

Gigaset



QUARTERLY REPORT FROM JANUARY 1 TO MARCH 31, 2019

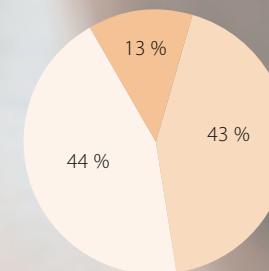
KEY FIGURES

EUR millions	1/1 - 3/31/2019	1/1 - 3/31/2018
Consolidated revenues	45.8	51.1
Earnings before interest, taxes, depreciation and amortization (EBITDA)	-1.9	1.6
Earnings before interest and taxes (EBIT)	-5.4	-1.7
Consolidated loss for the year	-4.1	-1.5
Free cash flow	-10.4	-23.1
Earnings per share (diluted in EUR)	-0.03	-0.01
	3/31/2019	12/31/2018
Total assets	201.3	213.1
Consolidated equity	16.6	25.0
Equity ratio (in %)	8.2	11.7
Number of employees	891	888

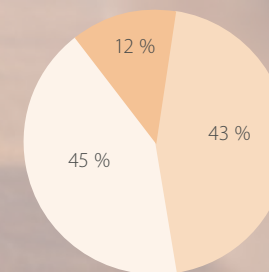
Information on the Gigaset share	Q1 / 2019	Q1 / 2018
Closing price in EUR (at the end of the period)	0.43	0.72
Peak price in EUR (in the period)	0.53	0.79
Lowest price in EUR (in the period)	0.27	0.54
Number of shares in circulation (at the end of the period)	132,455,896	132,455,896
Market capitalization in EUR million (at the end of the period)	56.8	95.9

Sales broken down by region

Q1 / 2019



Q1 / 2018



Germany
 Europe
 Rest of World

Note

The quarterly report is not audited. This report is not an interim financial report in accordance with IAS 34 or financial statements in accordance with IAS 1. It was prepared based on the accounting policies applied for the most recent consolidated financial statements. Comparative information with respect to financial year 2018 was not adjusted for new accounting standards; see Section 5 „Changes in accounting treatment as a result of the first-time application of IFRS 16“.

The quarterly report includes statements and information regarding Gigaset AG relating to future periods. The statements regarding the future represent estimates that were made based on all information available when the report was prepared. If the assumptions underlying the forecasts should prove inaccurate, the actual developments and results can deviate from current expectations.

The Company is not subject to any obligation to update the statements included in this report outside of the provisions governing publication stipulated under the law.

Amounts included in tables and percentages (monetary units, percentages) can differ from the mathematically correct values due to rounding differences.

1 GENERAL ECONOMIC ENVIRONMENT

1.1 Phones

Observing the six countries of special importance to Gigaset – Germany, France, Italy, the Netherlands, the United Kingdom, and Spain – the European Market for cordless phones shrank in terms of unit volume and in terms of revenues in 2018¹. This decrease can be explained primarily by the fact that cordless phones are becoming less important to consumers than smartphones. A further prospective decline in the market for cordless phones is also expected. Positive market stimulus comes from two areas: The conversion from analogue to IP-based telephones as well as the demographic transition that entails a growing need for ergonomic telecommunications solutions that are easy to use. Gigaset is responding to these trends with its HX series as well as its life series portfolio.

1.2 Smartphones

In numerous European countries, the number of smartphone users is expected to increase until the year 2021². The average price for a smartphone sold in Germany in 2018 was 489 euros³. Gigaset continues to expect great opportunities with its cost-effective portfolio under 300 euros as well as in the production of smartphones at the production facility in Bocholt, Germany.

1.3 Smart Home

The Statista Smart Home Report 2019⁴ estimates that the global market for Smart Home products will nearly triple from USD 53.2 billion in 2018 to USD 145.4 billion in 2023. Furthermore, the Smart Home market offers a large field of implementation possibilities. Gigaset addresses these possibilities with three product areas: Smart Security, Smart Comfort and Smart Care, thereby positioning itself as a manufacturer with one of the broadest ranges of Smart Home solutions on the European market.

