



Group Quarterly Report

Q3/2012

# Highlights

- > Consolidated revenue increased by 2.7 % to EUR 388.4 million
  - Climate Systems defies the weak market conditions particularly in other European countries to grow 6.4 % in the first nine months
  - Gas Flue Systems down 6.8 % on previous year following restructuring of portfolio and due to the very weak market environment
  - Medical Technology & Engineering Plastics 3.6 % below the level of the very strong previous year
  
- > Nine-month earnings:
  - Climate Systems maintains profitable growth at a slightly slower pace
  - Gas Flue Systems benefits from positive effects of a clearer focus, amid very challenging wider market conditions
  - Medical Technology & Engineering Plastics delivers stable profit performance
  - Noticeable improvement in gross margin thanks to ongoing optimisation of processes and lower commodity prices
  - EBITDA of EUR 39.0 million (previous year EUR 29.0 million) higher than 2010 record figure
  - EBIT of EUR 23.9 million well up on previous year (EUR 12.4 million after non-recurrent effects), and almost on a par with Q3 result from record-breaking 2010
  - Earnings per share (EPS) of EUR 0.87, partly thanks to the successful disposal of investments, and therefore well up on the prior-year figure of EUR -0.73, which was diminished by restructuring of the portfolio
  - Further significant reduction in net borrowing to EUR 54.7 million (previous year EUR 88.7 million)
  
- > Successful development of group-wide Sustainability strategy documented
  
- > Stable economic environment but weaker growth in Germany.-Slack overall economic conditions in major export markets, especially in Southern and Western Europe and in the entire European new-build market, with certain individual markets contracting by as much as 20 %
  
- > Outlook for 2012: in a demanding overall economic environment, full-year revenue for 2012 on a par with the previous year and an operating result (EBIT) at the lower end of the forecast bandwidth of EUR 35 to 40 million are attainable, thus coming close to the previous record-breaking year of 2010

# Consolidated Key Figures

	30/09/2012 [EUR '000]	30/09/2011 [EUR '000]	Changes [Percent]
<b>Total revenue</b>	<b>388,445</b>	<b>378,136</b>	<b>2.7</b>
Climate Systems	283,056	266,088	6.4
Gas Flue Systems	75,743	81,282	(6.8)
Medical Technology & Engineering Plastics	29,646	30,766	(3.6)
<b>Earnings</b>			
EBITDA	38,986	28,975	34.5
EBIT	23,872	12,364	93.1
EBIT yield (in %)	6.1	3.3	
EBT	21,866	(8,495)	(357.4)
EAT	14,380	(12,891)	(211.6)
EPS (in EUR; basic)	0.87	(0.73)	(218.8)
<b>Balance sheet structure*</b>			
Balance sheet total	428,222	425,690	0.6
Shareholders' equity	169,871	157,453	7.9
Equity ratio (%)	39.7	37.0	
Property, plant and equipment	92,377	95,180	(2.9)
Intangible assets	44,665	46,765	(4.5)
Goodwill	69,504	69,738	(0.3)
Net financial liabilities	54,734	60,113	(8.9)
Net working capital	70,355	56,030	25.6
<b>Cash flow statement</b>			
Cash flow I (EAT & depreciation/ amortisation)	29,494	3,720	692.8
Cash flow from operating activities	9,457	7,176	31.8
Cash flow from investing activities	(2,734)	(23,651)	(88.4)
<b>Employees</b>			
Total (in FTE)	3,017	2,997	0.7
<b>Shares</b>			
Number of shares**/**	17,287	17,164	
Highest quotation***	14.35	24.25	
Lowest quotation***	10.75	10.61	
Quarterly-end quotation***	13.80	11.28	

\* Previous period is related to 31/12/2011

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

\*\*\* Quotation in EUR

# 01

## Full range of heating systems

### Oil and gas condensing boilers / biomass systems / heat pumps

Modern heating systems use fossil fuels such as gas and oil in high-efficiency condensing boiler systems, capture the sun's energy by means of solar thermal systems, run on biomass or incorporate heat pumps. Our aim is to combine comfort and convenience with maximum energy efficiency and ease of operation. That includes such aspects as user-friendly operation, starting-up and servicing.



# Interim Group Management Report

## Development in revenue and earnings

In the first nine months of 2012, the revenue of the CENTROTEC Group – hereinafter also referred to as CENTROTEC – was up 2.7 % on the equivalent prior-year period at EUR 388.4 million (previous year EUR 378.1 million). This is the highest consolidated revenue figure at the nine-month mark of a financial year in the entire history of CENTROTEC. Over the year to date, however, overall revenue growth has slowed and growth actually contracted somewhat in the third quarter due to the very high prior-year level. The individual segments are exhibiting very mixed patterns of growth because of the product portfolio and regional market focuses. The core segment Climate Systems, with its innovative, energy-efficient system solutions for the heating, climate control and ventilation sector, again posted revenue growth of 6.4 % for the year to September 30. Revenue for the Gas Flue Systems segment was down 6.8 % in the first three quarters due to the restructuring of the portfolio in the previous year and very difficult market conditions. In the Medical Technology & Engineering Plastics segment, revenue for the first nine months of 2012 was 3.6 % lower than the prior-year figure in part because of the restructuring of the portfolio in 2011.

Revenue	Q3 2012	Q3 2011	Change	Q1 – Q3 2012	Q1 – Q3 2011	Change
by segment	EUR million	EUR million	%	EUR million	EUR million	%
Climate Systems	105.8	104.7	1.0	283.1	266.1	6.4
Gas Flue Systems	26.4	29.5	-10.6	75.7	81.3	-6.8
Medical Technology & Engineering Plastics	9.6	9.6	-0.4	29.6	30.8	-3.6
<b>Total</b>	<b>141.7</b>	<b>143.8</b>	<b>-1.4</b>	<b>388.4</b>	<b>378.1</b>	<b>2.7</b>

The economic trends that had already been nascent in CENTROTEC's main markets in the two preceding quarters gathered momentum in the third quarter of 2012. Although the economy of the core market Germany remained substantially more robust than that of other European countries, it lost momentum. Almost without exception the overall economic performance of most other European markets reached an all-time low, though the trend was not uniform. This is particularly the case in the new-build sector, which is already at its lowest-ever level in many important markets such as the Netherlands, Spain, France and Italy, and has had to cope with a further slump that has reached double figures in certain countries this year. These underlying conditions had a correspondingly adverse effect on the markets for heating, ventilation and climate control solutions but were masked to some extent by industry-typical developments usually of a specifically national nature. Renovation's generally growing share of overall construction volume is one such development, along with the overall growth in demand for solutions for using renewable energies in buildings – despite all the short-term fluctuations – and the renovation backlog for heating systems that is particularly evident in Germany. Fundamentally the most significant factor in all markets that are of importance to

CENTROTEC remains the energy price; its currently high level and the likelihood of further increases, at least in the medium term, increase the need for efficient energy technology for buildings and should therefore create a fundamentally good basis for the future.

