

**#2015**

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**LEVEL.**

**SEMI-ANNUAL REPORT**

**DEUFOL**

# Key Figures for the Deufol Group

figures in € thousand	6M 2015	6M 2014
<b>Results of operations</b>		
Revenue (total)	152,088	141,450
Germany	83,770	77,730
Rest of the World	68,318	63,720
International revenue ratio (%)	44.9	45.0
EBITDA	8,782	6,635
EBITA = EBIT	5,049	3,025
EBT	3,412	1,364
Income tax income (expenses)	(799)	(794)
Profit (loss) for the period	2,613	570
of which noncontrolling interests	299	38
of which shareholders of the parent company	2,314	532
Earnings per share (€)	0.053	0.012
<b>Balance sheet</b>		
Noncurrent assets	138,690	141,397
Current assets	82,124	71,189
Balance sheet total	220,814	212,586
Equity	101,134	96,259
Liabilities	119,680	116,327
Equity ratio (%)	45.8	45.3
Net financial liabilities	42,266	57,930
<b>Cash flow/investments</b>		
Cash flow from operating activities	(617)	(2,308)
Cash flow from investing activities	(2,305)	(2,185)
Cash flow from financing activities	(2,964)	2,052
Investments in property, plant and equipment	2,560	2,991
<b>Employees</b>		
Employees (as of June 30)	2,660	2,518

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## Deufol in the First Six Months of 2015

### Sales and Income Trend

Total sales in the first six months of 2015 were at €152.1 million 7.5 % higher than in the same period in the previous year. Adjusted for changes to the consolidated group, the rate of change was +6.0 %. Also adjusted for the 18.6 % average appreciation of the US dollar versus the euro, this growth amounts to 2.2 %. In Germany (including the holding company), sales amounted to €83.8 million (previous year: €77.7 million). Around €2.1 million of this increase in the volume of sales is attributable to changes to the scope of consolidation. The remainder of the change in sales reflects the increased volume of business activities in Germany. In the Rest of Europe, Deufol realized sales in the amount of €33.7 million (previous year: €36.5 million). In the USA/Rest of the World segment, sales rose to €34.6 million (previous year: €27.2 million). Of this figure, approx. €6.3 million is attributable to the appreciation of the US dollar against the euro.

The operating result (EBITA) amounted to €5.0 million and was thus almost 67 % higher than the previous year's figure of €3.0 million. The individual segments developed as follows in the first six months of the year: In Germany, EBITA amounts to €2.2 million, compared to a figure in the previous year of €1.5 million. In the Rest of Europe, EBITA amounted to €1.4 million, compared to €1.1 million in the previous year. The USA/Rest of the World segment realized a result of €2.0 million (previous year: €0.8 million). The EBITA loss of Deufol SE (the holding company) increased slightly to €0.6 million, compared to €0.4 million in the previous year.

### Senior Management Streamlined – Annual General Meeting Re-Elects Administrative Board

Two managing directors – Mr. Manfred Weirich and Mr. Jens Hof – resigned from their positions at the end of the first six months of the year. We are deeply indebted to both of them. They will continue to provide the Company with the benefit of their expertise. Mr. Olaf Lange already resigned from his position as a managing director in March. In our view, the Company's management body with its current four members is of a size which will enable us to act efficiently, going forward into the future.

The Annual General Meeting held on July 1, 2015 re-elected the existing members of the Administrative Board with a clear majority.

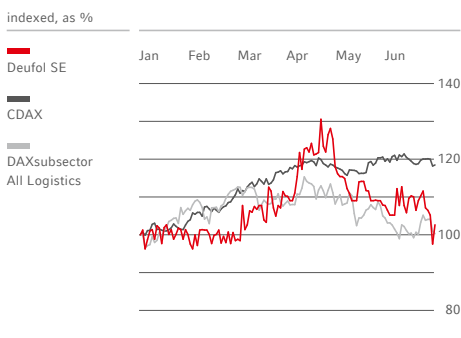
### Outlook – Planning Confirmed

Deufol SE confirms its planning figures published for fiscal year 2015 in its 2014 annual financial report. These envisage sales of between €295 million and €315 million and an operating result (EBITDA) of between €14 million and €16 million.

### Upward Trend on the Stock Market in the First Half of the Year

The Deufol share gained ground slightly in a stock market which generally moved sideways. The Deufol share closed the first half of the year at a price of €0.81, a growth rate of 2.7 %. The sector index of logistics stocks (DAXsubsector All Logistics) quoted in the Prime Standard ended the first half of the year virtually unchanged (+0.3 %).

#### The Deufol share in the first half of 2015



# General Economic Conditions

## Temporary Dip in the Global Economic Trend

According to the summer economic analysis from the Kiel Institute for the World Economy (IfW), world economic growth weakened at the start of 2015. While the global gross domestic product figure had enjoyed very strong growth in the second half of 2014, with an average rate of 0.9 % per quarter, in the first quarter of the current year the figure was only 0.6 %. Economic momentum declined both in the advanced economies and in the emerging markets. World trade – which had slightly picked up impetus towards the end of 2014 – declined significantly, particularly due to a strong fall in the emerging markets. However, the global economy's weak start to the year also appears to reflect temporary factors, and the second quarter was thus likely slightly stronger.

