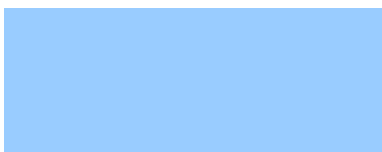




3 MONTHS REPORT 2012_2013

hönlegroup



Hönle Group – at a Glance

	01.10.2012 - 31.12.2012	01.10.2011 - 31.12.2011	Change
Statement of Comprehensive Income	T€	T€	%
Revenue	16,543	15,773	4.9
EBITDA	2,093	1,196	75.0
EBIT	1,475	829	77.9
EBT	1,288	828	55.6
Consolidated net income	939	383	145.2
Share			
Earnings per share in €	0.17	0.08	112.5
Number of shares	5,512,930	5,512,930	0.0
Cash flow	T€	T€	
Operating cash flow ¹⁾	2,447	628	289.6
Staff			
Average number of employees	472	359	31.5

	31.12.2012	30.09.2012	Change
Statement of Financial Position	T€	T€	%
Non-current assets	33,868	33,864	-0.0
Current assets	41,030	40,476	1.4
Shareholders' equity	45,449	44,484	2.3
Non-current liabilities	12,194	12,640	-3.5
Current liabilities	17,206	17,216	-0.1
Total assets	74,898	74,340	0.8
Capital ratio as a %	60.7	59.8	1.5

1) Cash from current business activities

Group Management Report

for the three-month period from 1 October 2012 to 31 December 2012

Overview

The government debt crisis in the euro zone weighed on the global economic development in the last quarter of 2012. Growth in the euro zone contracted at the year-end, which is attributable to the recession in Italy and Spain, in particular. As is apparent from the latest figures on the gross domestic product, the German economy also cooled down perceptibly at the 2012 year-end. The period of weakness is also reflected in the ifo business survey: The business situation in Germany was assessed as being clearly more negative in the fourth quarter of 2012 than at the beginning of the year.

The macroeconomic development impacted on the Höhle Group's business development in the first quarter of the 2012/2013 financial year. Sales revenues in the 'Equipment and Systems' segment stood at T€ 8,020, down from T€ 10,186 in the prior-year period. This is largely due to the subdued willingness to invest observed at the year-end, particularly in the printing industry.

Owing to the initial consolidation of the Raesch Group, Höhle Group's sales revenues climbed from T€ 15,773 in the previous year to T€ 16,543 in the current financial year.

The operating result (EBIT) came to T€ 1,475 in the first quarter of the 2012/2013 financial year, which corresponds to an increase of T€ 646 when compared to the previous year's figures. An individual value adjustment recorded on receivables due from the insolvent Manroland

AG impacted negatively on the previous year's result.

Sales revenues generated by the Raesch Group in the first quarter fell below the planned figures, which is due, among other things, to the difficult environment in the photovoltaics and semiconductor markets. Raesch is presently expanding its sales capacities with a view to improving its sales volume. The Asian economic area, in particular, where the Raesch Group generates a large proportion of its foreign sales revenues, offers good sales opportunities for the products of the quartz glass specialist. In addition, a new melting furnace started operations. The furnace produces glass tubing with a large diameter. The new products provide clear competitive advantages to Raesch and, consequently, an opportunity to expand market shares in certain sales segments.

The 'Adhesives' segment reported encouraging development. The Höhle Group sold more adhesives in the first quarter of the current financial year than in the prior-year quarter. Höhle benefited in this segment from increased demand in the consumer electronics segment. Sales picked up noticeably in the smart phone segment, in particular. At the same time, Höhle invested in personnel-related expansion in the application engineering and sales segments in order to prepare for future growth, particularly in the electronics and medical technology segments.

Results of Operations

The Hönle Group's sales revenues amounted to T€ 16,543 in the first quarter of the financial year, up 4.9 % from the prior-year period (T€ 15,773).

Sales revenues generated in the 'Equipment and Systems' business segment fell from T€ 10,186 in the previous year to T€ 8,020 in the current financial year. The Hönle Group thus generated 48.5 % of its total sales in this segment. The decline in sales revenues was particularly due to the restrained investment activity in the printing market observed in the first quarter.