Most CENTROTEC companies have more than absorbed the slowdown in revenue growth that has been observed against the backdrop of the current difficult economic framework and its impact on profit by realising improvements in the materials area, both in the shape of reduced commodity prices and through profit enhancement measures as well as through changes to the product mix through streamlining of the portfolio. The purchased materials ratio for the first nine months of 2012 improved to 48.5 % compared with the prior-year level of 49.8 %. This development contrasts with a rise in the personnel expenses ratio to 28.5 % (previous year 27.2 %) as a result of wage and salary increases as well as investment in the personnel area. Because the balance of other income and expenses was also much lower compared with the elevated prior-year figure that included non-recurrent charges, the CENTROTEC Group saw EBITDA for the first nine months of the current financial year go up by 34.5 % to EUR 39.0 million (previous year EUR 29.0 million), taking it above the record-breaking level of 2010. Depreciation and amortisation of EUR 15.1 million was 9.0 % below the previous year's figure of EUR 16.6 million that had been inflated by the restructuring of the portfolio. This led to almost a doubling of EBIT to EUR 23.9 million (previous year EUR 12.4 million). The successful disposal of two non-strategic minority interests in Bond Laminates GmbH and CENTROSOLAR Group AG improved the result from investments to EUR 2.2 million, whereas in the previous year a loss of EUR 16.6 million was reported with no effect on liquidity due to the write-down of the investment in CENTROSOLAR. It is to be noted in this connection that the sale of the interest in CENTROSOLAR only took place after the reporting date and was thus already reflected in the balance sheet and income statement at September 30, 2012 at the sales proceeds realised. This improvement is a major reason for the significant improvement in earnings before tax (EBT) to EUR 21.9 million (previous year EUR -8.5 million). Thanks to the effective tax rate coming down markedly over the year, earnings after tax (EAT) at the nine-month mark reached EUR 14.4 million (previous year EUR -12.9 million). On this basis, earnings per share (EPS) are EUR 0.87 (previous year EUR -0.73). The contribution of CENTROTEC business to EPS, i.e. excluding the effect of investments, was EUR 0.74 (previous year EUR 0.24).

## Development of the segments

### Climate Systems

Over the first three quarters of 2012 the revenue of the largest corporate segment, Climate Systems, grew by 6.4 % to EUR 283.1 million (previous year EUR 266.1 million) in the face of very difficult market conditions. This growth, coupled with the successful reduction in the purchased materials ratio, was the principal reason for the rise in earnings, which led to EBITDA growth of 8.5 % to EUR 29.5 million (previous year EUR 27.2 million) and an 8.2 % rise in EBIT to EUR 19.7 million (previous year EUR 18.2 million).

Key figures	Q1 – Q3 2012	Q1 – Q3 2011	Change
Climate Systems	EUR '000	EUR '000	Percent
<b>Revenue from third parties</b>	<b>283,056</b>	<b>266,088</b>	<b>6.4</b>
Revenue from other segments	976	810	
Changes in inventories	(798)	519	
Cost of purchased materials	(141,699)	(137,385)	3.1
Personnel expenses	(78,197)	(70,387)	11.1
Other income and expense	(33,839)	(32,450)	4.3
<b>EBITDA</b>	<b>29,499</b>	<b>27,195</b>	<b>8.5</b>
Depreciation and amortisation	(9,786)	(8,971)	9.1
<b>EBIT</b>	<b>19,713</b>	<b>18,224</b>	<b>8.2</b>

The third quarter of 2012 by and large brought a continuation of the developments seen in the first half in the Climate Systems segment's markets. The mostly European export markets that are relevant for the CENTROTEC companies in this segment continued to prove difficult, in some cases with the market slumping dramatically; these markets made only a below-average contribution to the satisfactory overall performance. The fact that revenue nevertheless grew despite the internationally weak market situation, with only Germany, Austria and Switzerland putting in a modestly positive performance, reflects the healthy, steadily improving market position of the group companies in this segment. The progressively growing subsidiary Wolf, which supplies innovative system solutions for heating, climate control and ventilation technology especially in Germany, gives the CENTROTEC Group a strong, well-established core brand in this area.

In product terms, the areas of gas condensing boiler technology and heat pumps achieved the highest growth rates within the heating technology portfolio. In the area of climate control technology, there was a fundamentally positive development overall despite certain markets proving difficult. Sales of innovative ventilation systems, especially as part of a package with the ventilation components developed by the Gas Flue Systems segment, put in a positive performance in all key European markets. Within co-generation systems, however, biogas CHPs have performed more weakly in 2012. The unsettling of the domestic market by the regulatory position led to weaker demand. Alongside bright prospects for export business, the German market is expected to recover in the medium term.

CENTROTEC's companies are continually working on expanding and refining their product range, with particular emphasis on efficiency and user convenience. Two examples of this approach are the new, easy-to-operate control module for market-leading ventilation systems with heat recovery that the Dutch subsidiary Brink unveiled in the third quarter, and the enthalpy heat exchanger for maintaining humidity, available from 2013.

To build on the already good competitive position, the record amount of EUR 6.4 million (previous year EUR 5.6 million) was invested in the first nine months of the current financial year, mainly in product development. On this basis, growth for 2012 as a whole and beyond is consequently expected to be above the market average and profit margins should display a slight upward tendency.

