Q3 | 2015

INDUS HOLDING AG

JANUARY 1 TO SEPTEMBER 30, 2015

KEY FIGURES (in EUR millions)

	Q1–Q3 2015	Q1–Q3 2014
Sales	1,035.0	926.9
EBITDA	136.1	124.5
EBIT	98.9	91.5
Net result for the period	51.5	46.3
Earnings per share (in EUR) of continuing operations	2.10	2.03
Operating cash flow	69.3	53.0
	30.9.2015	31.12.2014
Total assets	1,398.9	1,308.4
Equity capital	577.3	549.9
Net debt	392.6	345.9
Equity ratio (in %)	41.3	42.0
Investments (as of the reporting date)	43	42

SALES IN THE FIRST NINE MONTHS OF 2015

1,035.0

EUR million

COMPARISON OF Q1–Q3 2015 WITH Q1–Q3 2014

SALES	EBIT
↗ 11.7 %	↗ 8.1 %

AS THE LEADING SPECIALIST IN THE FIELD OF SUSTAINABLE INVESTMENT AND GROWTH IN SUCCESSFUL SMALL AND MEDIUM-SIZED COMPANIES, INDUS PREFERENTIALLY ACQUIRES OWNER-MANAGED COMPANIES AND HELPS THEIR BUSINESS GROW OVER THE LONG TERM. WE MAKE SURE THAT THEY ARE ABLE TO PRESERVE THEIR STRENGTHS:

THEIR IDENTITY AS A SMALL OR MEDIUM-SIZE ENTERPRISE, THEIR FLEXIBILITY AND THEIR CAPACITY FOR INNOVATION.

CONTENTS

LETTER TO THE SHAREHOLDERS

DEAR SHAREHOLDERS,

THE ATTACKS IN PARIS OCCURRED JUST AS WE WERE COORDINATING THE FINAL DETAILS OF OUR INTERIM REPORT. THESE MURDERS HAVE TOUCHED US ALL. WE ARE UNABLE TO SIMPLY CARRY ON WITH BUSINESS AS USUAL. THAT IS WHY WE HAVE CHOSEN TO FOREGO AN IMAGE COVER FOR THIS REPORT.

OUR THOUGHTS ARE WITH THE VICTIMS, THE INJURED, AND THEIR FAMILY AND FRIENDS. INDUS IS A EUROPEAN COMPANY. WE SYMPATHIZE WITH OUR BUSINESS PARTNERS AND FRIENDS IN FRANCE.

It is our duty to provide you with the intermediate results of our economic situation today. You will find these results in the usual format on the following pages.

In contrast to our usual procedure, we will only provide a brief summary of the position of the INDUS Group companies following the third quarter of 2015. Our Group has once again proven its ability to perform – even in volatile times such as these. The order backlog for the coming months also gives us reason to expect that these positive developments will continue. INDUS has again grown solidly and increased sales by more than 10 % in the first nine months of the year. Operationally we are therefore confident in the Group. Our acquisition efforts in the third quarter have also been successful. We were able to gain more strategic reinforcements with the purchase of two smaller activities in the area of structural engineering in September; we are still in negotiations with some companies in order to gain more reinforcements by the end of the year. We have at this point already made record investments of more than EUR 75 million, and thereby created more opportunities for further growth. INDUS is therefore on a solid growth path and has good prospects for the future.

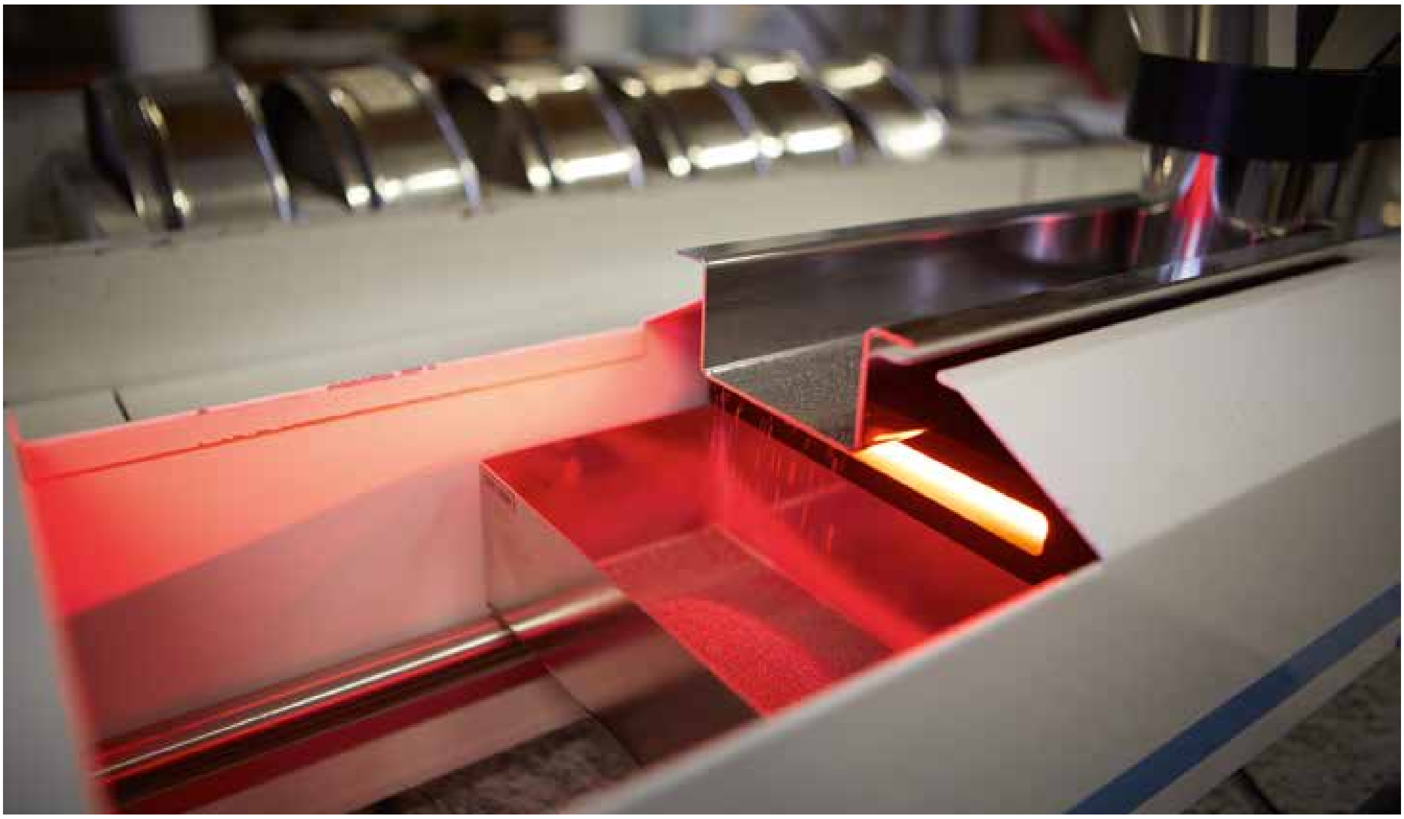
Bergisch Gladbach, Germany, November 2015

Yours, The Board of Management

Jürgen Abromeit Dr. Johannes Schmidt Rudolf Weichert

A GOOD GROUP ATMOSPHERE

INDUS has been involved with the CDP climate project for a number of years: This makes for a very time consuming process every single year: Data collection, data analysis, scoring processes, result analysis, honest impetus within the Group. But the work of the last years is now paying off: INDUS was recognized as a sector leader. But INDUS is going one step further: the company is currently in the process of receiving its first sustainability rating from a leading sustainability agency. Why is sustainability so important for INDUS? And to what extent is this effort worth it? An answer in three parts:



VULKAN'S NEW STAINLESS STEEL BLASTING AGENTS REDUCE CO_2 EMISSIONS.

