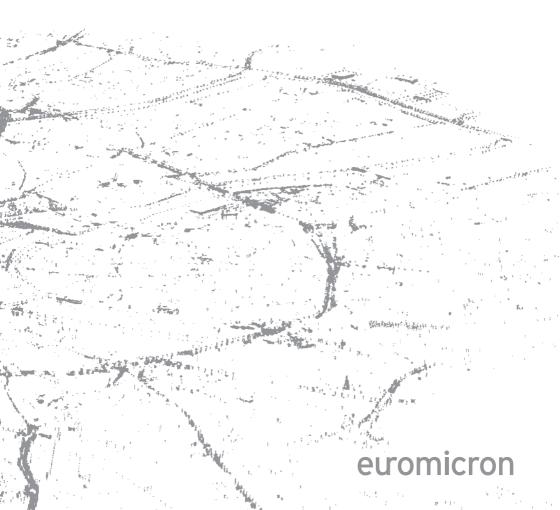
INTERIM REPORT Q3/2015



euromicron

TUNED TO THE PULSE OF THE DIGITAL FUTURE

Increasing networking and digitization of all conceivable information are impacting how we work and live to a greater and greater extent. The basis for these rapid changes is powerful network infrastructures for data transmission. This central supply system will become the pacemaker for the future.

euromicron specializes in creating these network infrastructures. We are geared toward digital future topics relating to the Internet of Things. Our strategy is driven by innovation, efficiency and profitability. By making high-quality components, offering tailored system integration, creating high-performance means of data transmission and delivering powerful security systems, we help our customers be successful in their industries.

KEY INCOME

FIGURES

of the euromicron Group at September 30, 2015

Key figures

	2015	2014*
	€ thou.	€ thou.
Sales	242,708	243,468
EBITDA	2,525	9,761
EBITDA margin in % (relative to sales at the reporting date)	1.0	4.0
EBITDA (operating)**	5,761	9,761
EBITDA margin (operating)**, in % (relative to sales at the reporting date)	2.4	4.0
EBIT	-6,296	2,287
EBIT (operating)**	-1,187	2,287
Consolidated net loss for the period for euromicron AG shareholders	-7,719	-503
Earnings per share in € (undiluted)	-1.08	-0.07
Equity ratio	34.0	37.2
Working capital	87,056	83,553
Working capital ratio in % (relative to sales of the past 12 months)	25.2	24.9
Cash flow from operating activities, adjusted for effects from factoring and customers' monies to be passed on	-15,081	-11,713

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8")

^{**} Excluding one-off effects resulting from the company's reorganisation (unaudited acc. to IFRS)

DEAR SHAREHOLDERS, DEAR READERS,

We systematically continued our measures to drive the euromicron Group's strategic realignment in the third quarter of fiscal 2015. Whereas we recorded stable sales in the first nine months, our earnings were significantly impacted by the necessary investments in the company's future. However, we are sure that these steps will increase the Group's operating earnings strength lastingly as of 2016 and return euromicron to profitable growth.

Consolidated sales in the first 9 months of 2015 were €242.7 million and so almost at the level of the previous year (€243.5 million). New orders at September 30, 2015, were €253.8 million or 1.3% above the figure for the same period of the previous year (€250.5 million). That is a good springboard for our future business development.

Operating EBIT (EBIT excluding effects on income from reorganization) was \in –1.2 million (previous year: \in 2.3 million) and operating EBITDA was \in 5.8 million (previous year: \in 9.8 million). This decline in earnings is attributable to several factors: No contribution margin was made in 2015 from the further work on completion of old projects that had already been assessed in previous periods as loss-free within the system house business of the "North" and "South" segments. In particular, the planned development of forward-looking fields of business reduced earnings in the system house business of the "WAN services" segment.

In addition, order postponements at the production companies and the fact that export permits have not yet been issued for orders with above-proportionately high margins also had a negative impact. These effects are expected to disperse in part in the fourth quarter of 2015.

Apart from these factors, earnings were also influenced by reorganization measures as part of our strategic realignment. They reduced EBIT by €-5.1 million and EBITDA by €-3.2 million. The reported EBIT (after allowing for effects on income from reorganization) is thus €-6.3 million (previous year: €2.3 million), while the reported EBITDA is €2.5 million (previous year: €9.8 million).

We regard innovation and efficiency as the crucial success factors in our path toward profitable growth. By merging euromicron international services GmbH with euromicron AG,

we have streamlined our holding structures and pooled the euromicron Group's central controlling structures at euromicron AG.

In addition, euromicron systems GmbH and euromicron networks GmbH were merged with euromicron Deutschland GmbH (formerly euromicron solutions GmbH). Together with telent GmbH, the euromicron Group now has two large system houses in the future markets of "critical infrastructures" and "smart buildings". We harmonized processes at euromicron Deutschland GmbH, merged IT systems and optimized personnel and real estate structures at individual regional units of the company in the third quarter of 2015.

At the end of September 2015, we decided to discontinue the business operations of Avalan GmbH, since the loss-making core business of Avalan GmbH is no longer consistent with the euromicron Group's new strategic orientation. This resulted in amortization of goodwill that reduced EBIT by \emptyset – 1.9 million. This decision will have a significantly positive impact on the Group's earnings strength as of fiscal 2016: In fiscal year 2014 alone, the negative EBIT from this company reduced consolidated EBIT by \emptyset 1.4 million. This burden on earnings will be removed as from 2016.

Particular areas of focus in the fourth quarter of 2015 are continued harmonization of processes and further optimization of personnel structures at euromicron Deutschland. We are also reviewing whether to shed further enterprises that are loss-making or not strategically relevant by the end of the year.

As part of development of the strategic future market "Internet of Things", in particular in the fields of "smart buildings" and "critical infrastructures", synergies between our system houses and technology companies are creating new digital solutions that make us stand out from the other market players and will enable us to increase our share of high-margin solution business. For example, ELABO GmbH has developed a "Smart Factory" specially tailored to working conditions at production plants in the SME sector. This development from ELABO GmbH recently picked up an award from the German Engineering Federation (VDMA) in the contest "100 locations for Industry 4.0 in Baden-Württemberg". The IT security concept to flank it is delivered by euromicron Deutschland GmbH. euromicron thus offers a new digital solution "from a single source" in this market with a highly promising future.

The focus of our current activities is on strategic realignment of the Group and successful completion of the ongoing reorganization measures. In close dialog with our main partner banks, we have deferred the restructuring of our financing originally planned for the second half of 2015 until next fiscal year. The operational prospects for the fourth quarter, which is traditionally the one in which euromicron posts its strongest earnings, are good. We expect the order postponements at our production companies to disperse in part. Overall, we anticipate a significantly positive contribution to earnings in the fourth quarter. In view of the fact that earnings are lower than in the previous year at present, however, we assume that the operating EBITDA margin for the year as a whole will be in a range between 4% and 5% and so below the figure forecast to date (lower end of the range between 6% and 8%). Implementation of forward-looking reorganization measures will probably reduce the EBITDA margin by one to two percentage points (forecast to date: one percentage point).

Dear shareholders and capital market participants, 2015 is a year of radical change for euromicron. That is also reflected in our consolidated earnings. However, the Group's reorganization and strategic realignment will lastingly increase its operating earnings strength again as of 2016. Please keep on supporting us in this phase of realignment and accompanying euromicron AG on its path to the digital future.

Frankfurt/Main, November 2015

Bettina Meyer

Member of the Executive Board (Spokeswoman)

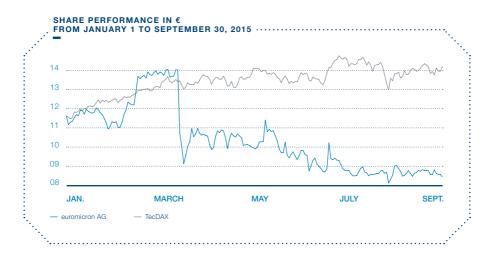
Jürgen Hansjosten

Member of the Executive Board

EUROMICRON'S SHARES

euromicron's share began fiscal 2015 at €11.70. The first three months of the year saw it rise to up to €14.18 on March 16, 2015. That was also its peak value in the first 9 months of 2015. The share then suffered sharp drops in price and stood at €9.16 on March 26, 2015. euromicron AG stated in an ad-hoc announcement on March 23, 2015, that it would correct earlier consolidated financial statements in accordance with IAS 8. At the same time as the results for the 2014 fiscal year were published, the share rose to €11.49 on May 28, 2015, its peak in the second quarter. Its lowest mark was €8.78 on June 29, 2015.