## Gas Flue Systems

Revenue for the second-largest CENTROTEC segment, Gas Flue Systems, came to EUR 75.7 million in the first three quarters of 2012 (previous year EUR 81.3 million), down 6.8 % on the 2011 financial year. The initial benefits of the decision to focus on the core areas of gas flue and air ducting technology, along with components for sustainable building, can be seen in the significantly improved result for the segment, thanks to the systematic implementation of the restructuring measures in the year to date. Along with the winding-up of unprofitable product and business areas, the cost structure has been optimised, particularly in the administrative sphere. EBITDA for the first nine months of 2012 thus rose to EUR 5.6 million (previous year EUR 0.3 million) and EBIT was back in the black at EUR 1.9 million, in a remarkable turnaround from the prior-year period's EUR -5.5 million.

Key figures	Q1 – Q3 2012	Q1 – Q3 2011	Change
Gas Flue Systems	EUR '000	EUR '000	Percent
<b>Revenue from third parties</b>	<b>75,743</b>	<b>81,282</b>	<b>-6.8</b>
Revenue from other segments	4,184	3,469	
Changes in inventories	836	467	
Cost of purchased materials	(41,296)	(44,109)	-6.4
Personnel expenses	(21,436)	(21,677)	-1.1
Other income and expense	(12,477)	(19,089)	-34.6
<b>EBITDA</b>	<b>5,554</b>	<b>343</b>	
Depreciation and amortisation	(3,616)	(5,891)	-38.7
<b>EBIT</b>	<b>1,938</b>	<b>(5,548)</b>	

The underlying conditions for the Gas Flue Systems segment were exceptionally difficult in most markets in the year to date. Only in Germany did construction investment reach a healthy level compared with the period before the economic crisis of 2008 and 2009; there is moreover the prospect of further growth in this area. By contrast, in the Netherlands, France, Spain, Italy and other important markets the construction volume stagnated at an all-time low or in some cases experienced a renewed dramatic slump. This prompted downturns as high as 20 % in many individual markets outside Germany that are served by CENTROTEC's Gas Flue Systems segment.

Against this backdrop, it is very encouraging to note that the optimisation of the product portfolio, the development of business in North America and further streamlining especially of administrative processes in the Netherlands have already filtered through into the result for the segment. Personnel adjustments in the administrative area, especially at the Dutch production location, will already lead to improved earnings in the course of this year. On top of this, other effects from the decision to give the product range a sharper focus will take rather longer to have an impact on the segment's figures. These activities place the spotlight on further boosting and concentrating expertise in development and sales activities in the core areas of gas flue and air ducting technology and in components for ecological building. In this

connection the wide-ranging expertise that is present within the CENTROTEC Group will be further streamlined. A good example of this approach is the growing success of ventilation systems from the Climate Systems segment in combination with air ducting components and accessories from the Gas Flue Systems segment.

In order to further stabilise the segment's generally more positive performance of late, EUR 2.4 million (previous year EUR 5.4 million) was invested in the first nine months of the financial year in the further development of existing products, the introduction of new ones and the optimisation of production capacity. On that basis, revenue for the current 2012 financial year in the Gas Flue Systems segment is expected to be well down on 2011 as a result of the restructuring of the portfolio and the difficult market environment, but the operating result (EBIT) should show a significant improvement. In the medium term the segment aims to return to revenue growth and achieve further substantial improvements in the profit margin.

### Medical Technology & Engineering Plastics

Revenue for the first nine months of 2012 for the Medical Technology & Engineering Plastics segment came to EUR 29.6 million, down 3.6 % on the prior-year period's figure of EUR 30.8 million, which had been very high for cyclical reasons. However the positive development in the result for the segment confirms how successfully the corporate processes have been optimised, with the previous year's pooling of medical technology operations at the Fulda site playing a major part here. After last year's decreases as a result of the restructuring of the portfolio, both EBITDA of EUR 4.0 million (previous year EUR 1.5 million) and EBIT of EUR 2.3 million (previous year EUR -0.2 million) were thus on a par with the previous record figures from 2008.

Key figures	Q1 – Q3 2012	Q1 – Q3 2011	Change
Medical Technology & Engineer. Plastics	EUR '000	EUR '000	Percent
<b>Revenue from third parties</b>	<b>29,646</b>	<b>30,766</b>	<b>-3.6</b>
Revenue from other segments	151	254	
Changes in inventories	1,288	843	
Cost of purchased materials	(11,387)	(12,058)	-5.6
Personnel expenses	(11,444)	(11,363)	0.7
Other income and expense	(4,258)	(6,912)	-38.4
<b>EBITDA</b>	<b>3,996</b>	<b>1,530</b>	
Depreciation and amortisation	(1,712)	(1,749)	-2.1
<b>EBIT</b>	<b>2,284</b>	<b>(219)</b>	

In the first three quarters of 2012 the companies of the Medical Technology & Engineering Plastics segment maintained their positive operating performance of recent years and underlined the strong position held by both areas of the segment by posting revenue and earnings on a par with the previous record-breaking year of 2008. The past few years have

seen the Medical Technology area establish the basis for successfully maintaining its profitable growth in the global growth market for medical technology thanks to systematic expansion of the product range and the optimisation of its sales structure, along with the pooling of development, production and administrative processes at the modern facilities in Fulda.

To that end, EUR 2.5 million (previous year EUR 4.4 million) has been invested in the segment in the year to date. Revenue for 2012 as a whole is expected to be slightly down on the previous year's total. The operating profit margin (EBIT) is expected to rise by a high single-digit rate. The medium-term goals remain steady organic revenue growth in the high single-digit figures, and an EBIT margin already back up at a pre-financial crisis level.

### Development of investments

The scope of non-fully consolidated investments was substantially reduced in the period under review through the disposals of the 24.95 % interest in Bond Laminates GmbH and, after the reporting date, the 26.14 % interest in CENTROSOLAR Group AG at the start of October; since then, the only remaining investment is the 38.00 % interest in Industrial Solar GmbH. It is to be noted in this connection that the sale of the interest in CENTROSOLAR only took place after the reporting date and that the proceeds realised through the sale were already reflected in the balance sheet and income statement at September 30, 2012 in the form of a valuation.

Industrial Solar GmbH is a supplier of innovative Fresnel collectors for the solar thermal generation of process heat and refrigeration for industrial applications. The company, which was spun off from the Fraunhofer Institute, is a technological leader in the solar generation of process heat and refrigeration but is still in the start-up phase. The growing significance of energy prices and protecting the climate in industrial processes means there is considerable growth potential in markets worldwide for the solutions offered by Industrial Solar.