1.4 Professional

The telecommunications market for business customers in Europe continues to be characterized by a persistent trend in favor of IP-based communications and telephony, given a simultaneous increase in cloud-based communications systems⁵. Non-proprietary, SIP-based consumer devices and multi-cell-based telephony on a DECT-basis are particularly relevant for Gigaset for the future. These markets are addressed with the products of the Maxwell series as well as the multi-cell systems of the N-series.

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1 GfK (2019) - Cordless Phones EU6

2 Statista (2019) - Forecast of the share of smartphone users

3 Statista (2019) - Average price of smartphones sold in Germany since 2008

4 Statista (2018) - Smart Home Report 2019

5 MZA (2018) - Hosted-Cloud Business Telephony 2018 Europe (Table 2, Chart 2)

2 COURSE OF BUSINESS

Apart from the Smart Home segment, revenues in the Phones, Professional and Smartphones segments slightly decreased year-on-year in the first quarter of 2019. The unusually strong fourth quarter of 2018 was substantially responsible for this. Sales slowed slightly in the first quarter of 2019 as a result of the large appetite for consumption at the end of the past year. For this reason, the 97.8% increase in the Smart Home segment compared with the first quarter of the previous year is all the more gratifying.

- Phones: Revenues in the first quarter of 2019 decreased by 11.3% year-on-year.
- Smartphones: Revenues in the first quarter of 2019 decreased by 3.6% year-on-year.
- Smart Home: Revenues in the first quarter of 2019 increased by 97.8% year-on-year.
- Professional: Revenues in the first quarter of 2019 fell by 11.1% year-on-year.

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3 FINANCIAL PERFORMANCE, CASH FLOWS AND FINANCIAL POSITION OF THE GROUP

3.1 Financial performance

The Gigaset Group generated EUR 45.8 million (prior year: EUR 51.1 million) in revenues in the first quarter of financial year 2019 under difficult market conditions, corresponding to a decrease of 10.4%. The revenues were subject to the usual seasonal fluctuations in the consumer business.

The decrease in revenues in the first quarter of 2019 can be attributed in particular to a 11.3% decrease from EUR 37.2 million to EUR 33.0 million in the Phones segment and an 11.1% decrease from EUR 11.7 million to EUR 10.4 million in the Professional segment. At EUR 1.8 million, revenues in the Smartphones segment were slightly below the previous year's level (prior year: EUR 1.9 million). At EUR 0.6 million, the Smart Home nearly doubled year-on-year (prior year: EUR 0.3 million).

Revenues in EUR millions	Q1 2019	Q1 2018	Change
Phones	33.0	37.2	-11.3 %
Smartphones	1.8	1.9	-3.6 %
Smart Home	0.6	0.3	97.8 %
Professional	10.4	11.7	-11.1 %
Gigaset Total	45.8	51.1	-10.4 %

In general, the decline in revenues in the Phones segment followed the overall market trend in all European countries. Nevertheless, Gigaset expanded its market share in the Phones market in the EU6 area by 2.7 percentage points in terms of units and 1.2 percentage points with respect to revenues. With a market share of 36.0% in terms of units and 36.8% with respect to revenues, Gigaset underscored its premium position in the EU6 area in the first quarter of 2019.

At 3.6%, revenues in the Smartphones segment were slightly below the previous year's level. Gigaset intends to further expand its position in the Smartphones segment in financial year 2019 with a growing product portfolio.

The Smart Home segment developed positively compared with the previous year. Gigaset expects that the market for Smart Home applications will develop more modestly than forecasted in the foreseeable future.

A negative trend was also recorded for the Professional segment, whereby in particular the overall decrease of EUR 1.3 million in revenues in France, Italy, and Spain had a significant influence. We are concentrating on further expanding the segment through the development, production, and distribution of tailored telephony solutions and services.