Shortly before the General Meeting, euromicron's share price improved to €10.27 on July 13, 2015, its peak in the third quarter. Its lowest mark in the third quarter and in the first nine months of 2015 was €8.14 on August 24, 2015. On that day, the DAX fell below 10,000 points for the first time for seven-and-a-half months after stock markets in China had suffered sharp drops. euromicron's share price subsequently increased and settled at between €9 and €8.5. At September 30, 2015, it stood at €8.47. In the period under review, a total of 4.91 million shares in the company were traded on Frankfurt Stock Exchange (including XETRA).



INTERIM MANAGEMENT REPORT

of the euromicron Group from January 1 to September 30, 2015

Fundamentals of the Group

Profile

The euromicron Group is a leading provider of complete infrastructure solutions for communications, transmission, security and data networks and has a comprehensive network of branch offices in Germany and at diverse European locations.

The companies in the euromicron Group offer customers from a wide range of different sectors a one-stop shop for tailor-made, vendor-independent solutions. Their portfolio comprises planning, implementation, service and maintenance of communications solutions, as well as developing, producing and distributing network components. The Group companies cater for all common transmission media – copper, fiber optic and wireless technology (radio) – and applications. The solutions are used in supraregional networks, metropolitan networks and local area networks for data communication in a wide range of different sectors, public authorities and institutions, data centers, medical engineering and security technology.

Building on this basic business, the euromicron Group develops solutions for digitizing business processes. These solutions focus on the Internet of Things (IoT), a market that will grow strongly in future, in particular in the fields of "smart buildings" and "critical infrastructures".

Legal structure

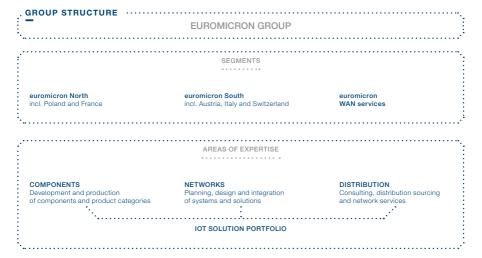
euromicron AG, Frankfurt/Main, is a strategic management holding that discharges overarching tasks at the Group. They include not only strategic controlling, but also financing, Group controlling and accounting, legal affairs, human resources, purchasing, IT and public and investor relations. The Group's operational business is currently controlled on the basis of the following three segments, which also form the segments that must be reported on within the meaning of the International Financial Reporting Standards (IFRS):

- euromicron North
- euromicron South
- euromicron WAN services

Since integration of the Group companies euromicron solutions GmbH, euromicron systems GmbH and euromicron networks GmbH that were merged into euromicron Deutschland GmbH into accounting will not be completed until the fourth quarter of 2015, the existing segment structure was used for operational controlling up to September 30, 2015. Controlling of operational business will be adapted to the Group's strategic realignment and the associated change in its structure in the fourth quarter of 2015. That will also result in a change in segment reporting, which will apply for the first time to the consolidated financial statements as of December 31, 2015.

The IFRS consolidated financial statements at September 30, 2015, include the parent company euromicron AG and a further 22 fully consolidated subsidiaries. Due to internal mergers at the Group, the number of fully consolidated subsidiaries fell by four in the third quarter of 2015. The common strategic focus on the "Internet of Things" market generates synergies across the companies and segments. That ensures the competitiveness of euromicron's solution portfolio and opens up new potential for creating value added. Apart from companies in Germany, euromicron North also has representative agencies in Poland and France, while euromicron South also includes companies in Austria, Italy and Switzerland. The WAN services segment groups business relating to planning, installation and maintenance of wide area networks (WANs), i.e. supraregional networks.

The figure below provides an overview of the Group's structure to date:



Extensive measures to restructure the Group were implemented in the first 9 months of fiscal 2015. They include reorganization measures, in particular in the area of expertise "euromicron networks" and at the holding level. euromicron solutions GmbH, euromicron systems GmbH and euromicron networks GmbH were merged to create the new system house company euromicron Deutschland GmbH in the third quarter of 2015. National system house business (in particular for the business segment "smart buildings") is being pooled at this company and its processes reorganized, which will increase efficiency in the medium term. Apart from construction-related campus infrastructure business, which is still organized on a regional basis, the divisions Data Networking, Telephony/Unified Collaboration and Large Projects will be organized nationally in future at euromicron Deutschland GmbH. In future, the business segment "critical infrastructures" will also be catered for by telent GmbH, which is already organized nationally.

In addition, the Group's holding structures were also streamlined in the third quarter of 2015 by the merger of euromicron international services GmbH with euromicron AG.

The structure of the Austrian Group companies was also optimized in the third quarter by the merger of Qubix distribution GmbH with euromicron austria GmbH.

As part of the strategic realignment, it was announced that the existing portfolio of euromicron AG would be reviewed and enterprises that were loss-making or not strategically relevant would be shed or sold, respectively. That led to the decision at the end of September 2015 to discontinue the business operations of the Group company Avalan GmbH effective the end of the fiscal year, since its business focus – assembly and installation activities in the field of low-margin copper and fiber-optic cabling – no longer accorded with the euromicron Group's new strategic focus. In addition, the loss-making enterprise was not consistent with the euromicron Group's prime goal of returning to profitable growth through its alignment toward end-to-end solutions in the Internet of Things arena.

Areas of expertise

The euromicron Group pools its know-how across segments in the areas of expertise "euromicron components", "euromicron networks" and "euromicron distribution". The objective of the areas of expertise is to be successful in their respective markets, but also to achieve synergies between themselves, in particular by jointly developing an IoT solution portfolio.

euromicron components

The euromicron group unites its technology suppliers in the area of expertise "euromicron components". They develop and produce active and passive optical network components, high-quality fiber-optic cabling systems, public address systems, testing and inspection equipment, networked workplace systems and highly professional safety and security technology for special applications. Reliable delivery, professional training in how to use our products and comprehensive services round out the portfolio.

We mainly cater for niche markets with high-end products. Our innovative products, components and systems are distinguished by the very highest quality "Made in Germany" and have been certified by major market partners, such as Deutsche Telekom or Deutsche Bahn. We serve international markets through export business and our own branch offices or project offices in the respective countries.

euromicron networks

The area of expertise "euromicron networks" offers a one-stop shop for integrated solutions for all types of security, communications, transmission and data network, as well as data centers. As a system integrator, we take care of management and handling of the entire project – from planning, consulting, selecting and installing the system technology to service, maintenance and network management.

As part of that, we combine all technologies and applications in the field of information and communications technology (ICT) so as to be able to offer our customers tailored solutions in the Internet of Things (IoT) arena.

By planning, installing and maintaining intelligent digital network infrastructures, the area of expertise "euromicron networks" supports the digitization of business processes of small, medium-sized and large enterprises with customer-specific solutions.

euromicron distribution

Our area of expertise "euromicron distribution" advises and supplies customers in a vendor-independent manner in all matters relating to active and passive network components in the fiber-optic and copper arena. It also offers a full portfolio for FTTx networks and passive data center design.

Economic report

Overall economy

According to the German Institute for Economic Research (DIW Berlin), the German economy will maintain its pace of growth up to the end of the year. Following growth of almost 0.4% in the third quarter, the Economic Barometer also indicates a figure for Q4 of just over 0.4% above the preceding quarter. The index now stands at 103 points, slightly above the threshold of 100 points that represents average growth in the German economy.

This stable trend is underpinned by the still favorable situation on the German labor market. Private consumption is increasing due to the rise in employment and perceptible wage growth. However, a slight fall-off in the pace is anticipated in the fourth quarter, since there will no longer be the consumption-enhancing effect of lower energy prices.

German industry is developing in the opposite direction. Production recently fell slightly below the volume at the beginning of the year, due to the weakening of China's economy. The manufacturing industry is expanding production only to a small extent. This gloomier outlook is also reflected in the weak trend for new orders in industry.