### Net worth and financial position

The balance sheet total of the CENTROTEC Group was EUR 428.2 million at September 30, 2012, a slight increase of 0.6 % or EUR 2.5 million on the position at the end of 2011. On the other hand the balance sheet total was 1.7 % or EUR 7.3 million down on the corresponding prior-year quarter.

There was a seasonally induced rise in net working capital (NWC, current assets less cash and cash equivalents, less current non-interest-bearing liabilities) to EUR 70.4 million (year-end EUR 56.0 million), but this figure was less than the position one year earlier (EUR 73.8 million). The principal change here compared with the previous year was the substantial rise in cash and cash equivalents, the simultaneous fall in receivables and the fall in current borrowings, though these are netted to some extent in the NWC calculation. The high level of cash and cash equivalents is attributable to the good operating income and the proceeds of the sale of the investment in the third quarter.

There were other major changes on the assets side among At equity financial investments, where the position fell by EUR 3.7 million overall compared with the end of 2011 to EUR 7.8 million as a result of various measures, some of which cancelled each other out. The sale of the 24.95 % interest in Bond Laminates GmbH had an effect here. In addition there were the accumulated losses of CENTROSOLAR for the year to date, which must be offset against the remeasurement of this investment following its sale after the reporting date. Because the sale of the 26.14 % interest in CENTROSOLAR only took place after the end of the quarter, this investment is still shown under the financial investments at a value corresponding to the selling price of EUR 6.3 million.

The equity and liabilities side of the balance sheet reveals a substantial rise in shareholders' equity of EUR 12.4 million to EUR 169.9 million. The equity ratio of 39.7 % at September 30, 2012 was thus 2.7 percentage points higher than at year-end and 4.0 percentage points up on the prior-year figure. The equity ratio thus reached one of its highest levels since the takeover of Wolf in 2006.

At the same time borrowings were down EUR 11.6 million on the end of 2011 and EUR 19.3 million below the prior-year total at EUR 96.7 million. Taking into account cash and cash equivalents, net borrowings were thus EUR 54.7 million, compared with EUR 60.1 million at the end of last year and EUR 88.7 million at the corresponding point in 2011.

Consolidated cash and cash equivalents for the CENTROTEC Group came to EUR 41.9 million at the end of the third quarter (year-end EUR 48.1 million / previous year EUR 27.3 million). Together with the unutilised credit lines, the CENTROTEC Group therefore continues to have adequate cash and cash equivalents.

The cash flow from operating activities rose by EUR 2.3 million to EUR 9.5 million in the first nine months of 2012. This increase reflects a variety of developments which to some extent cancelled each other out. The biggest influencing factors were an almost doubling of the operating result, and the lower rise in inventories and trade receivables compared to 2011. The level of trade liabilities moreover fell considerably in the period under review, whereas this item had risen in the corresponding prior-year period. The cash flow from investing activities came to just EUR -2.7 million in the first three quarters of 2012 (previous year EUR -23.7 million), as there were no projects of the magnitude of the previous year's high acquisition-led investment in the period under review; in addition, payments were received for the sale of investments. The cash flow from financing activities edged up to EUR 6.6 million (previous year EUR 5.5 million). This was mainly because of reduced cash proceeds from the issuance of shares under the group-wide stock options scheme compared with 2011, coupled with virtually constant capital repayments and dividend payments, plus a slight increase in loans raised. On balance, therefore, the financial resources as determined in the cash flow calculation rose by a mere EUR 0.1 million; this contrasted with a drop of EUR 21.9 million in financial resources in the equivalent period of 2011.

## Employees

At September 30, 2012 the comprehensively consolidated companies of the CENTROTEC Group employed a total of 3,132 people (previous year 3,124). This equated to 3,017 full-time equivalents (FTE) at the end of the quarter. A year earlier the figure was 2,997, 0.7 % lower. This only minor increase overall is the net result of various developments at the level of the segments, though the product development, sales and export areas saw significant investment. On the one hand the number of employees in the Climate Systems segment rose by 32 or 1.6 % to 2,069 FTE as a result of increased business volume. In the Gas Flue Systems segment, on the other hand, the restructuring measures specifically at the Dutch production location led to a fall of 38 FTE or 5.9 % to 600 FTE at the end of the quarter. In the Medical Technology & Engineering Plastics segment the number of FTE rose by 26 or 7.9 % to 348 FTE following the concentrating of operations at the Fulda location and the increased capacity in the Medical Technology area there. The employee totals in the core segments are traditionally higher in the second half of the year than in the first because of the seasonal rise in business volume. This also means that the average employee figures for the year are lower than the figures for a given reporting date in the third and fourth quarters.

As a result of this slight overall increase in the employee total and the wage and salary increases that took effect mid-way through the year, coupled with the expenses in connection with personnel restructuring measures, personnel expenses for the first three quarters came to EUR 111.1 million and were therefore 7.4 % up on the prior-year total of EUR 103.4 million. This above-average rise compared to revenue growth produced a personnel expenses ratio of 28.5 % (previous year 27.2 %) for the group. Nevertheless, for the year as a whole this ratio will continue to fall as a result of the traditionally much higher volume of revenue in the second half of the year and increasingly visible signs that the restructuring measures are beginning to produce the intended savings.

## Shares

The trading price of CENTROTEC shares (WKN 540 750 or ISIN DE0005407506) performed approximately 10 % better than the SDAX in which it is listed in the year to date, up to the end of Q3 2012. On the last trading day of the third quarter, September 28, 2012, the shares closed around 7 % up over the quarter at EUR 13.80, having started it at EUR 12.95. The lowest price in the third quarter came in mid-August, before publication of the first-half figures. By mid-September the trading price subsequently rose to its highest level in XETRA trading both in the third quarter and for the whole of 2012 so far, reaching an end-of-day price of EUR 14.35. Over the first three quarters of the year, the trading price of CENTROTEC shares thus gained around 23 %. The current year-low of EUR 10.75 dates from January. The highest trading price in the third quarter of EUR 14.35 was also the highest of 2012 to date. After the end of the period under review CENTROTEC shares were trading at just above the end-of-quarter price, with an increased volume changing hands. After the all-time lows at the end of Q2 2012, the

trading volume of CENTROTEC shares rose significantly from mid-August; in September and especially after the period under review it approached the customary volume of previous years of well over 30,000 shares per day. No significant change has been observed in how the trading volume is split between the various stock markets. There are, however, clear indications that in common with many other shares, a sharply rising volume is being traded on unregulated markets.



