

1st Quarterly Statement 2016/2017

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July 01 – September 30, 2016

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Report 1st Quarter 2016/2017

01.07.-30.09.2016

During first quarter of BY 2016/17, turnover of 18.4 million € did not reach that of previous year of 19.4 million €. The Brexit-Votum accompanied by these insecurities induced a brake-mechanism throughout the strong export-orientated countries within Central Europe.

The FORTEC Group as industrial supplier continues to face an unsecure clientele. The Brexit-Votum as well as the election of Donald Trump for president of the U.S.A. further unsecured industrial customers. Fact is that these developments actually lead to hesitating decisions as concerns investments and consequently result in decreased turnover figures compared to previous year.

During first quarter of BY 2016/17, turnover in the field of power-supplies – due further growing market of LED-power-supplies increased with 7 million € compared to previous year of 6.7 million €, whereas the field of data visualization – business made exclusively in the industrial sector – amounting to 11.4 million € compared to 12.7 million € was definitely lower.

In general, it is expected that the German economy after the growth-down-hill during fall of year's end 2016 will again swing up to be continued during next year. At least newest indications seem to have hope for that development. The Ifo-institute confirmed this thesis of the actual Ifo-business climate, defending its high standard in November and in addition the GfK-consumer climate thus partly gained of importance.

The actual slightly decreased economic situation within our business field will not lead to any changes as to our cost situation. Still we continue to be optimistic – middle and for long – to increase our business and on top, actually continue to further build-up our business.

On occasion of our annual general meeting at February 16, 2017, we will suggest a dividend to our shareholder of 20% increase e.g. 60 Cent per share – thus participating them to our long-term and positive prognosis of our business-model.

Consolidated Balance Sheet (uncertified), according to IAS/IFRS 30.09.2016 (previous year 30.06.2016)

ASSETS	30.09.2016	30.06.2016	EQUITY & LIABILITIES	30.09.2016	30.06.2016
A			A. Capital/equity		
Non-current assets			I. Subscribed capital	2.954.943	2.954.943
I. Goodwill	2.674.981	2.680.701	II. Capital reserve	8.689.364	8.689.364
II. Intangible assets	200.192	194.327	III. Currency exch.difference	1.385.831	1.394.143
III. Tangible assets	2.258.583	2.266.232	IV Other compreh.income	10.352.347	6.794.027
IV. Financial assets	95.780	95.780	V Period net income	752.902	3.558.320
V. Long-term liabilities	61.152	63.652			
VI. Deferred taxes	283.342	327.302			
	5.574.030	5.627.994	T O T A L capital	24.135.387	23.390.798
B			B. Long-term liabilities		
Current assets			I. Long-term bank obligation	4.583.332	4.583.332
I. Inventories	18.492.669	18.289.323	II. Long-term provisions	359.847	390.815
II. Accounts receivables re: deliveries/services	7.227.714	7.433.006	II. Deferred taxes	220.513	373.744
III. Tax receivables	1.170.052	1.281.857		757.031	5.347.891
IV. Other assets	220.403	549.944	C. Short-term liabilities		
V. Cash /bank balances	3.850.240	4.336.016	I. Bank liabilities	416.668	1.540.777
	30.961.078	31.890.146	II. Trade payables	4.420.610	3.099.442
			III. Tax accruals	389.271	2.123.806
			IV Other provisions	200.000	243.826
			VI Other liabilities/accruals	1.809.480	1.771.599
				7.236.029	8.779.451
T O T A L Assets	36.535.108	37.518.140	TOTAL Equity & Liabilities	36.535.108	37.518.140

Consolidated/ Comprehensive Income Statement

(uncertified) according to IAS/IFRS

01.07. - 30.09.2016 (prev.year 01.07.-30.09.2015)

I N C O M E (in €)	BY 2016/17	BY 2015/16
Sales net	18.412.996	19.416.285
Other operative income	378.266	281.642
Material expenses/costs	12.793.939	13.554.592
Expenses personnel	3.017.480	3.086.245
Depreciation	129.813	119.455
Other operative income	1.791.916	1.716.039
Operative income (EBIT)	1.058.114	1.221.596
Interest and similar income /expenses	./ 12.417	6.329
Tax on income and profit	292.795	346.267
Period's net income	752.902	881.658
Other result *	./ 8.312	31.473
Total result	744.590	913.131
Earning per share/1st quarter	0,25	0,30
Shares in total	2.954.943 pcs	2.954.943 pcs

* Other result includes only „success-neutral“ difference of foreign currency exchange rate:

