

hönle group

HALF-YEAR REPORT 2017/2018



Hönle Group – At a Glance

	01/10/2017 - 31/03/2018	01/10/2016 - 31/03/2017	Change
Income Statement	in T€	in T€	in %
Revenue	60,671	47,228	28.5
Gross profit	41,946	30,556	37.3
Operating result/EBIT	15,047	5,623	167.6
Earnings before tax/EBT	14,919	5,481	172.2
Consolidated profit	10,765	3,819	181.9
The Share			
Earnings per share in €	1.96	0.70	180.0
Number of shares	5,512,930	5,512,930	0.0
Cash Flow	in T€	in T€	
Operating cash flow ¹⁾	14,368	5,097	181.9
Employees			
Average number of staff	589	549	7.3

	31/03/2018	30/09/2017	Change
Statement of Financial Position	in T€	in T€	in %
Non-current assets	47,026	46,305	1.6
Current assets	64,712	56,002	15.6
Equity	77,172	69,778	10.6
Non-current liabilities	13,307	13,152	1.2
Current liabilities	21,258	19,377	9.7
Total assets	111,737	102,306	9.2
Equity ratio as a %	69.1	68.2	1.3

1) Cash generated from operations

Group Management Report

for the six-month period from 1 October 2017 to 31 March 2018

Overview

Market Development

The global economy is in the midst of a strong economic upswing. Surplus utilization is continuing and will, in the foreseeable future, probably lead to values that have been observed previously only during boom phases such as after German reunification or before the outbreak of the financial crisis. Despite high political uncertainties, the overall economic conditions have been steadily improving. Accelerated economic growth appears to be taking shape in the emerging markets due to the recovery of raw material prices. The industrialised economies also are experiencing strong economic momentum.

Course of Business

The Hönle Group's sales revenues increased by 28.5 % to T€ 60,671 in the first six months of the 2017/2018 financial year. The operating result surged by 167.6 % to T€ 15,047 due to the high proportion of adhesive revenues.

Adhesives Segment

Revenues earned in the Adhesives segment almost doubled in the first half of the financial year. At T€ 23,796, they were up 94.4 % on the previous year's figure of T€ 12,238. This positive business development is due, in particular, to orders from the electronics industry in the smart phones segment.

In the first six months of the current financial year, the operating result soared from T€ 2,891

in the previous year to T€ 11,303 in the current financial year.

Equipment & Systems Segment

Sales revenues generated in the Equipment & Systems segment came to T€ 26,401 in the first half of the year, up 6.0 % on the previous year's level. This increase is attributable to the positive business development of business with drying systems for the printing industry and UV disinfection equipment for the food industry. Contracts received for sunlight simulation systems in the automotive segment also contributed to the increase in sales revenues. The segment's operating result rose by 60.2 % to T€ 3,197 in the first six months of the year. Both the orders intake in the current financial year and the orders on hand at the end of the first half of the financial year were significantly above the previous year's values, primarily due to the strong demand for drying systems for the printing industry.

Glass & Lamps Segment

At T€ 10,474, sales revenues generated in the Glass and Lamps segment in the first six months of the current financial year were up 4.0 % on the previous year's figure. The segment's operating result dropped slightly from T€ 736 in the previous year to T€ 547 in the current financial year. The decrease is mainly attributable to the business development at Raesch Quarz (Malta) Ltd., where the operating result was below the previous year's period due to a change in the product mix.

Sales by Region

As in previous years, the strongest growth impetus was provided by Asia. The strong adhesives business, in particular, was responsible for the 102.7 % leap to T€22,459. Thus, the Asian economic area continues to grow in significance and is now - for the first time - the Hönle Group's most important sales market.

Sales revenues generated in Germany picked up by 15.4 % to T€19,852. This revenue growth was primarily driven by the printing and automotive industries. Sales revenues generated in the other European countries advanced by 3.1 % to T€12,053.