According to the Federation of German Industries (BDI), the economy in the Euro zone is recovering slightly, despite global uncertainties. The economy in Europe is still being aided by the ECB's expansionary monetary policy, the favorable exchange rate of the Euro and the low price of oil. However, the situation on the labor market in the Euro area remains strained.

According to the ifo Institute, the level of economic activity in most advanced economies is robust in 2015. However, the economic situation worsened in some emerging countries – in particular, structural change in China is putting a strain on important sectors of the economy, such as construction, industry and foreign trade. Weak Chinese demand for imports caused global trade to fall – many commodity-exporting emerging countries are being hit by the in some cases sharp drop in the prices of crude oil and important industrial raw materials. As a consequence, the IMF has reduced the anticipated rate of economic expansion since its spring forecast by 0.4 percentage points to 3.1%.

The industry

In the market figures for 2015 it published in October 2015, the German Association for Information Technology, Telecommunications and New Media (BITKOM) assumes that revenue from information technology, telecommunications and entertainment electronics will increase by 1.9% to €156 billion euros.

Information technology remains the growth driver in the industry and is forecast to grow by 3.5% to €80.4 billion. The strongest rise will be in the software segment – by 5.4% to €20.1 billion. Business with IT services, which includes IT consulting and project business, will grow 3% to €37.3 billion.

According to BITKOM's forecast, telecommunications will post a minimal increase in revenue following two years of declines. The slight rise of 0.9% in the telecommunications market is predominantly attributable to growing demand for devices and infrastructure systems. The total telecommunications market is expected to have a volume of \in 65.8 billion this year. Revenue from smartphones and other devices will increase by 5.5% to \in 9.8 billion.

The downward trend in entertainment electronics continues, although the declines in revenue are slowing down. BITKOM expects a fall of 3.8% here to €9.8 billion for 2015.

Sales

euromicron Group at September 30, 2015

The euromicron Group's sales in the first 9 months of fiscal 2015 were €242.7 million and so only slightly −0,3% below the figure for the same period of fiscal 2014 (€243.5 million). After a −1.3% drop in sales year on year at June 30, 2015, this difference was able to be reduced further in the third quarter of 2015 due to the fact that sales were 1.6% higher than in the third quarter of the previous year. As in previous years, 2015 is expected to exhibit the customary seasonal course of business with a peak in sales in the fourth quarter, since the companies in the euromicron Group provide most of their value-added services and bill for a large part of their projects in the fourth quarter.

Sales development - consolidated by areas of expertise

	2015	2014*
	€ thou.	€ thou.
euromicron networks	171,909	173,041
euromicron components	55,066	55,433
euromicron distribution	15,733	14,994
Consolidated sales	242,708	243,468

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

Sales developed differently in the first 9 months of 2015 within the Group's individual areas of expertise. euromicron networks and euromicron components each posted a slight decline in sales of -0.7%. In contrast, euromicron distribution was able to increase its sales by 4.9%.

Looking at the sales trend in the third quarter of 2015, the Group's sales rose by 1.6% compared with the third quarter of 2014. Sales at euromicron networks rose by 5.1%. However, this increase is partly due to the greater work on completing projects that had been assessed as loss-free in the 2014 annual financial statements, with the result that no contribution margin was achieved from these sales. That had a negative on the cost of materials relative to total operating performance and on earnings in the third quarter of 2015.

euromicron components posted a –9.6% fall in sales in the third quarter of 2015. Whereas demand for assembled connectors and plug connections was also up year

on year in the third quarter of 2015, there were declines in sales in other areas of production business, in particular due to order postponements and the fact that export permits were not issued as part of export business. It is anticipated that these order postponements will disperse again in part in the fourth quarter of 2015.

Sales at euromicron distribution developed pleasingly again in the third quarter of 2015 and increased by 6.8% over the third quarter of 2014, in particular due to strong sales abroad.

Sales development - consolidated by regions

	2015	2014
	€ thou.	€ thou.
Germany*	208,758	205,844
Euro zone	24,795	25,301
Rest of World	9,155	12,323
Consolidated sales	242,708	243,468

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

The German market remains the main focus of the euromicron Group's commercial activity. Sales of €208.8 million (previous year: €205.9 million) – or around 86.0% of total sales (previous year: 84.6%) – were generated in the domestic market.

The euromicron Group is represented in other European countries with its own locations in Italy, Austria, Benelux, France, Poland and Switzerland. Other foreign business is mainly tapped by product export and individual project business, with this being controlled from Germany. The euromicron Group is represented in some non-European countries in the shape of project offices, for example in China and Pakistan, so as to cater for market requirements there. Our foreign sales were €33.9 million, down on the previous year's figure of €37.6 million, and so accounted for 14.0% of total sales (previous year: 15.4%).

Income

euromicron Group for the 3rd quarter of 2015

Key income figures for the 3rd quarter of 2015

	Q3 2015	Q3 2014*
	€ thou.	€ thou.
EBIT	-4,283	1,371
EBIT (operating)**	-451	1,371
EBITDA	-122	3,849
EBITDA margin in % (relative to sales at the reporting date)	-0.1	4.6
EBITDA (operating)**	1,837	3,849
EBITDA margin (operating)**, in % (relative to sales at the reporting date)	2.1	4.6
Income before taxes	-5,423	451
Consolidated net loss for the period for euromicron AG shareholders	-4,643	256
Earnings per share in € (undiluted)	-0.65	0.03

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8")

euromicron Group at September 30, 2015

Key income figures at September 30, 2015

	2015	2014*
	€ thou.	€ thou.
EBIT	-6,296	2,287
EBIT (operating)**	-1,187	2,287
EBITDA	2,525	9,761
EBITDA margin in % (relative to sales at the reporting date)	1.0	4.0
EBITDA (operating) **	5,761	9,761
EBITDA margin (operating)**, in % (relative to sales at the reporting date)	2.4	4.0
Income before taxes	-9,089	-442
Consolidated net loss for the period for euromicron AG shareholders	-7,719	-503
Earnings per share in € (undiluted)	-1.08	-0.07

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8")

^{**} Excluding one-off effects resulting from the company's reorganisation (unaudited acc. to IFRS)

 $^{^{\}star\star}$ Excluding one-off effects resulting from the company's reorganisation (unaudited acc. to IFRS)

Effects on income from reorganization measures

Reported consolidated earnings before interest and taxes (EBIT) at September 30, 2015, were € -6.3 million compared with €2.3 million at September 30, 2014. The reported EBITDA was €2.5 million (previous year: €9.8 million). In comparing the earnings figures, it is necessary to take into account that the reported EBIT and EBITDA in the first 9 months of fiscal 2015 - around €5.1 million and €3.2 million respectively - were reduced significantly by the costs of the reorganization measures that were initiated. After EBIT and EBITDA at June 30, 2015, were each reduced by €1.3 million, there were further reorganization costs in the third quarter which reduced EBIT and EBITDA by €3.8 million and €2.0 million respectively.

The reorganization costs of \in 5.1 million in the first 9 months of fiscal 2015 include amortization and depreciation of \in 1.9 million, of which \in 1.8 million was amortization of goodwill and \in 0.1 million write-downs of property, plant and equipment. The amortization and depreciation result from the decision at the end of September 2015 to discontinue the business operations of Avalan GmbH effective the end of the fiscal year.

The reorganization costs also include costs for personnel measures resulting from the initiated discontinuation of Avalan GmbH's business operations and streamlining the regional structures of euromicron Deutschland GmbH and the holding structures. They also contain €0.2 million from writing down inventories to the anticipated proceeds from their sale (likewise mainly due to the initiated discontinuation of Avalan GmbH's business operations) and other operating expenses of €1.3 million, which are mainly composed of legal and consulting costs and costs connected to optimizing the real estate structure.

