

INTERIM REPORT ON FIRST QUARTER OF 2015

Q1



Letter from the Management Board

Dear Shareholders,
Ladies and Gentlemen,

These quarterly financial statements demonstrate the growth potential and success in restructuring our company. Alphaform generated revenue of € 7.8 million in the first three months of 2015, the highest level in the company's history. This increase is due to positive development in all three business areas. All three benefited from consistently high demand on the market and from the measures taken to strengthen the sales team over the past months.

At the same time, Alphaform actively pressed ahead with the Alphaform Excellence programme consisting of more than 160 individual measures, including the integrated 11-point plan. With regard to optimising the structures and processes at the Feldkirchen location, the expansion of production capacity plays an important role. Within 100 days, our team succeeded in launching production at a new production site close to the company headquarters without requiring a single additional employee. This was a great achievement, especially since an interruption of operations due to water damage had delayed the process at the beginning of the year. Despite the related costs and the significant non-recurring expenses that were still required for the restructuring, EBITDA already increased by 14% as against the fourth quarter of 2014, while consolidated net income was up 7%.

The progress in implementing the Alphaform Excellence programme provides a good basis for the targeted double-digit revenue growth and further improvement in earnings in the current financial year. At the same time, it enables our company to benefit from the sustained momentum in our market beyond 2015 as well. New studies indicate that revenues in global 3D printing business could increase five-fold by 2020. When talking to Alphaform's 2,000 or so customers, our experts discover new applications for additive production processes virtually every week. However, their use is often still limited to prototypes and very small series, while a lack of certifications is also inhibiting expansion.

Alphaform recognised both of these obstacles at an early stage and has been certified for medical technology manufacturing since last year. In 2015, the company is now going through the complex process for the aerospace industry, and in the automotive sector it is increasingly developing into a production partner on an equal footing. At the same time, the new, strongly industrialised production site also allows the company to handle major orders for these and other industries in the usual high quality. Alphaform is looking at the possibility of a corresponding expansion of production at its other locations in Germany. Moreover, our company currently operates in only two of the five major EU markets – Germany and the UK – meaning that there are also considerable regional opportunities for corporate development. It is up to us to develop this enormous potential for growth step by step.



Dr Hanns-Dieter Aberle
CEO



Thomas Kresser
CFO

Alphaform in Q1 2015: Turnaround materialising

In the first quarter of 2015, Alphaform generated the highest revenue in the company's history. At the same time, the company actively pressed ahead with the Alphaform Excellence programme consisting of more than 160 individual measures, including the integrated 11-point plan. Partly due to the associated non-recurring expenses, the results were lower than the figures for the same quarter of the previous year. Compared to the fourth quarter of 2014, however, Alphaform increased its EBITDA by 14% and its consolidated net income by 7%.

Revenue was up 3.3% at € 7.759 million in the first quarter of 2015. In the same period of the previous year, Alphaform had generated revenue of € 7.513 million.

The Group's order backlog increased to € 4.5 million as at 31 March 2015 after € 4.4 million as at 31 March 2014.

EBITDA amounted to € -0.598 million in the first quarter of 2015 after € 0.017 million in the same period of the previous year and € -0.696 million in the fourth quarter of 2014.

Consolidated net income after interest and taxes amounted to € -1.140 million in the first three months of the 2015 financial year as compared to € -0.398 million in the first quarter of 2014 and € -1.227 million in the fourth quarter of 2014.

Earnings per share in the first quarter of 2015 therefore came to € -0.14 after € -0.06 in the same quarter of the previous year and € -0.16 € in the previous quarter.

Cash flow from operating activities was in line with expectations in the first quarter of 2015, amounting to € -2.960 million as compared to € -1.102 million in the same period of the previous year.

As planned, Alphaform increased its workforce further in the first quarter of 2015. The number of employees in full-time equivalents rose to 258 as at 31 March 2015, compared to 234 at the same date in the previous year.

