CENTROTEC
Sustainable AG

Q3

Quarterly Report
03/2015

Highlights

> Market uneven: slight rise of 1.4 % in revenue in third quarter to EUR 148.4 million; consolidated revenue in first nine months up 1.6 % at EUR 396.9 million

- Revenue for Climate Systems in Q3 slightly down on previous year despite first-time consolidation of PRO-KLIMA (EUR 3.5 million); German heating business solid, but CHP and solar thermal business as well as various international markets remain weak; nine-month revenue for segment of EUR 287.0 million slightly up on previous year (EUR 283.8 million)
- Gas Flue Systems maintains positive development in core products in third quarter; revenue for first nine months increases to EUR 76.9 million (previous year EUR 74.8 million)
- Medical Technology & Engineering Plastics with higher revenue of EUR 33.0 million thanks to good third quarter (previous year EUR 32.0 million)

> Operating result for Q3 down on previous year: EBITDA of EUR 19.9 million (previous year EUR 20.2 million); nine-month figure of EUR 39.7 million better than in previous year (EUR 36.4 million)

- Depreciation and amortisation for Q3 climbs to EUR 6.0 million (previous year EUR 5.5 million) as result of high investment in previous years
- EBIT for Q3 of EUR 13.8 million down on previous year (EUR 14.7 million); nine-month figure of EUR 22.3 million better than in previous year (EUR 20.3 million)
- Further improvement in net interest
- EPS of EUR 0.51 (previous year EUR 0.54) in Q3; EUR 0.74 for year to date (previous year EUR 0.66)
- Net borrowings reduced by EUR 13.6 million compared with previous year to EUR 22.2 million.

> Outlook: development of third quarter will also continue in fourth quarter:

- Revenue in Q4 expected to be slightly up on previous year
- Operating result for quarter broadly on a par with previous year, but additional burdens from non-operating one-off expenses in Climate Systems area (e.g. reorganisation of sales nationally and internationally, restructuring of CHP business, integration of PRO-KLIMA, rearrangement of financing)

> Operating result for the full year is expected to be roughly at prior-year level with revenue of EUR 540 to 545.

Consolidated Key Figures

	30/09/2015 [EUR '000]	30/09/2014 [EUR '000]	Changes [Percent]
Total revenue	**396,896**	**390,526**	**1.6**
Climate Systems	286,975	283,762	1.1
Gas Flue Systems	76,934	74,808	2.8
Medical Technology & Engineering Plastics	32,987	31,956	3.2
Earnings			
EBITDA	39,666	36,446	8.8
EBIT	22,254	20,303	9.6
EBIT yield (in %)	5.6	5.2	
EBT	19,871	17,249	15.2
EAT	12,791	11,395	12.3
EPS (in EUR; basic)	0.74	0.66	11.9
Balance sheet structure *			
Balance sheet total	450,453	425,583	5.8
Shareholders' equity	219,437	207,908	5.5
Equity ratio (%)	48.7	48.9	
Property, plant and equipment	116,131	112,488	3.2
Intangible assets	41,423	42,765	(3.1)
Goodwill	76,060	72,072	5.5
Net financial liabilities	22,223	15,528	43.1
Net working capital	67,182	56,328	19.3
Cash flow statement			
Cash flow I (EAT & depreciation/ amortisation)	30,203	27,538	9.7
Cash flow from operating activities	18,695	9,179	>100
Cash flow from investing activities	(22,241)	(19,296)	15.3
Employees			
Total (in FTE)	3,174	3,124	1.6
Shares			
Number of shares */**	17,661	17,626	
Highest quotation ***	15.25	20.20	
Lowest quotation ***	12.85	15.08	
Quaterly-end quotation ***	13.50	15.24	

* Previous year is related to December 31, 2014

** Weighted average shares outstanding (basic; in thousand)

*** Quotation in EUR

CLIMATE CONTROL AND VENTILATION

NON-CENTRAL POWER AND HEAT GENERATION

1

Wolf KG Top large-scale air handling units:
ultra-efficient climate control solutions with air volume outputs of up to 100,000 m^3/h can be configured to project-specific requirements according to a modular principle.

2

CHP power systems:
the CHP (combined heat and power) systems made by Kuntschar + Schlüter and Dreyer & Bosse range in performance up to 2 MW and cover a broad spectrum, running on biogas, sewage gas and natural gas.

Interim Group Management Report

General economic situation

The overall economic environment of the CENTROTEC Group – hereinafter also referred to as CENTROTEC – was generally stable in the third quarter of the 2015 financial year. The German heating market showed solid growth in most areas and a number of international markets that had been weak for some years recovered gradually, albeit at a low level. These positive developments contrast with continuing weak solar thermal and CHP business, along with downward trends in other international markets, especially Russia and China. Nor are there any signs of a lasting resolution to the political crises in Greece, Ukraine and extensive parts of the Arab world.

Financial performance

Revenue

CENTROTEC realised revenue of EUR 148.4 million in the third quarter of 2015. This was 1.4 % more than in the previous year (EUR 146.3 million). In the first nine months of the current financial year, consolidated revenue rose by 1.6 % to EUR 396.9 million (previous year EUR 390.5 million). The Croatian subsidiary PRO-KLIMA contributed EUR 3.5 million to this revenue growth from the start of the third quarter on. On the other hand in the previous year, the African subsidiary that has no longer been part of the group since the fourth quarter of 2014 contributed a total of EUR 1.2 million to revenue. Easily the largest share of revenue, or 57 % (previous year 58 %), was again achieved in Germany in the first three quarters of the year. France and the Netherlands each contributed an almost unchanged share of just under ten percent to consolidated revenue in the first nine months of the year. All other countries accounted for shares of less than five percent of consolidated revenue.