1. KNOWLEDGE RAISES AWARENESS: CLIMATE DIALOG LEADS TO REALIZING POTENTIAL

The influence that companies have on climate change is enormous and it is also the responsibility of companies – regardless of any potential legal requirements. Within the INDUS Group this responsibility lies firmly with the individual portfolio companies. Nevertheless, INDUS is able to support the companies by creating transparency and pointing out potential. This is because the Group, as a decentralized group of SMEs, does not create any central energy-saving or emission-cutting programs. Nevertheless, INDUS does recognize the necessity of reducing the Group's greenhouse gas emissions. The Group therefore collects data, reports the results back to the companies, and sets an annual target for the Group for reducing greenhouse gas emissions. This creates a dialog that raises awareness and defines topics on which the portfolio companies can work. Measures to reduce the energy consumed, which also reduces costs and emissions, are independently defined and implemented under the remit of the individual companies. INDUS provides the funds necessary for this work.

The INDUS companies are already optimizing their ecological balance for their own benefit: Because it is worth it economically, it is important to customers, and it has a positive effect on their reputation.

"WE SEE INDUS AS A SUCCESSFUL SME HOLDING COMPANY THAT HAS THE LONG-TERM INTERESTS OF ALL STAKEHOLDERS AT HEART AND PLAYS AN ACTIVE ROLE IN SHAPING SOCIETY."

JÜRGEN ABROMEIT, CEO INDUS HOLDING AG

The focus of sustainability investments within the Group over the past years has primarily been on energy-efficient buildings. With positive results: The new buildings at HAUFF and ASS, for example, are now being heated energy efficiently using heat pumps. And SCHUSTER has a zero-energy building. Wherever possible and economically viable, production and administration areas are being heated efficiently and without the use of fossil fuels by means of heat recovery and/or process waste heat. These measures are not just implemented in new buildings and expansions, but also during the course of replacement investments. AURORA, for example, expanded its production last year and now operates plastic injection molding machinery. The waste heat from this machinery is used heat large parts of the remaining production, and this waste heat usage concept is currently being expanded.

REMKO'S HEAT PUMPS GENERATE ENERGY FROM AIR.

OEKOM CORPORATE RATING

As one of the world's leading rating agencies, oekom research AG has examined the sustainability activities of several thousand companies since 1993. The ratings classify the social and ecological performance of a company using more than 100 sector specific criteria. The results provide important information for investors regarding which companies present an interesting investment. Internally, the results serve as a critical status observation and also provide impulses for company management to take ecological and social matters into account.

The portfolio companies have also improved their energy consumption in their daily activities: Companies that consume larger amounts of energy due to the nature of the business, such as MBN, OFA, SMA, and WIESAUPLAST, are now employing LED lighting on a large scale.

These pushes to make climate-friendly improvements in the INDUS Group extend into the production areas. Climate-friendly and energy-efficient products are increasingly in demand with customers. M. BRAUN, for example, now also offers an energy-saving EcoMode version of its glove box systems. ELTHERM has brought a switch heating system onto the market that allows optimized heat transfer from the heating pipes to the switch runners. REMKO develops and distributes energy-efficient solutions for climate ad heating technology, including heat pumps for heating industrial buildings. And VULKAN INOX offers a blasting agent consisting of tempered stainless steel which allows the operators of blasting agent plants to considerably reduce CO_2 emissions. Raising awareness of climate change therefore provides an opportunity to market innovative products.

2. RATING QUALIFIES: INVESTORS DEMAND PROOF

Investors are also paying attention to sustainability. For many investors, both private and institutional, appropriate ratings have become a decisive factor when investing capital in a company. This is particularly important for INDUS as a listed company. INDUS has therefore launched a project to deal with sustainability reporting. Our shareholders are aware that INDUS is making climate and environmental improvements a permanent topic, and INDUS is also in contact with renowned rating agencies. The ratings agency oekom will produce INDUS' first rating by the end of 1015. This rating evaluates the company's responsibility toward people affected by its corporate activities (social sustainability) and the natural environment (environmental sustainability). Because the social and ecological impacts vary across the sectors, each sector that is evaluated will be assigned to a sustainability matrix according to its relevance. The evaluation is based on a twelve-step scale from A+ to D-. The companies that are amongst the leading branches in their sector for the purposes of the rating will be awarded the oekom Prime Status.

3. PROGRESS MOTIVATES: CDP RECOGNIZES INDUS AS SECTOR LEADER IN INDUSTRIALS

The Group's continual efforts in climate-related work have just paid off: INDUS was recognized twice by CDP in 2015: first as the sector leader in industrials in the

HAUFF-TECHNIK MOVED INTO A BRAND NEW SITE IN 2014; PRODUCTION AND ADMINISTRATION WERE PLANNED IN ACCORDANCE WITH THE MOST RECENT ENERGY STANDARDS.

CDP-SCORING

CDP (formerly Carbon Disclosure Project) is the world's largest independent investor initiative. The non-profit organization founded in 2002 now includes more than 820 international major investors, who together manage funds of USD 95 trillion. CDP investigates the climate conduct of thousands of companies and organizations on behalf of its members every year. Since 2012, the CDP score has not just included emissions data and climate strategies, but also the responsible handling of water, the protection of primary forests, and the management of environmental risks in the supply chain. CDP manages the world's largest database of this kind.

"AS THE 2015 SECTOR LEADER IN INDUSTRIALS, INDUS IS AMONG THE TOP TEN COMPANIES IN THIS SECTOR IN GERMANY, AUSTRIA, AND SWITZERLAND."

SUSAN DREYER,
DIRECTOR DACH REGION, CDP

German-speaking countries, and second, as the country leader for other German companies.

This recognition proves that the INDUS NGO has shown a great deal of transparency and solid improvement in comparison with the previous years: INDUS started 2010 (reporting year 2009) with a CDP score of 53D. By 2015 (reporting year 2014), this score had climbed to 95B. The score covers disclosure (transparency and completeness of reporting – from 0 to 100) and performance (quality of reporting and effectiveness of measures – from A to E).

This success has motivated INDUS to continue along this path. And despite the current success and recognition INDUS has received, climate issues will remain firmly on the agenda. The Group even intends to go one step further: In 2016, the company will create its first report on sustainability topics, with the aim of publishing a corporate social responsibility report.

SCHUSTER'S NEW BUILDING PRODUCES AS MUCH ENERGY AS IT USES THANKS TO THE LATEST TECHNOLOGY.

INDUS ON THE CAPITAL MARKET

THE INDUS SHARE AT A GLANCE*

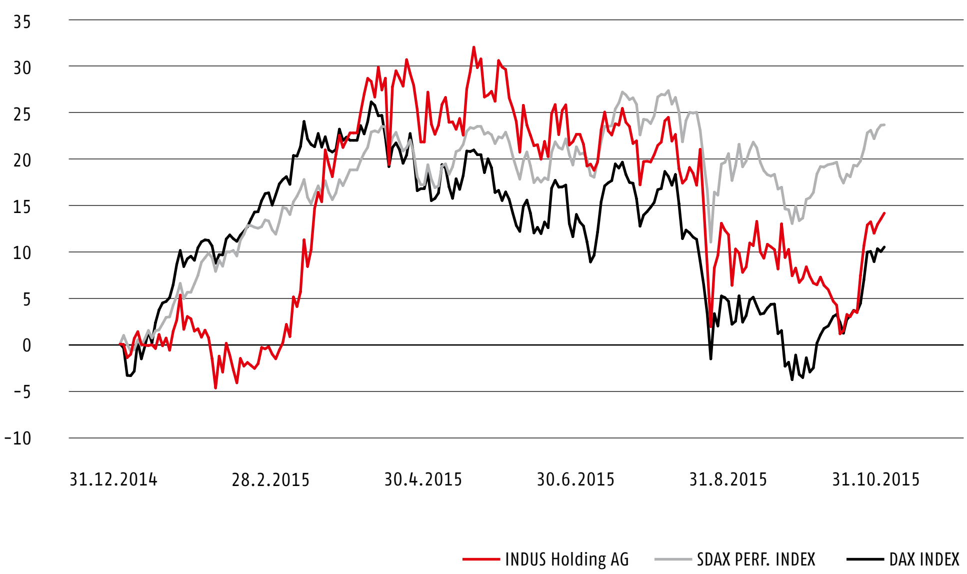
	1.1.–30.9.2015	Full-year 2014
Starting price at beginning of the year (in EUR)	38.05	29.14
High (in EUR)	50.12	40.90
Low (in EUR)	36.37	28.00
Closing price at reporting date (in EUR)	39.94	38.11
Average daily trading volume (number of shares)	55,560	53,935
Number of shares outstanding	24,450,509	24,450,509
Market capitalization (in EUR millions)	976.6	931.8

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

THE INDUS SHARE IN AN ENVIRONMENT OF VOLATILE MARKETS

Since mid-July 2015, the INDUS share has been in a successive decline, despite positive announcements regarding acquisitions and the successful figures published in the INDUS Group semi-annual report. The INDUS share has been able to recover from the drop that came at the end of August caused by the panicked reaction across the entire stock market following the negative economic results reported from China. As of September 30, 2015, the share was up roughly 8 %, against the markets at the close of 2014 (SDAX +16 %, DAX -1.5 %). Current price targets for the INDUS share range between EUR 51 and EUR 60. All analysts are recommending to buy.