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Revenues by sales region developed as follows:

Revenues in EUR millions	Q1 2019	Q1 2018	Change
Germany	19.8	22.2	-11.1 %
Europe (excluding Germany)	20.0	23.0	-13.0 %
Rest of World	6.0	5.9	2.9 %
Gigaset Total	45.8	51.1	-10.4 %

The decrease in sales in Germany and in Europe (excluding Germany) was substantially characterized by the negative market trend in the Phones and Professional segments. However, Gigaset expanded its market share in some European countries. Gigaset increased its market share in the Netherlands by 7.8% in terms of units and by 5.7% based on revenues. Gigaset also expanded its share of the market in Spain (by 4.0% in terms of units and by 6.4% based on revenues). The remaining areas will be further expanded to offset the decrease in this segment in the future.

Revenues by geographical region developed as follows:

Revenues in EUR millions	Q1 2019	Q1 2018 ⁶	Change
Germany	23.1	25.7	-10.3 %
Europe (excluding Germany)	18.8	20.7	-9.2 %
Rest of World	3.9	4.7	-15.8 %
Gigaset Total	45.8	51.1	-10.4 %

The **cost of materials** for raw materials, merchandise, finished goods and purchased services was EUR 20.9 million in the first quarter of 2019 – a decrease of 20.1% compared with the prior-year amount of EUR 26.2 million. At 47.6%, the cost of materials rate decreased slightly compared with the prior year's level of 49.8%, taking into account the change in inventories.

Gross profit, comprising revenues less the cost of material and including the change in the portfolio of finished work and work in progress, decreased by EUR 5.3 million from EUR 51.1 million to EUR 45.8 million as a consequence of the decrease in revenues. The gross margin decreased slightly from 51.7% in the previous year to 50.3% in the first quarter of 2019.

Other own work capitalized decreased year-on-year from EUR 2.5 million to EUR 1.5 million. This item primarily includes the costs related to the development of new products.

Other operating income amounted to EUR 2.9 million (prior year: EUR 2.9 million).

At EUR 14.8 million, **personnel expenses** for wages, salaries, social security contributions and old age pensions was nearly constant at the previous year's level (EUR 14.8 million) in the first quarter of 2019. The personnel cost rate amounted to 32.4% (prior year: 29.0%).

Other operating expenses decreased to EUR 14.4 million in the first quarter of 2019 after amounting to EUR 15.3 million in the first quarter of 2018, which can be attributed to fewer losses in foreign currencies.

At EUR -1.9 million, **earnings before interest, taxes, depreciation and amortization** (EBITDA) were lower at the end of the first quarter of 2019 than in the first quarter of 2018 (EUR 1.6 million). Taking into account scheduled depreciation and amortization charges in the amount of EUR 3.5 million (prior year: EUR 3.3 million), **earnings before interest and taxes** (EBIT) amounted to EUR -5.4 million (prior year: EUR -1.7 million).

After deducting the **financial result** in the amount of EUR -0.4 million (prior year: EUR -0.1 million), the **result from ordinary activities** amounts to EUR -5.7 million (prior year: EUR -1.8 million).

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⁶ The prior-year figures differ from the March 31, 2018, quarterly report, as the segment classification was not based on country of domicile, but instead on the target region. The adjustment enables a comparison of revenues based on the country of domicile.

The consolidated loss for the year was EUR -4.1 million (prior year: EUR -1.5 million) as of March 31, 2019.

This results in earnings per share of EUR -0.03 (undiluted/diluted) (prior year: EUR -0.01 (undiluted/diluted)).

3.2 Cash flows

Cash flow

Cash flow can be broken down as follows:

Cashflow in EUR millions	Q1 2019	Q1 2018
Cash flows from operating activities	-8.3	-20.3
Cash flows from investing activities	-2.1	-2.8
Free cash flow	-10.4	-23.1
Cash flows from financing activities	-0.8	-0.2

In the first quarter just ended, Gigaset posted a **cash outflow from operating activities** in the amount of EUR -8.3 million (prior year: EUR -20.3 million). This can be attributed in particular to the payment of liabilities and the utilization of provisions in the total amount of EUR -16.4 million, offset by cash inflows from the decrease in receivables and assets in the amount of EUR 11.4 million.

Cash outflows from investing activities amounted to EUR -2.1 million and were thus slightly below the previous year's level of EUR -2.8 million, whereby the majority of capital expenditures in the current and previous financial year related to investments in property, plant and equipment.

