



hönle group

HALF-YEAR REPORT 2015/2016

Hönle Group – at a Glance

	01/10/2015 - 31/03/2016	01/10/2014 - 31/03/2015	Change
Income Statement	in T€	in T€	in %
Revenue	44,811	44,207	1.4
Gross profit	29,117	29,514	-1.3
Operating result/EBIT	5,346	6,013	-11.1
Earnings before taxes (EBT)	5,156	5,763	-10.5
Consolidated net income	3,561	4,324	-17.6
Share			
Earnings per share in €	0.64	0.76	-15.8
Number of shares	5,512,930	5,512,930	0.0
Cash flow	in T€	in T€	
Operative cash flow ¹⁾	4,924	3,215	53.2
Staff			
Average number of staff	550	529	4.0

	31/03/2016	30/09/2015	Change
Statement of Financial Position	in T€	in T€	in %
Non-current assets	43,224	41,524	4.1
Current assets	46,851	49,112	-4.6
Shareholders' equity	58,111	57,514	1.0
Long-term liabilities	14,613	15,084	-3.1
Short-term liabilities	17,351	18,414	-5.8
Total assets	90,075	91,012	-1.0
Capital ratio as a %	64.5	63.2	2.1

1) Cash from current activities

Group Management Report

for the six-month period from 1 October 2015 to 31 March 2016

Overview

Market Development

The global economy continued to grow moderately in the first quarter of 2016. Weaker than expected demand for investments hampered business activity in many economic regions.

The advanced economies registered satisfactory growth, which was driven by low oil prices, higher domestic demand and an improving labour market situation. Low inflationary pressures and an easing of monetary policy in the eurozone also contributed to this development. As expected, economic growth weakened somewhat in the emerging markets.

Course of Business

The Hönle Group's sales revenues increased by 1.4 % to T€44,811 in the first six months of the 2015/2016 financial year. Lower sales figures in the smartphones segment and the delayed start-up of melting furnaces at Raesch Quarz (Germany) GmbH led to subdued sales development in the first half of the financial year. Consequently, the Group's operating result decreased by 11.1 % from T€6,013 to T€5,346 in year-on-year terms. The prior-year figure includes special income of T€313 from the sale of brand rights for adhesives in the consumer goods segment.

Segment: Equipment and Systems

Sales in the Equipment and Systems segment increased by 6.8 % to T€25,957 in the first six months of the 2015/2016 financial year. At T€3,449, the segment's operating result remained unchanged.

This increase in sales is due, in particular, to the favourable sales revenues generated by Dr. Hönle AG and Eltosch Grafix GmbH from business with the printing industry. Moreover, the newly established customer relationships with major printing machine manufacturers also impacted positively on sales development. PrintConcept UV-Systeme GmbH and Eltosch Grafix America Inc. sold more drying equipment to the printing industry than in the previous year and thus also contributed to the sales growth in the Equipment and Systems segment.

Segment: Glass and Lamps

At T€7,951, sales revenues generated in the Glass and Lamps segment in the first six months of the current financial year were down from the previous year's level of T€8,357. This is mainly attributable to the postponed start of production of quartz glass melting furnaces, which are used for manufacturing tubes for the semi-conductor industry. It was not possible to realise sales revenues since the melting furnaces at Raesch Quarz (Germany) GmbH came on stream only at the end of the second quarter and not at the end of the first quarter as initially planned. It is encouraging, however, that incoming orders as well as orders on hand at Raesch Quarz

(Germany) GmbH's are clearly higher than in the previous year.

The operating result achieved by the Glass & Lamps segment improved slightly from T€-258 in the previous year to T€-68 in the current financial year. Raesch Quarz (Germany) GmbH was the only company which contributed negatively to results in this segment.

The technical optimisation processes respecting Raesch Quarz (Germany) GmbH melting furnaces were successfully completed. The furnaces for the semiconductor- and glass fibre industry also produced high-quality quartz glass products at the end of the second quarter.

Segment: Adhesives

Lower sales figures in the smartphone segment led to a drop in sales revenues and earnings contributions in the first six months of the year.