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



INTERIM MANAGEMENT REPORT

INDUS GROUP BUSINESS PERFORMANCE IN THE FIRST NINE MONTHS OF 2015

CONSOLIDATED STATEMENT OF INCOME (in EUR millions)

	1.1.–30.9.2015	1.1.–30.9.2014
Sales	**1,035.0**	**926.9**
Other operating income	10.1	12.9
Own work capitalized	5.5	3.1
Changes in inventories	13.0	5.8
Overall performance	**1,063.6**	**948.7**
Cost of materials	-503.7	-443.5
Personnel expenses	-288.5	-256.6
Other operating expenses	-135.7	-125.1
Income from shares accounted for using the equity method	0.3	0.9
Other financial results	0.1	0.1
EBITDA	**136.1**	**124.5**
Depreciation and amortization	-37.2	-33.0
Operating result (EBIT)	**98.9**	**91.5**
Net interest	-19.6	-15.6
Earnings before taxes (EBT)	**79.3**	**75.9**
Taxes	-27.8	-25.7
Earnings attributable to discontinued operation	0.0	-3.9
Earnings after taxes	**51.5**	**46.3**
of which allocable to non-controlling shareholders	0.2	0.5
of which allocable to INDUS shareholders	51.3	45.8

Business went well in the first nine months of 2015 on the whole, despite some negative effects on the results. Group sales at INDUS Holding AG grew significantly by approximately 12 % and amounted to EUR 1,035 million at the end of September (previous year: EUR 926.9 million). Due to growth, the cost of materials rose from EUR 443.5 million to EUR 503.7 million. As anticipated, the cost of materials ratio remained stable at a low level at 48.7 % (previous year: 47.8 %). Personnel expenses also rose somewhat and amounted to EUR 288.5 million (previous year: EUR 256.6 million). At 27.9 % the personnel expense ratio remained on par with the previous year's figure of 27.7 %.%. Amortization rose to a total of EUR 37.2 million (previous year: EUR 33.0 million). This increase reflects the continued high level of investments made by the Group, but also the increase in amortization on added values discovered as part of the purchase price allocation of companies acquired in recent years.

SIGNIFICANT INCREASE IN ADJUSTED EBIT

INDUS' growth course and the ongoing acquisitions have resulted in non-operating impacts on earnings, caused primarily by the amortization from the approach of valuing assets at fair value as part of the purchase price allocation and acquisition transaction costs. EBIT adjusted for these effects (after the effects of the acquisition) has increased significantly and at EUR 106.3 million is up 11.7 % against the previous year's figure of EUR 95.2 million. This increase in the adjusted operating result (+11.7 %) is analogous to the increase in sales (+11.7 %).

RECONCILIATION (in EUR millions)

	1.1.–30.9.2015	1.1.–30.9.2014
Operating result (EBIT)	**98.9**	**91.5**
Depreciation and amortization on property, plant and equipment, and intangible assets from fair value adjustments from first-time consolidations[1]	3.6	2.3
Fair value adjustment costs in inventory assets/order backlog from first-time consolidations[2] and acquisition transaction costs	3.8	1.4
Adjusted operating result (EBIT)	**106.3**	**95.2**

[1] The amortization on fair value adjustments relates to the fair value assets identified in connection with INDUS Group acquisitions.
[2] The cost of fair value adjustments in the inventory assets/order backlog relates to identified added values, which are recorded during the purchase price allocation and recognized as expenses after first consolidation.

Detailed notes on the earnings position, including explanations, can be found in the segment report.

The operating result (EBIT) for the first nine months of 2015 came in at EUR 98.9 million, and was therefore up approximately 8 % against the previous year. Due to the effects mentioned from first-time consolidation and factors that have had a negative impact on the result (problematic situation of two Swiss companies, discontinuation of business activities at SEMET, process problems in serial production start-up) the INDUS Group EBIT margin came in at 9.6 % (previous year: 9.9 %). The adjusted EBIT margin is 10.3 % (previous year: 10.3 %).

The interest result increased from EUR -15.6 million to EUR -19.6 million, due to higher profit attributable to minority shareholders, which were exclusively caused by the acquisition structure of the last company purchases. Adjusted for this effect, the interest expense for operative business remained virtually unchanged at EUR 13.2 million (previous year: EUR 13.0 million). Earnings before tax (EBT) improved to EUR 79.3 million (previous year: EUR 75.9 million). At EUR -27.8 million, tax expenses remained almost on par with the previous year's level of EUR -25.7 million, corresponding to a tax rate of 35.1 % (previous year: 33.9 %). After deducting the shares of non-controlling shareholders, the net result for the period amounted to EUR 51.5 million (previous year: EUR 46.3 million). Earnings per share for continuing operations came to EUR 2.10 (previous year: EUR 2.03).

FURTHER EXPANSION INVESTMENTS IN STRUCTURAL ENGINEERING

The INDUS portfolio company OBUK decided to acquire the company EUMATIC/FROHMASCO, based in Sittensen, Germany and in Chociwel, Poland, in September 2015. With 165 employees, OBUK manufactures high-quality plastic and aluminum panels for front doors in Germany and Slovakia, and has been part of the INDUS Group since 2007. The EUMATIC/FROHMASCO group of companies supplies its customers with blanks for panels as well as all parts, such as ornamental frames and composite elements. Manufacturing takes place at a proprietary plant in Poland. The group supplies customers in Germany, Sweden, and Norway, and has achieved sales of approximately EUR 5.5 million over the last years. OBUK has sourced products from EUMATIC/FROHMASCO in the past. With this takeover the INDUS portfolio company has expanded its product range and opened up new target groups as well as additional foreign markets.

The Swiss INDUS portfolio company ANCOTECH acquired MURINOX, which is based in Lenk (near Fribourg, Switzerland), at the beginning of September. INDUS has owned the group, with its two ventures ANCOTECH AG in Switzerland and ANCOTECH GmbH in Germany, since 2006. The company specializes in reinforcement and anchorage technology, and, with approximately 100 employees, produces special reinforcements for the European market. MURINOX produces and distributes anchorage equipment for brick facades. Its product range complements the ANCOTECH range. MURINOX achieved sales of approximately CHF 1.1 million in 2014.

The approval procedures for the RAGUSE group foreign companies are currently being completed. INDUS expects that the acquisition will soon be completed.

Including the two latest purchases, INDUS acquired five companies in fiscal 2015; in addition there was an increase in the shares held in the Brazilian Automotiva do Brasil from 90 % to 100 % and INDUS portfolio company OFA Bamberg acquired a manufacturing site in Glauchau, Saxony, as part of an asset deal.

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 43 operating units as of September 30, 2015.

INDUS CONSTRUCTION/INFRASTRUCTURE SEGMENT

SALES +0.6 %
EBIT MARGIN 13.1 %

> SALES UP SLIGHTLY AGAINST PREVIOUS YEAR

> EBIT IN USUAL EARNINGS RANGE

IMPROVEMENT IN EARNINGS AS EXPECTED IN THIRD QUARTER

The order situation again proved stable in the construction sector in 2015. At EUR 172.0 million, segment sales in the first nine months of 2015 are, as forecast, slightly higher than those achieved in 2014 (previous year: EUR 170.9 million). Due to invoicing factors, EBIT improved considerably in the third quarter against previous quarters. At EUR 22.6 million, the operating result remains somewhat below the previous year's figure of EUR 23.4 million, but at 13.1 % (previous year: 13.7 %) the EBIT margin once again achieved the anticipated result for this INDUS segment. The intended margin of between 12 % and 14 % for the Construction/ Infrastructure segment this fiscal year was therefore achieved in the first nine months of the year. INDUS expects the order situation to remain positive in the fourth quarter.