Revenue by segment [EUR million]	Q3 2015	Q3 2014	Delta %	Q1–Q3 2015	Q1–Q3 2014	Delta %
Climate Systems	109.1	109.4	(0.3)	287.0	283.8	1.1
Gas Flue Systems	28.0	26.7	4.9	76.9	74.8	2.8
Medical Technology & Engineering Plastics	11.2	10.2	10.3	33.0	32.0	3.2
Total	**148.4**	**146.3**	**1.4**	**396.9**	390.5	**1.6**

In the **Climate Systems** segment the occasionally contrasting developments of the first half continued in the third quarter. The market for commercial projects in ventilation and climate control technology remained weak throughout Europe in terms of revenue and margins, but stabilised again latterly. In the solar thermal area, too, the market proved to be fundamentally difficult and is likely to continue contracting for the foreseeable future. The German market for biomass combined heat and power units moreover suffered a marked slump from the second quarter on. On the other hand the German heating market returned to an even keel over the entire year and regained the ground that had been lost in the latter half of the previous year. Internationally, the heating market revealed contrasting trends. It achieved growth in

some areas, but this was predominantly from a very low starting level. Moreover a growing share for calorifier technology has been observed in recent months; this can be attributed to the Ecodesign Directive which took effect throughout Europe at the end of September and the ending of eligibility for permits of products that do not satisfy it. In some markets such as Italy, this development led to marked pull-forward effects for calorifier technology.

The companies in this segment achieved revenue growth in the Netherlands and Spain. Business in Russia again proved difficult due to the unresolved political problems and there was a sharp contraction in revenue. Unit sales in China, too, were disappointing. Revenue for the segment in the third quarter came to EUR 109.1 million, slightly down on the prior-year figure of EUR 109.4 million. In the first three quarters of the current financial year, overall revenue for the Climate Systems segment rose by 1.1 % to EUR 287.0 million (previous year EUR 283.8 million). The Croatian subsidiary PRO-KLIMA, which has been fully consolidated since July, contributed EUR 3.5 million.

The **Gas Flue Systems** segment enjoyed a very healthy development for the core products in the gas flue and ventilation technology area over the first three quarters of 2015. Revenue growth in this area was highest in the Netherlands, France and North America, with considerable variation in the performance of the product mix from country to country. Overall, however, the highest growth was achieved by products in the flue gas ducting area. Third-quarter revenue for the segment rose by 4.9 % to EUR 28.0 million (previous year EUR 26.7 million). Over the first three quarters, revenue for the segment was up 2.8 % at EUR 76.9 million compared with the prior-year period (EUR 74.8 million), when the African subsidiary had contributed EUR 2.5 million to revenue.

In the **Medical Technology & Engineering Plastics** segment, there was a rise in third-quarter revenue supported by both areas of the segment. Compared with the previous year, revenue went up by more than ten percent to EUR 11.2 million (previous year EUR 10.2 million). After a tentative start to the year, this took revenue for the first nine months to EUR 33.0 million, 3.2 % up on the prior-year figure (EUR 32.0 million).

Earnings

CENTROTEC generated EBITDA of EUR 19.9 million (previous year EUR 20.2 million) in the third quarter of 2015. EBITDA for the first nine months of 2015 came to EUR 39.7 million, an 8.8 % improvement on the previous year (EUR 36.4 million). This development came on the back of a further rise in the gross profit ratio, which more than compensated for the slight rise in the personnel expenses ratio. The higher level of depreciation and amortisation required as a result of investment activity led to a reduction in EBIT to EUR 13.8 million (previous year EUR 14.7 million) for Q3, and to EUR 22.3 million (previous year EUR 20.3) for the entire year to date.

In the **Climate Systems** segment, EBITDA of EUR 13.4 million for the third quarter of 2015 was below the prior-year figure of EUR 14.5 million. This produced an EBITDA margin of 12.2 % (previous year 13.3 %). EBITDA for the first nine months of EUR 24.3 million almost matched the previous year's level (EUR 24.4 million). The elevated depreciation and amortisation, driven by the high investment level of previous years, led to EBIT of EUR 9.5 million (previous year EUR 11.0 million) for the third quarter, and of EUR 13.3 million (previous year EUR 14.3 million) for the year to date. The Dutch subsidiary Brink is making positive progress, demonstrating the success of the improvements drive that has been

implemented in conjunction with the construction project. On the other hand the result for the current financial year was diminished by an increase in warranty provisions for the product range following its significant revamp in recent years, and by costs for the acquisition and integration process for the Croatian subsidiary. The Croatian subsidiary PRO-KLIMA itself, included in consolidation for the first time, had no notable impact on the operating result for the segment.

The **Gas Flue Systems** segment again achieved earnings growth to EUR 4.7 million in the third quarter of 2015 (previous year EUR 4.2 million) at EBITDA level, and to EUR 3.1 million (previous year EUR 2.8 million) at EBIT level. This produced an EBITDA margin of 16.6 % (previous year 15.7 %) and an EBIT margin of 11.1 % (previous year 10.5 %). The revenue growth, in conjunction with an improved gross profit ratio and the absence of last year's costs for the change in the management structure, were major factors behind the rise in EBITDA to EUR 10.2 million (previous year EUR 7.4 million) and in EBIT to EUR 5.7 million (previous year EUR 3.2 million) for the year to date.

In the **Medical Technology & Engineering Plastics** segment the third quarter proved to be overproportionally positive with EBITDA of EUR 1.9 million (previous year EUR 1.5 million) and EBIT of EUR 1.2 million (previous year EUR 0.9 million) thanks to the substantial increase in revenue. Over the year to date, EBITDA of EUR 5.2 million and EBIT of EUR 3.2 million were equally up on the prior-year figures of EUR 4.6 and 2.8 million because of the good third quarter.