## Gradual Upturn in the Eurozone

According to the Kiel Institute, at the start of 2015 the Eurozone's economic recovery once again picked up slightly. The Eurozone's gross domestic product increased by 0.4 % in the first quarter, compared to 0.2 % and 0.3 % in the two previous quarters. For the European economies, private consumption remained the mainstay of growth, but the improving trend mainly reflected an increase in the volume of investments, even though this remains at a low level. In the Eurozone, the economic recovery is now also being clearly reflected on the labor market. While unemployment remains high, in April at 11.1 % it was one percentage point below the peak level reached in 2013.

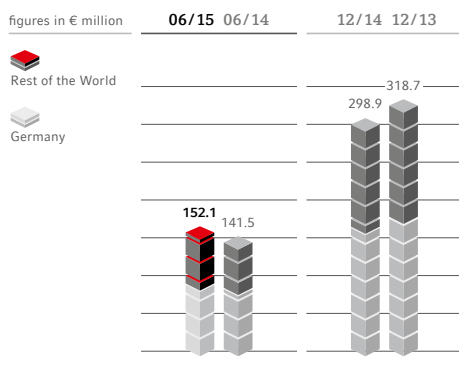
## Upturn Continues to Strengthen in Germany

According to the Kiel Institute's analysis, the economy got off to a slightly slower start in the new year. The 0.3 % gross domestic product growth rate which the country realized in the first quarter has now slowed, and there has been no further improvement in companies' level of confidence. However, according to the Kiel, Institute for the second quarter a stronger gross domestic product growth rate of 0.5 % is suggested not least by the favorable production figures for April.

Since the third quarter of last year, private consumption has enjoyed strong growth. The strong consumer trend has been supported by the favorable development of the labor market, which has entailed robust growth in income levels. Temporary factors such as the increase in social benefits and real increases in purchasing power due to the fall in the price of oil also played a role.

## Results of Operations, Financial and Asset Position

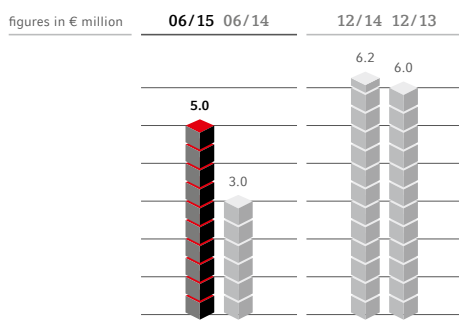
### Sales



### Sales Trend

Total sales in the first six months of 2015 were at € 152.1 million 7.5 % higher than in the same period in the previous year. Adjusted for changes to the consolidated group, the rate of change was +6.0 %. Also adjusted for the 18.6 % average appreciation of the US dollar versus the euro, this growth amounts to 2,2 %. In Germany (including the holding company), sales amounted to € 83.8 million (previous year: € 77.7 million). Around € 2.1 million of this increase in the volume of sales is attributable to changes to the scope of consolidation. The remainder of the change in sales reflects the increased volume of business activities on the German market. In the Rest of Europe, Deufol realized sales in the amount of € 33.7 million (previous year: € 36.5 million). In the USA/Rest of the World segment, sales rose to € 34.6 million (previous year: € 27.2 million). With a 55.1 % share of Group sales, the proportion accounted for by Germany increased by 0.1 percentage points on the previous year. The share of sales realized elsewhere in Europe decreased, from 25.8 % to 22.2 %, and the USA's share increased by 3.5 percentage points to 22.7 %.

### EBITA



### Income Development

Earnings before interest, taxes, depreciation and amortization (EBITDA) were € 8.8 million in the first half of the year (previous year: € 6.6 million). The EBITDA margin was 5.8 % (previous year: 4.7 %). Depreciation of tangible assets and amortization of other intangible assets remained almost unchanged, at € 3.7 million (previous year: € 3.6 million).

The operating result (EBITA) amounted to € 5.0 million and was thus almost 67 % higher than the previous year's figure of € 3.0 million.

The individual segments developed as follows in the first six months of the year: In Germany, EBITA amounts to € 2.2 million, compared to a figure in the previous year of € 1.5 million. In the Rest of Europe, EBITA amounted to € 1.4 million, compared to € 1.1 million in the previous year. The USA/Rest of the World segment realized a result of € 2.0 million (previous year: € 0.8 million). The EBITA loss of Deufol SE (the holding company) increased slightly to € 0.6 million, compared to € 0.4 million in the previous year.

Financial results increased by comparison with the first six months in 2014 from – € 1.7 million to – € 1.6 million. Financial expenses in particular have decreased due to lower interest rates.