Key figures of the Alphaform Group

T € except employees and earnings per share	Quarter 1		
	2015	2014	Change in %
Revenue	7.759	7.513	3,3
EBITDA	-598	17	N/A
Operating result	-1.017	-297	242,4
Result after tax	-1.140	-398	186,4
Earning per share	-0,14	-0,06	133,3
Equity as of March, 31 (2014 as of Dec, 31)	9.520	9.593	-0,8
Total assets as of March, 31 (2014 as of Dec, 31)	19.627	20.038	-2,1
Equity ratio (percent)	48,5	47,9	1,3
Cash and cash equivalents and securities as of March, 31 (2014 as of Dec, 31)	801	2.321	-65,5
Group employees as of March, 31	258	234	10,3

Interim Group management report

Company development/sector overview

In the key markets of Germany and the UK, Alphaform benefited from an economic upturn in the first quarter of 2015. This upturn also took place in the automotive industry, thus benefiting the Alphaform locations in Feldkirchen and Eschenlohe. The order situation for orthopaedic implants also developed positively. All three Alphaform locations achieved a good level of capacity utilisation in the reporting period.

The Additive Manufacturing Plastics and Modelling segment increased its revenue by 4% to € 5.0 million in the first quarter of 2015 after € 4.8 million in the first quarter of 2014. During the first quarter, another six highly productive 3D printing machines were installed at a new production site close to the company headquarters in Feldkirchen. Some of these machines already started operating, although an interruption of operations due to water damage delayed the launch of production there.

Revenue in the Additive Manufacturing Metals and Rapid Tooling segment even improved by 45% to € 1.6 million after € 1.1 million in the first quarter of 2014, thus fully meeting internal expectations. Here, too, additional production facilities began production in the past quarter.

The third segment, Precision Casting, at the Stade location achieved an 11% increase in revenue to € 2.1 million in the first quarter of 2015 after € 1.9 million in the same period of the previous year. The measures taken in the past year as part of the Alphaform Excellence programme began to bear fruit; the recent continuous incoming orders resulted in increasing capacity utilisation and rising revenue.

The Alphaform subsidiaries in Scandinavia and the UK stabilised at a high level.

Scheduled non-recurring expenses as part of the Alphaform Excellence programme were largely responsible for the fact that the Group's EBITDA of € -0.6 million in the first quarter of 2015 was lower than the previous year's level of € 0.0 million. However, the gross profit margin already increased by 0.5 percentage points on a quarterly basis to 69.3%.

Net assets, financial position and results of operations

Revenue development and order situation

Consolidated revenue increased by 3.3% year-on-year to € 7.759 million in the first quarter of 2015 after € 7.513 million in the first three months of 2014.

The order backlog at the end of the first quarter of 2015 was up 2.3% at € 4.5 million after € 4.4 million as at 31 March 2014.

Cost of materials and gross profit

In the first quarter of 2015, the gross profit margin improved by 0.5% to 69.3%.

Results of operations

The earnings of the Alphaform Group amounted to € -1.140 million in the first quarter of 2015 after € -0.398 million in the first quarter of 2014 as a result of scheduled non-recurring expenses as part of the Alphaform Excellence programme. In addition, non-recurring expenses were also incurred for the capital increase implemented in March 2015. Compared with the fourth quarter of 2014, however, Alphaform already improved its earnings by 7%.

Personnel expenses

Personnel expenses rose by € 0.452 million to € 3.571 million in the first quarter of 2015. In light of its rising revenues, Alphaform has selectively recruited additional specialists and managers over the past twelve months.

Depreciation and amortisation costs and other write-offs

Depreciation and amortisation costs and other write-offs increased to € 0.419 million in the first quarter of 2015 after € 0.314 million in the first quarter of 2014.

Other operating expenses

Other operating expenses climbed by € 0.371 million to € 2.404 million in the first quarter of 2015. This item includes non-recurring expenses for the implementation of the Alphaform Excellence programme and the capital increase in March 2015.

Financing and cash flow

The consolidated statement of cash flows shows the origin and use of cash flows in the first three months of the 2015 and 2014 financial years. Cash flows are broken down into those from operating activities, investing activities and financing activities.

Cash flow from operating activities amounted to € -2.960 million in the first quarter of 2015 after € -1.102 million in the same period of the previous year. In addition to the lower

earnings in line with expectations, the higher working capital requirements resulting from the increase in revenue also contributed to this change.

Net cash used in investing activities decreased to € 0.348 million in the first quarter of 2015 after € 2.620 million in the same period of the previous year. The majority of these investments related to the acquisition of property, plant and equipment.

In the first quarter of 2015, financing activities generated a cash inflow of € 1.377 million after € 1.198 million in the same period of the previous year. The capital increase in March 2015 alone led to cash inflows of € 1.019 million.

As at 31 March of the current financial year, available cash and cash equivalents amounted to € 0.785 million as against € 1.155 million as at the same date in the previous year.