CENTROTEC share price performance (Xetra) compared with SDAX from January to start of November 2012; source: [www.ariva.de](http://www.ariva.de)

Although the end-of-quarter trading price of just under EUR 14 represents a substantial fall compared with the previous year's absolute highs of more than EUR 24, in the long-term view – which is fitting considering the equally long-term horizon of the CENTROTEC business model – there has been clear growth in the trading price. The average annual growth since the IPO in 1998 has been over 10 %, easily outstripping all benchmark indices. The long-term development is a crucial target criterion for the CENTROTEC Group in terms of both business operations and the trading price of its shares. The ownership structure, which has been stable for many years, and the fundamental continuity in corporate management also provide outward visible evidence of how this long-term strategy is being implemented. The fundamentally longer evaluation horizon of course includes short-term reappraisals of decisions in order not to mask the significance of current developments and make necessary adjustments to the business model whenever necessary.

At the end of the third quarter of 2012, 17,307,466 no-par value ordinary shares outstanding of CENTROTEC Sustainable AG were approved for trading at Deutsche Börse, of which 12,080 were held by the company. The rise of 15,646 shares compared with the total of 17,291,820

shares at the end of 2011 is attributable exclusively to the exercising of stock options by employees of the CENTROTEC Group. The total number of shares multiplied by the end-of-half trading price of EUR 13.80 at September 28, 2012 produced market capitalisation of EUR 239 million for the CENTROTEC Group.

CENTROTEC is not aware of any major developments affecting its share ownership structure compared with the end of the 2011 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. In the year to date, institutional investors did however report instances of exceeding or moving below the 3 % and 5 % reporting thresholds pursuant to Section 26 (1) of German Securities Trading Law. 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

There have been no materially significant changes in the period under review compared with the 2011 Annual Report published at the start of 2012 and the position presented there. Nor did the assessments, the methods of risk identification and the measures derived from them for the controlling of risks change materially compared with the view presented in the 2011 Group Management Report.

Only the complete disposal of the investments in Bond Laminates GmbH and – with effect from the start of October – especially in CENTROSOLAR, which has latterly produced high non-cash losses for CENTROTEC, represent a significant change in the opportunities and risks position as reflected in the important earnings per share (EPS) value from the shareholder viewpoint.

### Expectations

The challenging economic environment in the first nine months of 2012 and specifically in the third quarter is having a very marked effect on the construction industry, causing the markets that are relevant for CENTROTEC to slump by as much as 20 %. On the one hand this reflects just how difficult the context is in which CENTROTEC has performed well of late; on the other hand it underscores the importance of the restructuring measures kicked off in 2011. Against a backdrop of economic crisis throughout Europe, except in Germany and a few Eastern European countries, CENTROTEC's revenue and earnings figures for the year to date reflect a good overall business performance by CENTROTEC and the strong market position achieved by its principal group companies and product solutions; they are also an initial indication that the concerted measures launched in 2011 to focus on the core business are beginning to bite. The required action has by and large already been taken, and CENTROTEC has already

absorbed the bulk of the burdens, which only filter through into the key financial figures to a limited extent. The earnings figures from 2013 will show the full effect of the cost-cutting measures; together with the positive effects of restructuring and refocusing business, these measures will produce steadily improving profit margins in the medium term and enable CENTROTEC to continue making positive progress even amid a difficult overall economic situation.

In the medium to long term, CENTROTEC will find itself operating in one of the world's major growth markets thanks to its efficient, user-friendly portfolio of solutions for saving energy and using renewables in buildings. On an immediate timescale, too, there is a growing need to adopt energy-efficient solutions because of high energy prices that will continue to rise at least in the medium term, along with the upward trend in emissions worldwide. This fact is being recognised by both lawmakers and energy consumers in the increasingly tough standards of energy efficiency that are required by law, and in growing environmental awareness. The wider trend is, however, being masked by the current economic constraints affecting many countries and individual households, and is currently reflected only to a limited extent in the performance of those markets. In the medium term, this global market should nevertheless unleash considerable growth potential. As a group, CENTROTEC has taken up a position that should enable it to benefit disproportionately from this development. For example the current age structure of installed heating technology in various countries, but especially Germany, will render switching to more energy-efficient systems unavoidable in the coming years, fuelling corresponding growth in the market.

The modern product portfolio, the competitive sales structures, the ongoing optimisation of corporate processes, the results achieved to date in 2012 amid difficult conditions and the sound financial basis that has been given a further boost in recent months from the disposal of investments all provide a good basis for the future. Even in the short term – in the remainder of the 2012 financial year – and in a challenging overall economic environment, CENTROTEC expects revenue to remain on a par with 2011 and EBIT to reach the lower end of the forecast bandwidth of EUR 35 to 40 million, thus coming close to the previous record-breaking year of 2010. On that basis, a further rise in revenue and EBIT is attainable for the coming 2013 financial year in spite of the very difficult market conditions.

Brilon, November 2012

**The Management Board**

# 02

## Energy-saving systems that maximise energy efficiency and protect the climate

### Solar thermal – at the heart of modern heating systems

Innovative solar thermal systems with highly effective solar collectors, a well-insulated hot water tank and an intelligent control system are at the very heart of a modern heating system. By harnessing the sun's energy, and with no climate-harming emissions, they can cover as much as 60 % of the annual energy requirements for hot water.