The introduction of a new smartphone generation is expected to contribute to rising sales in the Adhesives segment in the second half of the year.

The Adhesives segment generated sales revenues of T€ 10,903 in comparison with T€ 11,547 in the previous year. The operating result decreased from T€ 2,821 to T€ 1,964 in the same period.

Annual General Meeting

The Annual General Meeting of Dr. Höhle AG was held on 16 March 2016. About 250 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 € 3,031,519.70, which corresponds to a dividend of € 0.55 (PY: € 0.50) per dividend bearing share.

Sales by Region

Domestic sales were up 8.5 % to T€ 18,222 due to the positive development of business with the printing industry. Höhle thus achieved 40.7 % (PY: 38.0 %) of its sales revenues in Germany. European sales outside Germany decreased by 3.4 % to the amount of T€ 10,529, which corresponds to a proportion of 23.5 % (PY: 24.7 %) in total sales. However, apart from the positive development in Germany, growth impetus in the first six months of the financial year was mainly provided by North America: Sales revenues achieved in North America climbed by 35.1 % to T€ 5,381, which corresponds to a proportion of 12.0 % (PY: 9.0 %) in total sales. Sales revenues generated in the Asian economic area contracted from T€ 10,341 to T€ 8,927 due to weaker demand from the electronics industry.

Results of Operations

In the first six months of the 2015/2016 financial year, the Hönle Group's sales revenues of T€ 44,811 were slightly up from the previous year's figure of T€ 44,207. The operating result (EBIT) fell from T€ 6,013 in the previous year to T€ 5,346 in the current financial year. In this context it should be noted, however, that the Hönle Group generated special income of T€ 313 in the previous year from the sale of brand rights concerning adhesives in the consumer goods segment. In addition, the proportion of sales generated by the Equipment and Systems segment was significantly higher than in the previous year, which resulted in a rise

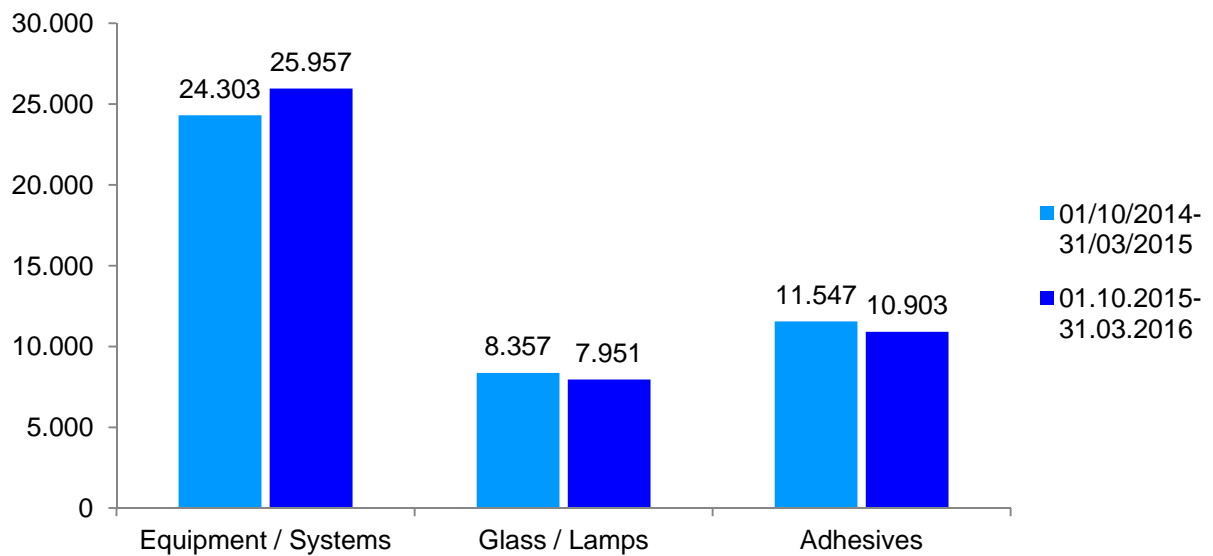
in the cost of materials ratio. The pre-tax result (EBT) decreased by 10.5 % to T€ 5,156 and the consolidated result saw a 17.6 % decline to T€ 3,561. This corresponds to earnings per share of € 0.64 (PY: € 0.76).