Balance sheet

Total assets amounted to € 19.627 million as at 31 March of the current financial year, representing a decline of € 0.411 million from their level of € 20.038 million as at 31 December 2014. The equity ratio climbed from 47.9% as at 31 December 2014 to 48.5% as at 31 March 2015.

The biggest changes compared to the end of 2014 relate to the items "Other provisions/liabilities" and "Receivables". Other provisions/liabilities decreased by € 0.316 million from € 2.841 million as at 31 December 2014 to € 2.525 million as at 31 March 2015. This item chiefly consists of the shareholder loan granted in the first quarter of 2014. Receivables climbed by € 0.651 million from € 1.758 million as at 31 December 2014 to € 2.409 million as at 31 March 2015. This increase is primarily due to receivables that were not issued for factoring.

Employees

On 31 March 2015, a total of 258 people (FTEs) were employed at Alphaform. This represents an increase of 10.3% as against the same date of the previous year. The Alphaform Group currently employs ten trainees.

The employee structure as at 31 March 2015 and 31 March 2014 was as follows:

	Quarter 1		
	2015	2014	Change in %
Alphaform AG	102	87	17,2
Alphaform -Claho GmbH	44	42	4,8
Alphaform RPI Oy, Finnland	16	16	0,0
Alphaform Ltd., Großbritannien	2	2	0,0
Alphaform-Projekt GmbH	0	0	0,0
MediMet GmbH	94	87	8,0
employees group total	258	234	10,3

Risk report and outlook

The Alphaform Group generates a significant proportion of its revenue from project orders for the automotive industry and series orders for medical orthopaedics. Precisely these industries are characterised by consistent pressure on suppliers, aggressive price competition, strict development budgets and shorter project deadlines. As it is not always possible for us to predict these processes, they represent a risk for the utilisation of our capacities and hence for our results.

Outlook

Alphaform is projecting stable demand over the course of the 2015 financial year based on the latest forecasts by leading economic research institutes.

Additive Manufacturing (AM) business is expected to perform above the level seen in prior-year quarters and, in addition to the stimulus from developments in the automotive sector, should also benefit from further growth in demand in the non-automotive segment. In the Precision Casting business segment, the good level of demand for conventional products is expected to be maintained.

In light of these results, Alphaform is confirming the planning for the whole of 2015. The company anticipates double-digit revenue growth and a further improvement in earnings.

Feldkirchen, May 2015



Dr Hanns-Dieter Aberle
CEO



Thomas Kresser
CFO

Consolidated statement of comprehensive income

In T€ with the exception of earnings per share and number of shares	1 January - 31 March	
	2015	2014
Revenues	7.759	7.513
Changes in inventories	138	-83
Other operating income	478	271
Cost of materials	-2.998	-2.532
Gross profit	5.377	5.169
Personnel expenses	-3.571	-3.119
Depreciation and amortisation costs and other write-offs	-419	-314
Other operating expenses	-2.404	-2.033
Operating result	-1.017	-297
Other interest and similar income	1	0
Interest and similar expenses	-114	-82
Result before tax	-1.130	-389
Taxes on income	-9	-8
Other taxes	-1	-1
Result after tax	-1.140	-398
Discontinuing Operations		
profit/loss from Discontinuing Operations	-3	0
Jahresergebnis	-1.143	-398
Attributable to		
Shareholders of Alphaform	-1.142	-388
Minority interest	-1	-12
Other comprehensive income		
Currency translation difference economically independent foreign entities	-4	11
Gross profit / loss	-1.147	-387
Profit/loss per share		
Profit/loss per share (basic)	-0,14	-0,07
Profit/loss per share (diluted)	-0,14	-0,07
Weighted average number of shares outstanding (basic)	7.902.828	5.318.209
Weighted average number of shares outstanding (diluted)	7.902.828	5.850.000