At group level the further improvement in net interest to some extent cancelled out the fall in the operating result in the third quarter. Earnings before tax (EBT) came to EUR 13.1 million (previous year EUR 13.8 million). After tax (EAT), there was a profit of EUR 9.0 million (previous year EUR 9.7 million). The earnings per share (EPS) were thus EUR 0.51 (previous year EUR 0.54). In the first two quarters of 2015, the earnings figures showed an increase on those for the previous year. In the case of EPS, this ultimately produced a figure of EUR 0.74 (previous year EUR 0.66) for the first nine months of 2015.

Net worth and financial position

The financial position of the CENTROTEC Group changed only slightly in the first three quarters of 2015. Compared with the end of 2014 there was an addition to the group following the takeover of the Croatian climate control and ventilation equipment manufacturer PRO-KLIMA d.o.o. by the CENTROTEC subsidiary Wolf. The purchase was completed at the start of July and PRO-KLIMA has been fully consolidated since July 1.

In the third quarter, EUR 4.1 million (previous year EUR 5.0 million) was invested in the CENTROTEC Group in property plant and equipment and in intangible assets. All individual investments amounted to less than one million euros and were principally aimed at renewing and optimising the production infrastructure as well as refining our product range. A total of EUR 16.2 million was invested in the first three quarters. As planned, the investment volume was therefore well down on the figures for 2014 (EUR 19.6 million) and 2013 (EUR 17.8 million) that were temporarily inflated e.g. by the construction of the new Brink building. The Climate Systems segment invested EUR 8.6 million (previous year EUR 13.5 million), the Gas Flue Systems segment EUR 5.9 million (previous year EUR 3.5 million) and the Medical Technology & Engineering Plastics segment EUR 1.7 million (previous year EUR 2.6 million) in the first nine months. Taking account of the acquisition of the Wolf subsidiary PRO-KLIMA, which is reported under the Climate Systems segment, CENTROTEC's investment volume rose to EUR 11.7 million in the

third quarter and to EUR 23.8 million for the first three quarters of 2015.

The balance sheet total for the CENTROTEC Group rose from EUR 425.6 million at the end of the previous year to EUR 450.5 million, though was slightly down on the figure at the end of Q3 of the previous year (EUR 454.1 million). There were minor changes under asset-side items on the balance sheet because of the first-time recognition of PRO-KLIMA. Working capital moreover rose because of seasonal factors from EUR 56.3 million at the end of 2014 to EUR 67.2 million. At September 30, 2014, however, the corresponding figure was higher at EUR 70.3 million. The equity ratio declined from 48.9 % at the end of 2014 to 48.7 % at September 30, 2015 due to the higher balance sheet total, but this was higher than the level of 45.0 % reported at the end of the third quarter of 2014.

Key financial figures [EUR million]	30/09/2015	31/12/2014	30/09/2014
Balance sheet total	**450.5**	425.6	454.1
Shareholders' equity	**219.4**	207.9	204.2
Equity ratio (percent)	**48.7**	48.9	45.0
Net borrowings	**22.2**	15.5	35.8
Net working capital*	**67.2**	56.3	70.3

*Current assets – cash and cash equivalents – current, non-interest bearing borrowings

There was a fall in borrowings of EUR 8.1 million compared with the end of 2014; the decrease when measured against the same point of the previous year was an even higher EUR 20.7 million; this item totalled EUR 72.4 million at September 30, 2015. Including cash and cash equivalents, CENTROTEC reported net borrowings of EUR 22.2 million at September 30, 2015; this represents a fall of EUR 13.6 million compared with the end of the third quarter of 2014.

The first three quarters of 2015 brought an improvement in the cash flow from operating activities to EUR 18.7 million (previous year EUR 9.2 million) thanks to such factors as the higher profit, the reduced working capital and also rebates received for tax advance payments made in the previous year. The cash flow from investing activities was higher than in the previous year at EUR -22.2 million (EUR -19.3 million) because of the acquisition. Cash flow from financing activities was EUR -9.9 million in the first nine months of 2015. In the previous year (EUR -6.3 million) there had been a lower net outflow, including as a result of cash inflows from the financing of the new building in the Netherlands. All in all, financial resources declined by EUR 13.4 million (previous year EUR -16.4 million) in the first nine months of 2015.

Employees

At September 30, 2015 the comprehensively consolidated companies of the CENTROTEC Group employed a total of 3,284 people (previous year 3,247). Expressed as full-time equivalents (FTE), the figure was 3,174 (previous year 3,124). The total included 195 temporary workers (previous year 165) at the end of the period under review. The number of full-time equivalents in the group was thus almost two percent higher than at the end of the third quarter of 2014. This rise is mainly attributable to the comprehensive consolidation of the Croatian subsidiary PRO-KLIMA, which more than compensated for

the sale of the Kenyan subsidiary at the end of 2014. This development is also reflected in the drop in employee numbers in the Gas Flue Systems segment coupled with the rise in employee numbers in the Climate Systems segment, the two segments affected by these developments. The total increased marginally in the Medical Technology & Engineering Plastics segment.

The group's personnel expenses came to EUR 40.3 million in the third quarter, a rise of 3.4 % on the prior-year figure of EUR 39.0 million. Personnel expenses for the first nine months reached EUR 120.8 million, 2.1 % up on the prior-year figure (EUR 118.3 million). When considering this development, it should be remembered that the prior-year figure included a charge of approx. EUR 1.0 million for the change in the group's management. The personnel expenses ratio, which takes aggregate operating performance as its basis, consequently rose to 30.4 % (previous year 30.2 %). In the third quarter the personnel expenses ratio was lower at 27.2 % (27.1 %) due to seasonal factors.