In detail, the profit ratios developed as follows: The EBIT margin came to 11.6 % in the reporting year after 13.8 % in the previous year. Net profit on sales dropped from 9.8 % to 7.9 %. The cost of materials ratio rose from 35.6 % to 37.8 % and the personnel expense ratio from 33.3 % to 33.4 %. The other operating expenses ratio decreased from 17.5 % to 15.3 %.

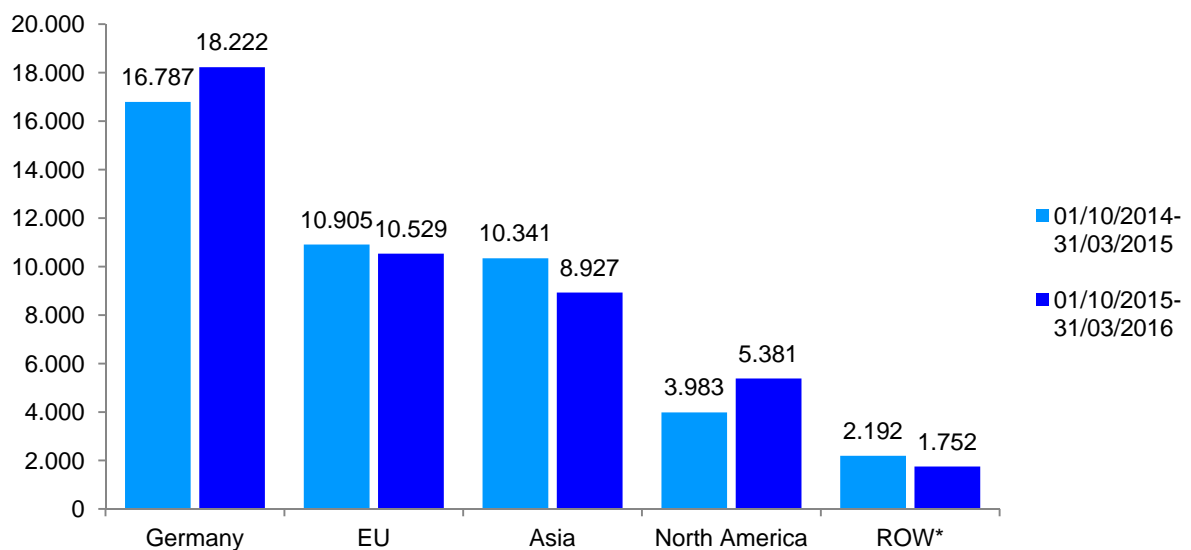
Earnings Development

in T€	01/10/15 - 31/03/16	01/10/14 - 31/03/15	Change
Revenue	44,811	44,207	1.4 %
Gross profit	29,117	29,514	-1.3 %
Operating result (EBIT)	5,346	6,013	-11.1 %
Earnings before tax (EBT)	5,156	5,763	-10.5 %
Consolidated net income	3,561	4,324	-17.6 %
Earnings per share in €	0.64	0.76	15.8 %

Sales by Segment (in T€)



Sales by Region (in T€)



*) ROW (Rest of the world)

Financial Position

The Hönle Group's operative cash flow came to T€4,924 in the first half of the current financial year.

Cash and cash equivalents decreased from T€7,456 to T€4,276, due primarily to the dividend distribution of T€3,031. Furthermore, property, plant and equipment and intangible

assets in the amount of T€2,665 were acquired.

The investments related to production plants for Raesch Quarz (Germany) GmbH, Dr. Hönle AG and Panacol-Elosol GmbH, in particular. In addition, the decrease in cash and cash equivalents was caused by the T€2,017 increase in inventories and repayment of other short-term liabilities in the amount of T€1,824.