Earnings before taxes (EBT) in the first six months of the year were € 3.4 million (previous year: € 1.4 million). After income tax expenses (€ 0.8 million), the result for the period amounts to € 2.6 million, compared to € 0.6 million in the first half of 2014. After deduction of the profit shares of noncontrolling interests (€ 0.3 million), a net gain of € 2.3 million (previous year: € 0.5 million) is attributable to the shareholders of Deufol SE. Earnings per share in the first six months were € 0.053 (previous year: € 0.012).

## Financial Position

## Asset Position

## Net Cash and Investments

In the first six months, the cash flow provided by operating activities amounted to – €0.6 million and was thus significantly higher than the level in the previous year (– €2.3 million).

The net cash used in investing activities was negative at – €2.3 million (previous year: – €2.2 million). Outflows of funds resulted here from payments for the purchase of assets (– €3.2 million). Inflows of funds mainly resulted from sales of fixed assets (+ €0.3 million) and the decrease in financial receivables (+ €0.5 million).

The net cash used in financing activities was negative at – €3.0 million (previous year: + €2.1 million). Outflows mainly resulted from interest paid (– €1.8 million) and the repayment of loans (– €1.6 million). Inflows resulted from the increase in other financial liabilities (€0.4 million). Cash decreased in relation to the end of the year by €5.9 million to €10.1 million.

## Financing

Various financing groups exist within the Deufol Group. In Germany, as of the reporting date Deufol has a variable-interest syndicated financing arrangement with a volume of €45 million and a term ending October 2016. Further significant financing arrangements exist in the USA (mainly operating credit line), Belgium (mainly loans for real estate and plant and equipment) and Italy (mainly operating credit line).

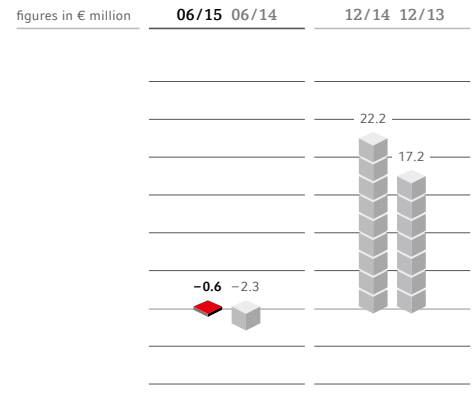
The financial liabilities of the Deufol Group decreased in the first six months of the fiscal year by €1.1 million to €57.8 million. As cash and financial receivables simultaneously decreased (– €6.4 million), net financial liabilities rose by €5.2 million, from €37.0 million at the end of the year to €42.2 million.

## Slight Increase in Balance Sheet Total

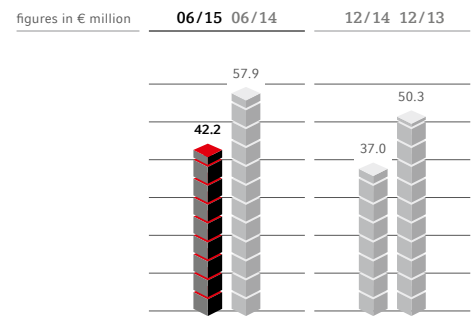
The balance sheet total as of June 30, 2015 is at €220.8 million 1.1 % above the level for the end of the previous year (€218.4 million). For the noncurrent assets, the largest changes were in financial receivables (– €0.6 million to €3.9 million) and property, plant and equipment (+ €0.4 million to €47.0 million). The other noncurrent assets realized only marginal changes. In the current assets segment, trade accounts receivable (+ €6.9 million to €40.7 million) and other receivables (+2.0 million to €16.1 million) increased. Cash decreased (– €5.9 million to €10.1 million). The other current assets realized only marginal changes.

On the liabilities side, equity (including noncontrolling interests) in the first six months of 2015 increased on balance by €3.8 million to €101.1 million. This was mainly due to the result for the period (€2.6 million) as well as gains from currency translation (€1.2 million). With a slightly higher balance sheet total, the equity ratio was at 45.8 % higher than at the end of the previous year (44.6 %). The liabilities decreased on balance by €1.3 million to €119.7 million.

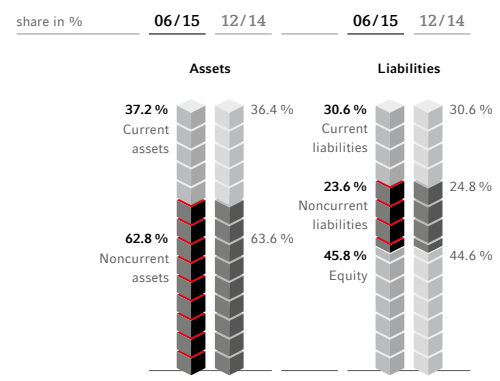
## Net cash provided by operating activities



## Net financial liabilities



## Balance sheet structure



**Employees****Development in the Segments****Employees**

Deufol Group	06/2015	12/2014
Germany	1,484	1,386
Share (%)	55.8	54.1
Rest of Europe	564	554
Share (%)	21.2	21.6
USA/Rest of the World	544	563
Share (%)	20.5	22.0
Holding company	68	58
Share (%)	2.6	2.3
<b>Total</b>	<b>2,660</b>	<b>2,471</b>

**Employees****Slight Increase in Number of Employees**

On June 30, 2015, the Deufol Group had 2,660 employees worldwide. This is 7.6 % more than at the end of last year. As of June 30, 2015, the Group had 1,552 employees in Germany and the holding company (58.3 %) and 1,108 employees (41.7 %) elsewhere. Most of the new hirings were in Germany and the holding company (+108 employees). This reflects the fact that the Deufol Group has continued to replace temporary workers with its own employees in 2015. In the Rest of Europe segment, the corresponding figure increased slightly due to seasonal factors (+10 employees), while it declined in the USA and the Rest of the World (−19 employees).