The strong demand for industrial adhesives in the consumer electronics segment led to a sales volume of T€ 4,368 in the 'Adhesives' business segment in the first quarter, which accounts for 26.4 % of total sales. In the previous year, sales revenues generated in this business segment came to T€ 3,706.

Sales revenues in the 'Glass and Lamps' segment jumped from T€ 1,881 to T€ 4,155. The Hönle Group thus achieved 25.1 % of its total sales in this business segment. The rise in sales revenues is attributable to the acquisition of the Raesch Group, which has been included in the consolidation group of Hönle companies since 1 January 2012.

The regional sales distribution of the Hönle Group is structured as follows: Sales revenues generated in Germany climbed from T€ 6,355 in the previous financial year to T€ 6,697 in the current financial year. Hönle thus achieved

40.5 % of its sales revenues in Germany. In Europe outside Germany, revenues rose from T€ 4,491 to T€ 4,597. Growth impetus was primarily provided by the Asian economic area in the first quarter. Sales revenues achieved outside Europe increased from T€ 4,927 to T€ 5,249.

In the period from October to December 2012, the Hönle Group generated an operating result (EBIT) of T€ 1,475. Owing to individual value adjustments recorded on receivables from the insolvent Manroland AG, the operating result in the prior-year period came to T€ 829. Earnings before taxes climbed from T€ 828 to T€ 1,288. Consolidated net income amounted to T€ 939 (PY: T€ 383): This corresponds to earnings per share of € 0.17 (PY: € 0.08).

The profit ratios thus improved perceptibly when compared to the previous year: The EBIT margin rose from 5.3 % in the previous year to 8.4 %. Net return on sales increased from 2.4 % to 5.7 %.

At 38.8 %, the cost of materials ratio was above the previous year's ratio (36.0 %). The increase is amongst others due to the first time consolidation of Raesch Group. The personnel expense ratio rose slightly from 33.2 % to 34.3 %. Owing to the value adjustments recorded in the previous year on the receivables from the insolvent Manroland AG, the other operating expenses ratio declined from 26.4 % in the last financial year to 18.5 % in the current financial year.

Earnings Development

In T€	01/10/12 – 31/12/12	01/10/11 – 31/12/11	Change
Sales revenue	16,543	15,773	4.9 %
Gross profit	11,332	10,507	7.9 %
Operating result (EBIT)	1,475	829	77.9 %
Earnings before taxes (EBT)	1,288	828	55.6 %
Consolidated net income/loss for the year	939	383	145.2 %
Earnings per share in €	0.17	0.08	112.5 %

Financial Position

Cash flow generated from current activities rose from T€ 628 in the previous year to T€ 2,447 in the first three months of the current financial year. Interest paid, which increased from T€ 28 in the previous year to T€ 147 in the current financial year, were largely associated with the Raesch acquisition.

Cash flow from investing activity stood at T€ -636, up from T€ -281 reported in the previous year. It mainly includes investments in Dr. Höhle AG's business equipment, technical

equipment at Panacol GmbH and UV-Technik Speziallampen GmbH and buildings at UV-Technik Speziallampen GmbH.

Cash flow from financing activity amounted to T€ -296 (PY: T€ -111) and resulted from the repayment of bank loans mainly associated with the Raesch acquisition.

In all, liquid assets increased by T€ 1,145 to T€ 10,466 during the first three months of the current financial year.

Cash Flow and Liquidity Development

in T€	01/10/12 – 31/12/12	01/10/11 – 31/12/11	Change
Cash flow from current activities	2,447	628	289.6 %
Cash flow from investing activity	-636	-281	-126.3 %
Cash flow from financing activity	-296	-111	-166.7 %
Change in liquid assets	1,145	-385	397.4 %

Net Assets

The Hönle Group's non-current assets amounted to T€ 33,868, which is almost unchanged from the figure (T€ 33,864) reported as at 30 September 2012.

Current assets increased from T€ 40,476 to T€ 41,030 in the first quarter. The main reasons therefore were because of the increase of inventories, in particular in the 'Adhesives' and

'Glass and Lamps' segments. Inventories climbed from T€ 16,579 to T€ 17,777. Additionally trade accounts receivable fell from T€ 12,050 to T€ 9,272. Liquid assets rose from T€ 9,321 to T€ 10,466.