Cash Flow and Liquidity Development

in T€	01/10/15 - 31/03/16	01/10/14 - 31/03/15	Change
Cash from			
current activities	4,924	3,215	53.2 %
Cash flow from investing activities	-2,479	-377	-557.6 %
Cash flow from financing activities	-2,941	-4,125	28.7 %
Change in liquid assets	-3,180	-2,481	-28.2 %

Net Assets

Non-current assets increased from T€41,524 to T€43,224 in the first half of the financial year, largely due to the rise in property, plant and equipment at Raesch Quarz (Germany) GmbH. Inventories climbed from T€25,055 to T€26,919 in particular as a consequence of higher inventory levels in the Equipment & Systems segment.

With an equity ratio of 64.5 %, the Hönle Group financing continues to be on very solid ground. Long-term liabilities decreased by T€471 to T€14,613 in the first half of the year, primarily due to the repayment of loans. Short-term liabilities dropped by T€1,063 to T€17,351, mainly due to reduced personnel-related liabilities.

Statement of Financial Position

in T€	31/03/2016	30/09/2015	Change
Non-current assets	43,224	41,524	4.1 %
Current assets	46,851	49,111	-4.6 %
Shareholders' equity	58,111	57,514	1.0 %
Long-term liabilities	14,613	15,084	-3.1 %
Short-term liabilities	17,351	18,414	-5.8 %
Total assets	90,075	91,012	-1.0 %



Individual Solutions concerning Sheet-Fed Offset Printing

Eltosch Grafix GmbH's product range includes numerous UV, UV LED, infrared and hot air drying systems, which have already received several awards for their high energy efficiency. In addition, the Hönle Group manufactures and sells products for the entire processing chain related to sheet-fed offset printing machines, ranging from temperature control and conditioning in the application of ink through to powder application and extraction.

Research and Development

The Hönle Group companies developed new, high-performance products and adapted existing products to meet customer-specific requirements. Research and development expenses incurred by the Hönle Group rose from T€2,095 to T€2,267 year-on-year. The number of staff employed in the Hönle Group's Research and Development departments was 65 (PY: 59). Consequently, R&D staff accounts for 11.8 % of the entire workforce.

The Hönle Group presented its UV, UV-LED and infrared drying systems for the digital inkjet printing segment at the Fespa trade fair.

Reflecting the entire range of drying technologies, the high-performance dryers of this product series were specifically developed for use in inkjet applications. The light and compact UV-based curing system, jetCURE UV, was specifically developed to meet the requirements of the large-format inkjet printing segment. The system offers twice the peak power of comparable equipment and thus enables a reliable curing process even in the case of high path velocity. Generally equipped with cold light reflectors, the system can also be used for printing on temperature-sensitive materials.

The system's LED solution is effective in all respects. In addition to the known advantages of LED technology, the system also offers high radiation intensity for effective and fast curing.

Events after the Balance Sheet Date

Since 1 April 2016, no events of special significance have occurred that would impact significantly on Hönle Group's net assets, financial position and results of operations.

Personnel

In the first half of the current financial year, the Hönle Group employed an average staff of 550 (PY: 529). New employees were hired in the development and logistics divisions, in particular.

Hönle Group's staff of 550 included 44 part-time employees, which corresponds to 8.0 % of total staff. In the first six months of the current financial year, the employees were engaged in the following functional areas:

Functional Areas

Reporting date	31/03/16	31/03/15	Change
Sales	85	85	0.0 %
Research & Development	63	58	8.6 %
Production, Service	267	263	1.5 %
Logistics	65	60	8.3 %
Administration	69	68	1.5 %
Total	549	534	2.8 %

Functional Areas

Average for the period	01/10/15 - 31/03/16	01/10/14 - 31/03/15	Change
Sales	85	85	0.0 %
Research & Development	65	59	10.2 %
Production, Service	266	259	2.7 %
Logistics	65	59	10.2 %
Administration	69	67	3.0 %
Total	550	529	4.0 %

Personnel Expenses

in T€	01/10/15 - 31/03/16	01/10/14 - 31/03/15	Change
Wages and salaries	12,721	12,054	5.5 %
Social security and pension costs	2,657	2,510	5.9 %
Total	15,378	14,564	5.6 %

Personnel expenses rose by 5.6 % to T€ 15,378 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 occupational training in the segments: business administration, technology, chemistry, and logistics. As at 31 March 2016, 22 young people received occupational training at the Hönle Group (14 as at 31 March 2015).

