

Hawesko Holding AG Hamburg

ISIN DE0006042708

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Quarterly financial report to 31 March 2015

Hamburg, 7 May 2015

Highlights in € (millions)	1st quarter		+/-
	1.1.–31.3. 2015	1.1.–31.3. 2014	
Consolidated sales	105.8	108.0	-2.0%
Result from operations (EBIT)	-2.6	3.8	—
– Adjusted for non-recurring expenditures	4.2	3.8	+8.6%
Consolidated net result excluding non-controlling interests	-2.0	2.5	—

Dear shareholders,

The Hawesko Group sets off into the current fiscal year with a new major shareholder and a newly-composed board of management. In the wake of the takeover offer, which was completed at the end of February, Detlev Meyer's Tocos Beteiligung GmbH took over the 30% shareholding from Alexander Margaritoff. He resigned his position as chief executive officer as well as all other offices in the Hawesko Group. We wish Alexander Margaritoff all the very best for "life after Hawesko"! With the appointment of Alexander Borwitzky and Nikolas von Haugwitz into the Board of Management, two new members with many years of experience in their respective segments wine-shop retailing and distance selling join the board. Alexander Margaritoff hands over to us a well-ordered and well-positioned corporate group. Until a new CEO is appointed we will lead the Group together as a team of four resolutely into the future!

Sales development in the first quarter is influenced by the discontinuation of unprofitable sales of the previous year, above all those of *Château Classic* in liquidation: The company was still posting sales in the same quarter of the previous year. Moreover, a substantial part of the revenues from the delivery of the Bordeaux subscription wines will shift to the second quarter this year. Without these two factors, we would have achieved sales at the previous year's level.

The stationary wine retail segment (*Jacques' Wein-Depot*) performed very well with a sales increase of 4.3%; on a like-for-like basis, sales in the first quarter rose by 3.4%. The wholesale segment was impacted by the aforementioned effects, so that sales in the first quarter declined by 5.6% compared to the same period in the previous year. The distance-selling segment was naturally unable to repeat the resounding success of the anniversary offers from the previous year and remained 3.1% below this level.



The result from operations for the first quarter, adjusted for the non-recurring expenditures included in the headquarter costs, amounted to € 4.2 million, compared to € 3.8 million in the same quarter of the previous year. This development corresponds to an increase of the operating EBIT margin from 3.5 % to 3.9 %. The driver of this development, together with increased profitability, was the increase in sales at *Jacques'*. Due to the elimination of *Château Classic*, the first-quarter earnings in the wholesale segment remained at the level of the same period in the previous year despite a decline in sales, while the earnings in the distance-selling segment – because of the lower first-quarter sales – did not quite reach the level of the previous year.

The non-recurring expenditures in headquarter costs result from the aforementioned changes in the shareholder structure and in the board of management: One item is a personnel provision of approximately € 6 million for the continuing payment of Margaritoff's contract of service, which ends on 28 February 2019. The other consists of follow-on costs from the takeover process.

When we look at the crucial trends in the market, the soaring significance of online trading remains by far the determining factor. We intend to meet the accompanying challenges with a whole series of measures, including even better linkage of our online and offline sales activities and optimisation of our shopping channels for mobile end-devices. Moreover, we will continue to discover interesting wines exclusively for our customers, offer them in appropriate style to the relevant target groups and provide our customary optimal service. The goal of all these activities is to offer our customers the best possible shopping experience wherever and whenever they like. As trite as it sounds, it is a constant challenge to pursue continual improvement in daily operations. Being successful in the market means being the best. And that's precisely what we are aiming for.

In summary, we can state that we are focusing entirely on the challenges and opportunities that lie before us in order to remain successful in competition over the long term. For the current fiscal year 2015 we believe that a sales increase of approximately 1% and a disproportionate increase in the adjusted EBIT to € 26-27 million is realistic. In short: we remain ambitious and are looking forward with great optimism!