# Consolidated Statement of Financial Position

<b>Assets</b> in EUR thousand	<b>30/09/2012</b>	<b>31/12/2011</b>
Goodwill	69,504	69,738
Intangible assets	44,665	46,765
Property, plant and equipment	92,377	95,180
Financial investments accounted for using the equity method	7,770	11,458
Loans and investments	1,451	1,433
Other financial assets	9	206
Other assets	1,167	1,156
Deferred tax assets	1,335	1,711
	<b>218,278</b>	<b>227,647</b>
<b>Current assets</b>		
Inventories	74,800	74,837
Trade Receivables	81,243	63,740
Income tax receivable	1,214	2,400
Cash and cash equivalents	41,925	48,146
Other financial assets	4,991	4,156
Other assets	5,771	4,764
	<b>209,944</b>	<b>198,043</b>
<b>Assets</b>	<b>428,222</b>	<b>425,690</b>

<b>Equity and Liabilities</b> in EUR thousand	<b>30/09/2012</b>	<b>31/12/2011</b>
<b>Shareholders' equity</b>		
Share Capital	17,307	17,292
Capital reserves	31,032	30,866
Treasury stock	(112)	(112)
Retained earnings and profit carryforward	105,249	116,401
Profit attributable to shareholders of CENTROTEC Sustainable AG	14,986	(9,376)
	<b>168,462</b>	<b>155,071</b>
Non-controlling interests presented within equity	1,409	2,382
	<b>169,871</b>	<b>157,453</b>
<b>Non-current liabilities</b>		
Pension provisions	24,345	23,485
Other provisions	14,997	14,493
Financial liabilities	61,616	66,592
Other financial liabilities	9,002	11,358
Other liabilities	427	376
Deferred tax liabilities	15,257	16,399
	<b>125,644</b>	<b>132,703</b>
<b>Current liabilities</b>		
Other provisions	4,507	3,076
Income tax payable	4,876	6,082
Financial liabilities	35,043	41,667
Trade liabilities	34,515	41,879
Other financial liabilities	20,500	11,032
Other liabilities	33,266	31,798
	<b>132,707</b>	<b>135,534</b>
<b>Equity and Liabilities</b>	<b>428,222</b>	<b>425,690</b>

# Consolidated Income Statement

in EUR thousand	01/07/2012 30/09/2012	01/07/2011 30/09/2011	01/01/2012 30/09/2012	01/01/2011 30/09/2011
<b>Revenues</b>	<b>141,701</b>	<b>143,808</b>	<b>388,445</b>	<b>378,136</b>
Other income	1,751	2,287	5,906	6,420
Changes in inventories of finished goods and work in progress	2,366	1,596	1,326	1,829
Production for own fixed assets capitalised	1,067	846	2,649	1,966
Cost of purchased materials and services	(70,340)	(73,233)	(189,134)	(189,113)
Personnel expenses	(36,973)	(34,920)	(111,077)	(103,427)
Other expenses	(19,913)	(28,770)	(59,129)	(66,836)
<b>EBITDA</b>	<b>19,659</b>	<b>11,614</b>	<b>38,986</b>	<b>28,975</b>
Depreciation and amortisation	(4,803)	(7,440)	(15,114)	(16,611)
<b>Operating income (EBIT)</b>	<b>14,856</b>	<b>4,174</b>	<b>23,872</b>	<b>12,364</b>
Interest income	72	45	170	203
Interest expense	(1,367)	(1,520)	(4,339)	(4,472)
Result from investments	5,233	(15,343)	2,163	(16,590)
<b>Result before income taxes (EBT)</b>	<b>18,794</b>	<b>(12,644)</b>	<b>21,866</b>	<b>(8,495)</b>
Income taxes	(4,292)	(2,143)	(7,486)	(4,396)
<b>Net income (EAT)</b>	<b>14,502</b>	<b>(14,787)</b>	<b>14,380</b>	<b>(12,891)</b>
Profit or loss attributable to non controlling interest	(148)	(172)	(606)	(401)
Profit or loss attributable to shareholders of CENTROTEC Sustainable AG	14,650	(14,615)	14,986	(12,490)
<b>EPS (Earnings per share in EUR)</b>				
Earnings per share (basic)	0.85	(0.85)	0.87	(0.73)
Earnings per share (diluted)	0.84	(0.84)	0.86	(0.72)
Weighted average shares outstanding (in thousand units; basic)	17,295	17,281	17,287	17,125
Weighted average shares outstanding (in thousand units; diluted)	17,530	17,578	17,526	17,348

# Consolidated Statement of Comprehensive Income

in EUR thousand	01/07/2012 30/09/2012	01/07/2011 30/09/2011	01/01/2012 30/09/2012	01/01/2011 30/09/2011
<b>Net income (EAT)</b>	<b>14,502</b>	<b>(14,787)</b>	<b>14,380</b>	<b>(12,891)</b>
Exchange Rate differences on translation	20	(335)	(261)	(373)
Derivative financial instruments	79	(547)	201	716
Income tax relating to components of other comprehensive income	(43)	247	(30)	(94)
<b>Other comprehensive income, net of tax</b>	<b>56</b>	<b>(635)</b>	<b>(90)</b>	<b>249</b>
<b>Total comprehensive income</b>	<b>14,558</b>	<b>(15,422)</b>	<b>14,290</b>	<b>(12,642)</b>
Attributable to:				
Non controlling interest	(68)	(170)	(570)	(395)
Shareholders of CENTROTEC Sustainable AG	14,626	(15,252)	14,860	(12,247)

# Consolidated Statement of Cash Flows

in EUR thousand	01/01/2012 30/09/2012	01/01/2011 30/09/2011
Net income before interest and taxes (EBIT)	23,872	12,364
Depreciation and amortisation	15,114	16,611
Gain/ loss on disposal of fixed assets	(70)	(177)
Other non-cash items	(1,438)	(1,450)
Increase/ decrease in provisions	774	5,959
Increase/ decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	(19,826)	(35,965)
Increase/ decrease in trade payables and other liabilities that cannot be allocated to investing or financing activities	2,780	22,137
Interest received	155	458
Interest paid	(3,900)	(4,372)
Income tax paid	(8,004)	(8,389)
<b>Cash flow from operating activities</b>	<b>9,457</b>	<b>7,176</b>
Acquisition of shares in participations less net of cash aquired	0	(9,184)
Purchase of property, plant and equipment/ intangible assets/ investments/ financial assets/ loans receivable	(11,105)	(15,386)
Proceeds from disposal of property, plant and equipment/ intangible assets/ loans receivable	1,000	919
Proceeds from disposals of investments	7,371	0
<b>Cash flow from investing activities</b>	<b>(2,734)</b>	<b>(23,651)</b>
Proceeds from issuance of shares	132	3,309
Proceeds from financial liabilities	5,342	3,208
Repayment of financial liabilities	(10,361)	(10,292)
Dividend payment	(1,728)	(1,695)
<b>Cash flow from financing activities</b>	<b>(6,615)</b>	<b>(5,470)</b>
<b>Change in financial resources*</b>	<b>108</b>	<b>(21,945)</b>
Foreign currency exchange gain/ loss of the financial resources	118	(115)
Financial resources at the beginning of the financial year	25,530	24,611
Financial resources at the end of the period	25,756	2,551