**Development in the Segments**

The primary reporting format is based on geographical regions and consists of the segments "Germany", "Rest of Europe" and "USA/Rest of the World".

After six months, sales in Germany amounted to € 83.4 million (previous year: € 75.6 million). This segment is therefore now contributing 54.8 % to Group sales (previous year: 53.5 %). Around € 2.1 million of this increase in sales is attributable to changes in the scope of consolidation. The remainder of the change in sales reflects the positive trend for the Company's business activities on the German market.

The operating result (EBITA) in Germany after six months of the year amounted to € 2.2 million (previous year: € 1.5 million).



## Development in the Segments

In the Rest of Europe, consolidated sales amounted to €33.7 million after the first six months of the year (previous year: €36.5 million). This segment is therefore now contributing 22.2 % to Group sales (compared to 25.8 % in the first half of 2014). The changes in the volume of sales mainly reflect the transfer of customer capacities to Eastern Europe.

The operating result (EBITA) after six months of the year amounted to €1.4 million (previous year: €1.1 million).

In the USA/Rest of the World segment, after six months of the year consolidated sales were at €34.6 million 27.2 % higher than in the previous year. Adjusted for the 18.6 % average appreciation of the US dollar versus the euro, this growth amounts to 7.3 %. This segment thus represents 22.7 % of Group sales (compared to 19.2 % in the first six months of 2014).

The operating result (EBITA) after six months of the year amounted to €2.0 million (previous year: €0.8 million). This positive result reflects the Company's realignment, particularly in the Automated Packaging segment.

In view of its structure and its tasks, the holding company only realizes marginal external sales (€0.4 million for the first 6 months of 2015). The EBITA figure worsened slightly in the first half of 2015 by comparison with the same period in the previous year, from – €0.4 million to – €0.6 million.

**Germany**

figures in € thousand	06/2015	06/2014
Sales	94,669	82,385
Consolidated sales	83,404	75,631
EBITA = EBIT	2,202	1,461
EBITA margin (%)	2.6	1.9
EBT	1,492	626

**Rest of Europe**

figures in € thousand	06/2015	06/2014
Sales	40,631	40,989
Consolidated sales	33,733	36,524
EBITA = EBIT	1,364	1,116
EBITA margin (%)	4.0	3.1
EBT	1,247	1,144

**USA/Rest of the World**

figures in € thousand	06/2015	06/2014
Sales	34,584	27,297
Consolidated sales	34,584	27,196
EBITA = EBIT	2,032	816
EBITA margin (%)	5.9	3.0
EBT	793	(307)

## Outlook

### **Global Economy is Gradually Exiting a Period of Weakness**

In the view of the Kiel Institute for the World Economy (IfW), on the basis of the weak trend at the start of the year, global output should gain impetus during the forecast period but there is not yet any sign of an underlying global economic trend which is significantly stronger than in the previous two years. Over the coming year, global output growth is likely to be considerably stronger than in 2015, but is unlikely to significantly exceed a medium-term rate of around 3.75 %. Global trade will likewise remain muted. For 2015 and 2016, the researchers predict growth rates of 3 % and 4.5 %, respectively.

All in all, in the current year the Kiel Institute expects a 3.4 % increase in global output. For 2016, the economists predict a 3.8 % gross domestic product growth rate.

### **Europe: Strengthening Recovery**

The Kiel Institute also expects the economic trend to pick up in Europe. The indicators suggest that the growth in output will gain further momentum over the summer (EUROFRAME 2015). The economic trend is being boosted by the exchange rate-related improvement in the international competitiveness of producers in the Eurozone. Moreover, in overall terms, financial policy is no longer restrictively oriented. The Kiel Institute expects that, besides private consumption, investments will increasingly contribute to the growth in demand over the next few months.

### **Economic Upturn Continues in Germany**

According to the Kiel Institute's analysis, the German economy remains buoyant. The trend for private consumption continues to be favorable, even if the growth rate will not be quite as strong as in previous quarters, since temporary stimulus factors will gradually cease to apply. The upturn in the volume of investment is visibly strengthening. In the coming year, this should even serve as the key stimulus for the economy, partly helped by outline monetary conditions which remain favorable. Exports are holding their own in an international environment which remains difficult, and they will receive additional stimulus through the euro's devaluation. At the same time, the growth trend for imports is likely to pick up significantly due to Germany's strong economic momentum. Having been clearly subdued due to the fall in the price of oil, inflation is likely to rise and should amount to almost 2.0 % in the coming year.