In North-America, by contrast, sales revenues of T€4,732 dropped by 10.0 % year-on-year and sales revenues generated in the rest of the world also contracted by 21.3 % to T€1,574.

Annual General Meeting

The Annual General Meeting of Dr. Hönle AG was held on 21 March 2018. More than 200 participants followed the company's invitation and met at the Munich-based conference centre to listen to the Management Board's comments and explanations, ask questions and vote on a total of four agenda items, which were passed with a large majority. Among other things, the

Annual General Meeting decided to pay out a dividend of €3,307,112.40, which corresponds to a dividend of €0.60 (PY: €0.55) per dividend-bearing share.

Results of Operations

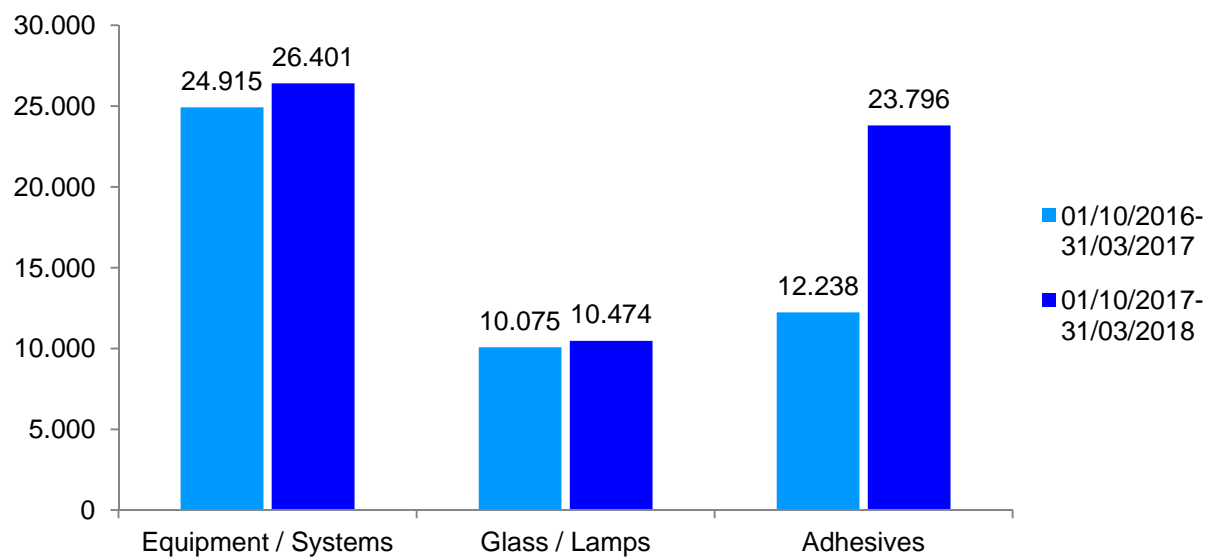
At T€60,671, Hönle Group's sales revenues in the first six months of the 2017/2018 financial year were significantly above the previous year's figure of T€47,228. The operating result (EBIT) jumped by 167.6 % to T€15,047 not least due to the already mentioned change in the product mix. Earnings before tax (EBT) climbed 172.2 % to T€14,919 and the consolidated result was up 181.9 % to T€10,765. This corresponds to earnings per share of €1.96 (PY: €0.70).

In detail, the profit ratios developed as follows: Due to the higher proportion of adhesives revenues in total sales, the cost of materials ratios improved from 36.6 % to 32.4 %. The personnel expense ratio decreased from 33.9% to 28.0 %, while the ratio of other operating expenses fell from 15.5 % to 13.1 %. The EBIT margin picked up from 11.8 % in the previous year to 24.5 % in the reporting year, while net profit on sales climbed from 8.1 % to 17.7 %.