Best regards

Your Management Board

*Alexander
Borwitzky*

*Nikolas
von Haugwitz*

*Bernd G.
Siebdrat*

*Ulrich
Zimmermann*

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INTERIM MANAGEMENT REPORT

GENERAL SITUATION

The economic situation in Europe in the first quarter of the year was marked by low oil prices, historically low interest rates and the devaluation of the euro, benefiting industry as well as consumers. In Germany the continuing strength of the labor market and rising employment provide an added buoyancy, stimulating private consumption in particular. The rising income expectations and increasing consumer confidence in Germany impressively testify to this. These subcategories of the GfK consumption climate index rose by just under five and six percent respectively in March, compared to February. Overall, economic growth in Europe accelerated in early 2015, and the forecasts - regardless of the numerous ongoing structural, political and financial risks, are being revised upwards accordingly. From the standpoint of the German federal government as well, the German economy is clearly in an upswing, assisted by strong domestic demand, increasing export expectations in industry and an above-average spring pick-up in the job market. The German federal government expects economic growth of 1.8 percent for the country in 2015.



With this in mind, the Hawesko management board anticipates a positive consumer mood as well as favourable economic dynamics for the current fiscal year, from which the wine market should benefit as well.

BUSINESS PERFORMANCE

Financial performance

First quarter

In the period from January to March 2015, sales of the Hawesko Group amounted to € 105.8 million, a drop of 2.0% from the previous year (€ 108.0 million).

In the quarter under review, sales developed in the various business segments as follows: The specialist wine-shop retailing segment (*Jacques' Wein-Depot*) achieved sales of € 30.8 million, an increase of 4.3% over the corresponding period of the previous year (€ 29.5 million). Wholesale sales declined from € 40.4 million in the same quarter of the previous year to € 38.1 million in the quarter under review. In the distance-selling segment, sales declined from € 38.1 million to € 36.9 million.

Jacques' Wein-Depot achieved high growth rates in January and March, but stagnated in February. Pre-Easter shopping contributed to the growth in March, as the Easter holidays fell in early April this year, most of the holiday shopping was done in March. At the reference date at the end of the quarter, there were 287 *Jacques' Wein-Depots*, all of them in Germany (reference date in the previous year: 282). The two (previous year: three) depots operated until March in Austria were closed on the quarterly reference date. On a like-for-like basis, sales increased by 3.4% over the first quarter of 2014, assisted by higher average sales receipts and increased customer frequency. The number of active customers rose once again.

The wholesale segment had to cope with a weak start in January, but then things picked up in current operations. The closing of *Château Classic* in liquidation accounts for half of the decline from the previous year, while the other half was due to fewer deliveries of Bordeaux subscription wines. Domestic sales in Germany remained at the level of the previous year in the quarter under review (adjusted for the subscription wines). In Switzerland, sales in the first quarter rose in terms of euros due to the foreign exchange rate, but declined in terms of Swiss francs.

In the distance-selling segment, sales performance compared to the previous year was distinguished by the anniversary offers of *Hanseatisches Wein- und Sekt-Kontor* in the same quarter of the previous year: after the strong increase of the previous year, this level was not tenable in the quarter under review. In a two-year comparison – sales of the first quarter in 2015 compared to those of 2013 – the segment grew by 2.9% per year on an annualised basis (adjusted for subscription wines). New customer acquisition also remained at a high level, albeit below that of the previous year. The average number of bottles ordered declined from the same quarter in the previous year. Our subsidiary *Wein & Vinos*, which focuses on Spanish wines, posted a sales increase of 6.8%, while sales at *The Wine Company*, which serves the Swedish market, rose by 4.4%. Sales at *Carl Tesdorpf – Weinhandel zu Lübeck* increased by 19.5%. As of 31 March 2015, the number of active customers in the distance-selling segment remained at the level of the previous year. In the first quarter of 2015, the share of sales made via the Internet increased by 1% compared to the same quarter in the previous year, thus accounting for 45% of segment sales (previous year: 44%).

Consolidated gross profit rose by € 0.1 million to € 44.7 million in the first quarter, corresponding to a margin of 42.2% (previous year: 41.3%); the reasons for this lie in the higher proportion of wine-shop retailing and distance selling in the sales mix, the latter being made stronger by the non-recurrence of price-reduced anniversary offers in the previous year's quarter. The other operating income of € 5.7 million (same quarter of the previous year: € 4.1 million) consisted for the most part of rental and leasing income at *Jacques'* as well advertising allowances. Personnel expenses increased by € 6.8 million in the first quarter, due primarily to the formation of a personnel provision for the chief executive officer departing on 30 April 2015 in the amount of approx. € 6 million; adjusted for this amount, personnel expenses rose by € 0.4 million and accounted for 12.3% of sales (previous year: 11.6%).