With an equity capital ratio of 60.7 %, the Hönle Group financing continues to be on very solid ground.

Balance Sheet

in T€	31/12/2012	30/09/2012	Change
Non-current assets	33,868	33,864	0.0 %
Current assets	41,030	40,476	1.4 %
Shareholders' equity	45,449	44,484	2.3 %
Non-current liabilities	12,194	12,640	-3.5 %
Current liabilities	17,206	17,216	-0.1 %
Balance sheet total	74,898	74,340	0.8 %

Research and Development

The focus of R&D staff activities was on order-related development. The Hönle Group's order-independent research and development expenses increased from T€ 182 in the previous year to T€ 283 in the first quarter of the current financial year. In this period, the number of R&D staff rose from 49 to 54. This means that 11.4 % of all Hönle Group employees are working in the Research and Development departments.

In October, the Hönle Group, represented by the UV specialist, Dr. Hönle AG, and the adhesives expert, Panacol GmbH, demonstrated new products and pioneering system technology for industrial bonding applications at the Bondexpo 2012. The trade fair focused on adhesives for use in micro- and opto-electronics and on innovative UV/UV-LED curing equipment.

Panacol GmbH presented its new Optocast adhesives which are typically used for bonding purposes in the electronics segment. These adhesives are characterised by high optical purity and low curing shrinkage. Compared with conventional optical adhesives, the Optocast adhesives are also very resistant to moisture. Optocast adhesives can be cured using both UV or UV LED devices and thermal curing techniques. The products from the Optocast series are ideally matched to Hönle's UV curing devices.

In addition, Panacol GmbH enlarged its range of instant adhesives. Under the Cyanolit program, new formulas were developed and established products improved through the targeted enhancement of cyanoacrylate adhesives. As a result of the expanded product program, almost all materials combinations can be bonded in a

few seconds. The high thermal stability of up to 150°C is also outstanding in the context.

For almost two years now, the UV specialist, Hönle, has been offering a series of seminars around the subject of UV technology. Since then, about 200 interested persons have come to visit the Group's headquarters at Gräfelfing near Munich. The topics offered range from basic knowledge and the basics of UV technology to the promising UV-LED technology. Also in this year, Hönle succeeded in engaging high-ranking guest speakers from the chemical industry, which ideally supplemented the specific engineering know-how of the Hönle speakers. Several seminars are conducted in the course of the year, covering the following subjects: curing with UV-LEDs, basics of UV technology and UV curing of inks and coatings.

Supplementary Report

At the beginning of 2013, the newly founded Grafix GmbH, which is a wholly owned subsidiary of Dr. Höhle AG, acquired all significant assets in the insolvent Grafix GmbH and Platsch GmbH & Co. KG in the context of an asset deal. The acquired assets include parts of the non-current and current assets, the business premises at the Unterlüß (Celle) production site and the entire business activity of the insolvent Grafix GmbH. The purchase price of the asset deal amounted to € 4.5 million.

Stuttgart-based Grafix GmbH is a leading global producer of peripheral devices used in the colour fixing segment. The company's product program comprises drying and powder spraying systems, and systems for dampening agent preparation and ink temperature control systems. The company thus ideally supplements the Höhle Group's product program for the printing industry. Grafix supplies both printing firms and printing machine manufacturers. As an important supplier, Grafix has access to leading manufacturers of offset and digital printing machines worldwide. In addition, Grafix offers solutions for other sectors of industry, such as the glass, plastics and pharmaceutical industries.

The company was founded in Stuttgart in 1947 and enlarged in the year 2000 by adding another production site at Unterlüß. With a staff level of ca. 100 employees, Grafix generated sales revenues of approximately € 9 million in 2012, according to preliminary figures. On 15 October 2012, Grafix GmbH filed for the opening of preliminary insolvency proceedings.

Höhle takes over about 40 employees at the Stuttgart-Vaihingen, Unterlüß near Celle and Schömberg production sites. Dr. Höhle AG projects that the newly founded Grafix GmbH will already provide a positive contribution to the Höhle Group's operating result in the 2012/2013 financial year. The company is included in the scope of consolidation as at 1 January 2013.

