

MAX Automation AG

QUARTERLY STATEMENT I.2017



Key share data Q1 2017

Ticker/ISIN	MXH/DE000A2DA58
Registered capital	26.79 Mio.
Closing price (March 31, 2017)*	6.3
Highest/lowest price*	6.75 Eur/5.78 Eur
Price performance in absolut figures**	+10.8 %
Price performance SDAX**	+4.5 %
Market-Capitalization (March 31, 2017)	172.3 Mio. Euro

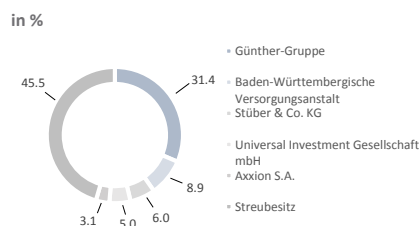
* Closing prices on the Xetra trading system of Deutsche Börse AG

** Observation period: 1/1/2017-3/31/2017

Share chart



Shareholder structure



Dates

Aug. 15, 2017	Publication of the Half-Year Report 2017
Nov. 11, 2017	Publication of Quarterly Statemen

FORWARD BY THE MANAGEMENT BOARD

Dear shareholders,

MAX Automation has started with momentum into 2017. Business in the first quarter was not only significantly better than in the same quarter of the previous year, but also exceeded our expectations. Order intake was positive and led to the order backlog at the end of the first quarter being almost at the very high level as at the end of the final quarter of 2016. Group sales improved by around 15 % in the first three months. Consolidated earnings before interest and taxes (EBIT) as well as before depreciation from purchase price allocations (PPA depreciation) rose disproportionately in relation to sales three times over.

The dynamic business development was supported by the two Group segments Industrial Automation and Environmental Technology. The Industrial Automation sector once again benefited from concentration on key growth drivers in line with our medium-term strategy 2021, including electromobility, the sustainable trend towards driving assistance systems, the diversity of variants in automobile production and the increased requirements for CO2 prevention. In Environmental Technology, the good performance from the final quarter of 2016 continued unabated. Positive effects from the capacity adjustments made in the past year were recorded.

In view of the positive business development of the first quarter, we can confirm our expectations so far for the full year of 2017. We expect Group sales of at least EUR 370 million and Group EBIT before PPA amortization in the range of EUR 22 million to EUR 25 million.

Daniel Fink Fabian Spilker

Management Board of MAX Automation AG

CONSOLIDATED RESULTS AT A GLANCE

(in EUR mill.)	Q1 2017	Q1 2016
New order intake	85.8	73.6
Order book position	192.3	132.3
Revenue	87.2	75.6
EBITDA	6.2	3.0
EBIT before PPA	4.5	1.4
EBIT after PPA	4.0	0.4
Earnings for the period	2.5	-0.3
EBIT per share before PPA (EU	0.17	0.05
Earnings per share (in EUR	0.09	-0.01

GENERAL BUSINESS DEVELOPMENT

In the first quarter of 2017, MAX Automation recorded a positive business trend above its own expectations. Order intake rose by 16.6 % to EUR 85.8 million compared to the same quarter of the previous year (Q1 2016: EUR 73.6 million). The order backlog as of March 31, 2017, grew by 45.3 % to EUR 192.3 million (March 31, 2016: EUR 132.3 million), which is roughly at the record level of December 31, 2016 (EUR 193.8 million).

Group sales rose by 15.4 % from EUR 75.6 million in the first three months of 2017 to EUR 87.2 million. Consolidated earnings before interest and taxes (EBIT) as well as before depreciation from purchase price allocations (PPA) more than tripled to EUR 4.5 million after EUR 1.4 million in the same quarter of the previous year. A major reason for the strong growth was the very good capacity utilization in the segments due to the high order backlog.

Depreciation from PPA decreased from EUR 1.1 million to EUR 0.5 million due to the expiry of major depreciation on the acquisition of the Group companies ELWEMA Automotive GmbH, MA micro automation GmbH and iNDAT Robotics GmbH. EBIT after PPA increased to EUR 4.0 million (Q1 2016: EUR 0.4 million). Interest expenses decreased from EUR 0.6 million to EUR 0.5 million by period comparison.