The investments of EUR 7.7 million (previous year: EUR 9.0 million) include the purchase of both the EUMATIC & FROHMASCO and MURINOX strategic acquisitions for the portfolio companies OBUK and ANCOTECH respectively. The investment sum for the previous year included a large proportion of the costs for the new HAUFF-Technik location. Details regarding the corporate acquisitions can be found in the notes.

KEY FIGURES – CONSTRUCTION/INFRASTRUCTURE (in EUR millions)

	1.1.–30.9.2015	1.1.–30.9.2014
Sales with external third parties	172.0	170.9
EBITDA	27.1	27.6
Depreciation and amortization	-4.5	-4.2
EBIT	22.6	23.4
EBIT margin in %	13.1	13.7
Capital expenditure	7.7	9.0
Employees	1,152	1,102

INDUS AUTOMOTIVE TECHNOLOGY SEGMENT

SALES +7.9 %
EBIT MARGIN 5.5 %

> ECONOMIC SITUATION IN THE AUTOMOTIVE BUSINESS STABLE

> MARGIN BELOW TARGET RANGE

STABLE BUSINESS WITH SOME IMPACT ON EARNINGS

The segment companies were able to further increase their sales year on year, as expected, from EUR 256.1 million to EUR 276.3 million. The operating result suffered a considerable drop against the previous year and came in at a disappointing EUR 15.2 million (previous year: EUR 17.9 million). The drop was primarily caused by the start-up problems a series supplier was experiencing in manufacturing cooling ducts, as mentioned in the semi-annual report. These start-up problems have now been dealt with, but the additional process optimization necessary continues to cause a considerable amount of additional costs (tendency declining). This is having an impact on the portfolio company's margin and impeding the segment result. All other portfolio companies are performing well. We can therefore only expect to reach the lower end of the EBIT margin target range of 6 % to 8 % for 2015, or we may even come in slightly below 6 % by the end of the year. The INDUS companies are currently not affected by the Volkswagen Group emissions scandal; none of the segment companies supply technology or accessories for emissions technology. The call-off figures have also remained unchanged.

KEY FIGURES – AUTOMOTIVE TECHNOLOGY (in EUR millions)

	1.1.–30.9.2015	1.1.–30.9.2014
Sales with external third parties	276.3	256.1
EBITDA	28.8	31.6
Depreciation and amortization	-13.6	-13.7
EBIT	15.2	17.9
EBIT margin in %	5.5	6.8
Capital expenditure	14.6	16.9
Employees	3,272	3,158

INDUS ENGINEERING SEGMENT

SALES +48.4 %
EBIT MARGIN 13.3 %

> CONSIDERABLE INCREASE IN SALES DUE TO ACQUISITIONS

> MARGIN IMPROVED

A STRONG-EARNINGS SEGMENT, PARTIALLY DUE TO ATTRACTIVE ADDITIONS

Segment sales increased from EUR 142.8 million to EUR 211.9 million and thus grew by approximately 48 % on a percentage basis. The increase in sales is partly due to the first complete inclusion of the new acquisitions MBN Neugersdorf and KNUR Maschinenbau as well as the partial inclusion of IEF-Werner. In addition, there is also the very good order situation. Consequently, EBIT also developed well: it rose from EUR 17.3 million to EUR 28.1 million, equivalent to approximately 62 %. The once again improved EBIT margin against the previous year to 13.3 % is welcome news (previous year: 12.1 %). The investments include the purchase of IEF-Werner; details regarding this acquisition can be found in the notes; as previously announced, business activities were discontinued at SEMET around mid-2015.

KEY FIGURES – ENGINEERING (in EUR millions)

	1.1.–30.9.2015	1.1.–30.9.2014
Sales with external third parties	211.9	142.8
EBITDA	33.5	21.5
Depreciation and amortization	-5.4	-4.2
EBIT	28.1	17.3
EBIT margin in %	13.3	12.1
Capital expenditure	13.5	5.9
Employees	1,406	1,129

INDUS MEDICAL ENGINEERING/LIFE SCIENCE SEGMENT

SHARP INCREASE IN SALES DUE TO NEW ACQUISITIONS

The Medical Engineering/Life Science segment is developing as well as planned. Segment sales grew by approximately 17 % in the first nine months to EUR 98.6 million (previous year: EUR 84.1 million); this is primarily due to the complete inclusion, for the first time, of ROLKO in the current fiscal year 2015. Earnings before interest and taxes (EBIT) rose year-on-year to EUR 13.6 million (previous year: EUR 13.1 million). The segment's operating result includes both one-off effects from the integration of the manufacturing site in Glauchau acquired by OFA in January and the increased amortization due to the first consolidation of NEA International. The RAGUSE group, which was acquired in the summer, has not been consolidated yet. The acquisition is only due to be completed in the fourth quarter. The EBIT margin of 13.8 % (previous year: 15.6 %) is therefore below the previous year's level, as expected.

SALES +17.2 %
EBIT MARGIN 13.8 %

> GROWTH IN SALES DUE TO NEW ACQUISITIONS ROLKO AND NEA

> INTEGRATION COSTS AND INCREASED AMORTIZATION AFFECT MARGIN

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

	1.1.–30.9.2015	1.1.–30.9.2014
Sales with external third parties	98.6	84.1
EBITDA	17.3	15.2
Depreciation and amortization	-3.7	-2.1
EBIT	13.6	13.1
EBIT margin in %	13.8	15.6
Capital expenditure	27.6	20.6
Employees	966	802

INDUS METALS TECHNOLOGY SEGMENT

**SALES +4.7 %
EBIT MARGIN
8.7 %**

> STABLE SALES DEVELOPMENT

> COSTS DUE TO RESTRUCTURING PROJECTS

BUSINESS STABLE OVERALL, NEGATIVE IMPACT FROM SWISS FRANC CURRENCY EFFECTS

The Metals Technology segment recorded an increase in sales in 2015 from EUR 263.8 million to EUR 276.3 million. The segment has therefore achieved the expected growth in sales of approximately 5 %. EBIT, however, dropped by 0.4 %. Both of the Swiss sheet metal processors play an important role in these developments. The appreciation of the Swiss franc against the euro has played an important part, causing adverse effects for the companies who produce their goods in the Eurozone. The management has already put restructuring projects in place, which are showing results. In addition, there have been problems in powder metallurgy, which have led to considerable burdens at one of the German portfolio companies. Quality and process optimization measures have also been initiated here, leading to additional costs. The fact that the measures are having the desired effect can be seen in the slight improvement in the result against the first six months of 2015. At 8.7 % the margin is significantly below the previous year's figure of 9.5 %. INDUS therefore currently does not expect that the EBIT margin target of 9 % planned for 2015 can be entirely achieved.

KEY FIGURES – METALS TECHNOLOGY (in EUR millions)

	1.1.–30.9.2015	1.1.–30.9.2014
Sales with external third parties	276.3	263.8
EBITDA	33.4	33.3
Depreciation and amortization	-9.3	-8.2
EBIT	24.1	25.1
EBIT margin in %	8.7	9.5
Capital expenditure	10.4	12.0
Employees	1,392	1,309

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 27.9 % of sales, the personnel ratio is roughly at the previous year's level (previous year: 27.7 %). On average, 8,213 employees (previous year: 7,523 employees) were employed by the companies in the first nine months of 2015.