Thus, **free cash flow** amounted to EUR -10.4 million compared with EUR -23.1 million in the first quarter of the previous year.

The **cash outflow from financing activities** amounted to EUR -0.8 million (prior year: EUR -0.2 million) as of March 31, 2019. The higher cash outflow can be attributed mainly to the interest payments from a credit facility agreed in April 2018 and disbursements for lease liabilities from the first-time application of the accounting standard IFRS 16.

Please refer to the cash flow statement for a detailed presentation of changes in **cash and cash equivalents**. The cash flow includes changes in exchange rates in the amount of EUR 0.07 million (prior year: EUR -0.1 million). Cash and cash equivalents amounted to EUR 25.8 million (prior year: EUR 25.7 million) on March 31, 2019.

3.3 Financial position

The Gigaset Group's **total assets** amounted to EUR 201.3 million as of March 31, 2019, and therefore decreased by around 5.5% compared with December 31, 2018 (prior year: EUR 213.1 million).

Noncurrent assets increased by EUR 7.6 million from EUR 73.1 million to EUR 80.7 million compared with December 31, 2018. The increase in noncurrent assets can be attributed primarily to the initial recognition of right-of-use assets in the amount of EUR 4.6 million in connection with the introduction of the accounting standard IFRS 16 Leases.

Current assets represented 59.9% of total assets and amounted to EUR 120.5 million, having fallen by EUR 19.4 million from December 31, 2018. Trade receivables decreased by EUR 7.7 million to EUR 33.2 million. Furthermore, the portfolio of cash and cash equivalents decreased from EUR 36.9 million to EUR 25.8 million compared with December 31, 2018. Please refer to the statement of cash flows presented in the quarterly report for a breakdown of changes in cash and cash equivalents.

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Total liabilities amounted to EUR 184.7 million (prior year: EUR 188.1 million), 44.5% of which are current.

The Gigaset Group's **equity** amounted to around EUR 16.6 million as of March 31, 2019, and was EUR 8.4 million lower than at the beginning of the year. This corresponds to an equity ratio of 8.2% compared with 11.7% on December 31, 2018. Due to the decrease in the discount rate from 1.85% to 1.50% for the pension obligations accounted for on the balance sheet, a net actuarial loss of EUR 4.8 was recognized in equity. Cash flow hedging resulted in gains of EUR 0.4 million (before income taxes) that were recognized directly in equity. In addition, equity was impacted by the consolidated net loss of EUR -4.1 million for the year as of the reporting date.

Noncurrent liabilities comprised mainly pension obligations and financial liabilities. Noncurrent liabilities amounted to EUR 102.6 million as of March 31, 2019, compared with EUR 92.2 million as of December 31, 2018. Pension obligations increased by EUR 7.2 million mostly due to actuarial valuation effects. The first-time application of the accounting standard IFRS 16 Leases, led to the recognition of a lease liability in the amount of EUR 3.1 million.

Current liabilities decreased by 14.4% to EUR 82.1 million (December 31, 2018: EUR 95.9 million). The decrease in **current liabilities** can be attributed primarily to the decrease of EUR -4.9 million in provisions as well as the seasonal decrease in trade payables of EUR 11.6 million to EUR 35.8 million (December 31, 2018: EUR 47.4 million).

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4 ADJUSTMENT OF COMPARATIVE INFORMATION IN THE CONSOLIDATED FINANCIAL STATEMENTS

The classification of the income statement was changed compared with the previous year. The previously presented breakdown of the operating result in earnings from core business activities before and/or after depreciation and amortization and an additional ordinary result was omitted. With the subtotals EBITDA (earnings before interest, taxes, depreciation and amortization) and

EUR thousands	1/1 - 3/31/2018 Structure in published 2018 quarterly report
1 Revenues	51,120
Change in inventories of finished goods and 2 work in progress	1,472
3 Cost of materials	-26,183
Gross profit	26,409
4 Other own work capitalized	2,519
5 Other income from core business activities	600
6 Personnel expenses before restructuring	-14,841
7 Other expenses from core business activities	-13,172
Earnings from core business activities before depreciation and amortization/EBITDA	1,515
8 Depreciation and amortization	-3,315
Earnings from core business activities after depreciation and amortization	-1,800
9 Additional ordinary income	341
10 Additional ordinary expenses	-103
11 Personnel expenses from restructuring	0
12 Exchange rate gains	1,952
13 Exchange rate losses	-2,059

EBIT (earnings before interest and taxes) now shown, the classification is adjusted by the omission of the breakdown described above to a more conventional hierarchical structure, thereby increasing the comparability with other financial statements.