Outlook

Overall Market

The prospects for ongoing expansion of the global economy continue to be good. According to International Monetary Fund (IMF) forecasts, the global economy will probably grow by 3.4 % in the year 2016 also.

The European Monetary Union countries benefit from low raw materials prices, the weak euro and the very expansive monetary policy pursued by the European Central Bank. The eurozone economy is assumed to grow by 1.5 % year-on-year.

Growth rates in the emerging markets are expected to be somewhat lower than in 2015. In all, however, the emerging markets will again contribute significantly to the global economic expansion in 2016.

Hönle Group

DRUPA, the world's largest trade fair for print media, will soon be opening its doors for visitors. The trade fair, which is only held once every four years, is expected to impact positively on Hönle Group's business development. In particular, incoming orders in the Equipment and Systems segment are expected to increase in the next quarters. Moreover, promising projects with new customers in the digital printing segment indicate positive sales development in this segment.

At Raesch Quarz (Germany) GmbH, the measures taken to achieve technical optimisation of the melting furnaces were successfully com-

pleted. Currently, all quartz glass melting furnaces are running efficiently and produce high-quality products with low reject rates. We therefore expect rising sales revenues at Raesch Quarz (Germany) GmbH and assume that the company will make contribute positively to earnings in the second half of the year.

Weaker demand in the smartphones segment led to lower sales revenues and earnings in the Adhesives segment in year-on-year terms. While we expect sales revenues to increase in the second half of the year due to model changes in the smartphones segment, overall, sales and earnings in the Adhesives segment will probably be lower than in the previous year.

Overall Assessment of Future Business Development

Given unchanged economic conditions and sustained stable production processes at Raesch Quarz (Germany) GmbH, we expect the Hönle Group's sales revenues and operating result in financial year 2015/2016 to be roughly on par with the previous year's figures.

In addition to ensuring sustained stable production processes at Raesch Quarz (Germany) GmbH and strictly organic growth, the acquisition of companies with a view to expanding the Hönle Group's business activities will again play an important role in the future.

Consolidated Income Statement

for the period from 1 October 2015 to 31 March 2016 according to IFRS

	01/01/2016 - 31/03/2016 in T€	01/10/2015 - 31/03/2016 in T€	01/01/2015 - 31/03/2015 in T€	01/10/2014 - 31/03/2015 in T€
Revenue	22,170	44,811	22,417	44,207
Changes in inventories of finished goods and work in progress	806	1,140	203	-661
Other capitalised services	37	59	87	150
Other operating income	187	500	928	1,376
Cost of purchased materials and services	8,921	17,393	8,155	15,560
Personnel expenses	7,808	15,378	7,464	14,564
Amortisation/depreciation of intangible assets and property, plant and equipment	671	1,344	643	1,296
Other operating expenses	3,243	7,050	4,012	7,640
Operating result/EBIT	2,559	5,346	3,360	6,013
Profit/loss from investments accounted for at equity	2	1	0	-20
Financial income	6	11	6	28
Financial expenses	-98	203	123	258
Financial result	-90	-191	-117	-251
Earnings before tax and non-controlling interest/EBT	2,469	5,156	3,243	5,763
Income tax	786	1,595	720	1,439
Consolidated net income	1,683	3,561	2,523	4,324
Share in earnings attributable to non-controlling interests	20	20	68	117
Share in earnings attributable to Dr. Höhle AG's shareholders	1,663	3,541	2,455	4,207
Earnings per share (basic) in €		0.64		0.76
Earnings per share (diluted) in €		0.64		0.76
Average shares outstanding (basic)			5,511,854	5,511,854
Average shares outstanding (diluted)			5,511,854	5,511,854