Shares

The first nine months of 2015 saw the trading price of CENTROTEC shares (WKN 540 750 or ISIN DE0005407506) move in the range of EUR 12.85 to EUR 15.25. From a low at the start of February, with the trading volume still relatively subdued the share price steadily climbed to an initial high of EUR 15.00 at the end of April. The shares then reached their year-high at the start of the third quarter, when they traded at EUR 15.25, since when they have fallen occasionally well below the EUR 14 mark. After the end of the third quarter the trading price again climbed to almost EUR 15, with trading volumes occasionally very high.

CENTROTEC share price performance and trading volume (XETRA) from Jan to early November 2015; Source: www.ariva.de

17,673,195 no-par value ordinary shares of CENTROTEC Sustainable AG were approved for trading at Deutsche Börse at September 30, 2015. This total number of shares multiplied by the closing price of

EUR 13.50 at September 30, 2015 produced market capitalisation of EUR 239 million for the CENTROTEC Group at the end of the third quarter.

CENTROTEC is not aware of any major developments affecting its share ownership structure compared with the end of the 2014 financial year. The family of Supervisory Board Chairman Guido A Krass has remained the principal shareholder of CENTROTEC Sustainable AG since the IPO. That group aside, there are no indications that other shareholders hold a percentage interest in CENTROTEC running into double figures. Nevertheless, changes across the thresholds that trigger reporting requirements in accordance with Section 26 (1) of the German Securities Trading Act (WpHG) have been reported by institutional investors in the year to date. Detailed information of such changes is regularly updated and is available on the homepage of CENTROTEC Sustainable AG at (http://www.centrotec.de/investor-relations/aktie/veroeffentl-26-abs-1-wphg.html).

Opportunities and risks

The opportunities and risks presented in the 2014 Annual Report remain valid. Nor have the assessments, the methods of risk identification and the measures derived from them for the controlling of risks changed materially compared with the view presented in the 2014 Group Management Report.

Forecast

The heterogeneous overall economic and industry-specific environment of the past quarters will continue to be an issue for the CENTROTEC Group. The major crises in Ukraine, Greece and the Arab world remain unresolved. The economic upturn in most European countries is advancing in only minor increments. Though the German heating market continues to expand, this growth is merely making up for last year's losses. The second half appears likely to prove difficult for the CENTROTEC group, after a sound first half. While the two smaller segments continue to make solid progress, the Climate Systems segment faces challenges. In addition to solar thermal and climate control business remaining tight, the CHP area has latterly also been very weak and it is due for reorganisation within the group. Furthermore, the sales organisation of the Wolf Group both nationally and internationally is being restructured to better reflect the specific requirements of individual markets and heating business on the one hand, and of climate business on the other hand. These organisational measures will weigh on the result for the fourth quarter, as will expenditure for the integration of PRO-KLIMA and the rearrangement of the financing in the Climate Systems Segment.

It is to be assumed that the fundamental development of the third quarter will continue in the fourth quarter, while revenue should exceed the prior-year level, the operating result will be down on the 2014 figure. On that basis, CENTROTEC anticipates revenue of EUR 540 to 545 million for 2015 overall and, as originally forecast, expects the operating result to be roughly on a par with the previous year.

Brilon, November 2015

The Management Board

COMBINED SYSTEM SOLUTIONS

1

Wolf solar thermal flat collectors:
high-efficiency solar collectors with an innovative absorber and effective insulation trap thermal solar energy, especially in the spring and autumn.

2

Wolf domestic technology centre:
the new Wolf CWL-T-300 Excellent home ventilation unit and the new Wolf heat-generating systems are not only visually matched, they also complement each other technically. The incoming air for living areas is heated up to a comfortable temperature by a hydraulic reheating unit. This minimises heating surfaces and, in the ideal scenario, renders them altogether unnecessary.
The required heating output is provided by Wolf heat-generating systems such as the BWL-1S air-to-water heat pump, the TOB oil-fired condensing boiler or the CGS-2 gas condensing boiler centre. Maximum energy efficiency is the result.

3

Wolf stratification cylinder:
a multifunctional calorifier such as the Wolf BSP stratification cylinder makes it possible to combine systems involving heat pumps, solar energy systems, gas and oil-fired boilers, combi-boilers, wood and pellet boilers, and electric immersion heaters. The stratification plates stabilise the temperature zones inside the tank and significantly improve the yield of the energy captured and stored there. A fresh-water station delivers convenient hot water on demand.

4

Wolf control module:
“smart home” says what the connected, intelligent building control system is all about. The new Wolf BM2 control module permits a joined-up approach to using heat-generating systems, integrated Wolf solar energy systems and the CWL Excellent comfort home ventilation units. With the Wolf Smartset control app, the integrated system can also be operated conveniently by smartphone over the ISM7i interface module, regardless of where the user is currently.