Grafix maintains good business relationships with leading printing machine manufacturers. These business relationships are to be strengthened and further expanded in the future. In addition, the Höhle Group's product program can also be distributed via the existing sales network of Grafix. Höhle can benefit from synergies in the sales segment as well as in the production and development segments.

Under the asset deal, Höhle acquired the extensive machinery of Grafix GmbH, which includes the metalworking machinery at the Unterlüß production site, in particular. Looking ahead, this provides an opportunity to internally process manufacturing stages that were hitherto outsourced, thus decreasing the cost of materials ratio. Moreover, functional areas of Grafix GmbH are centralised at the Munich production site.

Personnel

The number of Hönle Group staff rose as a result of the acquisition of Raesch Quarz Germany GmbH and Raesch Quarz Malta Ltd.. In the first quarter of the current financial year, the Hönle Group employed a staff of 472 (PY: 359). The major portion of the new hires is

employed in the production and service departments.

Hönle Group's staff of 472 included 47 part-time employees, which corresponds to 10.0 % of its total staff. In the first quarter of the current financial year, the employees were engaged in the following functional areas:

Functional Areas

(excluding Management Board members)	01/10/12 – 31/12/12	01/10/11 – 31/12/11	Change
Sales	75	66	13.6 %
Research & Development	54	49	10.2 %
Production, Service	227	153	48.4 %
Logistics	53	38	39.5 %
Administration	63	53	18.9 %
Total	472	359	31.5 %

Personnel Expenses

in T€	01/10/12 – 31/12/12	01/10/11 – 31/12/11	Change
Wages and salaries	4,989	4,273	16.8 %
Social security and pension costs	1,010	913	10.6 %
Total	5,999	5,186	15.7 %

Within the scope of the Raesch Group acquisition and pertaining staff increase, personnel expenses rose by 15.7 % to T€5,999 in the first quarter 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 vocational training in the segments: business administration, technology, chemistry, and logistics. As at 31 December 2012, 27 young people received occupational training at the Hönle Group (28 as at 31 December 2011).

Outlook

Overall market

The debt crisis prevailing in several countries and the weak economic development in the euro zone constitute the greatest risk for the global economy in 2013. Recently, however, the early indicators in many industrialised countries and emerging markets improved slightly. In addition, the political parties in the USA agreed on a compromise concerning the budget dispute, thus averting negative consequences for the global economy for the time being. However, in view of the ongoing fiscal consolidation pressure exerted by the public sectors' debt level, the economic environment in the industrialised countries remains difficult.

The projected positive development in emerging markets will serve as the basis for global economic growth. Low inflation rates enable the continuation of an expansive monetary policy. In all, it is expected that the global economy will gradually recover in 2013. Economic expectations for the euro zone also improved in February. The respective indicator of the ZEW (Centre for European Economic Research) business forecast saw another perceptible rise in February. The Ifo Business Climate Index for the German economy also increased at the start of the year, now already for the third consecutive time. The outlook for the forthcoming business development thus improved considerably again, and the German economy experienced a promising start to the New Year.

Hönle Group

The future business development of the Hönle Group also depends on the economic development of the global economy. However, the Group's business development is mainly influenced by the efficiency of the measures implemented in the organisational and operational structure, in particular at the new subsidiaries. For the 2012/2013 financial year, the Hönle Group's Management Board aims to achieve sales revenues of between € 80 to € 85 million, and an operating result ranging from € 10 to € 12 million. The figures include the consolidation of Grafix GmbH for nine months in the current financial year.

The subdued willingness to invest observed in the first quarter of the 2012/2013 financial year also affected the Hönle Group in the 'Equipment and Systems' and 'Glass and Lamps' segments. As a result, sales and earnings achieved in the first quarter fell below expectations. At the beginning of the year 2013, the Hönle Group started to benefit from the onset of the economic recovery, which led to rising incoming orders and order portfolios.

The newly acquired Grafix GmbH will expand the existing product range for the printing market. Customer loyalty of important buyers can thus be strengthened and further improved. In addition, the customer base of Grafix GmbH can also be used for other companies in the Hönle Group. A solid sales level and a positive earnings contribution are already projected for the first year of the initial consolidation of Grafix GmbH.