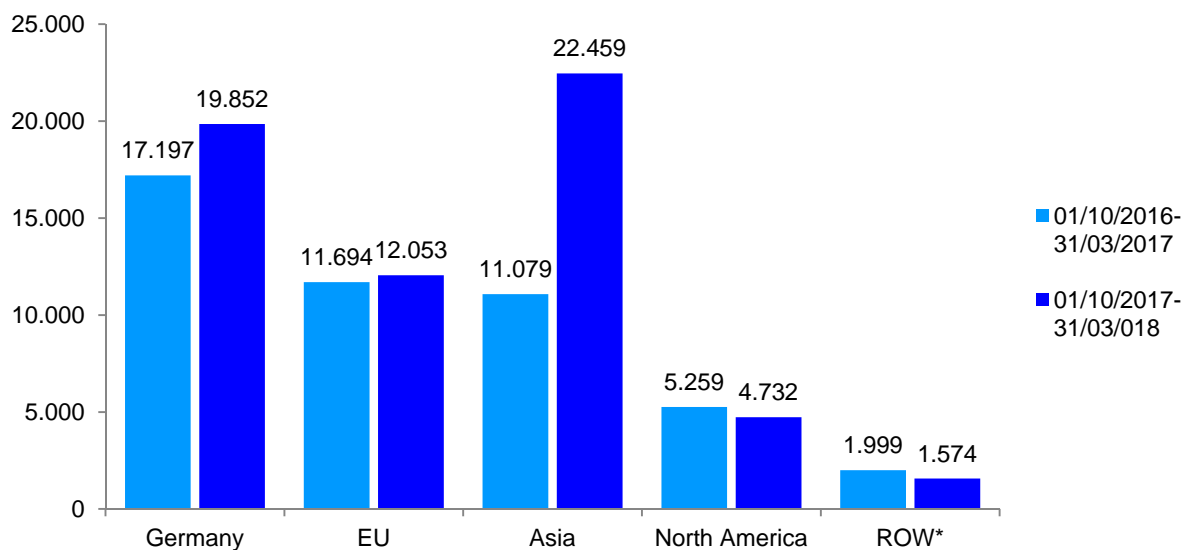
Earnings Development

in T€	01/10/17 - 31/03/18	01/10/16 - 31/03/17	Change (%)
Revenue	60,671	47,228	28.5
Gross profit	41,946	30,556	37.3
Operating result/EBIT	15,047	5,623	167.6
Earnings before tax/EBT	14,919	5,481	172.2
Consolidated profit	10,765	3,819	181.9
Earnings per share in €	1.96	0.70	180.0

Sales by Segment (in T€)



Sales by Region (in T€)



*) Rest of the world

Financial Position

The Hönle Group's operative cash flow came to T€ 14,368 (PY: T€ 5,097) at the end of the first half of the year.

Cash and cash equivalents increased from T€ 5,217 to T€ 11,318.

Cash and cash equivalents were mainly used as follows: A dividend in the amount of T€ 3,307

was distributed to the shareholders. In addition, property, plant and equipment as well as intangible assets were acquired in the amount of T€ 2,063, which mainly concern investments in production facilities for Raesch Quarz Germany) GmbH. The rise in inventories also led to an outflow of cash in the amount of T€ 2,662. The increase in Inventories mainly related to Hönle AG and Panacol-Elosol GmbH.

Cash Flow and Liquidity Development

in T€	01/10/17 - 31/03/18	01/10/16 - 31/03/17	Change (%)
Cash generated from operations	14,368	5,097	181.9
Cash flows from investing activities	-2,114	-3,162	33.1
Cash flows from financing activities	-4,446	-1,218	-265.0
Change in cash and cash equivalents	6,101	-2,888	311.3

Net Assets

Non-current assets rose from T€ 46,305 to T€ 47,026 in the first half of the financial year.

The Hönle Group's current assets advanced from T€ 56,002 to T€ 64,712, largely as a consequence of the increases in inventories (up T€ 2,515 to T€ 32,588), other current assets (up T€ 1,014 to T€ 2,848), and cash and cash equivalents (up T€ 6,101 to T€ 11,318).

With an equity capital ratio of 69.1 %, the Hönle Group's financing continues to be on very solid ground.