Consolidated Statement of Financial Position

Assets in EUR thousand	30/09/2015	31/12/2014
Non-current assets		
Goodwill	76,060	72,072
Intangible assets	41,423	42,765
Property, plant and equipment	116,131	112,488
Financial investments accountend for using the equity method	0	0
Loans and investments	990	1,212
Other financial assets	293	10
Other assets	211	197
Deferred tax assets	5,587	6,582
	240,695	**235,326**
Current assets		
Inventories	65,397	61,007
Trade Receivables	79,495	48,269
Income tax receivable	1,255	2,629
Cash and cash equivalents	50,200	65,039
Other financial assets	6,539	6,964
Other assets	6,872	6,349
	209,758	**190,257**
Assets	**450,453**	**425,583**

Equity and Liabilities in EUR thousand	30/09/2015	31/12/2014
Shareholders' equity		
Share Capital	17,673	17,647
Capital reserves	35,648	35,290
Treasury stock	0	(112)
Retained earnings and profit carryforward	152,332	136,407
Profit attributable to shareholders of CENTROTEC Sustainable AG	13,046	17,690
	218,699	**206,922**
Non-controlling interests presented within equity	738	986
	219,437	**207,908**
Non-current liabilities		
Pension provisions	37,552	39,821
Other provisions	15,295	14,449
Financial liabilities	44,552	53,850
Other financial liabilities	910	1,618
Other liabilities	118	146
Deferred tax liabilities	12,342	12,184
	110,769	**122,068**
Current liabilities		
Other provisions	3,774	4,181
Income tax payable	1,961	2,191
Financial liabilities	27,871	26,717
Trade liabilities	27,023	24,302
Other financial liabilities	23,578	9,942
Other liabilities	36,040	28,274
	120,247	**95,607**
Equity and Liabilities	**450,453**	**425,583**

Consolidated Income Statement

in EUR thousand	01/07/2015 30/09/2015	01/07/2014 30/09/2014	01/01/2015 30/09/2015	01/01/2014 30/09/2014
Revenues	**148,353**	**146,291**	**396,896**	**390,526**
Cost of purchased materials and services	(69,073)	(66,783)	(180,874)	(182,017)
Changes in inventories of finished goods and work in progress	92	(2,145)	328	919
Production for own fixed assets capitalised	833	1,124	2,308	2,370
Other income	1,975	2,209	7,733	6,259
Personnel expenses	(40,337)	(39,025)	(120,832)	(118,314)
Other expenses	(21,972)	(21,467)	(65,893)	(63,297)
EBITDA	**19,871**	**20,204**	**39,666**	**36,446**
Depreciation and amortisation	(6,048)	(5,497)	(17,412)	(16,143)
Operating income (EBIT)	**13,823**	**14,707**	**22,254**	**20,303**
Interest income	24	45	129	164
Interest expense	(804)	(1,095)	(2,521)	(3,298)
Result from equity investments	0	(9)	0	(54)
Other financial income	9	134	9	134
Result before income taxes (EBT)	**13,052**	**13,782**	**19,871**	**17,249**
Income taxes	(4,093)	(4,123)	(7,080)	(5,854)
Net income (EAT)	**8,959**	**9,659**	**12,791**	**11,395**
attributable to:				
non controlling interest	(41)	69	(255)	(258)
shareholders of CENTROTEC Sustainable AG	9,000	9,590	13,046	11,653
EPS (Earnings per share in EUR)				
Earnings per share (basic)	0.51	0.54	0.74	0.66
Earnings per share (diluted)	0.50	0.54	0.73	0.66
Weighted average shares outstanding (in thousand units; basic)	17,677	17,626	17,661	17,626
Weighted average shares outstanding (in thousand units; diluted)	17,776	17,727	17,757	17,733

Consolidated Statement of Comprehensive Income

in EUR thousand	01/07/2015 30/09/2015	01/07/2014 30/09/2014	01/01/2015 30/09/2015	01/01/2014 30/09/2014
Net income (EAT)	**8,959**	**9,659**	**12,791**	**11,395**
Items that may be reclassified subsequently to profit or loss				
Exchange Rate differences on translation	116	39	74	92
Derivative financial instruments	114	1	85	(47)
Income tax relating to components of other comprehensive income	(36)	(17)	(59)	(21)
Other comprehensive income for items that may be reclassified subsequently to profit or loss	**194**	**23**	**100**	**24**
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plans	(57)	(3,353)	2,724	(6,383)
Income tax relating to components of other comprehensive income	17	980	(797)	1,905
Other comprehensive income for items that will not be reclassified to profit or loss	**(40)**	**(2,373)**	**1,927**	**(4,478)**
Other comprehensive income	**154**	**(2,350)**	**2,027**	**(4,454)**
Total comprehensive income	**9,113**	**7,309**	**14,818**	**6,941**
attributable to:				
Non controlling interest	10	43	(248)	(295)
Shareholders of CENTROTEC Sustainable AG	9,103	7,266	15,066	7,236

Consolidated Statement of Cash Flows

in EUR thousand	01/01/2015 30/09/2015	01/01/2014 30/09/2014
Net income before interest and taxes (EBIT)	22,254	20,303
Depreciation and amortisation	17,412	16,143
Gain/ loss on disposal of fixed assets	(54)	(111)
Other non-cash items	(166)	573
Increase/ decrease in provisions	892	(157)
Increase/ decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	(30,377)	(25,449)
Increase/ decrease in trade payables and other liabilities that cannot be allocated to investing or financing activities	17,330	9,348
Dividend received	8	11
Interest received	130	287
Interest paid	(2,515)	(3,114)
Income tax paid	(6,219)	(8,655)
Cash flow from operating activities	**18,695**	**9,179**
Acquisition of shares in participations less net cash aquired	(6,312)	(135)
Purchase of property, plant and equipment/ intangible assets/ investments/ finanical assets/ loans receivable	(16,105)	(19,798)
Proceeds from disposal of property, plant and equipment/ intangilbe assets/ loans receivable	176	637
Cash flow from investing activities	**(22,241)**	**(19,296)**
Proceeds from issuance of shares	427	197
Proceeds from financial liabilities	304	12,539
Repayment of financial liabilities	(7,092)	(15,498)
Dividend payment	(3,529)	(3,523)
Cash flow from financing activities	**(9,890)**	**(6,285)**
Change in financial resources*	**(13,436)**	**(16,402)**
Foreign currency exchange gain/ loss of the financial resources	126	47
Financial resources at the beginning of the financial year	54,064	59,206
Financial resources at the end of the period	40,754	42,851