Other operating expenses compared to those of the previous year as follows (rounding differences are possible):

In € (millions)	31.3.2015	31.3.2014
Advertising	9.1	9.6
Commissions to partners	7.7	7.6
Delivery costs	4.9	4.9
Rental and leasing	2.9	2.8
Other	7.3	5.8
	31.8	30.7

Advertising expenses declined by € 0.5 million over the same quarter in the previous year, primarily due to the changed advertising sequence in distance sales and accounted for 8.6% of sales (previous year: 8.9%). Expenditures for commissions accounted for 7.2% of sales (previous year: 7.0%), while delivery costs accounted for 4.6% (previous year: 4.5%). In the quarter under review, the item "Other" includes € 0.3 million in follow-on non-recurring costs in conjunction with the takeover process. Overall, other operating expenses and other taxes amounted to € 31.8 million (previous year: € 30.7 million), thus accounting for 30.1% of sales in the quarter under review, up from 28.4% in the same quarter of the previous year.

The consolidated operating result (EBIT) in the first quarter of 2015 amounted € –2.6 million (previous year: €3.8 million); adjusted for non-recurring charges it was € 4.2 million. The adjusted EBIT margin at 3.9% exceeded the previous year's level of 3.5%. The individual contributions of the business segments to the result from operations were as follows: Specialist wine retail (*Jacques' Wein-Depot*) contributed € 2.7 million (same quarter in the previous year: € 2.3 million). The operating result in the wholesale segment amounted to € 0.6 million (€ 0.5 million). Distance-selling, at € 2.1 million, nearly maintained the operating result at the previous year's level (€ 2.2 million). Corporate costs of € 7.9 million (same quarter in the previous year: € 1.2 million) were deducted from these contributions to the operating result and posted under "Miscellaneous/Consolidation"; the difference from the previous year is due primarily to the formation of the provision for the departing chief executive officer and consulting expenses in conjunction with the takeover process.

The financial result amounted to to € –0.3 million overall, as in the previous year. The result before taxes on income amounted to € 2.9 million (€ 3.5 million). The tax result is a positive amount of € 0.9 million (previous year: tax expenditure of € 1.1 million). The consolidated loss to the shareholders of Hawesko Holding AG amounted to € –2.0 million (previous year: consolidated net income paid out of € 2.5 million). Earnings per share amounted to € –0.22, after € 0.28 in the previous year. This was based on the figure of 8,983,403 shares in the reporting period (unchanged from the previous year).

Net worth

Structure of the consolidated balance sheet

in € millions, rounding differences are possible

	<u>31.03.2015</u>		<u>31.12.2014</u>		<u>31.03.2014</u>	
<u>Assets</u>						
Long-term assets	60.4	29%	60.3	28%	65.7	31%
Short-term assets	<u>144.5</u>	<u>71%</u>	<u>156.9</u>	<u>72%</u>	<u>145.9</u>	<u>69%</u>
Balance sheet total	<u>204.9</u>	<u>100%</u>	<u>217.2</u>	<u>100%</u>	<u>211.6</u>	<u>100%</u>
<u>Liabilities and shareholders' equity</u>						
Equity	77.7	38%	91.1	42%	79.7	38%
Long-term provisions and liabilities	21.3	10%	17.1	8%	26.1	12%
Short-term liabilities	<u>105.9</u>	<u>52%</u>	<u>109.0</u>	<u>50%</u>	<u>105.8</u>	<u>50%</u>
Balance sheet total	<u>204.9</u>	<u>100%</u>	<u>217.2</u>	<u>100%</u>	<u>211.6</u>	<u>100%</u>

Changes with respect to the reference date on 31 December 2014

The balance sheet total at 31 March 2015 was € 204.9 million, corresponding to a reduction of € 12.3 million compared to the total at 31 December 2014. While total long-term assets remained nearly unchanged, short-term assets were reduced by € 12.3 million compared to the reference date at the end of the year. The primary reason for this was a reduction in trade receivables (trade receivables typically reach their highest level at 31 December.)

