>	<b>29,194</b>
Areas not allocated, incl. holding company	-808	-939
Consolidations	36	23
Net interest	-6,719	-4,953
<b>Earnings before taxes</b>	<b>24,778</b>	<b>23,325</b>

The classification of segments corresponds unchanged to the current status of internal reporting. The information relates to continuing activities. The companies are allocated to the segments on the basis of their selling markets insofar as the bulk of their product range is sold in that market environment (Automotive Technology, Medical Engineering/Life Science). Otherwise they are classified by common features in their production structure (Construction/Infrastructure, Engineering, Metals Technology).

The reconciliations contain the figures of the holding company, non-operational units not allocated to any segment, and consolidations. See the discussion provided in the management report regarding the products and services that generate segment sales.

The central control variable for the segments is operating earnings (EBIT) as defined in the consolidated financial statements. The segment information has been ascertained in compliance with the reporting and valuation methods that were applied during the preparation of the consolidated financial statements. Intersegment prices are based on arm's length prices to the extent that they can be established in a reliable manner and are determined on the basis of the cost-plus pricing method.

### SEGMENT INFORMATION BY REGION

Sales are broken down by region in relation to our selling markets. Due to our varied foreign activities, a further breakdown by country is not meaningful, as no country other than Germany accounts for 10 % of Group sales.

Noncurrent assets, less deferred taxes and financial instruments, are based on the domiciles of the respective companies. Further differentiation is not expedient, as the majority of companies are domiciled in Germany.

Due to INDUS's diversification policy there were no individual product or service groups and no individual customers that accounted for more than 10 % of sales.

in EUR '000	Group	Germany	EU	Rest of world
<b>Q1 2015</b>				
Sales with external third parties	327,870	166,745	67,506	93,619
<b>March 31, 2015</b>				
Noncurrent assets, less deferred taxes and financial instruments	742,063	647,600	18,239	76,224
<b>Q1 2014</b>				
Sales with external third parties	287,187	144,294	66,024	76,869
<b>Dec. 31, 2014</b>				
Noncurrent assets, less deferred taxes and financial instruments	732,250	644,368	17,767	70,115

## [15] INFORMATION ON THE SIGNIFICANCE OF FINANCIAL INSTRUMENTS

The table below shows the carrying amounts of financial instruments. The fair value of a financial instrument is the price that would be paid in an orderly transaction between market participants for the sale of an asset or transfer of a liability on the measurement date.

### FINANCIAL INSTRUMENTS AS OF MARCH 31, 2015 (in EUR '000)

	Balance sheet value	IFRS 7 not applicable	Financial instruments IFRS 7	Measured at fair value	Measured at amortized cost
Financial assets	10,753		10,753		10,753
Cash and cash equivalents	95,206		95,206		95,206
Accounts receivable	187,396	12,972	174,424		174,424
Other assets	18,572	2,731	15,841	760	15,081
<b>Financial Instruments: ASSETS</b>	<b>311,927</b>	<b>15,703</b>	<b>296,224</b>	<b>760</b>	<b>295,464</b>
Financial liabilities	461,573		461,573		461,573
Trade accounts payable	66,621		66,621		66,621
Other liabilities	131,943	37,614	94,329	43,896	50,433
<b>Financial Instruments: LIABILITIES</b>	<b>660,137</b>	<b>37,614</b>	<b>622,523</b>	<b>43,896</b>	<b>578,627</b>

### FINANCIAL INSTRUMENTS AS OF DEC. 31, 2014 (in EUR '000)

	Balance sheet value	IFRS 7 not applicable	Financial instruments IFRS 7	Measured at fair value	Measured at amortized cost
Financial assets	10,526		10,526		10,526
Cash and cash equivalents	116,491		116,491		116,491
Accounts receivable	162,091	11,649	150,442		150,442
Other assets	13,967	890	13,077	586	12,491
<b>Financial Instruments: ASSETS</b>	<b>303,075</b>	<b>12,539</b>	<b>290,536</b>	<b>586</b>	<b>289,950</b>
Financial liabilities	462,316		462,316		462,316
Trade accounts payable	47,942		47,942		47,942
Other liabilities	127,679	34,785	92,894	44,557	48,337
<b>Financial Instruments: LIABILITIES</b>	<b>637,937</b>	<b>34,785</b>	<b>603,152</b>	<b>44,557</b>	<b>558,595</b>