FINANCIAL POSITION

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

	Q1–Q3 2015	Q1–Q3 2014
Operating cash flow	**69.3**	**53.0**
Interest	-12.0	-12.4
Cash flow from operating activities	**57.3**	**40.6**
Cash outflow for investments	-75.7	-65.0
Cash inflow from the disposal of assets	0.4	0.5
Cash flow from investing activities	**-75.3**	**-64.5**
Dividends paid to shareholders	-29.3	-26.9
Dividends paid to non-controlling shareholders	-0.1	-0.1
Cash inflow from the assumption of debt	92.0	96.2
Cash outflow from the repayment of debt	-60.4	-62.5
Cash flow from financing activities	**2.2**	**6.7**
Net cash change in financial facilities	-15.8	-17.2
Changes in cash and cash equivalents caused by currency exchange rates	0.6	0.6
Cash and cash equivalents at the beginning of the period	116.5	115.9
Cash and cash equivalents at the end of the period	**101.3**	**99.3**

STATEMENT OF CASH FLOWS: SIGNIFICANT IMPROVEMENT IN OPERATING CASH FLOW SECURES HIGH INVESTMENT BUDGET

Based on earnings after tax of EUR 51.5 million (previous year: EUR 50.2 million), at EUR 69.3 million operating cash flow in the first nine months of 2015 increased significantly compared to the same period of the previous year (previous year: EUR 53.0 million). Due to the stable economic situation, there was an increase in inventories and receivables. Higher provisions, higher amortization, and further deferred interest expenses, not yet affecting cash flow, all had a compensating effect.

At EUR -12.0 million, cash flow for interest paid was lower year-on-year in the first nine months (previous year: EUR -12.4 million). Cash flow from operating activities therefore increased to EUR 57.3 million (previous year: EUR 40.6 million).

Cash outflow for investing activities stood at EUR -75.3 million at the end of September 2015 (previous year: EUR -64.5 million); the acquisition of the manufacturing site in Glauchau by OFA Bamberg, the purchase of NEA International, EUMATIC/FROHMASCO, and IEF-Werner, and the higher investments as part of increased internationalization are included in this item.

Cash inflow from financing activities dropped from EUR 6.7 million to EUR 2.2 million. This is due to taking up less debt and a higher dividend in comparison to the previous year. At EUR 101.3 million as of the reporting date, cash and cash equivalents are slightly above the previous year's level.

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

	30.9.2015	31.12.2014
Assets		
Noncurrent assets	**791.1**	**748.0**
Fixed assets	786.5	742.8
Accounts receivable and other current assets	4.6	5.2
Current assets	**607.8**	**560.4**
Inventories	299.0	265.7
Accounts receivable and other current assets	207.5	178.2
Cash and cash equivalents	101.3	116.5
Total assets	**1,398.9**	**1,308.4**
Equity and liabilities		
Noncurrent liabilities	**1,076.6**	**1,029.6**
Equity	577.3	549.9
Debt	499.3	479.7
of which provisions	29.5	28.7
of which payables and income taxes	469.8	451.0
Current liabilities	**322.3**	**278.8**
of which provisions	77.0	52.0
of which liabilities	245.3	226.8
Total equity and liabilities	**1,398.9**	**1,308.4**

STATEMENT OF FINANCIAL POSITION: EQUITY RATIO ABOVE TARGET RANGE OF 40%

The INDUS Group's consolidated total assets were higher primarily due to the increase in working capital and amounted to EUR 1,398.9 million as of September 30 this year (December 31, 2014: EUR 1,308.4 million). This increase in non-current assets reflects our investment activities and is primarily due to the increase in goodwill, intangible assets, and property, plants, and equipment.

The Group's equity has increased to EUR 577.3 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 taking into account the dividend . Non-current liabilities rose by EUR 18.8 million, primarily due to an increase in non-current financial liabilities (EUR +10.2 million) and an increase in purchase price obligations (EUR + 2.1 million) for interests held by non-controlling shareholders.

Current financing funds increased by EUR 43.5 million, primarily as a result of an increase in trade payables and current financial liabilities. The EUR 25.0 million increase in other provisions mainly reflect the increase over the course of the year in the personnel-related provisions. Despite the higher amounts invested, at 41.1 % the equity ratio remained above the INDUS target of 40 % (December 31, 2014: 42.0 %).

At EUR 493.9 million, financial liabilities increased by EUR 31.6 million following the third quarter of 2015 (December 31, 2014: EUR 462.3 million). Net debt in the Group rose to EUR 392.6 million due to major investments in growth (December 31, 2014: EUR 345.9 million).

OPPORTUNITIES AND RISKS

INDUS Holding AG and its portfolio companies are exposed to a wide range 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.

OUTLOOK

> SALES WILL EXCEED EUR 1.3 BILLION IN 2015

> OPERATING RESULT OF EUR 125 TO 130 MILLION EXPECTED

It is INDUS' opinion that the economic outlook for 2015 has not improved over the past months. The German Government has slightly corrected its GDP growth forecast downward and now expects growth of 1.7 % in Germany for 2015; certain institutes' forecast remain slightly more optimistic in their outlooks but the acute, disappointing development of the Chinese economy, the ongoing Russian crisis, and the consequences of the emissions scandal at Volkswagen all point to merely moderate economic growth.

Nevertheless, the Germany economy is performing quite well. The continued weakness of the euro and the unchanged low interest rate both support competitiveness of the export-oriented German economy, and low inflation and energy costs are supporting the positive consumer climate. These positive peripheral circumstances are resulting in stable business for the individual INDUS segments: the construction sector and medical technology are both profiting from the positive consumer climate and low interest rates, while the export-heavy industries of automotive technology, engineering, and metals technology are showing strong demand internationally. INDUS therefore reported significant growth in sales and achieved a good operating result in the first nine months. Despite the negative effects mentioned in the Automotive Technology and Metals Technology segments, business is developing as planned which confirms the performance of the portfolio as a whole.

INDUS therefore reiterates its sales 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

CONSOLIDATED STATEMENT OF INCOME

FOR THE FIRST NINE MONTHS OF 2015 (in EUR '000)

	Notes	Q1–Q3 2015	Q1–Q3 2014
Sales		**1,034,959**	**926,865**
Other operating income		10,115	12,851
Own work capitalized		5,483	3,130
Change in inventories		12,959	5,772
Cost of materials	[5]	-503,658	-443,473
Personnel expenses	[6]	-288,538	-256,554
Depreciation and amortization		-37,186	-32,967
Other operating expenses	[7]	-135,680	-125,140
Income from shares accounted for using the equity method		318	874
Financial result		129	117
Operating result (EBIT)		**98,901**	**91,475**
Interest income		345	331
Interest expenses		-19,965	-15,948
Net interest	[8]	**-19,620**	**-15,617**
Earnings before taxes		**79,281**	**75,858**
Taxes	[9]	-27,824	-25,673
Income from discontinued operation		0	-3,914
Earnings after taxes		**51,457**	**46,271**
of which allocable to non-controlling interests		224	536
of which allocable to INDUS shareholders		51,233	45,735
Earnings per share undiluted and diluted in EUR (continuing operations)	[10]	2.10	2.03

STATEMENT OF INCOME AND ACCUMULATED EARNINGS

FOR THE FIRST NINE MONTHS OF 2015 (in EUR '000)

	Q1–Q3 2015	Q1–Q3 2014
Earnings after taxes	**51,457**	**46,271**
Actuarial gains and losses	0	-4,042
Deferred taxes	0	1,164
Items not reclassified to profit or loss	**0**	**-2,878**
Currency translation adjustment	3,699	991
Change in the market values of derivative financial instruments (cash flow hedge)	1,971	-1,803
Deferred taxes	-312	285
Items to be reclassified to profit or loss in future	**5,358**	**-527**
Other income	**5,358**	**-3,405**
Overall result	**56,815**	**42,866**
of which allocable to non-controlling shareholders	224	536
of which allocable to INDUS shareholders	56,591	42,330

Income and expenses of EUR 5,358,000 (previous year: EUR -3,405,000), recognized directly in equity under other income in the first three quarters of 2015, include no actuarial gains or losses from pension plans or other similar obligations (previous year: EUR -4,042,000) as the interest rate for domestic commitments remains unchanged from that of December 31, 2014, at 2.40 % (September 30, 2015).

Net income from currency translation of EUR 3,699,000 (previous year: EUR 991,000) 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 1,971,000 (previous year: EUR -1,803,000) was chiefly the result of interest rate swaps transacted by the holding company in order to hedge interest rate movements.