* Cash and cash equivalents deducted of credits current account

Consolidated Statement of Changes in Equity

in EUR thousand	Share Capital	Capital reserve	Treasury stock	Stock option reserve	Income tax relating to components of other comprehensive income	Exchange Rate differences on translation	Derivative financial instruments	Retained earnings and profit carryforward	Sum other retained earnings and profit/ loss carryforward	Profit attributable to shareholders of CENTROTEC Sustainable AG	Total capital to shareholders of CENTROTEC Sustainable AG	Non controlling interest presented within equity	Consolidated equity
January 1, 2015	**17,647**	**35,290**	**(112)**	**1,943**	**87**	**(117)**	**(17)**	**134,511**	**136,407**	**17,690**	**206,922**	**986**	**207,908**
Transfer to revenue reserves								17,690	17,690	(17,690)			0
Change from exercise of options	26	241									267		267
Stock option plan		117		(117)					(117)				0
Dividend payment								(3,529)	(3,529)		(3,529)		(3,529)
Net income (EAT)										13,046	13,046	(255)	12,791
Other comprehensive income, net of tax					(54)	62	85	1,927	2,020		2,020	7	2,027
Total comprehensive income					**(54)**	**62**	**85**	**1,927**	**2,020**	**13,046**	**15,066**	**(248)**	**14,818**
Other changes			112					(139)	(139)		(27)		(27)
September 30, 2015	**17,673**	**35,648**	**0**	**1,826**	**33**	**(55)**	**68**	**150,460**	**152,332**	**13,046**	**218,699**	**738**	**219,437**
January 1, 2014	**17,627**	**35,031**	**(112)**	**1,980**	**131**	**(370)**	**(68)**	**120,725**	**122,398**	**24,294**	**199,238**	**1,189**	**200,427**
Transfer to revenue reserves								24,294	24,294	(24,294)			0
Change from exercise of options	19	177									196		196
Stock option plan		83		(38)					(38)		45		45
Dividend payment								(3,523)	(3,523)		(3,523)		(3,523)
Net income (EAT)										11,653	11,653	(258)	11,395
Other comprehensive income, net of tax					(21)	129	(47)	(4,478)	(4,417)		(4,417)	(37)	(4,454)
Total comprehensive income					**(21)**	**129**	**(47)**	**(4,478)**	**(4,417)**	**11,653**	**7,236**	**(295)**	**6,941**
Other changes												140	140
September 30, 2014	**17,646**	**35,291**	**(112)**	**1,942**	**110**	**(241)**	**(115)**	**137,018**	**138,714**	**11,653**	**203,192**	**1,034**	**204,226**

CONTROLLED VENTILATION WITH HEAT RECOVERY

1

Wolf range of condensing boilers for oil and gas:
the newly developed range of gas and oil-fired condensing boilers combines maximum energy efficiency with low power consumption, ease of installation and a comprehensive, convenient control and operation system.

2

Brink Renovent Excellent:
central home ventilation systems that recover up to 95 % of the heat, with very energy-efficient fans and convenient control technology, are the state of the art in new buildings.

3

Ubbink Air Excellent:
the innovative air distribution system for hygienic air distribution throughout the entire building.

Consolidated Segment Reporting (Part of the Notes)

Segment Structure	Climate Systems		Gas Flue Systems		Medical Technology & Engineering Plastics		Consolidation		TOTAL	
in EUR thousand	01/01/2015	01/01/2014	01/01/2015	01/01/2014	01/01/2015	01/01/2014	01/01/2015	01/01/2014	01/01/2015	01/01/2014
Income Statement	30/09/2015	30/09/2014	30/09/2015	30/09/2014	30/09/2015	30/09/2014	30/09/2015	30/09/2014	30/09/2015	30/09/2014
Revenue from third parties	286,975	283,762	76,934	74,808	32,987	31,956	0	0	396,896	390,526
Revenue from other segments	1,411	1,092	5,705	5,277	412	152	(7,528)	(6,521)	0	0
Cost of purchased materials	(141,052)	(141,069)	(36,413)	(36,701)	(10,945)	(10,772)	7,536	6,525	(180,874)	(182,017)
Changes in inventories of finished goods and work in progress	428	1,007	376	65	(476)	(153)	0	0	328	919
Personnel expenses	(85,667)	(83,670)	(23,064)	(23,013)	(12,101)	(11,631)	0	0	(120,832)	(118,314)
Other expenses and income	(37,813)	(36,694)	(13,322)	(13,052)	(4,717)	(4,919)	0	(3)	(55,852)	(54,668)
EBITDA	**24,282**	**24,428**	**10,216**	**7,384**	**5,160**	**4,633**	**8**	**1**	**39,666**	**36,446**
Depreciation and amortisation	(10,968)	(10,094)	(4,511)	(4,199)	(1,933)	(1,850)	0	0	(17,412)	(16,143)
Segment result (EBIT)	**13,314**	**14,334**	**5,705**	**3,185**	**3,227**	**2,783**	**8**	**1**	**22,254**	**20,303**
Interest income	116	138	236	243	1	0	(224)	(217)	129	164
Interest expense	(1,708)	(1,957)	(550)	(1,003)	(487)	(555)	224	217	(2,521)	(3,298)
Result from equity investments	0	0	0	(54)	0	0	0	0	0	(54)
Other financial income	8	11	1	2	0	121	0	0	9	134
EBT	**11,730**	**12,526**	**5,392**	**2,373**	**2,741**	**2,349**	**8**	**1**	**19,871**	**17,249**
Balance sheet key figures*										
Assets**	299,041	270,156	99,705	101,956	43,926	43,107	(51)	(59)	442,621	415,160
Financial investments accounted for using the equity method	0	0	0	0	0	0	0	0	0	0
Loans and investmens	990	1,212	0	0	0	0	0	0	990	1,212
Net working capital	38,658	28,544	14,753	14,152	13,825	13,694	(54)	(62)	67,182	56,328
Investments										
Total investments in property, plant, equipment and intangible assetss***	16,214	13,755	5,927	3,514	1,676	2,581	0	0	23,817	19,850