At T€ 13,307, non-current liabilities remained almost unchanged (PY: T€ 13,152). Current liabilities increased from T€ 19,377 to T€ 21,258, largely due to higher income tax liabilities.

Statement of Financial Position

in T€	31/03/2018	30/09/2017	Change (%)
Non-current assets	47,026	46,305	1.6
Current assets	64,712	56,002	15.6
Equity	77,172	69,778	10.6
Non-current liabilities	13,307	13,152	1.2
Current liabilities	21,258	19,377	9.7
Total assets	111,737	102,306	9.2

Research and Development

The Hönle Group companies developed new high-performance products and adapted existing products to meet customer-specific requirements. An average of 78 employees worked in the research and development departments, six more than in the previous year. The Hönle Group's research and development expenses rose from T€2,387 in the previous year to T€2,916 in the financial year under review.

Hönle presented its curing and drying systems for web-shaped and three-dimensional objects at the PaintExpo, the world's leading trade fair for industrial coating technology. In addition to conventional UV systems, Hönle also develops and manufactures LED-UV curing equipment, such as the LED Powerline. Small dimensions

and a low weight permit an easy integration of this high performance LED line lamp. Hönle places great emphasis on the equipment's modular design, which enables an optimised and customer-specific use.

The LED Spot 40 IC was newly developed for all applications that cannot be sufficiently illuminated with a convention LED spot source and for which flood lamps are too big. The compact design permits its integration in even the smallest spaces. In addition, its integrated

control electronics boast various monitoring functions.

Panacol developed a new epoxy resin-based underfiller for adhesive applications on printed circuit boards. Structalit 8202 is a low-viscosity adhesive with a capillary flow that fits into the smallest gaps. What makes this adhesive so special is its low coefficient of thermal expansion and its stability at high ambient temperatures.

With Vitralit UV 4802, Panacol launched a highly flexible adhesive on the market. The adhesive is



particularly suited for bonding thermoplastic materials that are resistant to high temperatures. Vitralit UV 4802 is a single-component adhesive that very quickly cures when exposed to light. It is characterised by its high adhesion to many plastics that are often difficult to bond with conventional adhesives.

Employees

In the first half of the current financial year, the Hönle Group employed an average staff of 590 (PY: 549). The workforce was mainly increased in the production, logistics and development departments. 55 of the Hönle Group's 590

employees worked part-time, which corresponds to 9.3 % of the total workforce. In the first six months of the current financial year, the employees were engaged in the following functional areas:

Functional Areas

Reporting date	31/03/18	31/03/17	Change (%)
Sales & Marketing	84	85	-1.2
Research & Development	79	73	8.2
Production, Service	279	255	9.4
Logistics	78	70	11.4
Administration	70	69	1.4
Total	590	552	6.9

Functional Areas

Average for the period	01/10/17 - 31/03/18	01/10/16 - 31/03/17	Change (%)
Sales & Marketing	84	86	-2.3
Research & Development	78	72	8.3
Production, Service	279	254	9.8
Logistics	79	69	14.4
Administration	70	68	2.9
Total	590	549	7.5

Personnel Expenses

in T€	01/10/17 - 31/03/18	01/10/16 - 31/03/17	Change (%)
Wages and salaries	14,233	13,259	7.4
Social security and pension costs	3,004	2,887	4.1
Total	17,237	16,146	6.8

Personnel expenses rose by 6.8 % to T€ 17,237 in the first six months of the current financial year.

Hönle invests in occupational training with a view to covering the future demand for qualified personnel: The Hönle Group offers apprenticeships in the areas of business, technology, chemicals, and logistics. The number of young people who completed an apprenticeship with the Hönle Group as of 31 March increased from 24 in the previous year to 34 in the current year.