Total equity declined by € 13.4 million compared to 31 December 2014, due primarily to the reclassification of the funds for the proposed dividends as miscellaneous liabilities. Long-term provision and liabilities amounted to € 21.3 million and rose by € 4.2 million. The deviation is due primarily to provisioning for the former chief executive officer. The short-term liabilities were reduced by € 3.1 million. The primary reason for this was a reduction in trade receivables (trade receivables typically reach their highest level at 31 December.)

Changes with respect to the previous year's reference date 31 March 2014

Compared to the previous year's reference date (31 March 2014), the balance sheet total declined by € 6.7 million. With regard to the long-term assets, the advance payments made on inventories were reduced, as the demand for the 2013 Bordeaux subscription wines was lower than for the preceding year. Short-term assets likewise declined due to reduced inventories.

With regard to the long-term provisions and liabilities, primarily the long-term borrowings were reduced due to the scheduled repayments of the bank loan for the acquisition of the majority interest in *Wein & Vinos*. Short-term liabilities increased only slightly by € -0.1 million. In particular, the borrowings increased as a result of lower liabilities from trade receivables as well as the reclassification of bank loans that were still classified as long-term in the previous year.

The working capital requirement at 31 March 2015 increased in comparison to the reference date in the previous year, due primarily to lower non-interest-bearing liabilities at the closing date for the accounts.

Financial performance

Liquidity analysis

At € –12.5 million, cash flow from current operations in the three-month period declined from that of the same period in the previous year (€ –9.4 million) for the Hawesko Group. Due to the seasonal nature of the business, cash flow from ongoing business activity is usually negative in the first quarter of the fiscal year.

In the first three months of 2015, investments in tangible and intangible assets amounted to € 1.0 million (same period of the previous year: € 0.8 million).

Consolidated cash flow in € millions, rounding differences are possible	1.1.– 31.03.2015	1.1.– 31.03.2014
Cash flow from current operations	–12.5	–9.4
Cash flow from investment activity	–1.0	–0.8
Cash flow from financing activities	10.4	0.1

At € –13.7 million, free cash flow (total of the cash flows from current operations and investment activities minus interest payments) in the three-month period declined from that of the same period in the previous year (€ –10.4 million) for the Hawesko Group.

Investment analysis

Investments were divided into those in intangible assets (€ 0.3 million, as in the previous year), which were related primarily to software in the distance-selling segment, and those in tangible assets of € 0.7 million (previous year: € 0.6 million). The latter were related primarily to the expansion and modernisation of the depots in the stationary specialist retail segment as well as the investments for expansion and replacement equipment in the distance-selling and wholesale segments.

REPORT ON POST-BALANCE SHEET DATE EVENTS

Events of particular significance for the evaluation of the assets, finances and earnings of Hawesko Holding AG and the Group did not occur after the conclusion of the period under review.

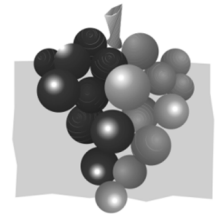
REPORT ON OPPORTUNITIES AND RISK

There were no significant changes in the risks and opportunities of Hawesko Holding AG compared to the situation described in the 2014 annual report.

REPORT ON EXPECTED DEVELOPMENTS

Outlook

There were no significant changes in the forecast for fiscal year 2015 of the Hawesko management board compared to the situation described in the 2014 annual report. The general economic and business conditions in Germany are still classified as good. The Hawesko management board notes that the financial figures for the first quarter of 2015 are within expectations. For the full fiscal year 2015, they anticipate an increase in sales of approximately 1% compared to the previous year (€ 473 million). Consolidated EBIT for 2015 should be on the order of € 19–20 million



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(previous year: €20.1 million) after non-recurring charges resulting from the takeover process, and € 26–27 million on an adjusted basis. The financial result will presumably be lower than in the previous year and consolidated net income after deductions for interests of non-controlling partners is expected to be in a bandwidth between € 12–13 Mio. (2014: € 14.8 million). The management board expects free cash flow to be on the order of € 17–20 million, compared to € 13 million in 2014.