* Previous year is related to December 31, 2014

** Excl. financial investments accounted for using the equity method, loans and investments, income tax receivables as well as deferred tax assets

*** Incl. goodwill and figures out of business combinations

Notes to the Consolidated Financial Statements

Corporate information

The CENTROTEC Group – hereinafter also referred to as CENTROTEC – is an international group focusing on the development, manufacturing and sale of system solutions that promote energy efficiency and use renewable energies in buildings. In addition to its existing business activities, CENTROTEC regards its business purpose as including the establishment and acquisition of new business areas and companies.

The group parent, CENTROTEC Sustainable AG with registered office in Brilon, is listed on the Frankfurt Stock Exchange under the stock exchange codes CEV, WKN 540750 and ISIN DE 0005407506. It is entered on the Commercial Register of the Local Court of Arnsberg, Germany, under the number HRB 2161. The company's head office is located at Am Patbergschen Dorn 9, 59929 Brilon, Germany. CENTROTEC Sustainable AG is not part of a superordinate group, and is the ultimate parent company of the group presented in these interim financial statements. Further financial and corporate information on CENTROTEC is available from the above address, or on the homepage www.centrotec.de.

Accounting standards and policies

These Quarterly Financial Statements at September 30, 2015 have been prepared in accordance with the International Financial Reporting Standards (IFRS) for interim financial reporting issued by the International Accounting Standards Board (IASB), as adopted within the European Union (EU), taking account of Section 315a (1) of German Commercial Code. All IFRS standards, and in particular IAS 34 (Interim Financial Reporting), that were valid at the reporting date and the adoption of which was mandatory at that date, have been applied. The accounting policies explained in the Consolidated Financial Statements for 2014 have likewise been applied in these Quarterly Financial Statements, except in the case of amendments to standards to be adopted for the first time, and apply correspondingly. The Quarterly Report should therefore be read in conjunction with the audited Consolidated Financial Statements at December 31, 2014. These Quarterly Financial Statements and the Quarterly Management Report have not been audited in accordance with Section 317 of German Commercial Code, nor have they been subjected to any scrutiny by an independent auditor.

The reporting date for the quarter for all companies included in the quarterly consolidated financial statements is September 30, 2015. The financial statements have been prepared in euros; unless otherwise indicated, the amounts quoted are in thousand euros (EUR thousand). For mathematical reasons, there may be rounding differences of +/- one unit.

The Management Board points out that the future-related statements made in the Quarterly Financial Statements are based on current expectations, assumptions and estimates. These statements are not to be interpreted as guarantees that the forecasts made will prove correct. Rather, future developments and occurrences are dependent on a wide range of factors that are subject to risks and uncertainties, the influencing factors of which may lie outside the sphere of influence of CENTROTEC. Actual developments may therefore depart from any implicit or explicit future-related statements made.

Corporate and investment structure

The business activities of CENTROTEC are classified according to the segments Climate Systems, Gas Flue Systems, and Medical Technology & Engineering Plastics. All direct and indirect subsidiaries of the parent company and group parent are included in the Consolidated Financial Statements of CENTROTEC. The Croatian company PRO-KLIMA has been newly included in consolidation compared with the annual financial statements at December 31, 2014. The company has been fully consolidated since July 1, 2015 and is reported under the Climate Systems segment.

The Wolf Group, which is part of CENTROTEC, acquired 100 % of the shares of the Croatian climate control and ventilation equipment manufacturer PRO-KLIMA d.o.o. This company, based in Samobor near Zagreb, is market leader in Croatia and also exports on average 55 % of its production to neighbouring countries in Southeast Europe, as well as in particular to Gerrmany, the Netherlands, Austria and Russia. The acquisition gives CENTROTEC access to a market in which it has hitherto had only a minor presence. In addition PRO-KLIMA's highly versatile, Eurovent-certified range of climate control equipment ideally complements the group's existing product portfolio.

The acquisition method to be applied pursuant to IFRS 3 calls for a purchase price allocation to be conducted in conjunction with the preparation of an opening balance sheet for the purposes of including PRO-KLIMA in the Consolidated Financial Statements of the CENTROTEC Group. The following tables show the calculation of provisional acquisition cost and provisional goodwill, as well as the current estimate of the effects of the acquisition on the balance sheet and income statement.

Acquisition costs and goodwill in EUR '000	
Total purchase price	7,338
Net assets acquired	3,307
Goodwill	4,031

Balance sheet items in EUR '000	Fair value at time of acquisition	Carrying amount
Cash and cash equivalents	776	776
Intangible assets	995	43
Property, plant and equipment	2,636	933
Non-current assets	303	303
Inventories	1,580	1,611
Receivables	3,407	3,407
Current assets	145	145
Current liabilities	(6,524)	(5,998)
Provisions	(11)	(11)
Net assets acquired	**3,307**	**1,209**

Total purchase price to be paid in cash and cash equivalents in EUR '000	7,088
Cash and cash equivalents acquired	776
Cash outflow	**6,312**

EUR 7,088 thousand of the EUR 7,338 thousand was already paid in the 2015 financial year. Approximately 31 % of the purchase price was paid into a trust account. The disbursement of this amount as well as of the balance of EUR 250 thousand is dependent on compliance with certain assurances documented by the seller in the purchase agreement. The variable portion of the purchase price was fully reflected in the recognition of goodwill.