Statement of Consolidated Comprehensive Income

for the period from 1 October 2015 to 31 March 2016 according to IFRS

	01/10/2015 - 31/03/2016 in T€	01/10/2014 - 31/03/2015 in T€
Consolidated net income	3,561	4,324
Other comprehensive income for the period: Items that may subsequently be reclassified to profit or loss		
- Differences from currency translation	-69	354
- Reserve for hedging transactions	-9	-3
- Income tax effect	2	1
Other comprehensive income	-76	352
Total comprehensive income	3,486	4,676
thereof attributable to:		
- Share in earnings attributable to non-controlling interests	20	117
- Share in earnings attributable to Dr. Höhle AG shareholders	3,466	4,559

Consolidated Statement of Financial Position

as at 31 March 2016 according to IFRS

ASSETS	31/03/2016	30/09/2015
NON-CURRENT ASSETS	in T€	in T€
Goodwill	18,849	18,849
Intangible assets	2,937	3,051
Property, plant and equipment	17,571	16,163
Investments accounted for at equity	52	50
Financial assets	32	32
Other non-current assets	802	810
Deferred income tax claims	2,980	2,569
Total non-current assets	43,224	41,524
CURRENT ASSETS		
Inventories	26,919	25,055
Trade accounts receivable	12,173	13,513
Receivables from companies in which an equity investment is held	217	224
Other current assets	2,600	2,233
Tax refund claims	665	631
Liquid assets	4,276	7,456
Total current assets	46,851	49,111
Non-current assets held for sale	0	376
TOTAL ASSETS	90,075	91,012
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY		
Subscribed capital	5,513	5,513
Own shares	-8	-8
Additional paid-in capital (capital reserves)	16,596	16,596
Retained earnings	34,204	33,776
Equity attributable to Dr. Höhle AG's shareholders	56,305	55,877
Non-controlling interest	1,806	1,637
Total shareholders' equity	58,111	57,514
LONG-TERM LIABILITIES		
Long-term loans (less current portion)	7,382	8,034
Long-term finance lease obligations	205	8
Other long-term liabilities	352	416
Pension accruals	4,739	4,567
Accrued public investment grants	499	533
Deferred income tax liabilities	1,435	1,526
Total long-term liabilities	14,613	15,084
SHORT-TERM LIABILITIES		
Trade accounts payable	4,798	4,990
Liabilities to affiliated companies	3	0
Liabilities to companies in which an equity investment is held	0	7
Prepayments received	1,354	622
Current portion of finance lease obligations	36	3
Short-term liabilities to banks and current portion of long-term loans	3,586	3,022
Other short-term liabilities	4,507	6,346
Other accruals	481	486
Liabilities from income taxes	2,586	2,938
Short-term liabilities, total	17,351	18,414
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	90,075	91,012

Consolidated Statement of Changes in Equity

for the period from 1 October 2015 to 31 March 2016 according to 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 reserve in T€	Statutory and other retained earnings in T€	Reserve for hedging transactions in T€	Reserve for actuarial gains/ losses in T€	Reserve for currency differences in T€	Equity attributable to Dr. Hönle AG's share- holders in T€	Non- controll- ing interests in T€	Total in T€
As at 01/10/2014	5,513	-8	16,596	25,502	-107	-1,570	1,643	47,569	2,149	49,718
Consolidated net income for the year				4,207				4,207	117	4,324
Other comprehensive income					-2		354	352		352
Changes attributable to the disposal of Group companies				181				181		181
Total comprehensive income				4,388	-2		354	4,740	117	4,857
Dividend distribution				-2,756				-2,756		-2,756
As at 31/03/2015	5,513	-8	16,596	27,134	-109	-1,570	1,997	49,553	2,266	51,819
As at 01/10/2015	5,513	-8	16,596	33,253	-81	-1,395	1,999	55,877	1,637	57,514
Consolidated net income for the year				3,541				3,541	20	3,561
Other comprehensive income					-7		-69	-76		-76
Total comprehensive income				3,541	-7		-69	3,465	20	3,485
Change of non-controlling interest due to corporate acquisitions									149	149
Dividend distribution				-3,031				-3,031		-3,031
As at 31/03/2016	5,513	-8	16,596	33,761	-89	-1,395	1,928	56,305	1,806	58,111