For 2015, the Kiel Institute expects gross domestic product growth of 1.0 %. In 2016, the pace of the upswing will once again increase, and gross domestic product growth will average 2.0 % over the course of the year.

### **Company-Specific Outlook**

#### **Risks and Opportunities**

The risks and opportunities described in the Report on Expected Developments and the Risk Report contained in the Group management report for the 2014 annual financial statements remain applicable.

#### **Outlook – Planning Confirmed**

Deufol SE confirms its planning figures published for fiscal year 2015 in its 2014 annual financial report. These envisage sales of between € 295 million and € 315 million and an operating result (EBITDA) of between € 14 million and € 16 million.


**Consolidated Income  
Statement**

figures in € thousand	Jan. 1, 2015 – Jun. 30, 2015	Jan. 1, 2014 – Jun. 30, 2014	Note/Page
<b>Sales</b>	<b>152,088</b>	<b>141,450</b>	01/015
Own work capitalized	325	287	
Change in inventories	517	498	
Other operating income	2,218	3,273	
<b>Total output</b>	<b>155,148</b>	<b>145,508</b>	
Cost of materials	(71,238)	(68,538)	
Personnel expenses	(50,489)	(46,716)	
Depreciation and amortization	(3,733)	(3,610)	
Other operating expenses	(24,639)	(23,619)	
<b>Profit (loss) from operations (EBIT)</b>	<b>5,049</b>	<b>3,025</b>	
Financial income	193	358	
Finance costs	(1,667)	(2,253)	
Share of profit of at-equity accounted companies	(163)	234	
<b>Earnings before taxes (EBT)</b>	<b>3,412</b>	<b>1,364</b>	
Income taxes	(799)	(794)	
<b>Income for the period</b>	<b>2,613</b>	<b>570</b>	
of which income attributable to noncontrolling interests	299	38	
<b>of which income attributable to equity holders of parent</b>	<b>2,314</b>	<b>532</b>	
<b>Earnings per share</b>			
in €			
Basic and diluted earnings per share, based on the profit (loss) attributable to common shareholders of Deufol SE	0.053	0.012	02/015

**Consolidated Statement  
of Comprehensive Income**

figures in € thousand	Jan. 1, 2015 – Jun. 30, 2015	Jan. 1, 2014 – Jun. 30, 2014	Note/Page
<b>Income for the period</b>	<b>2,613</b>	<b>570</b>	
<b>Other recognized income and expense</b>	<b>1,173</b>	<b>151</b>	
<b>Items that may be reclassified to profit/loss</b>			
Gain (loss) on exchange-rate differences after tax	1,173	134	
Gain (loss) on cash flow hedges after tax	0	17	
<b>Total comprehensive income after tax</b>	<b>3,786</b>	<b>721</b>	
of which attributable to noncontrolling interests	299	38	
<b>of which attributable to equity holders of parent</b>	<b>3,487</b>	<b>683</b>	



## Consolidated Balance Sheet

Assets			
figures in € thousand	Jun. 30, 2015	Dec. 31, 2014	Note/Page
<b>Noncurrent assets</b>	<b>138,690</b>	<b>138,917</b>	
Property, plant and equipment	47,034	46,581	
Investment properties	189	217	
Goodwill	68,676	68,673	
Other intangible assets	4,177	4,123	
At-equity accounted investments	3,727	3,715	
Financial receivables	3,876	4,512	
Other financial assets	59	59	
Other receivables and other assets	2,805	2,815	
Deferred tax assets	8,147	8,222	
<b>Current assets</b>	<b>82,124</b>	<b>79,434</b>	
Inventories	12,149	12,351	
Trade receivables	40,742	33,781	
Other receivables and other assets	16,052	14,113	
Tax receivables	1,536	1,828	
Financial receivables	1,528	1,358	
Cash and cash equivalents	10,117	16,003	
<b>Total assets</b>	<b>220,814</b>	<b>218,351</b>	
<hr/>			
<b>Equity and Liabilities</b>			
figures in € thousand	Jun. 30, 2015	Dec. 31, 2014	Note/Page
<b>Equity</b>	<b>101,134</b>	<b>97,348</b>	03/016
Equity attributable to owners of Deufol SE	100,545	97,058	
Subscribed Capital	43,774	43,774	
Capital reserves	107,240	107,240	
Retained earnings (accumulated losses)	(51,408)	(53,722)	
Other comprehensive income (expense)	939	(234)	
<b>Noncontrolling interests</b>	<b>589</b>	<b>290</b>	
<b>Noncurrent liabilities</b>	<b>52,195</b>	<b>54,056</b>	
Financial liabilities	45,288	47,033	04/016
Provisions for pensions	4,787	4,531	
Other liabilities	1,434	1,657	
Deferred tax liabilities	686	835	
<b>Current liabilities</b>	<b>67,485</b>	<b>66,947</b>	
Trade payables	33,677	36,316	
Financial liabilities	12,499	11,807	04/016
Other liabilities	19,454	15,862	
Tax liabilities	1,498	1,629	
Other provisions	357	1,333	
<b>Total equity and liabilities</b>	<b>220,814</b>	<b>218,351</b>	