Outlook

Overall market

The global economy is experiencing a strong upswing. At 3.8 % in the past year, global production has reached the highest growth rate since 2011 and is expected to grow by 3.9% in both 2018 and 2019 according to the International Monetary Fund (IMF). The experts raised their forecasts for 2018 and 2019 primarily as a consequence of the US tax reforms signed into law by US President Donald Trump. At the same time, however, sentiment has clouded over somewhat in the light of increasing uncertainties regarding the expected pace of the tightening of monetary policy in the USA and concerns about punitive tariffs to be imposed by the US President.

Hönle Group

Orders on hand in the Equipment & Systems segment are significantly above the previous year's level due, among other things, to the printing industry's strong demand for LED drying systems, in particular. Thus, increasing revenue and earnings contributions are expected in the further course of business of the Equipment & Systems segment.

Positive development is also projected for the Glass & Lamps segment. A high order backlog and current customer projects will contribute to this development. In addition, stable manufactur-

ing processes and increasing capacity utilisation at the new resize centre of Raesch Quarz (Germany) GmbH are expected to lead to an increase in sales revenues and earnings in this segment.

Following an excellent start to the new financial year in the Adhesives segment, the Management Board expects encouraging business development in the second half of the year also. Orders in the electronics and automotive segments will, in particular, contribute to this development.

Overall Assessment of Future Business Development

Following revenues of € 101.9 million and an operating result of € 15.2 million in the last financial year, the Management Board now aims at achieving revenues of between € 115 million and € 125 million and the upper edge of the previously communicated operating result of € 22 million to € 26 million for the Hönle Group in financial year 2017/2018.

In addition to strictly organic growth, corporate acquisitions will also play an important role in the expansion of Hönle Group's activities. Over the medium term, the Hönle Group intends to further expand its market position, especially in the area of short-lived economic goods such as industrial adhesives.

Consolidated Income Statement

for the period from 01 October 2017 to 31 March 2018 (IFRS)

	01/01/2018 - 31/03/2018 in T€	01/10/2017 - 31/03/2018 in T€	01/01/2017 - 31/03/2017 in T€	01/10/2016 - 31/03/2017 in T€
Revenue	31,135	60,671	25,049	47,228
Changes in inventories of finished goods and work in progress	-25	781	-466	365
Other work performed by entity and capitalised	42	63	45	60
Other operating income	187	374	149	351
Cost of purchased materials and services	10,004	19,943	8,706	17,448
Personnel expenses	8,851	17,237	8,222	16,146
Depreciation and amortisation expense	765	1,582	722	1,408
Other operating expenses	4,064	8,080	3,733	7,379
Operating result/EBIT	7,656	15,047	3,394	5,623
Profit/loss from investments accounted for using the equity method	9	9	0	2
Financial income	4	9	4	8
Financial expenses	69	146	-77	-153
Financial result	-56	-129	-73	-142
Earnings before tax and non-controlling interests/EBT	7,600	14,919	3,321	5,481
Income taxes	2,035	4,154	1,005	1,661
Consolidated profit or loss	5,565	10,765	2,316	3,819
Share in earnings attributable to non-controlling interests	19	-25	-12	-17
Share of earnings attributable to Dr. Hönle AG shareholders	5,545	10,790	2,328	3,836
Earnings per share (basic) in €		1.96		0.70
Earnings per share (diluted) in €		1.96		0.70
Average shares outstanding (basic)		5,511,854		5,511,854
Average shares outstanding (diluted)		5,511,854		5,511,854

Consolidated Statement of Comprehensive Income

for the period from 01 October 2017 to 31 March 2018 (IFRS)

	01/10/2017 - 31/03/2018 in T€	01/10/2016 - 31/03/2017 in T€
Consolidated net income	10,765	3,819
Other comprehensive income for the period:		
Items that may be subsequently reclassified to profit or loss		
- Difference from currency translation	-121	154
- Reserve for hedging transactions	12	30
- Income tax effects	-3	-7
Total other comprehensive income	-113	177
Total comprehensive income	10,652	3,996
Thereof:		
- Comprehensive income attributable to non-controlling interests	-25	-17
- Comprehensive income attributable to Dr. Hönle AG shareholders	10,678	4,013