Development of operating performance

Operating EBIT and operating EBITDA are determined as follows by adjustment for the special effects of the reorganization:

INCOME STATEMENT

(OPERATIONAL)

of the euromicron Group for the period July 1 to September 30, 2015 (IFRS)

Income statement (operational) adjusted for one-off effects of the company's reorganisation

	3-month report			
	July 1, 2015 – Sept. 30, 2015 incl. special effects of reorganization	Special effects of reorganization	July 1, 2015– Sept. 30, 2015 operational	July 1, 2014– Sept. 30, 2014 operational*
	€ thou.	€ thou.	€ thou.	€ thou.
Sales	85,948	0	85,948	84,586
Inventory changes	726	0	726	298
Own work capitalized	419	0	419	482
Other operating income	405	0	405	117
Cost of materials	-50,009	198	-49,811	-45,869
Personnel costs	-26,691	834	-25,857	-25,186
Amortization and depreciation	-4,161	1,873	-2,288	-2,478
Other operating expenses	-10,920	927	-9,993	-10,579
Earnings before interest and taxes (EBIT)	-4,283	3,832	-451	1,371
Interest income	14	0	14	39
Interest expenses	-1,154	0	-1,154	-959
Income before income taxes	-5,423	3,832	-1,591	451
Income taxes	861	0	861	-134
Consolidated net loss for the period	-4,562	3,832	-730	317
Thereof for euromicron AG shareholders	-4,643	3,832	-811	256
Thereof for non-controlling interests	81	0	81	61
(Un)diluted earnings per share in €	-0.65	0.53	-0.11	0.03

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8")

(unaudited acc. to IFRS)

The operating EBIT for the third quarter of 2015 was € -0.5 million compared with €1.4 million in the third quarter of 2014. Operating EBITDA in the third quarter was €1.8 million compared with €3.8 million in the same period of the previous year. As a result, operating EBIT and operating EBITDA were €1.8 million and €2.0 million respectively below the comparative figure for the third quarter of 2014. The operating EBITDA margin in the third quarter of 2015 was 2.1% (previous year: 4.6%).

INCOME STATEMENT (OPERATIONAL)

of the euromicron Group for the period January 1 to September 30, 2015 (IFRS)

Income statement (operational) adjusted for one-off effects of the company's reorganisation

		9-month re	port	
	Jan. 1, 2015– Sept. 30, 2015 incl. special effects of reorganization	Special effects of reorganization	Jan. 1, 2015- Sept. 30, 2015 operational	Jan. 1, 2014– Sept. 30, 2014 operational*
'	€ thou.	€ thou.	€ thou.	€ thou.
Sales	242,708	0	242,708	243,468
Inventory changes	992	0	992	1,370
Own work capitalized	1,411	0	1,411	1,634
Other operating income	1,471	0	1,471	1,358
Cost of materials	-132,014	198	-131,816	-130,141
Personnel costs	-79,511	1,726	-77,785	-75,740
Amortization and depreciation	-8,821	1,873	-6,948	-7,474
Other operating expenses	-32,532	1,312	-31,220	-32,188
Earnings before interest and taxes (EBIT)	-6,296	5,109	-1,187	2,287
Interest income	26	0	26	59
Interest expenses	-2,819	0	-2,819	-2,788
Income before income taxes	-9,089	5,109	-3,980	-442
Income taxes	1,552	0	1,552	133
Consolidated net loss for the period	-7,537	5,109	-2,428	-309
Thereof for euromicron AG shareholders	-7,719	5,109	-2,610	-503
Thereof for non-controlling interests	182	0	182	194
(Un)diluted earnings pershare in €	-1.08	0.71	-0.36	-0.07

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

The operating EBIT at September 30, 2015, was \in −1.2 million compared with \in 2.3 million at September 30, 2014. The operating EBITDA was \in 5.8 million compared with \in 9.8 million at September 30, 2014. As a result, the operating EBIT and EBITDA fell by \in 3.5 million and \in 4.0 million year on year. That gives an operating EBITDA margin at September 30, 2015, of 2.4% (previous year: 4.0%).

The decline in operating EBIT (\in -3.5 million) and operating EBITDA (\in -4.0 million) is mainly attributable to an amount of \in -2.8 million to the lower gross profit, defined as total operating performance (sales and inventory changes) minus cost of materials. The volume-related effect from the lower total operating performance only had an insignificant impact (\in -0.1 million) on the overall Group's gross profit. The main effect on the overall Group's gross profit was \in -2.7 million from the increase in the cost of materials relative to total operating performance by 0.9 percentage points from 53.2% to 54.1%.

In particular, there were the following reasons for this:

- In the system house business of the North and South segments, there was greater work on "old projects" that had been assessed as loss-free in the 2014 annual financial statements and that have a high share of third-party services. There is no contribution margin from completion of these projects assessed as loss-free, which has a negative impact on the cost of materials relative to total operating performance and so on gross profit. When the final accounts for these projects are invoiced, there will then be significant cash receipts that will have a positive impact on the Group's liquidity.
- In the system house business of the "WAN services" segment, effects from developing new forward-looking business segments will initially reduce gross profit short term in the piloting phase of these projects. In addition, a large order was lost in this segment. Adaptation of the organizational structures that had already been set up for it, including as regards commissioned third-party services, had a negative impact on gross profit.

There were declines in sales at the production companies, in particular due to order postponements and the fact that export permits were not issued as part of export business. These related to orders with above-proportionately high margins, which resulted in a further increase in the cost of materials relative to total operating performance and so reduced gross profit. These order postponements will disperse again in part in the fourth quarter of 2015. However, the volume-related effect from the higher sales of assembled connectors and plug connections had a positive impact and increased gross profit.

In addition, the reduction in own work capitalized of \in -0.2 million had a negative impact on operating EBIT and EBITDA. This was slightly offset by the rise in other operating income by \in 0.1 million.

Personnel costs (adjusted for the costs of reorganization of €1.7 million) totaled €77.8 million (previous year: €75.7 million). The rise of €2.1 million or 2.7% is mainly due to the 2.5% increase in the average headcount from 1,777 employees at September 30, 2014, to 1,822 at September 30, 2015. This is attributable in particular to the increase in personnel and production capacities at the production companies (in particular in the field of assembled connectors and plug connections) due to the positive demand trend. There was also a rise in personnel costs at the system houses. However, the reorganization measures that have been initiated in 2015 and are still planned will result in lower costs here in the future.

Amortization and depreciation (adjusted for the costs of the reorganization of €1.9 million) were €7.0 million and so have fallen by €0.5 million compared with the first nine months of fiscal 2014 (€7.5 million). This is mainly due to lower amortization of hidden reserves disclosed as part of capital consolidation.

The other operating expenses (adjusted for the costs of reorganization of €1.3 million) totaled €31.2 million and so have fallen by €1.0 million compared with the previous year (€32.2 million). Vehicle and travel expenses, rent/room costs and legal and consulting costs are still the largest items within the other operating expenses. Costs were able to be reduced in particular in the areas of other administrative expenses, advertising costs, vehicle costs and travel and entertainment expenses. However, the expenses from allocation of individual allowances for receivables have increased due to the insolvency of a customer, as have the exchange rate losses due to the development of the US dollar.

Interest expenses are at the level of the previous year (€2.8 million; previous year: €2.8 million).

The tax ratio (on negative income before income taxes) was around 17%, i.e. below the anticipated tax ratio for the Group of 30%, which means that the reported tax income is lower than expected. This is due on the one hand to the fact that deferred taxes were not recognized for newly incurred tax losses in the first 9 months of fiscal 2015. On the other hand, the amortization of goodwill in the third quarter of 2015 in the consolidated financial statements has no effect on taxation.

The net loss for the period after minority interests at September 30, 2015, was \in -7.7 million (adjusted for the costs of reorganization: \in -2.4 million) compared with \in -0.5 million in the previous year. Undiluted earnings per share for the first 9 months of fiscal 2015 were \in -1.08 (adjusted for the costs of reorganization: \in -0.36) compared with \in -0.07 in the same period of the previous year.

New orders and order books

euromicron Group at September 30, 2015

Consolidated new orders and order books

	2015	2014
	€ thou.	€ thou.
Consolidated new orders	253,849	250,502
Consolidated order books*	132,633	133,540

^{*} Previous year's figure adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

At September 30, 2015, the euromicron Group recorded new orders of €253.8 million (previous year: €250.5 million) and order books of €132.6 million (previous year: €133.5 million). New orders increased by 1.3% compared with at September 30, 2014, and so – as at June 30, 2015 – are above the figure for the same period of the previous year. Order books were slightly 0.7% below the figure of the previous year.