Consolidated statement of financial position

T€	31 March 2015	31 December 2014
Assets		
Cash and cash Equivalents	885	2.421
free cash	785	2.321
restricted cash	100	100
Trade accounts receivable	2.409	1.758
Inventories	3.502	3.090
Other current assets	1.983	1.751
Total current assets	8.779	9.020
Property and equipment, net	6.240	5.496
Intangible assets, net	4.148	4.546
Cash and cash Equivalents	353	858
restricted cash	353	858
Deferred Tax asset	25	32
Other non-current assets	59	59
Total noncurrent assets	10.825	10.991
Assets held for sale and discontinued operations	23	27
Total Assets	19.627	20.038
Liabilities and shareholders' equity		
Liabilities and shareholders' equity		
Common stock, € 1 par value	7.903	7.485
Additional paid-in capital	15.749	15.148
Accumulated other comprehensive loss	23	27
Accumulated profit/loss	-14.287	-13.125
Total equity of Alphaform shareholders	9.408	9.535
Minority shares	112	58
Total shareholders' equity	9.520	9.593
Noncurrent liabilities		
Liabilities due to banks	115	123
Other liabilities	2.043	2.175
Finance lease obligations	508	493
Current liabilities		
Current finance lease obligations	462	308
Liabilities due to banks	1.154	1.121
Trade accounts payable	3.301	3.381
Other provisions/liabilities	2.525	2.841
Provisions and liabilities directly relating to assets held for sale and discontinuing operations	1	3
Total liabilities	10.107	10.445
Total liabilities and shareholders' equity	19.627	20.038

2014: 7,485,209 shares per € 1 par value and 2015 7,902,288 shares per € 1 par value and 2015 authorised capital stock € 1,709,872

Consolidated statement of cash flows

T€	1 January - 31 March	
	2015	2014
Result after taxes	-1.142	-388
Adjustments reconcile net profit/loss to net cash from/used in operating activities		
Depreciation of property, plant and equipment	378	288
Depreciation of intangible assets	41	27
Sale of property, plant and equipment at residual value	-408	0
Currency translation differences	-13	7
Deferred taxes	7	8
Changes in operating assets and liabilities:		
Trade receivables	-651	-505
Inventories	-412	-242
Other current assets	-232	-388
Restricted cash	0	100
Liabilities	-80	-854
Other provisions and liabilities	-448	841
Net cash from operating activities	-2.960	-1.102
Netto Cash Flow from discontinuing operations	-113	-114
Netto Cash Flow from operating activities (total)	-3.073	-1.216
Acquisition of current financial assets	0	0
Acquisition of property, plant and equipment, excl. finance leases	-909	-92
Proceeds from the sale of property, plant and equipment, excl. finance leases	187	0
Expenses for other loans	0	-1
Acquisition of subsidiaries (ohne erworbene liquide Mittel)	374	0
Net cash used in investing activities	-348	-93
New Bank Loans	133	1.452
Principal payments on bank loans	-108	-953
Principals payments under finance leases	187	-1.051
Transactions with minority shares	166	-57
Proceeds from capital increase	1.019	1.807
Net cash used in financing activities	1.377	1.198
Net reduction in cash and cash equivalents	-2.044	3
Restricted cash	505	0
Cash, cash equivalents and short term investments at beginning of period	2.343	1.152
Cash and cash equivalents including short-term investments at the end of the period	804	1.155
Additional cash flow statement disclosures		
Cash paid for interest	114	92
Revenue for interest	1	0

Consolidated statement of changes in equity

All figures in € thousand except number of shares	Common Stock		Additional paid-in-capital	Accumulated other comprehensive income	Accumulated profit / deficit	Total equity of Alphaform shareholders	Minority shares	Total shareholders' equity
	Number of shares	Amount						
IAS/IFRS shareholders' equity as of December 31, 2013	5,318,209	5,318	11,325	4	(10,019)	6,628	(2)	6,626
Result					(388)	0	0	(388)
Result: Discontinuing Operations					(22)	0	0	(22)
Foreign currency translation				8		0	0	8
Transactions with non-controlling interests				0	0	0	24	24
Capital increase	631,791	532	1,275	0	0	0	0	1,807
IAS/IFRS shareholders' equity as of March 31, 2014	6,850,000	6,850	12,600	12	(10,429)	6,628	22	8,055
IAS/IFRS shareholders' equity as of December 31, 2014	7,485,387	7,485	15,148	27	(13,125)	9,535	58	9,593
Result					(1,142)	(1,142)	0	(1,142)
Result: from discontinuing operations					(4)	0	(1)	(1)
Foreign currency translation				(4)		(4)		(4)
Transactions with non-controlling interests					0	0	55	55
Capital increase	417,441	418	801			1,019	0	1,019
IAS/IFRS shareholders' equity as of March 31, 2015	7,902,828	7,903	15,749	23	(14,271)	9,408	112	9,520

Notes to the consolidated financial statements (condensed)

Basis of consolidation

The consolidated financial statements include Alphaform AG and all its subsidiaries in accordance with the method of full consolidation. There was no change in the group of consolidated companies in the first quarter of 2015 as against 31 December 2014.