## Consolidated Cash Flow Statement

figures in € thousand	Jan. 1, 2015 – Jun. 30, 2015	Jan. 1, 2014 – Jun. 30, 2014	Note/Page
Income (loss) from operations (EBIT) from continuing operations	5,049	3,025	
<b>Adjustments to reconcile income (loss) to cash flows from operating activities</b>			
Depreciation and amortization charges	3,733	3,610	
(Gain) loss from disposal of property, plant and equipment	(93)	(43)	
Taxes paid	(560)	(709)	
<b>Changes in assets and liabilities from operating activities</b>			
Change in trade accounts receivable	(6,961)	(5,553)	
Change in inventories	202	(1,015)	
Change in other receivables and other assets	(1,929)	3,892	
Change in trade accounts payable	(2,639)	(3,977)	
Change in other liabilities	3,551	(1,303)	
Change in accrued expenses	(728)	(222)	
Change in other operating assets / liabilities (net)	(242)	(13)	
<b>Net cash provided by (used in) operating activities</b>	<b>(617)</b>	<b>(2,308)</b>	05/016
Purchase of intangible assets and property, plant and equipment	(3,215)	(3,471)	
Proceeds from the sale of intangible assets and property, plant and equipment	251	142	
Net change in financial receivables	466	786	
Interest received	193	358	
<b>Net cash provided by (used in) investing activities</b>	<b>(2,305)</b>	<b>(2,185)</b>	05/016
Proceeds from (repayment of) borrowings	(1,546)	5,718	
Net change in other financial liabilities	423	(1,359)	
Interest paid	(1,841)	(2,307)	
<b>Net cash provided by (used in) financing activities</b>	<b>(2,964)</b>	<b>2,052</b>	05/016
<b>Change in cash and cash equivalents</b>	<b>(5,886)</b>	<b>(2,441)</b>	
Cash and cash equivalents at the beginning of the period	16,003	4,979	
Cash and cash equivalents at the end of the period	10,117	2,538	

## Consolidated Statement of Changes in Equity

figures in € thousand	Subscribed Capital	Capital reserves	Accumulated losses	Other recognized income and expense			Equity attributable to noncontrolling interests	Total equity
				Cumulative translation adjustment	Reserve for cash flow hedges	Equity attributable to equity holders of Deufol SE		
<b>Balance at January 1, 2014</b>	<b>43,774</b>	<b>107,420</b>	<b>(53,819)</b>	<b>(1,993)</b>	<b>(17)</b>	<b>95,185</b>	<b>353</b>	<b>95,538</b>
Income (loss) for the period	—	—	532	—	—	532	38	570
Other comprehensive income	—	—	—	134	24	158	—	158
Deferred taxes for valuation changes recognized directly in equity	—	—	—	—	(7)	(7)	—	(7)
<b>Total comprehensive income (loss)</b>	<b>—</b>	<b>—</b>	<b>532</b>	<b>134</b>	<b>17</b>	<b>683</b>	<b>38</b>	<b>721</b>
Dividends	—	—	—	—	—	—	—	—
<b>Balance at June 30, 2014</b>	<b>43,774</b>	<b>107,420</b>	<b>(54,238)</b>	<b>(918)</b>	<b>(69)</b>	<b>95,789</b>	<b>1,236</b>	<b>97,025</b>
<b>Balance at January 1, 2015</b>	<b>43,774</b>	<b>107,420</b>	<b>(53,772)</b>	<b>(234)</b>	<b>0</b>	<b>97,058</b>	<b>290</b>	<b>97,348</b>
Income (loss) for the period	—	—	2,314	—	—	2,314	299	2,613
Other comprehensive income	—	—	—	1,173	0	1,173	—	1,173
Deferred taxes for valuation changes recognized directly in equity	—	—	—	—	0	0	—	0
<b>Total comprehensive income (loss)</b>	<b>—</b>	<b>—</b>	<b>2,314</b>	<b>1,173</b>	<b>0</b>	<b>3,487</b>	<b>299</b>	<b>3,487</b>
Dividends	—	—	—	—	—	—	—	—
<b>Balance at June 30, 2015</b>	<b>43,774</b>	<b>107,420</b>	<b>(51,408)</b>	<b>939</b>	<b>0</b>	<b>100,545</b>	<b>589</b>	<b>101,134</b>

## Notes to the Consolidated Interim Financial Statements



### General Accounting and Valuation Methods

These consolidated financial statements for the interim report – which have not been audited or verified by an auditor – describe the business activities of Deufol SE and its subsidiaries (the “Group”). The statements were produced in accordance with IFRS (International Financial Reporting Standards). All IFRSs (IFRSs, IASs, IFRICs, SICs) as adopted by the European Union and effective as of the balance sheet date were applied.