Sunlight simulation system of Mitronic

In all, Hönle expects business activities in the 'Equipment and Systems' segment, which also includes the business activities of Grafix GmbH, to pick up in the coming quarters. Mitronic GmbH's business activities in the sunlight simulation segment also reflect encouraging development. Under a new management, the company will further expand its sales network and engage in new distribution partnerships. The Management Board foresees positive business development in the sunlight simulation systems and systems for crash tests segments, in particular.

Comprehensive measures were initiated or already implemented in the 'Glass and Lamps' segment with a view to increasing sales levels and improving earnings power. Raesch Quarz Germany GmbH started operations of a new melting furnace that produces glass tubing with a large diameter. The company thus gained an excellent competitive position. The new glass tubing enables Raesch to expand its market share in the semiconductor industry, in particular. Management Board expects that the semiconductor and photovoltaics markets will recover in the next quarters. Higher sales capacities will also provide positive effects. It is assumed that the optimisation of production processes will contribute to a reduction in cost of materials. In all, the quartz glass market continues to offer great sales and earnings potential. In addition, the transfer of manufacturing stages from Aladin

GmbH and UV-Technik Speziallampen GmbH to the Raesch Group will lead to an optimisation of production processes.

Hönle foresees that the 'Glass and Lamps' segment will provide a strong contribution to the Hönle Group's sales and earnings growth in the midterm.

The 'Adhesives' segment reported a good start into the new financial year. High sales revenues achieved in the consumer electronics segment largely contributed to an improvement in earnings in the first quarter. The measures initiated range from the expansion of development capacities through to the enlargement of the sales team and the expansion of the international sales network to the opening up of new sales markets in the medical technology segment. From a regional perspective, the North American and Chinese markets will be in focus for the expansion of sales.

With its three business segments: 'Equipment and Systems', 'Adhesives' and 'Glass and Lamps', the Hönle Group is well positioned for further positive business development. Moreover, the Group is represented in markets that still offer great potential for further growth. The objective of exceeding the € 100 million sales threshold in the foreseeable future has thus come within close reach, not only due to the Grafix GmbH acquisition.

Consolidated Statement of Comprehensive Income

for the period 1 October 2012 until 31 December 2012 according IFRS

	01.10.2012 - 31.12.2012 in T€	01.10.2011 - 31.12.2011 in T€
Revenue	16,543	15,773
Changes in inventories of finished goods and work in progress	969	-166
Other operating income	615	526
Cost of purchased materials and services	6,795	5,626
Personnel expenses	5,999	5,186
Depreciation and amortization including goodwill	618	367
Other operating expenses	3,240	4,125
Operating result/EBIT	1,475	829
Profit/loss from investments accounted for at equity	-3	-6
Interest income	19	33
Interest expense	202	28
Financial result	-187	-1
Earnings before tax and non-controlling interest/EBT	1,288	828
Income tax	349	445
Consolidated net income	939	383
Share in earnings attributable to non-controlling interest	27	-42
Share in earnings attributable to Dr. Hönle AG shareholders	913	425
Earnings per share (basic) in €	0.17	0.08
Earnings per share (diluted) in €	0.17	0.08
Weighted average shares outstanding (basic)	5,511,854	5,276,854
Weighted average shares outstanding (diluted)	5,511,854	5,276,854

The consolidated interim report is unaudited.

Consolidated Total Comprehensive Income

for the period 1 October 2012 until 31 December 2012 according IFRS

	01.10.2012 - 31.12.2012 in T€	01.10.2011 - 31.12.2011 in T€
Consolidated net income	939	383
Other comprehensive income: Positions that may be subsequently reclassified to profit or loss		
- Currency differences	76	68
Other comprehensive income after tax	76	68
Total comprehensive income for the period	1,015	451
Thereof account for:		
- Share in earnings attributable to non-controlling interest	27	-42
- Share in earnings attributable to Dr. Hönle AG shareholders	988	494

The consolidated interim report is unaudited.