Consolidated Statement of Financial Position

As of 31 March 2018 (IFRS)

ASSETS	31/03/2018	30/09/2017
NON-CURRENT ASSETS	in T€	in T€
Goodwill	18,849	18,849
Intangible assets	2,464	2,649
Property, plant and equipment	20,171	19,549
Investment property	1,229	1,249
Investments accounted for using the equity method	34	27
Financial assets	27	27
Other non-current assets	1,175	1,039
Deferred tax assets	3,076	2,916
Total non-current assets	47,026	46,305
CURRENT ASSETS		
Inventories	32,588	30,073
Trade accounts receivable	17,146	17,959
Receivables from companies in which an equity investment is held	169	199
Other current assets	2,848	1,834
Current tax assets	642	721
Cash and cash equivalents	11,318	5,217
Total current assets	64,712	56,002
TOTAL ASSETS	111,737	102,306
EQUITY AND LIABILITIES		
EQUITY		
Subscribed capital	5,513	5,513
Own shares	-8	-8
Capital reserves	16,596	16,596
Retained earnings	53,149	45,779
Equity attributable to Dr. Höhle AG shareholders	75,250	67,880
Non-controlling interests	1,921	1,898
Total equity	77,172	69,778
NON-CURRENT LIABILITIES		
Non-current loans (less current portion)	5,387	5,236
Non-current portions of finance lease obligations	226	199
Other non-current liabilities	386	426
Pension provisions	5,697	5,606
Accrued public investment grants	365	398
Deferred tax liabilities	1,245	1,286
Total non-current liabilities	13,307	13,152
CURRENT LIABILITIES		
Trade accounts payable	5,424	5,263
Liabilities to companies in which an equity investment is held	0	3
Prepayment received	1,911	1,492
Current portion of finance lease obligations	55	51
Current liabilities to banks and current portion of non-current loans	2,983	4,343
Other current liabilities	5,752	5,840
Other provisions	552	533
Current tax liabilities	4,580	1,852
Total current liabilities	21,258	19,377
TOTAL EQUITY AND LIABILITIES	111,737	102,306

Consolidated Statement of Changes in Equity

for the period from 1 October 2017 to 31 March 2018 (IFRS)

	R e t a i n e d e a r n i n g s							E q u i t y		
	Sub- scribed capital in T€	Own shares in T€	Capital reserves in T€	Legal and other reserves in T€	Derivative financial instruments in T€	Actuarial gains/losses on defined pension plans in T€	Currency translation differences in T€	Equity attributable to Dr. Hönle AG's share- holders in T€	Non- controlling interests in T€	Total in T€
As at 01 October 2016	5,513	-8	16,596	38,499	-70	-2,646	1,993	59,877	1,792	61,669
Consolidated net income for the year				3,836				3,836	-17	3,819
Other comprehensive income					23		154	177		177
Total comprehensive income				3,836	23		154	4,013	-17	3,996
Dividend distribution				-3,031				-3,031		-3,031
As at 31 March 2017	5,513	-8	16,596	39,304	-47	-2,646	2,147	60,859	1,775	62,634
As at 01 October 2017	5,513	-8	16,596	45,894	-34	-1,829	1,748	67,880	1,898	69,778
Consolidated net income for the year				10,790				10,790	-25	10,765
Other comprehensive income					9		-121	-113		-113
Total comprehensive income				10,790	9		-121	10,678	-25	10,652
Equity contribution by minority shareholders				0				0	49	49
Dividend distribution				-3,307				-3,307		-3,307
As at 31 March 2018	5,513	-8	16,596	53,377	-25	-1,829	1,627	75,251	1,922	77,172

Statement of Consolidated Cash Flows

for the period from 1 October 2017 to 31 March 2018 (IFRS)