In principle, the balancing and valuation methods used are those for the last consolidated financial statements as of the end of the fiscal year. A detailed description of these methods is provided in our annual report for the year 2014. In addition, IAS 34 “Interim Financial Statements” was applied.

### New Accounting Standards

The first-time application of the new standards and applications which are mandatory from fiscal year 2015 had no effect on the recognition and measurement of assets and liabilities.

### Currency Translation

In accordance with IAS 21, the financial statements of the foreign subsidiaries included in the Group financial statements whose functional currency is not the euro were converted into the Group currency euro on the balance sheet cut-off date on the basis of the functional currency concept. The conversion was in accordance with the modified closing rate method.

The exchange rates for the translation of currencies that are not part of the European Monetary Union changed as follows:

Foreign currency	Middle rate as of the balance sheet date		Average rate of exchange	
	Jun. 30, 2015	Dec. 31, 2014	6M 2015	6M 2014
per €				
US dollar	1.1189	1.2141	1.1159	1.3705
Czech crown	27.2530	27.7350	27.5042	27.4435
Singapore dollar	1.5068	1.6058	1.5059	1.7280
Renminbi	6.9366	7.53582	6.9411	8.4517





## Scope of Consolidation

All significant subsidiaries over which Deufol SE has legal or effective control are included in the consolidated financial statements.

The consolidated group is as follows:

figures in units	Dec. 31, 2014	Additions	Disposals	Jun. 30, 2015
Consolidated subsidiaries	32	0	0	32
thereof in Germany	17	0	0	17
thereof abroad	15	0	0	15
Companies valued using the at-equity method	6	0	0	6
thereof in Germany	5	0	0	5
thereof abroad	1	0	0	1
<b>Total</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>38</b>



## 01 Sales

In respect of further comments on the sales, we refer to the segment reporting.

## 02 Earnings per Share

Income	Jan. 1, 2015– Jun. 30, 2015	Jan. 1, 2014– Jun. 30, 2014
figures in € thousand		
Result attributable to the holders of Deufol SE common stock	2,314	532
<b>Shares in circulation</b>		
figures in units		
Weighted average number of shares	43,773,655	43,773,655
<b>Earnings per share</b>		
figures in €		
Basic and diluted earnings per share, based on the income (loss) attributable to common shareholders of Deufol SE	0.053	0.012



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**03 Equity**

There was no change in the Subscribed Capital and in the capital reserves in the first six months of 2015.

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**04 Financial Liabilities**

Under the existing German syndicated loan agreement, the Deufol Group is obliged to comply with minimum and maximum limits for firmly defined financial covenants.

As of March 31, 2015 and June 30, 2015, the Deufol Group complied with all of the financial covenants under its loan agreement.



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**05 Cash Flow Statement**

The cash flow statement shows the origin and appropriation of the money flows in the first six months of fiscal years 2014 and 2015. It is of key significance for an assessment of the financial position of the Deufol Group.

The cash funds shown in the cash flow statement correspond to the balance sheet item "Cash and cash equivalents".

The net cash provided by operating activities has been adjusted for changes to the scope of consolidation and in the first six months of 2015 amounted to – € 617 thousand.

The outflow of funds from investing activities amounted to € 2,305 thousand and includes the cash flows from the purchase and sale of property, plant and equipment, the purchase and sale of intangible assets, the change in financial receivables as well as interest received.

The outflow of funds from financing activities amounted to € 2,964 thousand and reflects the net change in financial liabilities plus interest payments.

The cash and cash equivalents balance decreased by € 5,886 thousand.



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**Dividend**

No dividend was distributed in the first six months of 2015.

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**Contingencies**

There were no significant changes in the contingencies in relation to December 31, 2014.

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**Significant Events after the  
Balance Sheet Date**

No material events occurred after the balance sheet date for which a reporting obligation is applicable pursuant to IAS 10.



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## Segment Information

The segment reporting is prepared in accordance with the provisions of IFRS 8 (Operating Segments).

Its primary reporting format is based on geographical regions which are grouped for the purpose of corporate management. As the segment result – used for assessment of the business success of the respective segments – the management has calculated the result for the period before taxes, financial income, financial expenses, shares of profits of companies accounted for using the equity method and amortization/impairment of goodwill (EBITA). The Deufol Group has the following segments for which reporting requirements apply:

- Germany
- Rest of Europe
- USA/Rest of the World

The holding company covers the Group's administrative activities and, in addition to Group management functions, includes support functions such as sales, purchasing, controlling, financial accounting, personnel, legal, and corporate communications.

The operating result (EBITA) for the business units is separately monitored by the management in order to make decisions on the allocation of resources and to determine the units' performance. The segments' development is mainly measured with reference to the operating result. As the Deufol Group has a decentralized organizational structure, financial expenses and income can be allocated to the individual business segments.

The prices charged between the business segments are determined on the basis of the arm's length principle.