CONSOLIDATED STATEMENT OF INCOME

FOR THE THIRD QUARTER OF 2015 (in EUR '000)

	Q3 2015	Q3 2014
Sales	**359,368**	**326,580**
Other operating income	2,493	4,122
Own work capitalized	1,515	940
Change in inventories	-4,854	-10,406
Cost of materials	-168,337	-149,190
Personnel expenses	-95,520	-86,233
Depreciation and amortization	-12,894	-11,119
Other operating expenses	-45,642	-42,211
Income from shares accounted for using the equity method	11	461
Financial result	43	40
Operating result (EBIT)	**36,183**	**32,984**
Interest income	176	114
Interest expenses	-7,085	-5,228
Net interest	**-6,909**	**-5,114**
Earnings before taxes	**29,274**	**27,870**
Taxes	-9,861	-8,428
Income from discontinued operation	0	-1,281
Earnings after taxes	**19,413**	**18,161**
of which allocable to non-controlling interests	112	210
of which allocable to INDUS shareholders	19,301	17,951
Earnings per share undiluted and diluted in EUR (continuing operations)	0.79	0.79

STATEMENT OF INCOME AND ACCUMULATED EARNINGS

FOR THE THIRD QUARTER OF 2015 (in EUR '000)

	Q3 2015	Q3 2014
Earnings after taxes	**19,413**	**18,161**
Actuarial gains and losses	0	-1,348
Deferred taxes	0	388
Items not reclassified to profit or loss	**0**	**-960**
Currency translation adjustment	-4,927	697
Change in the market values of derivative financial instruments (cash flow hedge)	219	-386
Deferred taxes	-34	61
Items to be reclassified to profit or loss in future	**-4,742**	**372**
Other income	**-4,742**	**-588**
Overall result	**14,671**	**17,573**
of which allocable to non-controlling shareholders	112	210
of which allocable to INDUS shareholders	14,559	17,363

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in EUR '000	Notes	Sept. 30, 2015	Dec. 31, 2014
ASSETS			
Goodwill		390,494	368,239
Other intangible assets	[11]	54,364	44,029
Property, plant, and equipment	[12]	314,975	306,818
Investment property		5,967	6,131
Financial assets		13,324	10,526
Shares accounted for using the equity method		7,350	7,033
Other noncurrent assets		1,154	1,685
Deferred taxes		3,450	3,482
Noncurrent assets		**791,078**	**747,943**
Inventories	[13]	299,018	265,690
Accounts receivable	[14]	191,858	162,091
Other current assets		13,615	12,282
Current income taxes		2,016	3,890
Cash and cash equivalents		101,340	116,491
Current assets		**607,847**	**560,444**
Total assets		**1,398,925**	**1,308,387**
EQUITY AND LIABILITIES			
Subscribed capital		63,571	63,571
Capital reserve		239,833	239,833
Other reserves		271,761	244,511
Equity held by INDUS shareholders		**575,165**	**547,915**
Non-controlling interests in the equity		2,126	1,957
Equity		**577,291**	**549,872**
Provisions for pensions		27,960	27,174
Other noncurrent provisions		1,543	1,561
Noncurrent financial liabilities		378,112	367,935
Other noncurrent liabilities		53,683	49,844
Deferred taxes		38,043	33,165
Noncurrent liabilities		**499,341**	**479,679**
Other current provisions		77,001	52,014
Current financial liabilities		115,833	94,381
Trade accounts payable		57,751	47,942
Other current liabilities		65,080	77,836
Current income taxes		6,628	6,663
Current liabilities		**322,293**	**278,836**
Total equity and liabilities		**1,398,925**	**1,308,387**

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
Balance Dec. 31, 2013	**63,571**	**239,833**	**216,024**	**-4,725**	**514,703**	**627**	**515,330**
Income after taxes			45,735		45,735	536	46,271
Other income				-3,405	-3,405		-3,405
Overall result			**45,735**	**-3,405**	**42,330**	**536**	**42,866**
Dividend payments			-26,896		-26,896	-141	-27,037
Change in scope of consolidation						1,482	1,482
Balance Sept. 30, 2014	**63,571**	**239,833**	**234,863**	**-8,130**	**530,137**	**2,504**	**532,641**
Balance Dec. 31, 2014	**63,571**	**239,833**	**252,270**	**-7,759**	**547,915**	**1,957**	**549,872**
Income after taxes			51,233		51,233	224	51,457
Other income				5,358	5,358		5,358
Overall result			**51,233**	**5,358**	**56,591**	**224**	**56,815**
Capital increase					0	48	48
Dividend payments			-29,341		-29,341	-90	-29,431
Change in scope of consolidation						**-13**	**-13**
Balance Sept. 30, 2015	**63,571**	**239,833**	**274,162**	**-2,401**	**575,165**	**2,126**	**577,291**

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–Q3 2015	Q1–Q3 2014
Income after taxes generated by continuing operations	51,457	50,185
Depreciation/write-ups of noncurrent assets	37,186	32,967
Taxes	27,824	25,673
Net interest	19,620	15,617
Cash earnings of discontinued operations	0	-645
Other non-cash transactions	2,434	-3,418
Changes in provisions	22,964	17,438
Increase (-)/decrease (+) in inventories, trade accounts receivable, and other assets	-48,801	-41,087
Increase (+)/decrease (-) in trade accounts payable and other liabilities	-16,674	-17,574
Income taxes received/paid	-26,692	-26,142
Operating cash flow	**69,318**	**53,014**
Interest paid	-12,395	-12,795
Interest received	345	331
Cash flow from operating activities	**57,268**	**40,550**
Cash outflow from investments in		
property, plant, and equipment, and in intangible assets	-41,137	-40,714
financial assets and shares accounted for using the equity method	-3,225	-1,090
shares in fully consolidated companies	-31,376	-23,160
Cash inflow from the disposal of other assets	428	457
Cash flow from investing activities	**-75,310**	**-64,507**
Dividends paid to shareholders	-29,341	-26,896
Cash inflow from non-controlling shareholders	48	0
Dividends paid to non-controlling shareholders	-90	-141
Cash inflow from the assumption of debt	92,000	96,215
Cash outflow from the repayment of debt	-60,372	-62,458
Cash flow from financing activities of discontinued operation	0	35
Cash flow from financing activities	**2,245**	**6,755**
Net cash change in financial facilities	-15,797	-17,202
Changes in cash and cash equivalents caused by currency exchange rates	646	590
Cash and cash equivalents at the beginning of the period	116,491	115,921
Cash and cash equivalents at the end of the period	**101,340**	**99,309**

NOTES
BASIC PRINCIPLES

[1] GENERAL INFORMATION

INDUS Holding AG, based in Bergisch Gladbach, Germany, prepared its consolidated financial statements for the period from January 1 to September 30, 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 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 three quarters 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 the essential 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”.

[4] BUSINESS COMBINATIONS

NEA

Through a contract dated May 13, 2015, OFA Bamberg GmbH acquired 100 % of the shares in the Dutch company NEA International B.V. (NEA), Maastricht. NEA develops orthopedic bandages and orthotic devices for specific use in the area of treatment of joint injuries and chronic conditions. NEA was classified as part of the Medical Engineering/Life Science segment.

The cost of acquiring NEA was EUR 21,224,000, which was paid in cash.

The goodwill calculated as part of the purchase price allocation of EUR 10,601,000 is not tax-deductible. Goodwill represents inseparable assets such as staff expertise and positive expectations for future income, as well as synergies from development, production, sales and marketing.

In the provisional purchase price allocation, the acquired assets and liabilities were determined as follows:

ACQUISITION: NEA (in EUR '000)

	Carrying amounts at time of addition	Assets added due to first-time consolidation	Additions consolidated statement of financial position
Goodwill	0	10,601	10,601
Other intangible assets	553	7,770	8,323
Property, plant, and equipment	512	414	926
Inventories	1,813	338	2,151
Accounts receivable	1,016	0	1,016
Other assets*	1,076	0	1,076
Cash and cash equivalents	290	0	290
Total assets	**5,260**	**19,123**	**24,383**
Other provisions	467	0	467
Trade accounts payable	232	0	232
Other liabilities**	287	2,173	2,460
Total liabilities	**986**	**2,173**	**3,159**

* Other assets: Other noncurrent assets, Other current assets, Deferred taxes, Current income taxes
** Other liabilities: Other noncurrent liabilities, Other current liabilities, Deferred taxes, Current income taxes

NEA was first consolidated in May 2015. NEA has contributed EUR 2,444,000 in sales and EUR 421,000 in EBIT to the result for the period from 1.1.2015–30.9.2015. The costs recognized in profit and loss associated with the first-time consolidation of NEA have impacted the operating result in the amount of EUR 661,000.