EUR thousands	1/1 - 3/31/2018 New structure in the 2019 quarterly report
1 Revenues	51,120
Change in inventories of finished goods 2 and work in progress	1,472
3 Cost of materials	-26,183
Gross profit	26,409
4 Other own work capitalized	2,519
5, 9, 12 Other operating income	2,893
6, 11 Personnel expenses	-14,841
7, 10, 13 Other operating expenses	-15,334
EBITDA	1,646
8 Depreciation and amortization	-3,315

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EUR thousands	1/1 - 3/31/2018 Structure in published 2018 quarterly report
Additional ordinary result	131
Operating result	-1,669
14 Other interest and similar income	149
15 Interest and similar expenses	-272
Net financial income	-123
Result from ordinary activities	-1,792
16 Income taxes	267
Consolidated net loss for the financial year	-1,525
Earnings per ordinary share	
- undiluted in EUR	-0.01
- diluted in EUR	-0.01

The current line item "Other operating income" (EUR 2,893 thousand) includes the previously presented line items "Other income from core business activities" (EUR 600 thousand), "Additional ordinary income" (EUR 341 thousand) and "Exchange rate gains" (EUR 1,952 thousand). The line item "Personnel expenses" (EUR -14,841 thousand) now includes the previous "Personnel expenses

EUR thousands	1/1 - 3/31/2018 New structure in the 2019 quarterly report
EBIT	-1,669
14 Other interest and similar income	149
15 Interest and similar expenses	-272
Net financial income	-123
Result from ordinary activities	-1,792
16 Income taxes	267
Consolidated net loss for the financial year	-1,525
Earnings per ordinary share	
- undiluted in EUR	-0.01
- diluted in EUR	-0.01

before restructuring" (EUR -14,841 thousand) as well as "Personnel expenses from restructuring" (EUR 0 thousand). The line item "Other operating expenses" (EUR -15,334 thousand) consolidates the previous line items "Other expenses from core business activities" (EUR -13,172 thousand), "Additional ordinary expenses" (EUR -103 thousand) and "Exchange rate losses" (EUR -2,059 thousand).

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5 CHANGES IN ACCOUNTING TREATMENT AS A RESULT OF THE FIRST-TIME APPLICATION OF IFRS 16

The new accounting standard IFRS 16 Leases has been applied since January 1, 2019. IFRS 16 replaces the previous standard IAS 17 Leases. As a general rule, assets must be capitalized in the future in the lessee's statement of financial position for the acquired usage rights for all leases and liabilities are to be recognized for the payment obligations. Gigaset makes use of the opportunity to apply IFRS 16 based on a modified retrospective approach in which it is not necessary to adjust prior year values. Such amounts continue to be presented in adherence to the old accounting regulations (for further details see the 2018 Annual Report, in particular the section entitled "Accounting principles" under "General information and presentation of the consolidated financial statements" in the Part A of the Notes to the consolidated financial statements). The first-time application had no effect on equity. The option simplifying the accounting for leases of low-value assets (new value \leq USD 5,000) and short-term leases (lease term \leq 12 months at the commencement date) was utilized.

Gigaset makes use of the transitional provisions of IFRS 16 and does not reassess existing arrangements to determine whether they meet the definition of a lease under IFRS 16. The previous determinations regarding leases continue to apply. As a general rule, Gigaset capitalizes right-of-use assets in the amount of the corresponding lease liability in connection with the first-time application of IFRS 16. Lease liabilities were measured using the marginal borrowing rate at the date of first-time application.

The first-time application of IFRS 16 to former operating leases results in the following effects for Gigaset.