The equity ratio amounted to 35.6 % as of March 31, 2017 (March 31, 2016: 37.8 %). It thus remained well above the long-term minimum target of 30 %. Net debt as of March 31, 2017, reached an amount of EUR 90.1 million (March 31, 2016: EUR 61.6 million, +46.3 %). This increase resulted mainly from the pre-financing of the increased operating business.

SEGMENT DEVELOPMENT

The Industrial Automation segment recorded a buoyant start to the year. Order intake rose by 26.6 % to EUR 61.5 million (Q1 2016: EUR 48.6 million) compared to the same quarter of the previous year. The order backlog as of March 31, 2017, amounted to EUR 162.7 million, 63.5 % more than on the same date of the previous year (March 31, 2016: EUR 99.5 million). Segment sales improved by 20.6 % to EUR 62.9 million in the first three months of 2017 (Q1 2016: EUR 52.1 million). Segment EBIT before PPA amortization amounted to EUR 4.0 million (Q1 2016: EUR 2.3 million).

The Environmental Technology segment continued its positive development of the previous quarter in the first quarter of the year. The Recycling and Waste Division developed particularly successfully. Segment sales increased by 3.6 % to EUR 24.3 million (Q1 2016: EUR 23.5 million). Segment EBIT before PPA reached the positive value of EUR 1.5 million following a loss of EUR -0.3 million in the same quarter of the previous year. Reasons for the improvement were, besides slightly improved capacity utilization, positive effects from the capacity adjustments made last year. Order intake fell slightly by 2.9 % to EUR 24.3 million (Q1 2016: EUR 25.0 million). The order backlog as of March 31 amounted to EUR 29.6 million (March 31, 2016: EUR 32.8 million, -9.9 %).

PRESENCE IN NORTH AMERICA EXTENDED

On January 3, 2017, MAX Automation AG opened a new facility in Atlanta, the capital of the US state of Georgia, with MAX Automation North America Inc. The company serves as a business hub for several MAX Automation Group companies in the Industrial Automation segment. The Group companies in Atlanta will largely serve customers in the automotive and medical technology sectors based in the Midwest. With its new location, MAX Automation is expanding its network in the North American continent beyond its presence in South Carolina, Oklahoma and Mexico.

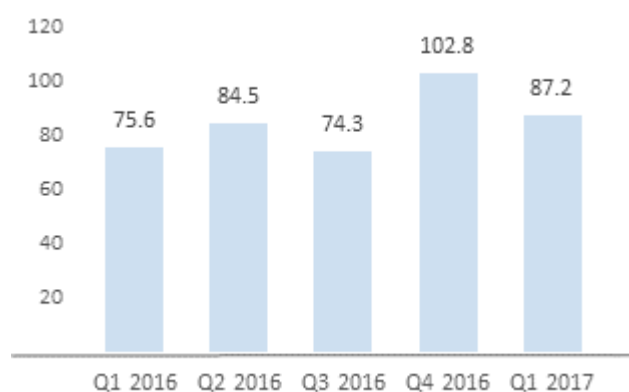
INVESTMENT IN ESSERT GMBH

In January 2017, MAX Automation AG closed its acquisition of its shareholding in ESSERT GmbH in Ubstadt-Weiher (near Karlsruhe) in Baden-Württemberg, Germany. With an interest of 44.5 %, which can be expanded to a majority in the coming years due to fixed options, MAX Automation is significantly expanding its expertise in software development for Industry 4.0 applications as well as in collaborative robotics.