Hawesko Holding AG

Profit and loss statement for the first quarter (as per IFRS)

(in € millions, unaudited, rounding differences possible)

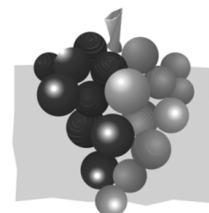
	1.1.–31.3. 2015	1.1.–31.3. 2014
Sales revenues	105.8	108.0
Decrease (increase) in finished goods inventories	-0.1	0.1
Other production for own assets capitalized	0.0	—
Other operating income	5.7	4.1
Cost of purchased goods	-61.1	-63.3
Personnel expenses	-19.4	-12.6
Depreciation and amortisation	-1.8	-1.7
Other operating expenses and other taxes	<u>-31.8</u>	<u>-30.7</u>
Result from operations (EBIT)	-2.6	3.8
Financial result		
Interest earnings/expenditures	-0.2	-0.2
Other financial result	-0.1	-0.1
Income from long-term equity investments	<u>0.0</u>	<u>0.0</u>
Result before taxes on income	-2.9	3.5
Taxes on income and deferred tax expenses	<u>0.9</u>	<u>-1.1</u>
Consolidated net income	-2.0	2.4
of which attributable		
– to the shareholders of Hawesko Holding AG	-2.0	2.5
– to non-controlling interests	-0.0	-0.1
Earnings per share (in €, undiluted = diluted)	-0.22	0.28
Average number of shares in circulation (Numbers in thousands, undiluted = diluted)	8,983	8,983

Hawesko Holding AG

Consolidated comprehensive income statement for the period from 1 January to 31 March

(in € millions, unaudited,
rounding differences are possible)

	1.1.–31.3. 2015	1.1.–31.3. 2014
Consolidated net income	-2.0	2.4
<i>Amounts that will not be recognised as profit or loss in the future</i>		
Actuarial gains and losses resulting from remeasurements of defined-benefit pension plans including deferred tax liabilities	—	—
<i>Amounts that may be recognised as profit or loss in the future</i>		
Effective portion of losses from cash flow hedges including deferred tax liabilities	-0.0	0.0
Currency translation differences	0.3	0.0
Other comprehensive income	0.2	0.0
Total comprehensive income	-1.8	2.5
of which attributable		
– to shareholders of Hawesko Holding AG	-2.0	2.5
– to non-controlling interests	0.3	-0.1



Hawesko Holding AG
Consolidated balance sheet (as per IFRS)

(in € millions, unaudited,
rounding differences are possible)

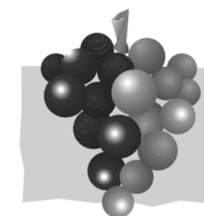
	31.3.2015	31.12.2014	31.3.2014
Assets			
<u>Long-term assets</u>			
Intangible assets	32.6	33.0	33.7
Tangible assets	21.1	21.3	21.4
Investments accounted for using the equity method	0.4	0.5	0.5
Other financial assets	0.2	0.2	0.2
Advance payments on stocks	3.2	2.4	6.7
Receivables and other assets	1.0	1.2	1.2
Deferred tax liabilities	<u>1.7</u>	<u>1.7</u>	<u>2.0</u>
	60.4	60.3	65.7
<u>Short-term assets</u>			
Inventories	96.9	95.4	97.3
Trade receivables	31.1	44.5	32.5
Receivables and other assets	6.8	3.7	6.2
Receivables from taxes on income	2.0	2.4	1.3
Cash in banking accounts and cash on hand	<u>7.7</u>	<u>10.9</u>	<u>8.6</u>
	144.5	156.9	145.9
	<u>204.9</u>	<u>217.2</u>	<u>211.6</u>
Liabilities			
<u>Shareholders' equity</u>			
Subscribed capital of Hawesko Holding AG	13.7	13.7	13.7
Capital reserve	10.1	10.1	10.1
Retained earnings	47.4	61.0	48.7
Other reserves	-0.2	-0.1	-0.1
Shareholders' equity in Hawesko Holding AG	71.0	84.7	72.4
Non-controlling interests	<u>6.7</u>	<u>6.5</u>	<u>7.3</u>
	77.7	91.1	79.7
<u>Long-term provisions and liabilities</u>			
Provisions for pensions	1.1	1.1	0.9
Other long-term provisions	1.4	1.4	1.1
Borrowings	2.1	2.5	6.9
Advances received	0.8	1.2	3.4
Other liabilities	15.1	10.2	12.8
Deferred tax liabilities	<u>0.8</u>	<u>0.7</u>	<u>1.0</u>
	21.3	17.1	26.1
<u>Short-term provisions and liabilities</u>			
Non-controlling interests in the capital of unincorporated subsidiaries	0.1	0.1	0.0
Borrowings	25.4	14.5	15.5
Advances received	5.8	5.4	5.8
Trade accounts payable	48.1	65.8	53.4
Income taxes payable	0.8	0.5	1.4
Other liabilities	<u>25.7</u>	<u>22.8</u>	<u>29.7</u>
	105.9	109.0	105.8
	<u>204.9</u>	<u>217.2</u>	<u>211.6</u>