Statement of Consolidated Cash Flows

for the period from 1 October 2015 to 31 March 2016 according to IFRS

	01/10/2015- 31/03/2016 in T€	01/10/2014- 31/03/2015 in T€
Cash flow from operating activities		
Net income for the year before non-controlling interests and taxes	5,156	5,763
Adjustments for:		
Amortisation/depreciation of fixed assets	1,344	1,296
Gains/losses from the disposal of fixed assets	1	-306
Financial income	-12	-8
Financial expenses	203	258
Other non-cash expenses/income	102	-100
Operating result before changes to net current assets	6,794	6,903
Increase/decrease in accruals	114	124
Increase/decrease in trade accounts receivable	1,380	-920
Increase/decrease in receivables from companies, in which an equity investment is held	7	-120
Increase/decrease in assets held for sale	294	0
Increase/decrease in other assets	-367	551
Changes in reinsurance policy	-18	-42
Increase/decrease in inventories	-2,017	-1,667
Increase/decrease in trade accounts payable	-164	-926
Increase/decrease in liabilities to companies, in which an equity investment is held	-7	-36
Increase/decrease in advance payments received	732	503
Increase/decrease in other liabilities	-1,824	-1,164
Increase/decrease in accrued public investment grants	0	9
Cash from current activities	4,924	3,215
Interest paid	-149	-181
Income tax paid	-2,476	-1,387
Cash flow from operating activities	2,299	1,647
Cash flow from investing activities		
Payments received from the sale of fixed assets	0	405
Acquisition of subsidiaries, less net cash and cash equivalents acquired	149	0
Payments for the purchase of property, plant and equipment and intangible assets	-2,665	-804
Payments received from long-term receivables	26	-2
Payments received from interest	11	9
Payments received from dividends	0	15
Cash flow from investing activities	-2,479	-377
Cash flow from financing activities		
Payments received from loans and liabilities to banks	840	0
Repayment of loans and liabilities to banks	-698	-1,140
Repayment of liabilities to shareholders	-52	-229
Dividends paid	-3,031	-2,756
Cash flow from financing activities	-2,941	-4,125
Current differences	-58	123
Currency-related changes in cash and cash equivalents	-1	93
Changes in the consolidated group	0	158
Net increase/decrease in cash and cash equivalents	-3,180	-2,481
Cash and cash equivalents at the beginning of the reporting period	7,456	5,685
Cash and cash equivalents at the end of the reporting period	4,276	3,204

Explanatory Notes

to the 6-Month Report of the financial year 2015/2016

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

The present interim consolidated financial statements were prepared in accordance with IAS 34 "Interim Financial Reporting". They are to be read in the context of the consolidated financial statements published by the Company for the 2014/2015 financial year.

The consolidated statement of financial position as at 31 March 2016 and the consolidated income statement, the statement of consolidated comprehensive income, the consolidated statement of changes in equity, and the statement of consolidated cash flows for the reporting periods ending on 31 March 2016 and 2015, respectively, as well as the notes to the financial statements were not audited and were not subjected to an audit review.

The significant accounting, valuation and consolidation methods have not changed in comparison with the 2014/2015 consolidated financial statements.

The subsidiary Mitronic GmbH, Gräfelfing was merged with the parent company, Dr. Hönle AG, in the second quarter of the 2015/2016 financial year. The merger took place with retrospective effect as of 1 October 2015.