Net assets

The euromicron Group's total assets at September 30, 2015, were €299.3 million, up by €11.9 million from December 31, 2014 (€287.4 million).

Noncurrent assets fell by €3.2 million from €150.7 million to €147.5 million. They accounted for 49.3% of total assets, below the figure of 52.4% at December 31, 2014. This is due in particular to the amortization of goodwill in the third quarter (€1.8 million) and the decline in intangible assets; this is mainly attributable to the amortization of hidden reserves disclosed as part of company acquisitions and of capitalized development work. This development was bolstered by the higher total assets. The ratio of equity and long-term outside capital to noncurrent assets is around 105%.

Current assets rose by €15.1 million from €136.7 million to €151.8 million. As in previous years, inventories and the gross amount due from customers for contract work rose in total by around €17.1 million for seasonal reasons, which is due to the larger volume of projects in progress in system house business and stocking of products by the production companies. On the other hand, trade accounts receivable were able to be reduced by €6.9 million from the traditionally high figure at the end of the year.

Cash and cash equivalents increased by €5.0 million over the figure at December 31, 2014, to €20.6 million.

Equity at September 30, 2015, was €101.9 million, €8.5 million below the level of December 31, 2014 (€110.4 million). The decline is due to the consolidated net loss for the first 9 months of fiscal 2015; in addition, distributions from subsidiaries which were adopted in the course of fiscal 2015 and to which non-controlling shareholders were entitled on a pro-rata basis had to be transferred from equity to outside capital. The equity ratio was thus 34.0% following 38.4% at December 31, 2014.

Noncurrent liabilities, which include in particular the long-term components of the Group's outside financing, fell by \in 4.6 million from \in 57.6 million to \in 53.0 million. They accounted for 17.7% of total assets at September 30, 2015, compared with 20.0% at December 31, 2014.

Current liabilities at September 30, 2015, increased by €25.0 million from €119.4 million to €144.4 million and were 48.3% (at December 31, 2014: 41.6%) of total assets. This rise is mainly due to an increase of €49.7 million in short-term liabilities to banks. On the other hand, there was in particular a reduction in trade accounts payable of €8.5 million and other current financial liabilities of €9.8 million. Within the other current financial liabilities, there was in particular a decline of €9.1 million in liabilities from customers' monies to be passed on.

Financial position

The euromicron Group's net debt (long-term and short-term) at September 30, 2015, was \in 91.7 million (at September 30, 2014: \in 87.2 million). The increase in net debt over the third quarter of the previous year (\in 4.5 million) is mainly due to the higher volume of production contract work in progress and the resultant project funding, as well as the increase in inventories at the production companies. This is also reflected in the working capital, which increased by \in 3.5 million compared with September 30, 2014. In addition, the cash used in the initiated reorganization measures increased net debt.

At September 30, 2015, euromicron AG and its subsidiaries had free credit lines of around €30.9 million from partner banks, still sufficient for up-front financing of project business and to finance the company's planned further development. In consultation with our main partner banks, the restructuring of financing planned for the second half of the fiscal year has been deferred until next fiscal year. The focus of euromicron AG's Executive Board in the coming months will be on current activities relating to realignment of the company strategy and successful completion of the ongoing reorganization measures. However, structured financing is still regarded as a major focus of the strategic activities in order to increase the proportion of medium- and long-term funding and so adjust financing structures further to the Group's size.

euromicron AG will continue to fund its Group companies directly or through its cash pool model.

Notes on the cash flow

At September 30, 2015, the reported net cash used in operating activities was \in -36.3 million, compared with \in -41.9 million at September 30, 2014. However, the reported cash flow figures from operating activities are mainly impacted by effects resulting from the Group's factoring program.

In order to obtain comparable cash flow figures that permit a statement to be made on the development of cash flows from operating activities, the figure was therefore adjusted to take into account the factoring effects. This involves the following:

- Elimination of the effect from the change in the volume of factoring used between the reporting date for the quarter and the respective balance sheet date for the previous year (December 31). This resulted in negative cash flow effects from a lower factoring volume of € −21.8 million for the first 9 months of fiscal 2014 and € −12.7 million for the first 9 months of fiscal 2015, which have to be eliminated.
- Where Group companies received monies from customers resulting from receivables sold as part of factoring shortly before the reporting date for the quarter and the balance sheet date and the Group companies were not able to pay these monies over to the factoring company, this results in a liability from customer monies to be passed on, which is carried under "Other financial liabilities". The effect on liquidity from the change in these liabilities between the respective reporting date

for the quarter and the balance sheet date of the previous period is eliminated for the purposes of analyzing the cash flow from operating activities. This negative cash flow effect, which has to be eliminated, was \in -8.1 million for the first 9 months of fiscal 2014 and \in -9.1 million for the first 9 months of fiscal 2015.

The full amount of the receivable offered for sale is initially not paid out by the factoring company, but a blocked amount is withheld. This receivable due from the factoring company is carried under "Other financial assets"; here too, the change in the balance sheet item has to be eliminated for the purposes of analyzing the cash flow from operating activities. This effect was € -0.3 million in the first 9 months of 2014 and € -0.6 million in the first 9 months of fiscal 2015.

All in all, reconciliation of these three factors results in cash flows from operating activities after adjustment for factoring effects as summarized in the table below:

Calculation of the adjusted cash flow from operating activities

		Jan. 1, 2014 - Sept. 30, 2014	
	€ thou.	€ thou.	
Cash flow from operating activities acc. to statement of cash flows*	-36,348	-41,914	
Effects from factoring and customers' monies to be passed on included in the above	21,267	30,201	
Adjusted cash flow from operating activities	-15,081	-11,713	

^{*} Previous year's figure adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

After adjustment for factoring effects, there is net cash used in operating activities totaling \in –15.1 million in the first 9 months of fiscal 2015 compared with net cash used in operating activities totaling \in –11.7 million in the first 9 months of fiscal 2014. Consequently, the adjusted cash flow from operating activities fell year on year by \in –3.4 million, mainly due to higher up-front financing for projects. In addition, the cash used in the initiated reorganization measures resulted in a lower cash flow from operating activities.

The negative cash flow from operating activities at September 30, 2015, is due to the business model and the fact that up-front financing for projects (gross amount due from customers for contract work) increases in the course of the year. At September 30, 2015, this effect reduced the cash flow from operating activities in the first 9 months of 2015 by around €13.6 million (previous year: reduction of €8.4 million).

Net cash used in investing activities in the first 9 months of fiscal 2015 was \in –5.4 million, \in 7.1 million below the figure for the same period of the previous year (\in –12.5 million). This is mainly attributable to lower purchase price payments from company acquisitions.

The net cash provided by financing activities was €46.7 million compared with €28.2 million in the same period of the previous year. The net proceeds are mainly due to raised loans which exceed the net cash used to repay loans.

Cash funds of the euromicron Group at September 30, 2015, were thus €20.6 million compared with €12.6 million at September 30, 2014.

Risk report

The reports from the risk management system at December 31, 2014, have been continuously examined and updated as part of the interim report at September 30, 2015. At September 30, 2015, there were no significant changes in the analysis of risks and their structure or evaluation at the euromicron Group compared with as stated and described in detail in the management report in the 2014 Annual Report.

Taking into account all known facts and circumstances, euromicron does not anticipate any significant effects on its operational business from macroeconomic changes and in particular does not see any risks that might jeopardize the existence of the euromicron Group in a foreseeable period of time or, as far as can be assessed at present, might have a significant influence on the Group's financial position, net assets and results of operations.

Outlook

In view of the sales trend up to September 30, 2015, and the solid order situation, we still assume that sales for fiscal 2015 will be at the lower end of the anticipated corridor of €340 million to €360 million. In particular, the order postponements at the production companies will disperse again in part in the fourth quarter. All in all, we therefore expect a significantly positive contribution to earnings in the fourth quarter, which is traditionally the one in which euromicron posts its strongest earnings in the year. In view of the fact that earnings are lower than in the previous year at present, however, we assume that the operating EBITDA margin for the year as a whole will be in a range between 4% and 5% and so below the figure forecast to date (lower end of the range between 6% and 8%).