Consolidated Statement of Financial Position

as of 31 December 2012 according IFRS

ASSETS	31.12.2012 in T€	30.09.2012 in T€
LONG-TERM ASSETS		
Goodwill	15,502	15,502
Intangible assets	2,926	3,079
Property, plant and equipment	13,304	13,110
Investments accounted for at equity	195	195
Financial assets	32	32
Other non-current assets	755	727
Deferred taxes	1,154	1,219
Total non-current assets	33,868	33,864
CURRENT ASSETS		
Inventories	17,777	16,579
Trade accounts receivable	9,272	12,050
Receivables towards companies, in which interests are hold	138	93
Other current assets	2,594	1,994
Tax refund claims	783	439
Liquid assets	10,466	9,321
Total current assets	41,030	40,476
TOTAL ASSETS	74,898	74,340

LIABILITIES AND SHAREHOLDERS' EQUITY	31.12.2012 in T€	30.09.2012 in T€
SHAREHOLDERS' EQUITY		
Subscribed capital	5,513	5,513
Own shares	-8	-8
Additional paid-in capital (capital reserves)	16,855	16,855
Retained earnings	19,806	18,818
Equity attributable to Dr. Höhle AG's shareholders	42,165	41,178
Non-controlling interest	3,333	3,306
Total Shareholders' Equity	45,499	44,484
NON-CURRENT DEBTS		
Non-current loans (less current portion)	3,402	3,664
Non-current portion of finance lease obligation	8	27
Other non-current liabilities	4,699	4,797
Pension accruals	2,008	1,932
Accrued public investments grants	572	572
Deferred taxes	1,505	1,648
Non-current liabilities	12,194	12,640
CURRENT LIABILITIES		
Trade accounts payable	3,267	3,483
Liabilities to associated companies	1	0
Liabilities towards companies, in which interests are held	47	0
Advance payments received	626	434
Current portion of finance lease obligation	18	43
Current loans towards banks and current portion of non-current loans	1,762	1,751
Other current liabilities	8,127	8,320
Other accruals	1,681	1,761
Tax accruals	1,677	1,424
Total current liabilities	17,206	17,216
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	74,898	74,340

The consolidated interim report is unaudited.

Consolidated Statement of Changes in Equity

for the period 1 October 2012 until 31 December 2012 according IFRS

	sub- scribed capital in T€	own shares in T€	Additional paid-in capital in T€	Retained earnings legal reserve in T€	Special item revalu- ation in T€	Cur- ency differ- ences in T€	Equity attribu- table to Dr. Hönle AG's shareholders in T€	Non- controll- ing interest in T€	Total in T€
As at 01/10/2010	5,513	-1,833	16,212	15,036	0	1,446	36,374	1,830	38,204
Consolidated net income				425			425	-42	383
Other operating result						69	69		69
Total result				425		69	494	-42	452
As at 30/09/2011	5,513	-1,833	16,212	15,461	0	1,515	36,868	1,788	38,656
As at 01/10/2011	5,513	-8	16,855	17,320	0	1,498	41,178	3,306	44,484
Consolidated net income				912			912	27	939
Other operating result						76	76		76
Total result				912		76	988	27	1,015
As at 30/09/2012	5,513	-8	16,855	18,232	0	1,574	42,166	3,333	45,499

The consolidated interim report is unaudited.

Consolidated Statement of Cash Flows

for the period 1 October 2012 until 31 December 2012 according to IFRS

	01.10.2012- 31.12.2012 in T€	01.10.2011- 31.12.2011 in T€
Cash flows from operating activities:		
Net income for the year before non-controlling interest and taxes	1,288	828
Adjustments for:		
Depreciation of fixed assets	618	367
Depreciation of current assets	0	959
Profit from investments accounted for at equity	3	6
Financial income	-19	-33
Interest expenses	202	28
Other non-cash expenses/income	125	468
Operating result before changes to net current assets	2,217	2,623
Increase/decrease in accruals	-4	354
Increase/decrease of trade accounts receivable	2,772	1,890
Increase/decrease of other assets	-906	-221
Changes in qualifying insurance policy	-37	-68
Increase/decrease in inventories	-1,263	-1,051
Increase/decrease in trade accounts payable	-169	-1,380
Increase/decrease in liabilities to associated companies	1	1
Increase/decrease in advance payments received	192	-234
Increase/decrease in other liabilities	-356	-1,287
Cash from continuing business activities	2,447	628
Interest paid	-147	-28
Income tax paid	-316	-656
Net cash from operating activities	1,984	-56
Cash flows from investing activities:		
Purchase of property, plant and equipment and intangible assets	-659	-329
Changes in financial assets	0	-2
Purchases of company shares	-3	0
Payments received from non-current receivables	8	17
Payments received from interest	18	22
Payments received from dividends	1	11
Net cash used for investing activities	-636	-281
Cash flows from financing activities:		
Payments received from loans and non-current liabilities to banks	-296	-111
Net cash from financing activities	-296	-111
Currency differences	82	-5
Exchange rate differences of liquid assets	11	68
Net increase/decrease in cash	1,145	-385
Cash at the beginning of the reporting period	9,321	12,863
Cash at the end of the reporting period	10,466	12,478