BUSINESS REPORT

Sales development

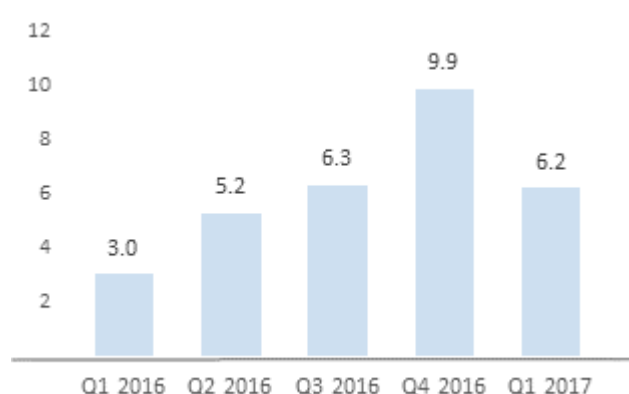
Mio. EUR



- Group sales rose by 15.4 % to EUR 87.2 million (Q1 2016: EUR 75.6 million).
- The export share of sales was 72.0 % after 70.1 %.
- At EUR 93.0 million, total output was 20.0 % above the value of the comparable quarter of the previous year (Q1 2016: EUR 77.5 million).

EBITDA

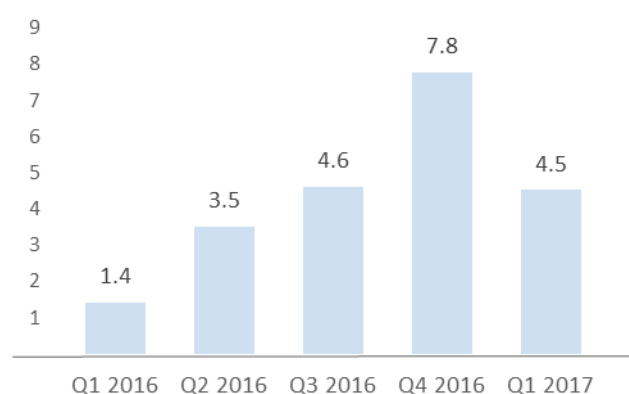
Mio. EUR



- Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) more than doubled from EUR 3.0 million to EUR 6.2 million.
- The EBITDA margin – based on total output – rose significantly from 3.9 % to 6.7 %.

EBIT before PPA

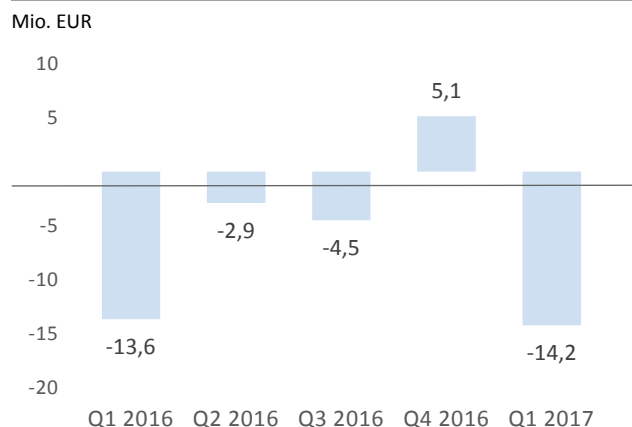
Mio. EUR



- Consolidated earnings before interest and taxes (EBIT) as well as before PPA amortization more than tripled to EUR 4.5 million after EUR 1.4 million the previous year. The EBIT margin – based on total output – was 4.9 % (Q1 2016: 1.8 %).
- Depreciation from PPA decreased from EUR 1.1 million to EUR 0.5 million as significant depreciation from the acquisitions of the Group companies ELWEMA Automotive GmbH, MA micro automation GmbH and iNDAT Robotics GmbH came to an end.
- EBIT after PPA increased to EUR 4.0 million (Q1 2016: EUR 0.4 million).