Implementation of forward-looking reorganization measures will probably reduce the EBITDA margin by one to two percentage points (forecast to date: one percentage point). The amortization and depreciation effects from divestments of loss-making and not strategically relevant enterprises will probably be in the middle single-digit million range (effect up to September 30, 2015: €1.9 million).

However, the Group's strategic realignment and the implemented reorganization measures will lastingly increase its operating earnings strength again as of 2016.

This forecast is based on the assumption that the overall economy in the Federal Republic of Germany and the general conditions in the IT/ICT industry will remain stable in the fourth quarter of 2015. Nevertheless, the actual results may deviate significantly from the expectations and forecasts if one of the above, or other, uncertainties arise or the assumptions on which the statements were based should prove to be inaccurate.

INCOME STATEMENT

of the euromicron Group for the period January 1 to September 30, 2015 (IFRS)

Income statement

	3-month report		9-month	report
	July 1, 2015 -Sept. 30, 2015	July 1,2014 -Sept. 30, 2014*	Jan. 1, 2015 -Sept. 30, 2015	Jan. 1,2014 -Sept. 30, 2014*
	€ thou.	€ thou.	€ thou.	€ thou.
Sales	85,948	84,586	242,708	243,468
Inventory changes	726	298	992	1,370
Own work capitalized	419	482	1,411	1,634
Other operating income	405	117	1,471	1,358
Cost of materials	-50,009	-45,869	-132,014	-130,141
Personnel costs	-26,691	-25,186	-79,511	-75,740
Amortization and depreciation	-4,161	-2,478	-8,821	-7,474
Other operating expenses	-10,920	-10,579	-32,532	-32,188
Earnings before interest and taxes (EBIT)	-4,283	1,371	-6,296	2,287
Interest income	14	39	26	59
Interest expenses	-1,154	-959	-2,819	-2,788
Income before income taxes	-5,423	451	-9,089	-442
Income taxes	861	-134	1,552	133
Consolidated net loss for the period	-4,562	317	-7,537	-309
Thereof for euromicron AG shareholders	-4,643	256	-7,719	-503
Thereof for non-controlling interests	81	61	182	194
(Un)diluted earnings per share in €	-0.65	0.03	-1.08	-0.07

 $^{^\}star$ Previous year's figures partly adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

RECONCILIATION

OF THE QUARTERLY RESULTS WITH THE STATEMENT OF COMPREHENSIVE INCOME

of the euromicron Group for the period January 1 to September 30, 2015 (IFRS)

Reconciliation of the quarterly results with the statement of comprehensive income

		Jan. 1, 2014- Sept. 30, 2014
	€ thou.	€ thou.
Consolidated net loss for the period, before minority interests*	-7,537	-309
Gain/loss on the valuation of securities (may have to be reclassified to the income statement in future)	0	0
Currency translation differences (may have to be reclassified to the income statement in future)	0	0
Revaluation effects from pensions (will not be reclassified to the income statement in future)	0	0
Other profit/loss	0	0
Total profit/loss	-7,537	-309
Thereof for euromicron AG shareholders	-7,719	-503
Thereof for non-controlling interests	182	194

^{*} Previous year's figure adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

CONSOLIDATED BALANCE SHEET

ASSETS

of the euromicron Group as of September 30, 2015 (IFRS)

Assets

	Sept. 30, 2015	Dec. 31, 2014
	€ thou.	€ thou.
Noncurrent assets		
Goodwill	111,732	113,479
Intangible assets	18,462	20,795
Property, plant and equipment	13,302	14,121
Other financial assets	837	888
Other assets	76	85
Deferred tax assets	3,134	1,370
	147,543	150,738
Current assets		
Inventories	32,553	29,024
Trade accounts receivable	26,807	33,731
Gross amount due from customers for contract work	65,664	52,070
Claims for income tax refunds	1,038	1,202
Other financial assets	1,992	2,971
Other assets	3,080	2,078
Cash and cash equivalents	20,624	15,622
	151,758	136,698
Total assets	299,301	287,436

(unaudited acc. to IFRS)

CONSOLIDATED BALANCE SHEETEQUITY AND LIABILITIES

of the euromicron Group as of September 30, 2015 (IFRS)

Equity and liabilities

	Sept. 30, 2015 D	Dec. 31, 2014	
	€ thou.	€ thou.	
Equity			
Subscribed capital	18,348	18,348	
Capital reserves	94,298	94,298	
Gain/loss on the valuation of securities	98	98	
Currency translation difference	-1	-1	
Consolidated retained earnings	-11,306	-2,747	
Stockholders' equity	101,437	109,996	
Non-controlling interests	462	405	
Total equity	101,899	110,401	
Noncurrent liabilities			
Provisions for pensions	1,207	1,194	
Other provisions	1,815	1,912	
Liabilities to banks	41,464	43,231	
Liabilities from finance lease	864	1,206	
Other financial liabilities	471	2,457	
Other liabilities	175	234	
Deferred tax liabilities	6,968	7,362	
	52,964	57,596	
Current liabilities			
Other provisions	1,600	1,748	
Trade accounts payable	35,764	44,238	
Liabilities from current income taxes	2,313	3,009	
Liabilities to banks	69,558	19,888	
Liabilities from finance lease	454	457	
Other tax liabilities	4,198	6,039	
Personnel obligations	7,326	9,127	
Other financial liabilities	19,276	29,086	
Other liabilities	3,949	5,847	
	144,438	119,439	
Total equity and liabilities	299,301	287,436	

STATEMENT OF CHANGES IN EQUITY

of the euromicron Group for the period January 1 to September 30, 2015 (IFRS)

Statement of changes in equity

	Subscribed capital		
	€ thou.	€ thou.	€ thou.
December 31, 2013*	17,037	88,771	6,838
Net loss for Q3 2014*	0	0	0
Other profit/loss			
Gain/loss on the valuation of securities	0	0	0
Currency translation differences	0	0	0
Revaluation effects from pensions	0	0	0
	0	0	0
Total profit/loss	0	0	0
Transactions with owners			
Contributions made to carry out the adopted capital increase	1,311	5,527	-6,838
Profit share of non-controlling shareholders	0	0	0
Transfer of profit shares for minority interests in outside capital	0	0	0
Distributions to/withdrawals by non-controlling shareholders	0	0	0
	1,311	5,527	-6,838
September 30, 2014	18,348	94,298	0
December 31, 2014	18,348	94,298	0
Net loss for Q3 2015	0	0	0
Other profit/loss			
Gain/loss on the valuation of securities	0	0	0
Currency translation differences	0	0	0
Revaluation effects from pensions	0	0	0
	0	0	0
Total profit/loss	0	0	0
Transactions with owners			
Profit share of non-controlling shareholders	0	0	0
Distributions to/withdrawals by non-controlling shareholders	0	0	0
	0	0	0
September 30, 2015	18,348	94,298	0

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

Total equity	Non- controlling interests	Equity attributable to the shareholders of euromicron AG		Gain/loss from the valuation of securities	Consolidated retained earnings
€ thou.	€ thou.	€ thou.	€ thou.	€ thou.	€ thou.
111,163	392	110,771	0	177	-2,052
-309	0	-309	0	0	-309
0		0 -	0	0	0
0			0		
0	0		0		
-309	0	-309	0	0	-309
0	<u>0</u> 		0	0	0
-8	0	-8	0		-8
<u>_</u>	-125		0		
-133	61	-194	0	0	-194
110,721	453	110,268	0	177	-2,555
110,401	405	109,996	-1	98	-2,747
-7,537	0	-7,537	0	0	-7,537
0	0	0	0	0	0
0	0	0	0	0	0
0	0		0	0	0
7,507		0	0	0	7.507
-7,537	0	-7,537	0	0	-7,537
0	182	-182	0	0	-182
-965	-125	-840	0	0	-840
-965	57	-1,022	0	0	-1,022
101,899	462	101,437		98	-11,306

STATEMENT OF CASH FLOWS

of the euromicron Group for the period January 1 to September 30, 2015 (IFRS)