Right-of-use assets in EUR millions	Q1 2019
Right-of-use assets 1/1/2019	4.9
Depreciation charges	-0.3
Right-of-use assets 3/31/2019	4.6
Lease liabilities in EUR millions	
Q1 2019	
Lease liabilities 1/1/2019	4.9
Repayment of principal	-0.3
- of which lease payment	-0.3
- of which interest portion	0.03
Lease liabilities 3/31/2019	4.5

The underlying leases relate primarily to rental agreements for properties, logistic infrastructure, and leased company cars.

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6 GENERAL ASSESSMENT OF THE GROUP'S EXPECTED PERFORMANCE

In 2019, Gigaset is continuing its operating strategy launched in 2016 without any changes. The entrepreneurial focus lies on expanding the product portfolio while simultaneously securing the Phones business. Research and development expenses will increase accordingly, whereby a portion of the expenses will be offset by strict cost management.

With a view to compensating the budgeted market decline in the Phones segment, which will be slowed by gains in market share, the expansion of activities, and the increase in revenues in the Smartphones, Smart Home, and Professional segments, the Company expects the following for the 2019 financial year:

1. A slight increase in revenues compared with 2018
2. A considerable improvement in free cash flow as well as
3. EBITDA at the previous year's level

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7 CONSOLIDATED INCOME STATEMENT FROM JANUARY 1 - MARCH 31, 2019

EUR thousands	01/01 - 03/31/2019	01/01 - 03/31/2018
Revenues	45,816	51,120
Change in inventories of finished goods and work in progress	-1,840	1,472
Cost of materials	-20,927	-26,183
Gross profit	23,049	26,409
Other own work capitalized	1,497	2,519
Other operating income	2,853	2,893
Personnel expenses	-14,846	-14,841
Other operating expenses	-14,425	-15,334
EBITDA	-1,872	1,646
Depreciation and amortization	-3,502	-3,315
EBIT	-5,374	-1,669
Other interest and similar income	7	149
Interest and similar expenses	-357	-272
Net financial income	-350	-123
Result from ordinary activities	-5,724	-1,792
Income taxes	1,639	267
Consolidated net loss for the year	-4,085	-1,525
Earnings per ordinary share		
- undiluted in EUR	-0.03	-0.01
- diluted in EUR	-0.03	-0.01

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8 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM JANUARY 1 - MARCH 31, 2019

EUR thousands	01/01 - 03/31/2019	01/01 - 03/31/2018
Consolidated net loss for the year	-4,085	-1,525
Items that may subsequently be reclassified to profit or loss		
Currency translation differences	0	-225
Cash flow hedges	403	496
Income taxes recognized on this item	-128	-151
Items that will not subsequently be reclassified to profit or loss		
Revaluation effect, net liability under defined benefit plans	-7,069	0
Financial instruments measured at fair value through other comprehensive income (FVOCI)	200	0
Income taxes recognized on this item	2,248	0
Total changes recognized in other comprehensive income	-4,346	120
Total recognized income and expense	-8,431	-1,405

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9 CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2019

EUR thousands	03/31/2019	12/31/2018
ASSETS		
Noncurrent assets		
Intangible assets	30,451	30,957
Property, plant and equipment	22,760	23,319
Right-of-use assets	4,556	0
Financial assets	8,886	8,686
Deferred tax assets	14,086	10,150
Total noncurrent assets	80,739	73,112
Current assets		
Inventories	35,289	32,720
Trade receivables	33,157	40,816
Other assets	25,700	29,016
Tax refund claims	561	471
Cash and cash equivalents	25,828	36,939
Total current assets	120,535	139,962
Total assets	201,274	213,074

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9 CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2019

▶ EUR thousands	03/31/2019	12/31/2018
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	132,456	132,456
Share premium	86,076	86,076
Retained earnings	68,979	68,979
Accumulated other comprehensive income	-270,921	-262,490
Total equity	16,590	25,021
Non-current liabilities		
Pension obligations	80,657	73,457
Provisions	3,768	3,773
Financial liabilities	13,500	13,500
Lease liabilities	3,127	0
Deferred tax liabilities	1,539	1,440
Total noncurrent liabilities	102,591	92,170
Current liabilities		
Provisions	13,493	18,355
Lease liabilities	1,417	0
Trade payables	35,799	47,355
Tax liabilities	14,988	15,005
Other liabilities	16,396	15,168
Total current liabilities	82,093	95,883
Total equity and liabilities	201,274	213,074