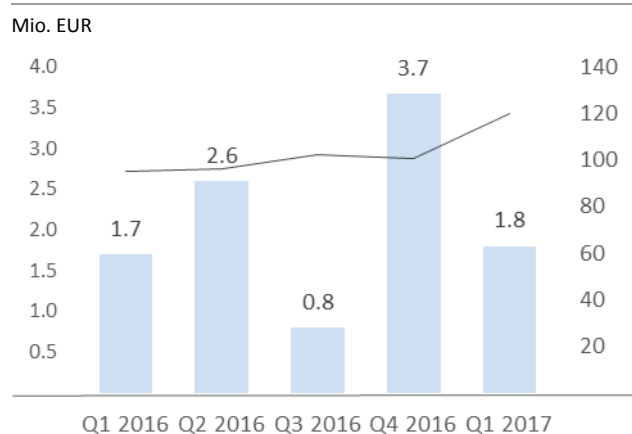
BUSINESS REPORT

Free Cash Flow



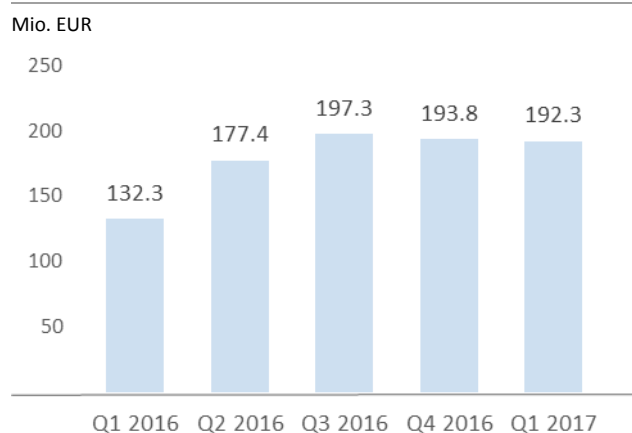
- Cash outflow from operating cash flow amounted to EUR 14.2 million (previous year: cash outflow of EUR 13.6 million).
- The main reasons for this development were the stock build-up and higher pre-financing of orders received.
- Cash and cash equivalents at the end of the first three months amounted to EUR 18.8 million, compared to EUR 23.0 million at the end of 2016.
- As the structure of the cash flow statement was adjusted at December 31, 2016, the structure was also adjusted at March 31, 2016.

Investments / Working Capital



- Investments in long-term assets amounted to EUR 1.8 million, which corresponds to the previous year's level (Q1 2016: EUR 1.7 million).
- Investments were distributed with EUR 0.9 million to property, plant and equipment and EUR 0.9 million to intangible assets.
- Working capital as of March 31, 2017, increased to EUR 120.1 million (December 31, 2016: EUR 100.7 million, +19.9 %) as a result of the increased pre-financing of orders received.

Order backlog



- The consolidated order backlog as of March 31, 2017, amounted to EUR 192.3 million (previous year: EUR 132.3 million, +45.3 %). The book-to-bill ratio was 0.98 following 0.97. Order backlog is thus slightly below record level at the end of the final quarter of 2016 (December 31, 2016: EUR 193.8 million).
- Consolidated order intake rose to EUR 85.8 million in the first quarter of 2017 compared to EUR 73.6 million (+16.6 %).

SUPPLEMENTARY REPORT

MAX Automation AG plans to convert to European Stock Corporation (SE)

On May 15, 2017, MAX Automation AG informed that it was preparing a transformation of the company into the established legal form of the European company (Societas Europaea, SE). According to the wishes of the Management Board and the Supervisory Board, a monistic system will be selected for the planned MAX Automation SE. The Supervisory Board approved a corresponding resolution by the Management Board on May 15, 2017.

The resolutions of the Management Board and the Supervisory Board regarding the transformation plan to be drawn up are still pending. In addition, the change in the format requires, among other things, that the Annual General Meeting of MAX Automation AG approves the conversion plan and approves the Articles of Association of the future for MAX Automation SE in the conversion plan in which the members of the first Board of Directors of MAX Automation SE are to be appointed. Appropriate resolutions are to be submitted to this year's Annual General Meeting. The entry, and thus the effect, of the change of form, also requires that the procedure already initiated for the agreement on the participation of employees in the future SE be completed or terminated.

The transformation of the legal form takes the international focus of the high-tech mechanical engineering group with its growing European focus into account.

Beyond that, no transactions of particular significance to the Group's assets, financial and earnings position have occurred at the end of the reporting period.

FORECAST REPORT

The Management Board considers the business development and the lively demand in the first quarter as a good basis for achieving the targets for the current year.