Statement of cash flows

	Jan. 1, 2015 – Sept. 30, 2015			Jan. 1, 2014 – Sept. 30, 2014 before corrections
	€ thou.	€ thou.	€ thou.	€ thou.
Income before income taxes	-9,089	-442	-5,442	5,000
Net interest income/loss and other financial expenses	2,794	2,729	0	2,729
Depreciation and amortization of noncurrent assets	8,821	7,474	0	7,474
Disposal of assets, net	-13	-4	0	-4
Allowances for inventories and doubtful accounts	440	42	-56	98
Change in provisions	-284	-511	0	-511
Changes in short- and long-term assets and liabilities:	-		0	
- Inventories	-3,676	-1,546	2,750	-4,296
 Trade accounts receivable and gross amount due from customers for contract work 	-7,165	-7,735	3,887	-11,622
 Trade accounts payable and gross amount due to customers for contract work 	-8,916	-19,041	-1,361	-17,680
- Other operating assets	-3	-1,162	0	-1,162
- Other operating liabilities	-15,696	-16,430	122	-16,552
Income tax paid	-1,917	-4,862	0	-4,862
Income tax received	778	2,163	0	2,163
Interest paid	-2,447	-2,646	0	-2,646
Interest received	25	57	0	57
Cash used in operating activities	-36,348	-41,914	-100	-41,814
Proceeds from				
- Retirement/disposal of property, plant and equipment	24	70	0	70
Payments due to acquisition of				
- Intangible assets	-1,783	-2,236	100	-2,336
- Property, plant and equipment	-1,963	-2,338	0	-2,338
- Subsidiaries	-1,672	-8,000	0	-8,000
Net cash used in investing activities	-5,394	-12,504	100	-12,604
Proceeds from raising of financial loans	54,512	47,955	0	47,955
Cash repayments of financial loans	-6,631	-19,642	0	-19,642
Distributions to/withdrawals by non-controlling interests				
and profit shares of minority interests		-160	0	-160
Net cash provided by financing activities	46,744	28,153	0	28,153
Net change in cash funds	5,002	-26,265	0	-26,265
Cash funds at start of period	15,622	38,830	0	38,830
Cash funds at end of period	20,624	12,565	0	12,565

(unaudited acc. to IFRS)

Disclosure in accordance with Section 37w (5) Sentence 6 of the German Securities Trading Act (WpHG)

The abridged financial statements and the interim management report at September 30, 2015, have not been audited or inspected by an auditor in accordance with Section 317 of the German Commercial Code (HGB).

NOTES

Preamble

euromicron AG is a registered company under German law with headquarters in Frankfurt/Main and is mainly active in the areas of network and fiber optics technology.

euromicron AG prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) applicable on the balance sheet date and with their interpretations by the International Financial Reporting Interpretations Committee (IFRIC). The interim report as of September 30, 2015, was prepared in compliance with the stipulations of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and with the requirements of standard no. 16 "Interim Financial Reporting" of the DRSC (Deutsches Rechnungslegungs Standards Committee e.V.). The previous year's figures were determined using the same principles.

Unless otherwise stated, the figures in this interim report are presented in thousands of euros (€ thou.).

The results in the interim financial statements as of September 30, 2015, do not necessarily permit forecasts for the further course of business.

Reporting and measurement methods

The same reporting and measurement methods were used in the abridged presentation of the consolidated financial statements as of September 30, 2015, as for preparing the consolidated financial statements at December 31, 2014, unless changes are explicitly specified.

A detailed description of these methods is published in the 2014 Annual Report that is available on the company's homepage. The consolidated financial statements of euromicron AG as of December 31, 2014, were prepared on the basis of Section 315a of the German Commercial Code (HGB) in accordance with the International Financial Reporting Standards, as are applicable in the European Union.

The purchase price allocation of the companies/divisions acquired in the current fiscal year is still provisional at September 30, 2015, since definitive examinations in relation to assets, liabilities and legal matters must still be made. The calculated difference is carried as provisional goodwill.

An individual tax rate is used as the basis for calculating the income taxes for German companies and is also applied to the deferred taxes. The respective national rates of tax are used for calculating the income taxes for foreign companies.

Estimates and assumptions must be made to a certain extent in the interim report; the value of assets, liabilities and contingent liabilities, as well as expenses and income in the reporting period, depend on these. The actual later figures may differ from the amounts reported in the interim report.

As regards the content of the new standards and interpretations and amendments to existing standards, we refer to our comments on pages 105 to 110 of the 2014 Annual Report.

The following interpretations and amendments have been in force since the beginning of fiscal year 2015:

- IFRIC 21 Levies
- Annual Improvement Project (AIP) Annual improvements to the IFRSs, 2011 – 2013 cycle ("Improvements to IFRS")

This collection "Annual improvements to the IFRSs, 2011 – 2013 cycle" contains amendments to the following IFRS:

- IFRS 1 "First-time Adoption of International Financial Reporting Standards"
- IFRS 3 "Business Combinations"
- IFRS 13 "Fair Value Measurement"
- IAS 40 "Investment Property"

Application of the new and/or amended standards and interpretations has no significant impact on the Group's financial position, net assets and results of operations or cash flow.

Corrections according to IAS 8

As part of preparation of the IFRS quarterly financial statements of euromicron AG at September 30, 2015, adjustments to the comparative figures of the same period of the previous year (quarter from January 1 to September 30, 2014) were necessary and are presented below. They relate to the presentation of individual items in the income statement, the statement of cash flows and the statement of changes in equity for the first 9 months of fiscal year 2014. The presented corrections do not necessitate any change to the balance sheet, since the balance sheet at December 31, 2014, is shown as the comparison balance sheet in the half-yearly financial statements at September 30, 2015 and all items in it are accurately presented.

1. As a result of the IAS 8 corrections of mistakes in the valuation of projects from previous years made in the published IFRS 2014 consolidated financial statements, there are subsequent adjustments in the IFRS interim financial statements at September 30, 2015, relating to the comparative disclosures for the same period of the previous year from January 1 to March 31, 2014. These subsequent adjustments comprise sales, cost of materials, personnel costs and other operating expenses in the first 9 months of fiscal 2014 for the projects affected by the corrections. There were also effects on income taxes. By means of the adjustments made in these interim financial statements at September 30, 2015, the effects from the subsequent corrections, which were carried in full up to now in the profit/loss of the fourth quarter of 2014, but relate to the first three quarters of fiscal 2014, are now recognized in the correct period in the profit/loss for the first 9 months of fiscal 2014. The audited and published 2014 consolidated financial statements are not affected, since the corrections are only to the comparative figures for the respective quarters of 2014, which fully cancel each other out in 2014 as a whole ("Subsequent adjustment in 2014 - IAS 8 correction: Project valuation").

2. In addition, in the present interim financial statements at September 30, 2015, the company corrects the comparative figures for the first 9 months of fiscal 2014 due to lump-sum deferrals that have been made. These deferrals do not conform to the principles of calculation of results on an accrual basis and so — like the corrections stated in number 1 above — are mistakes within the meaning of IAS 8. These corrections relate to sales, inventory changes, own work capitalized and cost of materials. There were also effects on income taxes. These corrections do not likewise have any effect on total income for 2014 or the company's equity, since they are accruals/deferrals during the year that fully cancel each other out in 2014 as a whole ("IAS 8 correction: quarterly deferrals").

In the present interim financial statements at September 30, 2015, the comparative figures for the period from January 1 to September 30, 2014, were adjusted in all disclosures relating to the figures in the income statement. The adjustments in accordance with IAS 8 are also indicated in the statement of changes in equity and the statement of cash flows.

The tables below present the effects of the corrections on the comparative figures reported in the interim financial statements at September 30, 2015, for the period from January 1 to September 30, 2014, and on the comparative figures for the third quarter of 2014 (the period from July 1 to September 30, 2014), reference to which is made at various places in this quarterly report.