The Group figures to be segmented are allocated to the individual segments as follows (not attested):

	Equipment/ Systems 15/16	Adhe- sives 15/16	Glass/ Lamps 15/16	Total 15/16	Elimi- nations 15/16	Consoli- dated 15/16
Revenue						
External customers	25,957	10,903	7,951	44,811	0	44,811
Revenues with other business units	433	176	1,125	1,734	-1,734	0
Total sales	26,390	11,079	9,076	46,545	-1,734	44,811
RESULT:						
Segment result (operating result)	3,449	1,964	-68	5,346	0	5,346
Financial income	106	11	33	150	-139	11
Financial expenses	284	15	189	488	-285	203
Profit/loss from investments accounted for at equity				1		1
Earnings before taxes and non-controlling interests						5,156
Income taxes	1,067	780	251	2,098	0	2,098
Deferred taxes	-57	-115	-281	-453	-51	-503
Earnings before non-controlling interests						3,561
OTHER INFORMATION						
Segment assets	55,719	12,632	24,509	92,860	-7,317	85,543
Non-allocated assets						
Profit/loss from investments accounted for at equity				52		52
Financial assets				32		32
Long-term receivables				802		802
Tax refund claims				665		665
Deferred tax assets				2,980		2,980
Consolidated assets						90,075
Segment debt	24,805	4,404	17,710	46,919	-26,564	20,355
Deferred tax liabilities				1,435		1,435
Income tax liabilities				2,586		2,586
Long-term loans				7,587		7,587
Consolidated liabilities (short- and long-term)						31,964
Capital expenditures	1,157	375	1,129	2,661		2,661
Segment write-downs	511	257	576	1,344		1,344
Non-cash expenses of the segment	163	8		171		171

	Equipment/ Systems 14/15	Adhe- sives 14/15	Glass/ Lamps 14/15	Total 14/15	Elimi- nations 14/15	Consoli- dated 14/15
Revenue						
External customers	24,303	11,547	8,357	44,207	0	44,207
Revenues with other business units	787	130	905	1,822	-1,822	0
Total sales	25,090	11,677	9,262	46,029	-1,822	44,207
RESULT:						
Segment result (operating result)	3,449	2,821	-258	6,013	0	6,013
Includes significant income and expense items:						
- Other income	829	19	36	884	0	884
Financial income	3,107	32	58	3,197	-3,169	28
Financial expenses	381	6	185	572	-315	257
Profit/loss from investments accounted for at equity				-20		-20
Write-downs on securities				1		1
Earnings before taxes and non-controlling interests						5,763
Income taxes	796	877	167	1,840	0	1,840
Deferred taxes	119	-47	-405	-333	-68	-401
Earnings before non-controlling interests						4,324
OTHER INFORMATION						
Segment debt	53,072	11,535	24,357	88,963	-8,310	80,653
Non-allocated assets						
Profit/loss from investments accounted for at equity				566		566
Financial assets				32		32
Long-term receivables				722		722
Tax refund claims				235		235
Deferred tax assets				2,919		2,919
Consolidated assets						85,127
Segment debt	27,345	3,591	16,330	47,266	-26,146	21,120
Deferred tax liabilities				1,477		1,477
Income tax liabilities				2,577		2,577
Long-term loans				8,133		8,133
Consolidated liabilities (short- and long-term)						33,307
Capital expenditures	316	149	339	804		804
Segment write-downs	525	188	583	1,296		1,296
Non-cash expenses of the segment	176	18	2	196		196

Segment assets are defined as the sum total of intangible assets, property, plant and equipment, inventories, short-term receivables and liquid assets. Segment debt includes long-term and short-term obligations. Non-cash segment expenses relate to changes in pension accruals and other accruals. 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.

Statement of the Company's Management

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. 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, 20 May 2016

Dr. Hönle AG
The Board of Management

Note

The consolidated interim financial statements are not attested.

The management report contains statements and information provided by Dr. Hönle AG that relate to future time periods. The future-oriented 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 be incorrect or should risks, such as those mentioned in the risk report, materialise, the 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 include rounding differences.

Financial Calendar

20 May 2016
Present Half-Year Report 2015/2016

16 August 2016
III. Quarterly Statement 2015/2016

hönle group

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