The Industrial Automation segment will focus on the four strategic business areas Mobility Automation, Process Technologies, Life Science Automation and New Automation Technologies in the current year as well as in the following years in accordance with the 2021 Strategy. These include key growth drivers such as the need to reduce CO₂ emissions in modern engines, the increasing importance of sustainable solutions in mobility, the development of increasingly efficient plants for Industry 4.0 and steadily increasing public health awareness. Segment expansion is planned by means of efficiency improvements in the organization, the use of synergies between Group companies and the targeted expansion of competences, in sensor technology and electronics, for example.

The Environmental Technology segment will continue to focus on the development and production of high-quality individual components and system solutions for the recycling and processing industries. Due to the capacity adjustments made in light of changed market conditions in 2016, the Group company Vecoplan should achieve appropriate results in the future with a now lower level of costs.

At the corporate level, the Management Board will continue to expect revenues of at least EUR 370 million (previous year: EUR 337.1 million) for the current year of 2017 based on the current portfolio and a Group EBIT before PPA in the range of EUR 22 million to EUR 25 million (previous year: EUR 17.4 million).

In the medium term, the Management Board plans to significantly increase Group sales as part of the 2021 Strategy. This is to exceed the 500-million-euro mark in 2021 and be achieved through organic growth and possible acquisitions. To this end, the Management Board is continuously monitoring the markets relevant to MAX Automation.

CONSOLIDATED BALANCE SHEET

ASSETS	31.03.2017	31.12.2016
	TEUR	TEUR
Non-current assets		
Intangible assets	15,178	15,396
Goodwill	53,133	53,139
Property, plant and equipment	31,517	31,625
Investment property	1,392	1,404
Equity accounted investments	3,879	0
Other investments	2,292	2,270
Deferred tax	5,566	5,993
Other non-current assets	372	335
Non-Current assets, total	113,329	110,162
Current assets		
Inventories	47,003	41,214
Trade receivables	128,306	121,227
Receivables due from related companies	90	90
Prpayments and accrued income, and other current assets	11,631	10,615
Cash and cash equivalents	18,832	23,023
Current assets, total	205,862	196,169
Total assets	319,191	306,331

CONSOLIDATED BALANCE SHEET

EQUITY AND LIABILITIES	31.03.2017	31.12.2016
	TEUR	TEUR
Equity		
Subscribed share capital	26,794	26,794
Capital reserves	3,055	3,055
Revenue reserves	26,144	26,144
Equity difference resulting from currency translation	896	966
Non-controlling interests	481	426
Unappropriated retained earnings	56,316	53,875
Total Equity	113,686	111,260
Non-current liabilities		
Non-current loans less current portion	73,847	64,063
Pension provisions	1,024	1,033
Other provisions	1,321	1,229
Deffered tax	13,102	13,227
Other non.current liabilities	2,113	2,222
Non-current liabilities, total	91,407	81,774
Current liabilities		
Trade payables	55,198	61,788
Current loans and current portion of non-current loans	35,062	28,840
Other current financial liabilities	12,923	12,271
Income tax provisions and liabilities	3,307	2,614
Other provisions	5,822	5,718
Other current liabilities	1,786	2,066
Current liabilities, total	114,098	113,297
Equity and liabilities, total	319,191	306,331

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q1 2017	Q1 2016
	TEUR	TEUR
Revenue	87,230	75,618
Change in finished goods and work-in-progress	5,323	1,656
Work performed by the company and capitalized	437	241
Total operating revenue	92,990	77,515
Other operating revenue	1,203	1,997
Result from equity accounted investments	-16	0
Cost of materials	-48,802	-38,889
Personnel expenses	-28,196	-26,969
Depreciation, amortization and impairment losses	-1,648	-1,585
Sonstige betriebliche Aufwendungen	-10,999	-10,640
Other operating expenses	4,532	1,429
PPA-related amortization, depreciation and impairment losses	-499	-1,059
Operating profit after PPA-related amortization, depreciation and impairment losses	4,033	370
Net interest result	-449	-582
Earnings before tax	3,584	-211
Income taxes	-1,088	-110
Net income	2,496	-322
of which attributable to non-controlling interests	55	0
of which attributable to shareholders of MAX Automation AG	2,441	-322
Other comprehensive income that is never recycled to the income statement		
Actuarial gains and losses on employee benefits	0	0
Income taxes on actuarial gains and losses	0	0
Other comprehensive income that can be recycled to the income statement	0	0
Change arising from currency translation	-71	-110
Total comprehensive income	2,425	-432
of which attributable to non-controlling interests	55	
of which attributable to shareholders of MAX Automation AG	2,370	-432
Earnings per share (diluted and basic) in EUR	0.09	-0.01