The consolidated interim report is unaudited.

Explanatory Notes

to the 3-Month Report of the Financial Year 2012/2013

Hönle prepares consolidated financial statements in conformity with the International Financial Reporting Standards (IFRS) published by the International Financial Reporting Standards Board (IASB) including their interpretations, as applied in the European Union. Hönle prepares and publishes its interim consolidated financial statements in Euro currency (EUR or €).

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 financial year 2011/2012.

The consolidated balance sheet as at 31 December 2012, the consolidated income statement, the consolidated statement of total comprehensive income, the consolidated statement of changes in equity and the statement of consolidated cash flows as well as the notes to the financial statements have not been audited and have not been subject to a review.

The significant accounting-, valuation- and consolidation methods have not changed in comparison with the consolidated financial statements for 2011/2012.

On 21 December 2012, Blitz 12-319 GmbH, a fully-owned (100%) subsidiary of Dr. Hönle AG signed a purchase agreement stipulating the acquisition of all significant assets of Grafix GmbH and Platsch GmbH & Co. KG (asset deal). The acquired assets include the entire activity of the insolvent Grafix GmbH including parts of non-current and current assets and business premises at Unterlüß (Celle) location.

Grafix GmbH is a leading global producer of peripheral devices used in the colour fixing segment. The company's product program comprises drying and powder spraying systems, and systems for dampening agent preparation and ink temperature control systems. Grafix supplies both printing firms and printing machine manufacturers with this product program. As an important supplier, Grafix has access to leading manufacturers of offset and digital printing machines worldwide. In addition, Grafix offers solutions for other sectors of industry, such as the glass, plastics and pharmaceutical industries.

The purchase price of the asset deal amounts to € 4.5 million. A five-year loan in the amount of € 4.5 million has been taken out for the acquisition. Interest on the principal loan amount is subject to 3-month EURIBOR plus a margin of 1.95%. A five-year PAYER swap was concluded at the same time to collateralise the 3-month EURIBOR.

In accordance with German accounting standards, the Grafix Group was not required to prepare annual financial statements in conformity with international accounting regulations.

The purchase price is allocated to identifiable assets at fair values within the context of the purchase price allocation pursuant to IFRS 3. The purchase price allocation – particularly the measurement of the transferred assets – was not completed by the time of the 2012/2013 quarterly statements preparation. The disclosures required under IFRS 3 are presented using the most recently available financial statements of the Grafix Group as at 31 December 2011 in accordance with German accounting regulations:

31 December 2011:
in T€

Non-current assets:	13,273
- Intangible assets:	33
- Property, plant and equipment:	7,475
- Financial assets:	5,765
Current assets:	13,783
- Inventories:	2,753
- Receivables and other assets:	9,507
- Cash at bank:	1,523
Prepaid expenses:	68
Positive difference in the asset calculation:	25
Equity capital:	8,704
Provisions:	857
Liabilities:	17,588
Revenue	14,418
Annual result:	-2,742

In fiscal year 2012/2013 in the consolidated cash flow statement the position "Changes in qualifying insurance policy" is figured under the section "Cash from continuing business activities". The prior year figures have been restated to reflect the new structure.