**FINANCIAL INSTRUMENTS BY VALUATION CATEGORIES IAS 39** (in EUR '000)

	March 31, 2015	Dec. 31, 2014
Measured at fair value through profit and loss	760	586
Loans and receivables	293,593	288,075
Available-for-sale financial assets	1,871	1,875
<b>Financial instruments: ASSETS</b>	<b>296,224</b>	<b>290,536</b>
Measured at fair value through profit and loss	43,896	44,557
Financial liabilities measured at their residual carrying amounts	578,627	558,595
<b>Financial instruments: LIABILITIES</b>	<b>622,523</b>	<b>603,152</b>

Available-for-sale financial assets are long-term financial investments for which no pricing on an active market is available and the fair value of which cannot be reliably determined. These are carried at cost.

**[16] RELATED PARTY DISCLOSURES**

Related party disclosures primarily involve the ongoing remuneration of members of management in key positions, the Board of Management, and the Supervisory Board. Furthermore, there are consulting contracts and rent or leasing contracts in place with non-controlling shareholders or members of their families, and business relations with associated companies.

The quarterly financial statements do not contain information about changes in relationships that significantly differ from those in the 2014 annual financial statements.

**[17] EVENTS AFTER THE QUARTERLY REPORTING DATE**

Through a contract dated May 12, 2015, OFA Bamberg GmbH acquired 100 % of the shares in the Dutch company NEA International B.V. (NEA), Maastricht. NEA develops orthopedic bandages and orthoses for specific use in the area of treatment of joint injuries and chronic conditions.

The purchase price allocation process has not yet been completed.

## [18] APPROVAL FOR PUBLICATION


The Board of Management of INDUS Holding AG approved this IFRS interim financial statement for publication on May 19, 2015.

Bergisch Gladbach, May 19, 2015  
INDUS Holding AG

The Board of Management



Jürgen Abromeit



Dr. Johannes Schmidt



Rudolf Weichert

## CONTACT

### **INDUS Holding AG**

Kölner Straße 32  
51429 Bergisch Gladbach  
P.O. Box 10 03 53  
51403 Bergisch Gladbach  
Phone: +49 (0)2204/40 00-0  
Fax: +49 (0)2204/40 00-20  
Internet: [www.indus.de](http://www.indus.de)  
E-mail: [indus@indus.de](mailto:indus@indus.de)

## FINANCIAL CALENDAR 2015

June 3, 2015	Annual Shareholders' meeting 2015
June 4, 2015	Payout of dividend
August 18, 2015	Interim report on June 30, 2015
November 17, 2015	Interim report on September 30, 2015

## IMPRINT

### **Responsible member of the Management Board:**

Jürgen Abromeit

### **Head of Public Relations & Investor Relations:**

Regina Wolter  
Phone: +49 (0)2204/40 00-70  
Fax: +49 (0)2204/40 00-20  
E-mail: [wolter@indus.de](mailto:wolter@indus.de)

### **Publisher:**

INDUS Holding AG, Bergisch Gladbach

### **Concept/Design:**

Berichtsmanufaktur GmbH, Hamburg

### **Photos:**

Cover: OFA  
Page 4: OFA

This interim report is also available in German. Only the German version of the interim report is legally binding.

Disclaimer: This interim report contains forward-looking statements based on assumptions and estimates made by the Board of Management of INDUS Holding AG. Although the Board of Management is of the opinion that these assumptions and estimates are accurate, they are subject to certain risks and uncertainty. Actual future results may deviate substantially from these assumptions and estimates due to a variety of factors. These factors include changes in the general economic situation, the business, economic and competitive situation, foreign exchange and interest rates, and the legal setting. INDUS Holding AG shall not be held liable for the future development and actual future results being in line with the assumptions and estimates included in this interim report. Assumptions and estimates made in this interim report will not be updated.

[WWW.INDUS.DE](http://WWW.INDUS.DE)