CONSOLIDATED STATEMENT OF CASH FLOWS

	Q1 2017	Q1 2016
	TEUR	TEUR
1. Cash flow from operating activities		
Net income	2,496	-321
Adjustments relating to the reconciliation of consolidated net income for the year to cash flow from operating activities:		
Income taxes	1,088	109
Net interest result	449	582
Depreciation of intangible assets	1,162	1,579
Depreciation of property, plant and equipment	973	1,000
Depreciation of investment property	12	65
Gain (-)/loss (+) on disposal of property, plant and equipment	-6	-38
Earnings-effective change in deferred tax	302	-1,975
Other non-cash expenses and income	105	123
Changes in assets and liabilities		
increase (-)/decrease (+) in other non-current assets	-51	-24
Increase (-)/decrease (+) in inventories	-5,934	-4,411
Increase (-)/decrease (+) in trade receivable	-7,142	2,640
Increase (-)/decrease (+) in prepayments, accrued income and other asset	-1,016	-2,653
Increase (+)/decrease (-) in pension provision	-9	-6
Increase (+)/decrease (-) in other provisions and liabilities	599	-5,795
Increase (+)/decrease (-) in trade payables	-6,590	-8,144
Income tax paid	-662	3,636
Income tax reimburse	10	0
= Cash flow from operating activities	-14,184	-13,633
2. Cash flow from investing activities		
Outgoing payments for investments in intangible assets	-888	-391
Outgoing payments for investments in property, plant and equipment	-912	-1,288
Outgoing payments for investments in financial assets	-3,901	-354
Payments received from disposals of intangible asset	0	1
Payments received from disposals of property, plant and equipment	17	0
Outgoing payments for acquisition of subsidiaries, less cash	0	-400
= Cash flow from investing activities	-5,684	-2,432
3. Cash flow from financing activities		
Outgoing payments for dividends	0	0
Draw-down of non-current borrowings	10,000	-66
Repayment of non-current borrowings	-134	-432
Change in current borrowing	6,056	10,956
Interest paid	-266	-575
Interest received	15	31
Increase (-)/decrease (+) in restricted cash and cash equivalents	0	20
Payments arising from settlement claims for third parties	0	0
= Cash flow from financing activities	15,671	9,934

CONSOLIDATED STATEMENT OF CASH FLOWS

	Q1 2017 TEUR	Q1 2016 TEUR
4. Cash and cash equivalents		
Increase/decrease in cash and cash equivalents	-4,197	-6,131
Effect of changes in exchange rates	6	-170
Cash and cash equivalents at start of financial year	23,023	21,358
Cash and cash equivalents at end of financial year	18,832	15,057
5. Composition of cash and cash equivalent		
= Cash and cash equivalents	18,832	15,057