The Group figures to be segmented are allocated to the primary segments as follows (unaudited)

	Equipment/ Systems 12/13	Ad- hesives 12/13	Glass/ Lamps 12/13	Total 12/13	Elimi- nations 12/13	Consoli- dated 12/13
Sales revenues:						
External customers	8,020	4,368	4,155	16,543	0	16,543
Revenues with other business units	285	23	265	573	-573	0
Total sales	8,305	4,391	4,420	17,116	-573	16,543
NET EARNINGS:						
Segment result (operating result)	527	940	132	1,599	-124	1,475
Includes significant income and expense items:						
- Value adjustment of receivables	-26	-37	-1	-64		-64
Interest income	36	25	26	87	-69	18
Interest expenses	139	40	92	270	-69	202
Participations measured at equity				-3		-3
Income from securities				1		1
Write-downs on securities				1		1
Earnings before taxes and non-controlling interests						
						1,288
Income taxes	95	278	56	429	0	429
Deferred taxes	-7	-2	-37	-46	-34	-80
Earnings before non-controlling interests						
						939
OTHER INFORMATION:						
Segment assets:	33,701	14,379	23,925	72,005	-26	71,979
Non-allocated assets:						
Participations measured at equity				195		195
Financial assets				32		32
Non-current receivables				755		755
Tax refund claims				783		783
Deferred tax assets				1,154		1,154
Consolidated assets						
						74,898
Segment debt	24,950	4,710	11,738	41,398	-18,609	22,789
Deferred tax liabilities				1,505		1,505
Income tax liabilities				1,678		1,678
Long-term loans				3,428		3,428
Consolidated liabilities (current and non-current)						
						29,399
Investments:	250	94	316	659	0	659
Segment write downs	217	84	317	618	0	618
Non-cash expenses of the segment	194	-18	17	192	0	192

	Equipment/ Systems 11/12	Ad- hesives 11/12	Glass/ Lamps 11/12	Total 11/12	Elimi- nations 11/12	Consoli- dated 11/12
Sales revenues:						
External customers	10,186	3,706	1,881	15,773		15,773
Revenues with other business units	108	1	207	316	-316	0
Total sales	10,294	3,707	2,088	16,089	-316	15,773
NET EARNINGS:						
Segment result (operating result)	415	354	103	872	-43	829
Includes significant income and expense items:						
- Value adjustment of receivables	1,106	3	8	1,117		1,117
Interest income	100	7	1	108	-86	22
Interest expenses	71	28	14	113	-86	27
Participations measured at equity				-6		-6
Income from securities				11		11
Write-downs on securities				1		1
Earnings before taxes and non-controlling interests						
						828
Income taxes	296	78	21	395	0	395
Deferred taxes	52	11	1	64	-14	50
Earnings before non-controlling interests						383
OTHER INFORMATION:						
Segment assets:	32,790	14,956	6,126	53,872	-2,781	51,091
Non-allocated assets:						
Participations measured at equity				122		122
Financial assets				228		228
Non-current receivables				669		669
Tax refund claims				267		267
Deferred tax assets				1,015		1,015
Consolidated assets						53,392
Segment debt	15,128	5,672	1,644	22,444	-11,928	10,516
Deferred tax liabilities				1,079		1,079
Income tax liabilities				1,674		1,674
Long-term loans				1,466		1,466
Consolidated liabilities (current and non-current)						14,735
Investments:	136	128	65	329	0	329
Segment write downs	202	89	76	367	0	367
Non-cash expenses of the segment	349	7	23	379	0	379

Segment assets are defined as the sum total of intangible assets, property, plant and equipment, inventories, current receivables and liquid assets. Segment debt comprises non-current and current liabilities. Non-cash segment expenses take changes in pension accruals and changes in other accruals into account.

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 statement gives 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, 15 February 2013

Dr. Hönle AG
The Board of Management

Note

The management report contains statements made 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 prove to be incorrect or should risks, such those as 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.

Numbers and percentages, contained in this report, may include rounding differences.

Financial Calendar

14 March 2013

Shareholders' Meeting in Munich

24 May 2013

6 Months Report 2012/2013

23 August 2013

9 Months Report 2012/2013

Investor Relations
Peter Weinert
Telephone +49 (0)89 85608-173
E-Mail ir@hoenle.de

Dr. Höhle AG • UV Technology
Lochhamer Schlag 1 • D- 82166 Gräfelfing/Munich
Telephone +49 (0)89 85608-0 • Fax +49 (0)89 85608-148
E-Mail: uv@hoenle.de • Internet: www.hoenle.de