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10 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF MARCH 31, 2019

EUR thousands	Subscribed capital	Additional paid-in capital	Retained earnings	Accumulated other comprehensive equity	Consolidated equity
December 31, 2017	132,456	86,076	68,979	-263,423	24,088
Adjustments IFRS 9/IFRS 15	0	0	0	-581	-581
January 1, 2018	132,456	86,076	68,979	-264,004	23,507
1 Consolidated loss 2018	0	0	0	-1,525	-1,525
2 Currency translation differences	0	0	0	-225	-225
3 Cash flow hedges	0	0	0	345	345
4 Revaluation effects, net liability under defined benefit plans	0	0	0	0	0
5 Total changes recognized in other comprehensive income	0	0	0	120	120
6 Total net income (1+5)	0	0	0	-1,405	-1,405
7 March 31, 2018	132,456	86,076	68,979	-265,409	22,102
December 31, 2018	132,456	86,076	68,979	-262,490	25,021
1 Consolidated loss 2019	0	0	0	-4,085	-4,085
2 Currency translation differences	0	0	0	0	0
3 Cash flow hedges	0	0	0	275	275
4 Financial instruments measured at fair value through other comprehensive income (FVOCI)	0	0	0	200	200
5 Revaluation effects, net liability under defined benefit plans	0	0	0	-4,821	-4,821
6 Total changes recognized in other comprehensive income	0	0	0	-4,346	-4,346
7 Total net income (1+6)	0	0	0	-8,431	-8,431
8 March 31, 2019	132,456	86,076	68,979	-270,921	16,590

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11 CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD FROM JANUARY 1 - MARCH 31, 2019

EUR thousands	01/01 - 03/31/2019	01/01 - 03/31/2018
Result from ordinary activities	-5,724	-1,792
Depreciation of property, plant and equipment and amortization of intangible assets	3,502	3,315
Increase (+)/decrease (-) in pension provisions	131	-411
Gain (-)/loss (+) from the sale of noncurrent assets	-9	3
Gain (-)/loss (+) from currency translation	-187	151
Net interest income	350	123
Interest received	1	129
Income taxes paid	-114	-277
Increase (-)/decrease (+) in inventories	-2,569	-3,776
Increase (-)/decrease (+) in trade receivables and other receivables	11,378	9,733
Increase (+)/decrease (-) in trade payables, other liabilities and other provisions	-15,075	-27,380
Increase (+)/decrease (-) in other balance sheet items	44	-99
Cash inflow (+)/outflow (-) from operating activities (net cash flow)	-8,272	-20,281
Proceeds from the disposal of noncurrent assets	9	0
Disbursements for capital expenditures in noncurrent assets	-2,134	-2,783
Cash inflow (+)/outflow (-) from investing activities	-2,125	-2,783

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11 CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD FROM JANUARY 1 - MARCH 31, 2019

EUR thousands	01/01 - 03/31/2019	01/01 - 03/31/2018
Free cash flow	-10,397	-23,064
Payments made for lease liabilities	-315	0
Interest paid	-471	-176
Cash inflow (+)/outflow (-) from financing activities	-786	-176
Cash and cash equivalents at the beginning of the period	33,914	44,532
Changes due to exchange rate differences	72	-114
Cash and cash equivalents at the beginning of the period measured at the closing rate of the prior year	33,842	44,646
Increase (-)/decrease (+) in restricted cash	287	671
Change in cash and cash equivalents	-11,183	-23,240
Cash funds at the end of the period	23,018	21,963
Restricted cash	2,810	3,780
Cash and cash equivalents reported on the statement of financial position	25,828	25,743

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2019

QUARTERLY REPORT FOR THE 1ST QUARTER FROM JANUARY 1 TO MARCH 31

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