Hawesko Holding AG

Consolidated Cash Flow Statement (as per IFRS)

(in € millions, unaudited,
rounding differences are possible)

	1.1.–31.3. 2015	1.1.–31.3. 2014
Result before taxes on income	-2.9	3.5
Depreciation and amortisation of intangible and tangible assets	1.8	1.7
Interest result	0.3	0.3
Result from the disposal of fixed assets	-0.0	-0.0
Result from the companies reported using the equity method	-0.0	-0.0
Dividend payments received from investments	0.1	0.0
Change in inventories	-2.3	-3.3
Change in borrowings and other assets	13.4	15.0
Change in provisions	0.0	-0.5
Change in liabilities (excluding borrowings)	-21.6	-25.0
Taxes on income paid out	<u>-1.3</u>	<u>-1.2</u>
Net outflow of payments from current operations	-12.5	-9.4
Outpayments for tangible and intangible assets Other assets	<u>-1.0</u>	<u>-0.9</u>
Inpayments from the disposal of financial assets intangible and tangible assets	0.0	0.1
Inpayments from the disposal of financial assets	<u>0.0</u>	<u>0.0</u>
Net funds employed for investing activities	<u>-1.0</u>	<u>-0.8</u>
Outpayments for dividends	—	—
Outpayments to non-controlling interests	—	—
Payment of finance lease liabilities	-0.1	-0.1
Change in short-term borrowings	<u>11.2</u>	0.9
Repayment of medium- and long-term borrowings	-0.6	-0.6
Interest received	0.0	0.0
Interest paid out	-0.2	-0.2
Inflow of net funds from financing activities	<u>10.4</u>	<u>0.1</u>
Net decrease/increase of funds	<u>-3.2</u>	<u>-10.1</u>
Funds at start of period	10.9	18.8
Funds at end of period	7.7	8.6



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Hawesko Holding AG, Consolidated statement of changes in equity

	Subscribed capital	Capital reserve	Retained earnings	Other reserves			Ownership of interest of Hawesko Holding AG shareholders	Non-controlling interests	Total
				Balancing items from currency translation	Revaluation components of pension obligations	Reserve for cash flow hedge			
Status at 1 January 2014	13.7	10.1	61.0	0.0	0.0	-0.1	84.7	7.4	92.1
Dividends	—	—	-14.8	—	—	—	-14.8	—	-14.8
Consolidated net income			2.5				2.5	-0.1	2.4
Other result	—	—	—	0.0	—	0.0	0.0	0.0	0.0
Deferred tax on other result	—	—	—	—	—	-0.0	-0.0	—	-0.0
Status at 31 March 2014	13.7	10.1	48.7	0.0	0.0	-0.1	72.4	7.3	79.7
Status at 1 January 2015	13.7	10.1	61.0	0.0	-0.1	-0.1	84.7	6.5	91.1
Dividends	—	—	-11.7	—	—	—	-11.7	—	-11.7
Consolidated net income			-2.0				-2.0	-0.0	-2.0
Other result	—	—	—	-0.0	—	-0.0	-0.1	0.3	0.2
Deferred tax on other result	—	—	—	—	—	0.0	0.0	—	0.0
Status at 31 March 2015	13.7	10.1	47.4	-0.0	-0.1	-0.1	71.0	6.7	77.7