The receivables amounting to EUR 3,407 thousand represented net receivables. The gross amount of the receivables was EUR 4,117 thousand and the impairment thereon came to EUR 710 thousand. PRO-KLIMA has so far contributed EUR 3,521 thousand in consolidated external revenue in the financial year. If PRO-KLIMA had been part of the group since January 1, 2015, its contribution to consolidated revenue would have been EUR 10,763 thousand. PRO-KLIMA has so far contributed EUR 2 thousand to EBIT. If the company had been part of the group since January 1, 2015, its EBIT contribution would have been EUR -174 thousand.

Notes to the interim financial statements

- Recognition and measurement aspects

Detailed notes on the income statement, balance sheet and cash flow statement can be found in the section “Earnings” and the section “Net worth and financial position” of the Interim Group Management Report.

- Related party disclosures

Within CENTROTEC, goods and services are purchased by a large number of business partners. They are also supplied by or to persons or companies who can be classified as related parties. Transactions with these persons or companies are conducted at arm’s length. Transactions with related parties were presented comprehensively in the Consolidated Financial Statements for 2014. All reciprocated services such as the use of infrastructure are billed on generally accepted market terms (arm’s length principle).

- Reportable security holdings and options

The totals of reportable shares and stock options at September 30, 2015 are shown in the following table.

Management Board	Shares	Options
Dr Thomas Kneip	0	0
Dr Christoph Traxler	0	67,159

Supervisory Board	Shares	Options
Guido A Krass	2,400,000	0
Dr Bernhard Heiss	77,340	0
Christian C Pochtler, MA	0	0

CENTROTEC	Shares	Options
Ordinary shares	17,673,195	0
Treasury stock	0	0

- Contingent liabilities

There has been no significant change in contingent liabilities since the balance sheet date of December 31, 2014.

- Dividend payments

In May a dividend of EUR 0.20 (previous year EUR 0.20) per dividend-bearing share was distributed for the 2014 financial year.

- Change in the capital stock and the number of shares

26,670 options were exercised in the second and third quarter on the basis of the stock options scheme. As a result, the capital stock rose by EUR 26,670 or 26,670 shares to a present EUR 17,673,195, divided into 17,673,195 ordinary shares.

Significant events occurring after the reporting date for the quarter

There were no events of material significance after the reporting date for the quarter.

Management Board and Supervisory Board

- The members of the Management Board at the reporting date were:

Dr Thomas Kneip, Regensburg, Germany, merchant, CFO
Dr Christoph Traxler, Fulda, Germany, physicist

- The members of the Supervisory Board at the reporting date were:

Guido A Krass, Oberwil-Lieli, Switzerland, entrepreneur (Chairman)
Dr Bernhard Heiss, Munich, Germany, lawyer
Christian C Pochtler, MA, Vienna, Austria, entrepreneur

Other particulars

- Corporate Governance Code

The Management Board and Supervisory Board of CENTROTEC Sustainable AG have, pursuant to Section 161 of German Stock Corporation Law, declared the extent to which they have complied with and will comply with the recommendations of the Government Commission on the German Corporate Governance Code. The regularly submitted declarations and explanations are permanently available on the website of CENTROTEC Sustainable AG.

Brilon, November 2015

GAS FLUE SYSTEM CASCADES/ MULTI-BOILER SYSTEMS

ENERGY-SAVING LARGE BOILERS

1

Centrotherm/Ubbink gas flue systems for multi-boiler systems:
a condensate return is integrated into every element connecting with the gas flue pipe in the common flue shaft. This prevents the flue gases from other boilers from reaching the room.

2

Wolf MGK-2 midsize condensing boiler range for gas:
this midsize range of condensing boilers for gas features nine sizes, from 23 to 630 kW. Thanks to its quiet running and compact dimensions, the MGK-2 is especially suitable as an part of an efficient refurbishment project or in the renovation of older building stock, and is a very attractive solution in terms of economy.

3

Centrotherm/Ubbink cascade gas flue system:
cascades connect several boilers installed in a single room with a common gas flue system. Centrotherm/Ubbink offer systems that prevent the flue gas from flowing back into other boilers.

Financial Calendar 2015

November 12	Publication of Q3 2015 Quarterly Report
November 23 – 25	German Equity Forum, Frankfurt am Main

SOLAR THERMAL – AT THE HEART OF MODERN HEATING SYSTEMS

1

Wolf solar thermal flat collectors:
high-efficiency solar collectors with an innovative absorber and effective insulation trap thermal solar energy, especially in the spring and autumn.

2

Solar calorifier and control:
a highly insulated calorifier and an intelligent control system are at the heart of an arrangement that integrates thermal solar energy into modern heating systems.

3

Wolf BlueStream condensing boiler range:
is it possible to improve on condensing boiler technology? Yes! With BlueStream technology for Wolf's newly developed gas and oil-fired condensing boilers. They combines maximum energy efficiency with low power consumption, ease of installation and a comprehensive, smart control and operation system.

4

Condensing boiler gas flue systems:
the innovative plastic gas flue systems from Centrotherm/ Ubbink are noted for their environmental compatibility, corrosion resistance and durability. They are moreover versatile to use and easy to install, especially in renovation projects.

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