The transaction costs for the acquisition were recorded in the Statement of Income.

IEF-WERNER

On July 30, 2015, INDUS Holding AG acquired 75% of the shares in IEF-Werner GmbH, Furtwangen. IEF-Werner GmbH manufactures components for automation technology. The company primarily covers five areas of automation technology with its product portfolio: transfer systems, microassembly, semiconductors, wheel gauging machines, and components. IEF-Werner GmbH was classified as part of the Engineering segment.

The fair value of the entire consideration for the acquisition of IEF-Werner amounted to EUR 20,604,000 at the time of acquisition. This amount consists of EUR 16,314,000 in cash and a basic contingent purchase price liability of EUR 4,290,000, which was measured at fair value and resulted from a symmetrical call/put option on the 25% minority interest. The contingent purchase price liability is basically calculated using EBIT multiples and a forecast of the EBIT that may be relevant in future.

The goodwill calculated as part of the purchase price allocation of EUR 9,790,000 is not tax-deductible. Goodwill represents inseparable assets such as staff expertise and positive expectations for future income.

In the provisional purchase price allocation, the acquired assets and liabilities were determined as follows:

ACQUISITION: IEF-WERNER (in EUR '000)

	Carrying amounts at time of addition	Assets added due to first-time consolidation	Additions consolidated statement of financial position
Goodwill	0	9,790	9,790
Other intangible assets	179	3,866	4,045
Property, plant, and equipment	292	0	292
Inventories	4,940	749	5,689
Accounts receivable	1,397	0	1,397
Other assets*	66	0	66
Cash and cash equivalents	8,319	0	8,319
Total assets	**15,193**	**14,405**	**29,598**
Provisions for pensions	22	0	22
Other provisions	1,418	0	1,418
Trade accounts payable	716	0	716
Other liabilities**	5,558	1,278	6,836
Total liabilities	**7,714**	**1,278**	**8,992**

* Other assets: Other noncurrent assets, Other current assets, Deferred taxes, Current income taxes
** Other liabilities: Other noncurrent liabilities, Other current liabilities, Deferred taxes, Current income taxes

IEF-Werner was first consolidated in August 2015. IEF-Werner has contributed EUR 3,692,000 in sales and EUR 593,000 in EBIT to the result for 1.1–30.9.2015.

The costs recognized in profit and loss associated with the first-time consolidation of IEF-Werner have impacted the operating result in the amount of EUR 684,000. The transaction costs for the acquisition were recorded in the Statement of Income.

OTHER ACQUISITIONS

The INDUS portfolio company OBUK acquired EUMATIC/FROHMASCO, based in Sittensen, on September 22, 2015. EUMATIC/FROHMASCO supplies customers in Germany, Sweden, and Norway with front door panel blanks as well as all parts, such as ornamental frames and composite elements. Manufacturing takes place at a proprietary plant in Poland. EUMATIC/FROHMASCO was classified as part of the Construction/Infrastructure segment.

The Swiss portfolio company ANCOTECH acquired MURINOX, based in Lenk, Switzerland, at the beginning of September 2015. MURINOX produces and distributes anchorage equipment for brick facades. Its product range complements the ANCOTEC range. MURINOX was classified as part of the Construction/Infrastructure segment.

The fair value of the entire consideration for the other acquisitions amounted to EUR 4,985,000 at the time of acquisition. The purchase prices were paid in cash.

The goodwill calculated as part of the purchase price allocation of EUR 820,000 is not tax-deductible. Goodwill represents inseparable assets such as staff expertise and positive expectations for future income, as well as synergies from development, production, sales, and marketing.

In the provisional purchase price allocation, the acquired assets and liabilities were determined as follows:

OTHER ACQUISITIONS (in EUR '000)

	Carrying amounts at time of addition	Assets added due to first-time consolidation	Additions consolidated statement of financial position
Goodwill	0	828	828
Other intangible assets	1	0	1
Property, plant, and equipment	1,688	137	1,825
Financial assets	2	0	2
Inventories	724	0	724
Accounts receivable	1,030	0	1,030
Other assets*	44	0	44
Cash and cash equivalents	2,539	0	2,539
Total assets	**6,028**	**965**	**6,993**
Other provisions	884	0	884
Trade accounts payable	528	0	528
Other liabilities**	568	29	597
Total liabilities	**1,980**	**29**	**2,009**

* Other assets: Other noncurrent assets, Other current assets, Deferred taxes, Current income taxes
** Other liabilities: Other noncurrent liabilities, Other current liabilities, Deferred taxes, Current income taxes

The other acquisitions were first consolidated in September 2015.

The transaction costs for the acquisition were recorded in the Statement of Income.

NOTES TO THE STATEMENT OF INCOME

[5] COST OF MATERIALS

in EUR '000	Q1–Q3 2015	Q1–Q3 2014
Raw materials and goods for resale	-415,040	-383,423
Purchased services	-88,618	-60,050
Total	**-503,658**	**-443,473**

[6] PERSONNEL EXPENSES

in EUR '000	Q1–Q3 2015	Q1–Q3 2014
Wages and salaries	-244,701	-217,415
Social security	-41,415	-37,199
Pensions	-2,422	-1,940
Total	**-288,538**	**-256,554**

[7] OTHER OPERATING EXPENSES

in EUR '000	Q1–Q3 2015	Q1–Q3 2014
Selling expenses	-53,307	-51,063
Operating expenses	-48,422	-45,652
Administrative expenses	-27,377	-24,029
Other expenses	-6,574	-4,396
Total	**-135,680**	**-125,140**

[8] NET INTEREST

in EUR '000	Q1–Q3 2015	Q1–Q3 2014
Interest and similar income	345	331
Interest and similar expenses	-13,502	-13,326
Interest from operations	**-13,157**	**-12,995**
Other: Market value of interest-rate swaps	180	338
Other: Non-controlling interests	-6,643	-2,960
Other interest	**-6,463**	**-2,622**
Total	**-19,620**	**-15,617**

[9] INCOME TAXES

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

[10] EARNINGS PER SHARE

in EUR '000	Q1–Q3 2015	Q1–Q3 2014
Earnings attributable to INDUS shareholders	51,233	45,735
Earnings attributable to discontinued operations	0	-3,914
Earnings attributable to continuing operations	**51,233**	**49,649**
Weighted average shares outstanding (in thousands)	24,451	24,451
Earnings per share, continuing operations (in EUR)	2.10	2.03
Earnings per share, discontinued operations (in EUR)	0.00	-0.16

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

[11] OTHER INTANGIBLE ASSETS

in EUR '000	Sept. 30, 2015	Dec. 31, 2014
Capitalized development costs	9,768	9,501
Property rights, concessions, and other intangible assets	44,596	34,528
Total	**54,364**	**44,029**

[12] PROPERTY, PLANT, AND EQUIPMENT

in EUR '000	Sept. 30, 2015	Dec. 31, 2014
Land and buildings	173,483	167,478
Plant and machinery	86,749	88,076
Other equipment, factory, and office equipment	44,424	41,294
Advance payments and work in process	10,319	9,970
Total	**314,975**	**306,818**

[13] INVENTORIES

in EUR '000	Sept. 30, 2015	Dec. 31, 2014
Raw materials and supplies	98,354	82,638
Unfinished goods	92,526	80,220
Finished goods and goods for resale	89,947	86,429
Prepayments for inventories	18,191	16,403
Total	**299,018**	**265,690**

[14] ACCOUNTS RECEIVABLE

in EUR '000	Sept. 30, 2015	Dec. 31, 2014
Accounts receivable from customers	171,272	144,421
Accounts receivable from construction contracts	13,444	11,649
Accounts receivable from associated companies	7,142	6,021
Total	**191,858**	**162,091**