	01/10/2017- 31/03/2018 in T€	01/10/2016- 31/03/2017 in T€
Cash flows from operating activities		
Profit or loss before non-controlling interests and taxes	14,919	5,481
Adjustments for:		
Depreciation of intangible assets, property, plant and equipment and investment property	1,582	1,408
Gains/losses from disposal of intangible assets, property, plant and equipment and investment property	-3	57
Financial income	-18	-10
Financial expenses	146	153
Other non-cash expenses/income	75	-25
Operating result before changes to net current assets	16,701	7,064
Increase/decrease in provisions	57	201
Increase/decrease in trade accounts receivable	829	-1
Increase/decrease in receivables from companies in which an equity investment is held	29	-12
Increase/decrease in other assets	-1,029	-475
Increase/decrease in reinsurance policy	-71	-53
Increase/decrease in inventories	-2,662	-2,133
Increase/decrease in trade accounts payable	163	896
Increase/decrease in liabilities to companies in which an equity investment is held	-3	1
Increase/decrease in advance payments received	419	375
Increase/decrease in other current liabilities	-79	-766
Increase/decrease in accrued public investment grants	14	0
Cash generated from operations	14,368	5,097
Interest paid	-93	-110
Income tax paid	-1,546	-3,572
Cash flows from operating activities	12,729	1,415
Cash flows from investing activities		
Payments received from the disposal of intangible assets, property, plant and equipment and investment property	4	1
Payments for the purchase of property, plant and equipment and intangible assets	-2,063	-3,189
Payments received from non-current receivables	65	19
Payments for non-current receivables	-130	0
Interest received	9	7
Cash flows from investing activities	-2,114	-3,162
Cash flows from financing activities		
Payments received from loans and liabilities to banks	1,300	3,402
Payments for loans and liabilities to banks	-2,488	-1,589
Repayments of liabilities to shareholders	49	0
Dividends paid	-3,307	-3,031
Cash flows from financing activities	-4,446	-1,218
Exchange rate differences	-56	26
Exchange rate-related change in funds	-12	51
Net increase/decrease in cash and cash equivalents	6,101	-2,888
Cash and cash equivalents at the beginning of the reporting period	5,217	6,516
Cash and cash equivalents at the end of the reporting period	11,318	3,628

Explanatory Notes

to the half-year report of the financial year 2017/2018

Hönle prepares the consolidated interim financial statements in accordance with the International Financial Reporting Standards (IFRS) published by the International Financial Reporting Standards Board (IASB) and their interpretations as required to be applied in the European Union. Hönle prepares and publishes the consolidated interim financial statements in euro currency (EUR).

The present consolidated interim financial statements were prepared in accordance with IAS 34 "Interim Financial Reporting" and should be read in the context of the Company's consolidated financial statements for the 2016/2017 financial year.

The consolidated statement of financial position as of 31 March 2018 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and the statement of consolidated cash flows for the reporting periods ended 31 March 2018 and 2017 and the notes to the financial statements have not been audited or reviewed by an auditor.

The material accounting, valuation and consolidation methods have not changed compared with the 2016/2017 consolidated financial statements.

Events after the Reporting Date

Since 1 April 2018, no events of special significance have occurred that would impact significantly on the Hönle Group's net assets, financial position and results of operations.

The Group figures that are required to be reported on a segment basis are allocated to the individual segments as follows:

Financial year 2017/2018	Equipment/ Systems	Adhe- sives	Glass/ Lamps	Total	Elimina- tions	Consoli- dated
Revenue						
External customers	26,401	23,796	10,474	60,671	0	60,671
Sales with other business units	973	180	1,227	2,380	-2,380	0
Total sales	27,374	23,976	11,701	63,051	-2,380	60,671
EARNINGS						
Segment result (operating result)	3,197	11,303	547	15,047	0	15,047
Financial income	119	11	25	155	-146	9
Financial expenses	169	13	176	358	-212	146
Investment accounted for using the equity method				9		9
Earnings before taxes and con-controlling interests						14,919
Income taxes	993	3,236	125	4,354	0	4,354
Deferred taxes	-99	-27	-28	-154	-45	-199
Earnings before non-controlling interests						10,765
OTHER INFORMATION						
Segment assets	70,716	31,611	31,702	134,029	-27,244	106,785
Non-allocated assets						
Investments accounted for using the equity method				34		34
Financial assets				27		27
Non-current receivables				1,175		1,175
Tax refund claims				642		642
Current tax assets				3,076		3,076
Consolidated assets						111,739
Segment debt	36,246	5,792	26,774	68,812	-45,686	23,126
Deferred tax liabilities				1,245		1,245
Liabilities from income taxes				4,580		4,580
Non-current loans				5,613		5,613
Consolidated liabilities (current and non-current)						34,564
Investments	502	241	1,315	2,058		2,058
Segment write-downs	534	306	742	1,582		1,582
Non-cash expenses of the segment	72	5	0	77		77

Financial year 2016/2017	Equipment/ Systems	Adhe- sives	Glass/ Lamps	Total	Elimina- tions	Consoli- dated
Revenue						
External customers	24,915	12,238	10,075	47,228	0	47,228
Sales with other business units	382	230	1,066	1,678	-1,678	0
Total sales	25,297	12,468	11,141	48,906	-1,678	47,228
EARNINGS						
Segment result (operating result)	1,996	2,891	736	5,623	0	5,623
Financial income	87	11	28	126	-118	8
Financial expenses	195	12	151	358	-205	153
Investments accounted for using the equity method				2		2
Earnings before taxes and non-controlling interests						5,481
Income taxes	654	920	239	1,813	0	1,813
Deferred taxes	-49	-33	-27	-109	-43	-152
Earnings before non-controlling interests						3,819
OTHER INFORMATION						
Segment assets	55,065	15,520	29,526	100,111	-9,156	90,955
Non-allocated assets						
Investments accounted for using the equity method				41		41
Financial assets				32		32
Non-current receivables				936		936
Tax refund claims				735		735
Current tax assets				3,284		3,284
Consolidated assets						95,982
Segment debt	24,986	4,994	23,014	52,994	-28,099	24,895
Deferred tax liabilities				1,323		1,323
Liabilities from income taxes				901		901
Non-current loans				6,230		6,230
Consolidated liabilities (current and non-current)						33,348
Investments	412	322	2,456	3,190		3,190
Segment write-downs	535	297	576	1,408		1,408
Non-cash expenses of the segment	120	8	87	215		215

Segment assets are defined as the sum total of intangible assets, property, plant and equipment, inventories, current receivables and cash and cash equivalents. Segment debt includes non-current and current obligations. Non-cash segment expenses relate to changes in pension provisions and other provisions. Transfer prices relating to intercompany services and supplies including the pertaining calculation basis are based on the same terms and conditions as those applied for third parties. In this respect no changes have been recorded in comparison with previous years.

Responsibility Statement

We affirm that, to the best of our knowledge, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with generally accepted accounting principles and that the group management report provides a suitable understanding of the course of business, including the business results and the Group's position, and suitably presents the opportunities and risks of future development.

Gräfelfing, 18 May 2018

Dr. Hönle AG
Management Board

Note

The consolidated interim financial statements are unaudited.

The management report contains statements and information provided by Dr. Hönle AG that relate to future periods. The forward-looking statements represent assessments that were made on the basis of information available at the time when this report was prepared. Should the assumptions underlying the forecasts prove to be incorrect or should risks, such as those mentioned in the risk report, materialise, actual developments and results may deviate from current expectations. The Company assumes no obligation to update the statements contained in this management report, with the exception of publishing such updates as required by statutory provisions.

The figures and percentages contained in this report may be subject to rounding differences.

Financial Calendar

18 May 2018

Present Half-Year Report 2017/2018

10 August 2018

3rd Quarterly Statement 2017/2018

11-12 December 2018

Munich Capital Markets Conference (Münchener Kapitalmarkt Konferenz)



hönle group

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