\* Cash and cash equivalents deducted of credits current account

## Consolidated Statement of Changes in Equity

in EUR thousand	Share Capital	Capital reserve	Treasury stock	Income tax relating to components of other comprehensive income						Sum other retained earnings and profit 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
				Stock option reserve	Income tax	Exchange Rate differences on translation	Derivative financial instruments	Retained earnings and profit carryforward	Income tax					
<b>January 1, 2012</b>	<b>17,292</b>	<b>30,866</b>	<b>(112)</b>	<b>2,604</b>	<b>387</b>	<b>(86)</b>	<b>(1,347)</b>	<b>114,843</b>	<b>116,401</b>	<b>(9,376)</b>	<b>155,071</b>	<b>2,382</b>	<b>157,453</b>	
Transfer to revenue reserves								(9,376)	(9,376)	9,376				
Change from exercise of options	15	117									132		132	
Stock option plan		49		78					78		127		127	
Dividend payment								(1,728)	(1,728)		(1,728)		(1,728)	
Net income (EAT)										14,986	14,986	(606)	14,380	
Other comprehensive income, net of tax					(30)	(297)	201		(126)		(126)	36	(90)	
<b>Total comprehensive income</b>					<b>(30)</b>	<b>(297)</b>	<b>201</b>		<b>(126)</b>	<b>14,986</b>	<b>14,860</b>	<b>(570)</b>	<b>14,290</b>	
Other changes												(403)	(403)	
<b>September 30, 2012</b>	<b>17,307</b>	<b>31,032</b>	<b>(112)</b>	<b>2,682</b>	<b>357</b>	<b>(383)</b>	<b>(1,146)</b>	<b>103,739</b>	<b>105,249</b>	<b>14,986</b>	<b>168,462</b>	<b>1,409</b>	<b>169,871</b>	
<b>January 1, 2011</b>	<b>16,962</b>	<b>27,014</b>	<b>(112)</b>	<b>2,481</b>	<b>540</b>	<b>(35)</b>	<b>(2,144)</b>	<b>90,790</b>	<b>91,632</b>	<b>25,748</b>	<b>161,244</b>	<b>(428)</b>	<b>160,816</b>	
Transfer to revenue reserves								25,748	25,748	(25,748)				
Change from exercise of options	330	2,978									3,308		3,308	
Stock option plan		675		67					67		742		742	
Dividend payment								(1,695)	(1,695)		(1,695)		(1,695)	
Net income (EAT)										(12,490)	(12,490)	(401)	(12,891)	
Other comprehensive income, net of tax					(94)	(379)	716		243		243	6	249	
<b>Total comprehensive income</b>					<b>(94)</b>	<b>(379)</b>	<b>716</b>		<b>243</b>	<b>(12,490)</b>	<b>(12,247)</b>	<b>(395)</b>	<b>(12,642)</b>	
Other changes												5,132	5,132	
<b>September 30, 2011</b>	<b>17,292</b>	<b>30,667</b>	<b>(112)</b>	<b>2,548</b>	<b>446</b>	<b>(414)</b>	<b>(1,428)</b>	<b>114,843</b>	<b>115,995</b>	<b>(12,490)</b>	<b>151,352</b>	<b>4,309</b>	<b>155,661</b>	

# Consolidated Segment Reporting

Segment Structure in EUR thousand	Climate Systems		Gas Flue Systems		Medical Technology & Engineering Plastics		Consolidation		TOTAL	
	01/01/2012	01/01/2011	01/01/2012	01/01/2011	01/01/2012	01/01/2011	01/01/2012	01/01/2011	01/01/2012	01/01/2011
	30/09/2012	30/09/2011	30/09/2012	30/09/2011	30/09/2012	30/09/2011	30/09/2012	30/09/2011	30/09/2012	30/09/2011
<b>Income Statement</b>										
Revenue from third parties	283,056	266,088	75,743	81,282	29,646	30,766	0	0	388,445	378,136
Revenue from other segments	976	810	4,184	3,469	151	254	(5,311)	(4,533)	0	0
Changes in inventories of finished goods and work in progress	(798)	519	836	467	1,288	843	0	0	1,326	1,829
Cost of purchased materials	(141,699)	(137,385)	(41,296)	(44,109)	(11,387)	(12,058)	5,248	4,440	(189,134)	(189,113)
Personnel expenses	(78,197)	(70,387)	(21,436)	(21,677)	(11,444)	(11,363)	0	0	(111,077)	(103,427)
Other expenses and income	(33,839)	(32,450)	(12,477)	(19,089)	(4,258)	(6,912)	0	0	(50,574)	(58,450)
<b>EBITDA</b>	<b>29,499</b>	<b>27,195</b>	<b>5,554</b>	<b>343</b>	<b>3,996</b>	<b>1,530</b>	<b>(63)</b>	<b>(93)</b>	<b>38,986</b>	<b>28,975</b>
Depreciation and amortisation	(9,786)	(8,971)	(3,616)	(5,891)	(1,712)	(1,749)	0	0	(15,114)	(16,611)
<b>Segment result (EBIT)</b>	<b>19,713</b>	<b>18,224</b>	<b>1,938</b>	<b>(5,548)</b>	<b>2,284</b>	<b>(219)</b>	<b>(63)</b>	<b>(93)</b>	<b>23,872</b>	<b>12,364</b>
Interest income	148	185	331	444	7	7	(316)	(433)	170	203
Interest expense	(2,122)	(2,389)	(1,861)	(1,827)	(672)	(689)	316	433	(4,339)	(4,472)
Result from investments	(925)	(112)	3,088	(16,479)	0	0	0	0	2,163	(16,590)
<b>EBT</b>	<b>16,814</b>	<b>15,908</b>	<b>3,496</b>	<b>(23,410)</b>	<b>1,619</b>	<b>(901)</b>	<b>(63)</b>	<b>(93)</b>	<b>21,866</b>	<b>(8,495)</b>
Income taxes									(7,486)	(4,396)
<b>Net income (EAT)</b>									<b>14,380</b>	<b>(12,891)</b>
Profit or loss attributable to non controlling interest									(606)	(401)
Profit or loss attributable to shareholders CENTROTEC Sustainable AG									14,986	(12,490)
<b>Balance sheet key figures*</b>										
Assets**	280,297	270,156	93,928	99,827	42,402	38,813	(175)	(108)	416,452	408,688
Financial investments accounted for using the equity method	1,483	2,408	6,287	9,050	0	0	0	0	7,770	11,458
Loans and investments	1,451	1,421	0	12	0	0	0	0	1,451	1,433
Entitlement to income tax rebates***									2,549	4,111
Liabilities	110,733	103,840	23,988	26,529	6,838	7,128	0	0	141,559	137,497
Financial liabilities									96,659	108,259
Income tax payable***									20,133	22,481
<b>Investments</b>										
Total investments in property, plant, equipment and intangible assets****	6,379	18,636	2,441	5,423	2,456	4,373	0	0	11,276	28,432