SEGEMENT REPORTING

Segment Reporting Period	Industrial automation		Environmental Technology	
	Q1 2017	Q1 2016	Q1 2017	Q1 2016
	TEUR	TEUR	TEUR	TEUR
New order intake	61,526	48,598	24,318	25,042
Order book position	162,723	99,508	29,553	32,807
Segment revenue	62,895	52,133	24,339	23,495
- with external customers	62,886	52,123	24,339	23,495
- of which Germany	19,044	22,086	5,500	529
- of which other EU countries	15,463	11,805	7,100	11,570
- of which North America	11,631	6,894	8,909	10,210
- of which China	8,547	5,036	0	0
- of which Rest of the World	8,202	6,302	2,830	1,186
- Inter-segment revenue	9	10	0	0
EBITDA	5,083	3,290	1,916	302
Segment operating profit (EBIT before PPA amortization)	3,874	2,271	1,508	-256
including:				
- Depreciation/amortization	-1,209	-1,019	-408	-558
- Additions to other provisions and pension provisions	-571	-701	-613	-385
- Incoming payments from sale of investment properties	0	0	0	0
- Income from equity accounted investment	0	0	0	0
Segment operating profit after PPA amortization	3,449	1,293	1,496	-287
including:				
- PPA amortization	-425	-978	-12	-31
Segment result from ordinary activities	2,839	952	1,397	-415
including:				
- Interest and similar income	11	7	4	17
- Interest and similar expenses	-621	-348	-103	-145
Income taxes	-277	1,740	-397	-6
- Additions to income tax provisions	-108	-154	-230	-75
Net income	2,561	2,692	1,000	-421
Non-current segment assets (excluding deferred tax)	47,610	49,057	13,662	21,549
- of which Germany	47,187	48,602	10,790	18,505
- of which other EU countries	60	87	35	138
- of which North America	209	197	2,837	2,906
- of which Rest of the World	154	171	0	0
Investments in non-current segment assets	1,691	1,494	69	178
Working Capital	95,909	70,743	24,479	24,256
Average number of personnel excluding trainees	1,182	1,102	385	410

SEGMENT REPORTING

Segment Reporting Period	Überleitung		Gesamt	
	Q1 2017	Q1 2016	Q1 2017	Q1 2016
	TEUR	TEUR	TEUR	TEUR
New order intake	0	0	85,844	73,640
Order book position	0	0	192,276	132,315
Segment revenue	-4	-10	87,230	75,618
- with external customers	5	0	87,230	75,618
- of which Germany	5	0	24,549	22,615
- of which other EU countries	0	0	22,563	23,375
- of which North America	0	0	20,540	17,104
- of which China	0	0	8,547	5,036
- of which Rest of the World	0	0	11,031	7,488
- Inter-segment revenue	-9	-10	0	0
EBITDA	-819	-578	6,180	3,014
Segment operating profit (EBIT before PPA amortization)	-850	-586	4,532	1,429
including:				
- Depreciation/amortization	-31	-8	-1,648	-1,585
- Additions to other provisions and pension provisions	-135	-203	-1,319	-1,289
- Incoming payments from sale of investment properties	0	0	0	0
- Income from equity accounted investment	-16	0	-16	0
Segment operating profit after PPA amortization	-912	-636	4,033	370
including:				
- PPA amortization	-62	-50	-499	-1,059
Segment result from ordinary activities	-652	-749	3,584	-212
including:				
- Interest and similar income	4	-12	18	12
- Interest and similar expenses	256	-101	-467	-594
Income taxes	-414	-1,844	-1,088	-110
- Additions to income tax provisions	-751	-1,855	-1,089	-2,084
Net income	-1,065	-2,593	2,496	-322
Non-current segment assets (excluding deferred tax)	46,491	39,495	107,763	110,101
- of which Germany	46,491	39,495	104,469	106,602
- of which other EU countries	0	0	95	225
- of which North America	0	0	3,046	3,103
- of which Rest of the World	0	0	154	171
Investments in non-current segment assets	41	6	1,801	1,678
Working Capital	-277	-32	120,110	94,967
Average number of personnel excluding trainees	8	6	1,575	1,518

IMPRINT

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This report on the first quarter is also available in English. In case of differences, the German version shall take precedence. A digital version of the Annual Report of MAX Automation and the interim reports are available online at www.maxautomation.de under the heading "Investor Relations / Reports."

DISCLAIMER

This quarterly report contains forward-looking statements on the business, earnings, financial and asset situation of MAX Automation AG and its subsidiaries. These statements are based on the Company's current plans, estimates, projections and expectation and are therefore subject to risks and uncertainties that may cause the actual development to differ quite considerably from the expected development. These forward-looking statements only apply at the time of publication of this quarterly news release. MAX Automation AG does not intend to update the forward-looking statements and assumes no obligation to.