Segment results for the first quarter (in € millions, unaudited, rounding differences possible)					
1.1.–31.3.2015	Wine-shop retail	Wholesale	Distance selling	Miscellaneous/ Consolidation	Group
External sales	30.8	38.1	36.9	0.0	105.8
Operating result (EBIT)	2.7	0.6	2.1	-7.9	-2.6
1.1.–31.3.2014	Wine-shop retail	Wholesale	Distance selling	Miscellaneous/ Consolidation	Group
External sales	29.5	40.4	38.1	0.0	108.0
Operating result (EBIT)	2.3	0.5	2.2	-1.2	3.8

Notes to the three-month financial report to 31 March 2015

General principles: This report was written in accordance with International Accounting Standard (IAS) 34 according to the requirements of the current guidelines of the International Accounting Standards Board (IASB), London and the German Accounting Standard (DRS) 16. The standards and interpretations valid from 1 January 2015 have been applied to the interim financial statement.

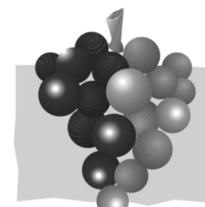
The present quarterly financial report does not contain all of the information and data required for a consolidated financial statement and is therefore to be read in conjunction with the consolidated financial statement for 2014.

The interim financial statement and interim management report have neither been audited in accordance with Section 317 of the German Commercial Code (HGB) nor reviewed by an auditor.

Consolidation: The consolidation group of Hawesko Holding AG remains unchanged from that listed in the 2014 consolidated accounts.

Balance sheet and valuation principles: (1) The balance sheet and valuation methods used correspond as a rule to those applied in the last consolidated balance sheet at the end of the fiscal year. A detailed discussion of these methods was published in the annual report for 2014. (2) With respect to the content regarding new standards and interpretations as well as changes in existing standards, please refer to the comments on pages 72 to 73 in the 2014 annual report. The application of the revised standards and interpretations has no significant influence on the net worth, financial situation, earnings or cash flow of the Hawesko Group. (3) Cyclical events which occur during the year, insofar as they are important, are delimited based on corporate planning.

Other information: (1) *Events after the conclusion of the reporting period:* Events of particular significance for the evaluation of the assets, finances and earnings of Hawesko Holding AG and the Group - as defined in IAS 10 - did not occur after the conclusion of the period under review. (2) *Resolution for the appropriation of earnings for 2014:* The proposal will be made to the annual general meeting of shareholders on 15 June 2015 that the unappropriated earnings reported in the annual accounts of Hawesko Holding AG of € 12,044,472.02 should be appropriated as follows: (a) Payout of a dividend of €1.30 per entitled share. With a total number of 8,983,403 shares entitled to dividends, this amounts to a total of € 11,678,423.90. b) The remaining amount of € 366,048.12 will be carried forward to new account. (3) *No unforeseen development costs* were incurred during the period under review. (4) *The order situation* remains satisfactory. (5) The following changes have



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occurred in the *composition* of the management board and the supervisory board to the date of the writing of this report. Alexander Borwitzky and Nikolas von Haugwitz were appointed to the management board effective 1 January 2015. The supervisory board chairman Dr. Joh. Christian Jacobs resigned his office effective 26 March 2015; Detlev Meyer was elected as the new chairman of the supervisory board. The Hamburg Municipal Court appointed Dr. Franz Jürgen Säcker as a new member of the supervisory board effective 27 March 2015. (6) *Business with closely associated persons*: As disclosed in the Notes to the financial statements for 2014 under point 45, the management board and the supervisory board are considered to be closely associated persons in the sense of IAS 24.5. Material changes since the closing date of the annual accounts have not taken place. Important business transactions were not conducted with closely associated persons in the reporting period. The number of shares and/or the number of votes held by members of the supervisory board is 6,682,376, all of them held by the supervisory board chairman Detlev Meyer. The members of the management board hold no shares and have no votes. (7) *Treasury shares*: Hawesko Holding AG holds no treasury shares as of the date of writing of this report.

Other information	1.1.–31.3.	1.1.–31.3.
	2015	2014
Employees (average during the period)	924	905

Calendar:

Annual shareholders' meeting 2015	15 June 2015
Half-year financial report to 30 June 2015	6 August 2015
Nine-month report to 30 September 2015	5 November 2015
Preliminary report on fiscal year 2015	Early February 2016

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