OTHER DISCLOSURES

[15] SEGMENT REPORTING

SEGMENT INFORMATION BY OPERATION (CONTINUING OPERATIONS) FOR THE FIRST NINE MONTHS 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
Q1–Q3 2015								
Sales with external third parties	172,025	276,258	211,947	98,562	276,292	1,035,084	-125	1,034,959
Sales with Group companies	6,855	29,191	37,489	8,133	28,141	109,809	-109,809	0
Sales	**178,880**	**305,449**	**249,436**	**106,695**	**304,433**	**1,144,893**	**-109,934**	**1,034,959**
Segment earnings (EBIT)	**22,563**	**15,218**	**28,059**	**13,595**	**24,084**	**103,519**	**-4,618**	**98,901**
Earnings from equity valuation	0	221	97	0	0	318	0	318
Depreciation and amortization	**-4,511**	**-13,567**	**-5,449**	**-3,737**	**-9,351**	**-36,615**	**-571**	**-37,186**
Segment EBITDA	**27,074**	**28,785**	**33,508**	**17,332**	**33,435**	**140,134**	**-4,047**	**136,087**
Capital expenditure	**7,686**	**14,645**	**13,543**	**27,565**	**10,365**	**73,804**	**1,934**	**75,738**
of which company acquisitions	2,446	0	7,996	20,934	0	31,376	0	31,376
Q1–Q3 2014								
Sales with external third parties	170,940	265,133	142,762	84,113	263,799	926,747	118	926,865
Sales with Group companies	7,477	28,292	27,643	2,298	22,955	88,665	-88,665	0
Sales	**178,417**	**293,425**	**170,405**	**86,411**	**286,754**	**1,015,412**	**-88,547**	**926,865**
Segment earnings (EBIT)	**23,386**	**17,857**	**17,272**	**13,062**	**25,087**	**96,664**	**-5,189**	**91,475**
Earnings from equity valuation	0	830	44	0	0	874	0	874
Depreciation and amortization	**-4,233**	**-13,678**	**-4,231**	**-2,140**	**-8,241**	**-32,523**	**-444**	**-32,967**
Segment EBITDA	**27,619**	**31,535**	**21,503**	**15,202**	**33,328**	**129,187**	**-4,745**	**124,442**
Capital expenditure	**9,036**	**16,852**	**5,866**	**20,636**	**11,955**	**64,345**	**619**	**64,964**
of which company acquisitions	0	27	4,086	18,389	658	23,160	0	23,160

SEGMENT INFORMATION BY OPERATION (CONTINUING OPERATIONS) FOR THE THIRD 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
Q3 2015								
Sales with external third parties	65,685	92,827	78,548	33,279	89,290	359,629	-261	359,368
Sales with Group companies	2,429	9,655	15,624	3,259	9,212	40,179	-40,179	0
Sales	**68,114**	**102,482**	**94,172**	**36,538**	**98,502**	**399,808**	**-40,440**	**359,368**
Segment earnings (EBIT)	**10,986**	**4,250**	**10,861**	**4,523**	**7,935**	**38,555**	**-2,372**	**36,183**
Earnings from equity valuation	0	11	0	0	0	11	0	11
Depreciation and amortization	**-1,518**	**-4,457**	**-1,867**	**-1,446**	**-3,370**	**-12,658**	**-236**	**-12,894**
Segment EBITDA	**12,504**	**8,707**	**12,728**	**5,969**	**11,305**	**51,213**	**-2,136**	**49,077**
Capital expenditure	**3,640**	**2,817**	**9,714**	**515**	**2,006**	**18,692**	**1,195**	**19,887**
of which company acquisitions	2,446	0	7,996	0	0	10,442	0	10,442
Q3 2014								
Sales with external third parties	62,069	89,835	54,278	30,432	89,788	326,402	178	326,580
Sales with Group companies	2,502	9,918	10,595	509	7,960	31,484	-31,484	0
Sales	**64,571**	**99,753**	**64,873**	**30,941**	**97,748**	**357,886**	**-31,306**	**326,580**
Segment earnings (EBIT)	**10,908**	**6,482**	**6,536**	**4,450**	**6,588**	**34,964**	**-1,980**	**32,984**
Earnings from equity valuation	0	462	0	0	0	462	0	462
Depreciation and amortization	**-1,482**	**-4,469**	**-1,392**	**-829**	**-2,789**	**-10,961**	**-158**	**-11,119**
Segment EBITDA	**12,390**	**10,951**	**7,928**	**5,279**	**9,377**	**45,925**	**-1,822**	**44,103**
Capital expenditure	**1,707**	**4,606**	**4,050**	**890**	**5,402**	**16,655**	**414**	**17,069**
of which company acquisitions	0	0	4,086	0	658	4,744	0	4,744

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–Q3 2015	Q1–Q3 2014	Q3 2015	Q3 2014
Segment earnings (EBIT)	**103,519**	**96,664**	**38,555**	**34,964**
Areas not allocated, incl. holding company	-4,779	-4,879	-2,395	-1,594
Consolidations	161	-310	23	-386
Net interest	-19,620	-15,617	-6,909	-5,114
Earnings before taxes	**79,281**	**75,858**	**29,274**	**27,870**

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
Sales revenue with external third parties				
Q1–Q3 2015	1.034.959	539.827	215.991	279.141
Q1–Q3 2014	926.865	479.301	202.314	245.250
Third Quarter 2015	359.368	191.515	75.954	91.899
Third Quarter 2014	326.580	176.214	63.694	86.672
Noncurrent assets, less deferred taxes and financial instruments				
Sept. 30, 2015	773.149	661.349	38.098	73.702
Dec. 31, 2014	732.250	644.368	17.767	70.115

[16] 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 SEPT. 30, 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	13,324		13,324		13,324
Cash and cash equivalents	101,340		101,340		101,340
Accounts receivable	191,858	13,444	178,414		178,414
Other assets	14,769	1,958	12,811	215	12,596
Financial Instruments: ASSETS	**321,291**	**15,402**	**305,889**	**215**	**305,674**
Financial liabilities	493,945		493,945		493,945
Trade accounts payable	57,751		57,751		57,751
Other liabilities	118,763	34,607	84,156	49,641	34,515
Financial Instruments: LIABILITIES	**670,459**	**34,607**	**635,852**	**49,641**	**586,211**

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
Financial Instruments: ASSETS	**303,075**	**12,539**	**290,536**	**586**	**289,950**
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
Financial Instruments: LIABILITIES	**637,937**	**34,785**	**603,152**	**44,557**	**558,595**

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

	Carrying amount	
	Sept. 30, 2015	Dec. 31, 2014
Measured at fair value through profit and loss	215	586
Loans and receivables	303,801	288,075
Available-for-sale financial assets	1,873	1,875
Financial instruments: ASSETS	**305,889**	**290,536**
Measured at fair value through profit and loss	49,641	44,557
Financial liabilities measured at their residual carrying amounts	586,211	558,595
Financial instruments: LIABILITIES	**635,852**	**603,152**

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.

[17] 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.

[18] APPROVAL FOR PUBLICATION

The Board of Management of INDUS Holding AG approved this IFRS interim financial statement for publication on November 16, 2015.

Bergisch Gladbach, November 16, 2015
INDUS Holding AG

The Board of Management

Jürgen Abromeit	Dr. Johannes Schmidt	Rudolf Weichert

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FINANCIAL CALENDAR 2015/2016

November 25, 2015	German Equity Forum, Frankfurt/Main
April 12, 2016	Annual earnings press conference 2016, Düsseldorf
April 13, 2016	Analysts' conference 2016, Frankfurt/Main
May 18, 2016	Interim report on March 31, 2016
June 9, 2016	Annual shareholders' meeting 2016, Cologne
August 16, 2016	Interim report on June 30, 2016
November 15, 2016	Interim report on September 30, 2016

IMPRINT

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Publisher:
INDUS Holding AG, Bergisch Gladbach

Concept/Design:
Berichtsmanufaktur GmbH, Hamburg

Photos:
p. 4: Dominik Pietsch
p. 5: REMKO
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Martin Duckek
(Architect: Scherr&Klimke AG)
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