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## Supplementary Disclosures

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### Disclosures Concerning the Executive Bodies

#### Managing Directors

Mr. Olaf Lange resigned from his position as a managing director of the Company on March 25, 2015. Mr. Manfred Weirich and Mr. Jens Hof resigned from their positions as managing directors on June 30, 2015.

#### Administrative Board

There were no changes to the members of the Administrative Board in the first six months of fiscal year 2015.

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### Relationships with Related Parties

With regard to the transactions with related parties, there was no significant change in relation to the previous annual financial statements.

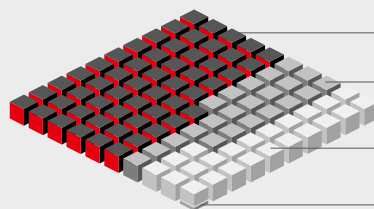


Segment Information  
by Region (Primary  
Reporting Format)

	Germany	Rest of Europe	USA/Rest of the World	Holding company	Elimination	Group
figures in € thousand						
<b>6M 2015</b>						
External sales	83,404	33,733	34,584	367	0	152,088
Internal sales	11,265	6,898	0	7,110	(25,273)	0
<b>Total sales</b>	<b>94,669</b>	<b>40,631</b>	<b>34,584</b>	<b>7,477</b>	<b>(25,273)</b>	<b>152,088</b>
EBITA = EBIT	2,202	1,364	2,032	(602)	53	5,049
Financial income	221	200	65	1,561	(1,854)	193
Finance costs	(944)	(265)	(1,263)	(1,049)	1,854	(1,667)
Earnings from associates	13	(52)	(41)	(83)	0	(163)
EBT	1,492	1,247	793	(173)	53	3,412
Taxes						(799)
<b>Result for the period</b>						<b>3,103</b>
Assets	92,475	60,823	51,601	253,792	(247,560)	211,131
of which investments accounted for using the at-equity method						
Non-allocated assets						9,683
<b>Total assets</b>						<b>220,814</b>
Financial liabilities	33,947	11,644	48,540	34,364	(70,708)	57,787
Other debt	47,793	24,419	14,199	28,882	(55,584)	59,218
Non-allocated debt						2,185
<b>Total liabilities</b>						<b>119,680</b>
Depreciation, amortization and impairment	1,614	980	817	322	0	3,733
Investments	2,307	529	130	249	0	3,215

External sales by region

figures in %

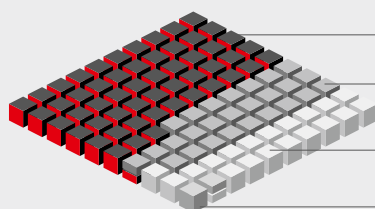


	6M 2015
Germany	54.84
Rest of Europe	22.18
USA/Rest of the World	22.74
Holding company	0.24

	Germany	Rest of Europe	USA/Rest of the World	Holding company	Elimination	Group
figures in € thousand						
<b>6M 2014</b>						
External sales	75,631	36,524	27,196	2,099	0	141,450
Internal sales	6,754	4,465	101	5,006	(16,326)	0
<b>Total sales</b>	<b>82,385</b>	<b>40,989</b>	<b>27,297</b>	<b>7,105</b>	<b>(16,326)</b>	<b>141,450</b>
EBITA = EBIT	1,461	1,116	816	(438)	70	3,025
Financial income	521	350	63	1,845	(2,421)	358
Finance costs	(1,583)	(322)	(1,186)	(1,583)	2,421	(2,253)
Earnings from associates	227	0	0	7	0	234
EBT	626	1,144	(307)	(169)	70	1,364
Taxes						(794)
<b>Result for the period</b>						<b>570</b>
Assets	79,095	55,175	46,661	269,690	(249,547)	201,074
of which investments accounted for using the at-equity method	3,373	0	0	153	0	3,526
Non-allocated assets						11,512
<b>Total assets</b>						<b>212,586</b>
Financial liabilities	42,317	11,964	44,851	40,274	(72,220)	67,186
Other debt	26,140	17,431	10,342	49,685	(57,461)	46,137
Non-allocated debt						3,004
<b>Total liabilities</b>						<b>116,327</b>
Depreciation, amortization and impairment	1,518	1,129	710	253	0	3,610
Investments	1,832	953	402	301	0	3,488

## External sales by region

figures in %










	6M 2014
Germany	53.47
Rest of Europe	25.82
USA/Rest of the World	19.23
Holding company	1.48

# Additional Information

## Financial Calendar

<b>April 30</b>	<b>2015</b>	Annual Financial Statements 2014
<b>July 1</b>	<b>2015</b>	Annual General Meeting 2015
<b>August 21</b>	<b>2015</b>	Semi-Annual Financial Report 2015

## Key to Symbols

-  Basis of Preparation
-  Scope of Consolidation
-  Consolidated Income Statement Disclosures
-  Consolidated Balance Sheet Disclosures
-  Consolidated Cash Flow Statement Disclosures
-  Other Disclosures
-  Segment Information
-  Supplementary Disclosures

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