CORRECTION TO THE CONSOLIDATED

INCOME STATEMENT ACCORDING TO IAS 8

of the euromicron Group for the period January 1 to September 30, 2014 (IFRS)

Correction to the consolidated income statement according to IAS 8

Sept. 30, 2014 before correction	IAS 8 correction:	IAS 8 correction: quarterly deferrals	Jan. 1, 2014 – Sept. 30, 2014 after correction
€ thou.	€ thou.	€ thou.	€ thou.
246,590	778	-3,900	243,468
4,120	0	-2,750	1,370
1,734	0	-100	1,634
1,358	0	0	1,358
-130,710	169	400	-130,141
-75,723	-17	0	-75,740
-7,474	0	0	-7,474
-32,166	-22	0	-32,188
7,729	908	-6,350	2,287
59	0	0	59
-2,788	0	0	-2,788
5,000	908	-6,350	-442
-1,500	-272	1,905	133
3,500	636	-4,445	-309
3,306	636	-4,445	-503
194	0	0	194
0.46	0.09	-0.62	-0.07
	before correction € thou. 246,590 4,120 1,734 1,358 -130,710 -75,723 -7,474 -32,166 7,729 59 -2,788 5,000 -1,500 3,500 3,306	before correction IAS 8 correction: Project valuation € thou. € thou. 246,590 778 4,120 0 1,734 0 1,358 0 -130,710 169 -75,723 -17 -7,474 0 -32,166 -22 7,729 908 59 0 -2,788 0 5,000 908 -1,500 -272 3,500 636 3,306 636 194 0	before correction IAS 8 correction: Project valuation quarterly deferrals € thou. € thou. € thou. € thou. 246,590 778 -3,900 4,120 0 -2,750 1,734 0 -100 1,358 0 0 -130,710 169 400 -75,723 -17 0 -7,474 0 0 -32,166 -22 0 7,729 908 -6,350 59 0 0 -2,788 0 0 5,000 908 -6,350 -1,500 -272 1,905 3,500 636 -4,445 3,306 636 -4,445 194 0 0

(unaudited acc. to IFRS)

CORRECTION TO THE CONSOLIDATED

INCOME STATEMENT ACCORDING TO IAS 8

of the euromicron Group for the period July 1 to September 30, 2014 (IFRS)

Correction to the consolidated income statement according to IAS 8

	July 1, 2014 – Sept. 30, 2014 before correction		IAS 8 correction: quarterly deferrals	July 1, 2014 – Sept. 30, 2014 after correction
	€ thou.	€ thou.	€ thou.	€ thou.
Sales	84,396	110	80	84,586
Inventory changes	1,231	0	-933	298
Own work capitalized	482	0	0	482
Other operating income	117	0	0	117
Cost of materials	-45,761	42	-150	-45,869
Personnel costs	-25,186	0	0	-25,186
Amortization and depreciation	-2,478	0	0	-2,478
Other operating expenses	-10,579	0	0	-10,579
Earnings before interest and taxes (EBIT)	2,222	152	-1,003	1,371
Interest income	39	0	0	39
Interest expenses	-959	0	0	-959
Income before income taxes	1,302	152	-1,003	451
Income taxes	-390	-45	301	-134
Consolidated net income for the period	912	107	-702	317
Thereof for euromicron AG shareholders	851	107	-702	256
Thereof for non-controlling interests	61	0	0	61
(Un)diluted earnings per share in €	0.12	0.01	-0.10	0.03
(IFDO)				

(unaudited acc. to IFRS)

Consolidated companies

Apart from euromicron AG, the consolidated financial statements at September 30, 2015, include 22 companies, in which euromicron AG has the majority of voting rights directly or indirectly and so controls these companies.

With the notarized agreement dated August 3, 2015, euromicron systems GmbH and euromicron networks GmbH were merged with euromicron solutions GmbH effective January 1, 2015. The merger was entered in the commercial register on September 4, 2015. At the same time, euromicron solutions GmbH was renamed euromicron Deutschland GmbH.

With the notarized agreement dated August 3, 2015, euromicron international services GmbH was also merged with euromicron AG effective January 1, 2015. The merger was entered in the commercial register on August 14, 2015.

In addition, with the notarized agreement dated August 19, 2015, Qubix distribution GmbH was merged with euromicron austria GmbH effective January 1, 2015. The merger was entered in the commercial register on September 19, 2015.

Significant business events

The decision taken in the third quarter of 2015 to discontinue Avalan GmbH's business operations at the end of the year resulted in amortization of goodwill to an amount of €1,818 thousand. In addition, property, plant and equipment was written down to an amount of €55 thousand and inventories were written down to an amount of €168 thousand. As part of the adopted personnel measures, liabilities of €382 thousand (e.g for severance and redundancy payments) were recognized at the reporting date. In addition, costs for restoration obligations at the leased building totaling €10 thousand were allowed for. As a result, EBIT was reduced by €2,433 thousand and EBITDA by €550 thousand in the third quarter of 2015.

Treasury shares

At September 30, 2015, euromicron AG does not hold any treasury shares that might be offset against equity in accordance with IAS 31.33.

Non-controlling interests (minority interests)

Under IFRS 3 (2008), non-controlling interests are disclosed as part of equity in accordance with the entity point of view.

The minority interests in equity reported at September 30, 2015 (€462 thousand) relate exclusively to Qubix S.p.A., Padua (10%).

Business transactions with related parties

Apart from the compensation for the Executive Board and Supervisory Board, there are no significant relations with related persons. There are also no business transactions between consolidated companies of the euromicron group and non-consolidated or associated companies of the euromicron Group.

Contingencies

There were no significant changes in contingencies, contingent liabilities and other financial obligations compared with the annual financial statements at December 31, 2014.

Segment information

Business segments are identified using internal organizational and reporting structures, which at the euromicron Group are still based on regions at present.

euromicron AG reports in the operating segments euromicron North, euromicron South and WAN services, as well as Central services and Group consolidations. The interim report presents the details regularly reported to the main decision-maker. Further items from the balance sheet and income statement are not reported regularly and so are not disclosed (IFRS 8.32).

The applied accounting principles and methods are identical for all segments. The information shown for the individual segments contains segment-related consolidations.

The sales, EBIT and amortization/depreciation of the euromicron Group's reporting segments at September 30, 2015, are as follows:

Sales by report segments

2015	2014*
€ thou.	€ thou.
85,359	83,359
91,643	95,084
72,540	73,785
249,542	252,228
-6,834	-8,760
242,708	243,468
	€ thou. 85,359 91,643 72,540 249,542 -6,834

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

EBIT by report segments

	2015	2014*
	€ thou.	€ thou.
EBIT for the North segment	4,516	7,169
EBIT for the South segment	-6,917	-2,696
EBIT for the WAN services segment	1,513	2,719
Central services and Group consolidations	-5,408	-4,905
Consolidated EBIT for the Group	-6,296	2,287

^{*} Previous year's figures partly adjusted (see "Corrections acc. to IAS 8") (unaudited acc. to IFRS)

Amortization/depreciation by report segments

	2015	2014
	€ thou.	€ thou.
North, consolidated	3,002	2,898
South, consolidated	4,412	3,035
WAN services, consolidated	981	1,222
Central services and Group consolidations	426	319
Consolidated amortization/depreciation for the Group	8,821	7,474

DECLARATIONBY THE LEGAL REPRESENTATIVES

We declare to the best of our knowledge that the interim consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with the accounting principles to be applied for interim reporting and that the course of business, including the business results and the Group's position, is presented in the interim group management report in such a way that a true and fair view is given and the main opportunities and risks of the Group's anticipated development in the remainder of the fiscal year are described.

Frankfurt/Main, November 6, 2015

The Executive Board

Bettina Meyer

Member of the Executive

Board (Spokeswoman)

Jürgen HansjostenMember of the Executive Board

FINANCIAL CALENDAR 2015

This quarterly report is available in German and English.

Both versions can also be downloaded from the Internet at **www.euromicron.de**. In cases of doubt, the German version is authoritative.

All rights reserved. Reproduction, in whole or in part, permitted only if source is acknowledged.

DISCLAIMER ON PREDICTIVE STATEMENTS

This report also includes predictive statements and information on future developments that are based on the convictions and current views of euromicron AG's management and on assumptions and information currently available to euromicron. Where the terms "assume", "believe", "assess", "expect", "intend", "can/may/might", "plan" or similar expressions are used, they are intended to indicate predictive statements that are subject to certain elements of insecurity and risks, such as competitive pressure, changes to the law, changes in general political and economic conditions, changes to business strategy, other risks and uncertainties that euromicron AG in many cases cannot influence and that may result in significant deviations between the actual results and predictive statements.. Any liability or guarantee for the used and published data and information being up-to-date, correct and/or complete is not assumed, either explicitly or implicitly.