\* Previous year is related to December 31, 2011

\*\* Excl. financial investments accounted for using the equity method, loans and investments as well as entitlement to income tax rebates \*\*\*

\*\*\* Including deferred tax

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

# 03

## A healthy interior climate that requires little energy Controlled ventilation with heat recovery

To save energy and reduce CO<sub>2</sub> emissions, both new and renovated buildings are being made increasingly well insulated and airtight.

Depending on how heavily the rooms are used, an air exchange rate of between 0.3 and 0.7 times per hour is needed to keep the interior conditions agreeable for occupants, so heat losses during ventilation can easily mean the benefits of investing in insulation are negated.

That is where controlled ventilation comes in. It maintains the quality of the air inside a building but also achieves a very high standard of energy efficiency with heat recovery rates of up to 95 %.



# 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 in the Prime Standard in the SDAX index under the stock exchange codes CEV, WKN 540750 and ISIN DE 0005407506 of the Frankfurt Stock Exchange. 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](http://www.centrotec.de).

## Accounting standards and policies

These Quarterly Financial Statements at September 30, 2012 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 applicable 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 application of which was mandatory at that date, have been applied. The accounting policies explained in the Consolidated Financial Statements for 2011 have likewise been applied in this Quarterly Report, except in the case of amendments to standards to be applied 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, 2011. 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, 2012. The financial statements have been prepared in euros; unless otherwise indicated, the amounts quoted refer to 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

All direct and indirect subsidiaries of the parent company and group parent are included in the Consolidated Financial Statements of CENTROTEC. The 60 % interest in Solar 23 GmbH, Ulm, was disposed of in July 2012. That company is consequently no longer fully consolidated. Likewise the 24.95 % interest in Bond-Laminates GmbH, Brilon, which was previously accounted for using the equity method, was sold in September 2012. Furthermore the company Brink Climate Systems Ltd., Ireland, is being wound up. This company's business will be taken over by Ubbink UK Ltd., England.

The business activities of CENTROTEC are classified according to the segments Climate Systems, Gas Flue Systems, and Medical Technology & Engineering Plastics.

Detailed information on the CENTROSOLAR Group, the investment in which was disposed of after the reporting date for the quarter, is provided in its Quarterly Report at September 30, 2012. That report is available at [www.centrosolar.com](http://www.centrosolar.com).

### Notes on the Quarterly Financial Statements

#### - Recognition and measurement aspects

Detailed notes on the income statement, balance sheet and cash flow statement can be found in the section "Development in revenue and earnings" and the section "Net worth and financial position" of the Interim Management Report of the group.

#### - 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 2011. All reciprocated services such as the use of infrastructure are billed on generally accepted market terms (arm's length principle). The same applies to service relationships between CENTROTEC and companies which are accounted for using the equity

method.

- Reportable security holdings and options

The totals of reportable shares and stock options at September 30, 2012 are shown in the following table.

<b>Management Board</b>	<b>Shares</b>	<b>Options*</b>
Dr Gert-Jan Huisman	62,981	258,976
Anton Hans	0	76,221
Dr Christoph Traxler	0	134,126

  

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

  

<b>CENTROTEC</b>	<b>Shares</b>
Ordinary shares	17,307,466
Treasury stock	12,080

\* The maximum attainable number of options has been indicated. How many options can actually be exercised depends on the attainment of specified targets.

- Contingent liabilities

There has been no significant change in contingent liabilities since the balance sheet date of December 31, 2011.

- Dividend payments

A dividend of EUR 0.10 per share was distributed in the second quarter.

Significant events occurring after the reporting date for the quarter

On October 3 the 26.14 % holding in the listed company CENTROSOLAR Group AG, with registered office in Munich, was disposed of in an off-exchange transaction. The proceeds of the sale amount to EUR 6.3 million.

## Management Board and Supervisory Board

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

Dr Gert-Jan Huisman, Nijkerk, Netherlands, merchant, CEO

Anton Hans, Apeldoorn, Netherlands, 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, entrepreneur

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 13, 2012

## Responsibility Statement by the Management

In accordance with German Securities Trading Law (WpHG) in conjunction with German Commercial Code (HGB), the Management Board declares:

“To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.”

The Management Board

Brilon, November 13, 2012

# 04

## Energy-focused refurbishment

### Passive-house system – efficient heating technology combined with heat recovery

There is huge potential for saving energy through the energy-focused refurbishment of the building stock. Yet realising those savings usually involves much upheaval for the occupants. That need not be the case, as demonstrated by the Kroeven refurbishment project in Rosendaal, the Netherlands. In this instance 134 single-family terraced houses were renovated to passive-house standard, and there was no need for the occupants to move out during the building work, which took only one week. The passive-house compact system made by ventilation specialist Brink Climate Systems was used.



## Financial Calendar 2012

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November 13	Publication of Q3 2012 Quarterly Report
November 12 – 14	German Equity Forum, Frankfurt am Main

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# 05

## Renewable power from biogas

### Comprehensive range of biogas systems

In Germany, more power is already generated using biogas than with photovoltaics. Combined heat and power (CHP) plants efficiently and non-centrally generate power and heat by means of co-generation. If they are run on biogas, CHP units operate in a climate-neutral way, on renewable energies and with a closed CO<sub>2</sub> circuit. The energy sources thus produce an overall energy efficiency of up to 90 % cutting primary energy consumption by more than one-third. With biogas purification and biogas treatment systems for feeding biomethane into the natural gas grid, they cover the entire value chain on energy recovery from biogas.



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