The company held shares in the following subsidiaries as at 31 March:

Direct investments

Alphaform-Projekt GmbH, Feldkirchen	100%
Alphaform Ltd., Newbury, UK	100%
Alphaform-Claho GmbH, Eschenlohe	100%
Alphaform RPI Oy, Rusko, Finland	100%
MediMet Precision Casting and Implants Technology GmbH	100%
Art Shapes GmbH, Feldkirchen	50.4%

Indirect investments

Alphaform Schweden AB, Stockholm, Sweden	100%
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The investment in Art Shapes GmbH is reported as discontinued operations.

Key accounting policies

Principles of reporting

This report as at 31 March 2015 was prepared in condensed form compared to the consolidated annual financial statements in accordance with the regulations of IAS 34 "Interim Financial Reporting".

The consolidated financial statements of Alphaform AG as at 31 December 2014 were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

The accounting and consolidation policies applied in this report as at 31 March are the same as those in the consolidated financial statements as at 31 December 2014.

The accounting policies are applied consistently to all financial years presented in the financial statements. Expenses and income not normally incurred or generated until the end of a financial year are recognised by period for the purposes of interim financial reporting.

The recommendations of Deutsche Börse on quarterly reporting by companies listed in the Prime Standard are also applied.

The interim consolidated financial statements were neither audited in line with section 317 of the German Commercial Code (HGB) nor reviewed by an auditor.

The same principles of consolidation were applied in preparing the interim financial statements and calculating comparative figures for the previous year as in the 2014 consolidated financial statements.

Segment reporting

A business segment is a distinguishable component of a group that is engaged in providing products or services and that is subject to risks and returns that are different to those of other business segments.

Segment information is provided on the Group's business and geographical segments. The basis for the primary segment reporting format is the Group's management structure and its internal financial reporting system. Segment earnings contain components that are directly attributable to the individual segment or that can be reasonably allocated to the segments.

Business segments

The Group essentially has the three following business segments:

Additive Manufacturing Plastics and Modelling (AM Plastics/Modelling)

The AM/3D Printing business segment comprises Alphaform AG (including the holding company), Art Shapes GmbH, Alphaform RPI Oy, Alphaform Schweden AB, Stockholm, Sweden, Finland, and Alphaform Ltd, UK.

Additive Manufacturing Metals and Rapid Tooling (AM Metal/Rapid Tooling)

The AM Metal/Rapid Tooling business segment comprises Alphaform-Claho GmbH, Eschenlohe.

Precision Casting

The Precision Casting business segment comprises MediMet GmbH, Stade.

Period from 1 January to 31 March 2015:

T€	AM Plastic	AM Metal / Rapid Tooling	Precision Casting	Not allocated	Group
	2015	2015	2015	2015	2015
External revenues	4.990	650	2.119	0	7.759
Revenues with other segments	2	900	5	-907	0
Revenues	4.992	1.550	2.124	-907	7.759
Segment earnings	-872	-173	32	-4	-1.017
Interest income	0	9	0	-8	1
Interest expense	-87	-13	-22	8	-114
Other expenses, net	0	0	0	0	0
Profit/loss before taxes	-959	-177	10	-4	-1.130
Income taxes	-9	0	-1	0	-10
Net result for the period	-968	-177	9	-4	-1.140

Period from 1 January to 31 March 2014:

T€	AM Plastic	AM Metal / Rapid Tooling	Precision Casting	Not allocated	Group
	2014	2014	2014	2014	2014
External revenues	4.780	798	1.935	0	7.513
Revenues with other segments	1	300	0	-301	0
Revenues	4.781	1.098	1.935	-301	7.513
Segment earnings	-274	-28	1	4	-297
Interest income	5	5	0	-10	0
Interest expense	-68	-12	-22	10	-92
Other expenses, net	0	0	0	0	0
Profit/loss before taxes	-337	-35	-21	4	-389
Income taxes	-8	0	-1	0	-9
Net result for the period	-345	-35	-22	4	-398

Geographical segments

The geographical segments are divided into Central Europe and Northern Europe. Segment revenue information is presented on the basis of the domicile of the respective customer.

The following table shows the geographical distribution of revenue:

Consolidated revenue 1 January to 31 March

T€	Central Europe		North Europe		not allocated		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Germany	3.802	3.804	0	0	0	0	3.802	3.804
Finland	0	1	591	568	0	0	591	569
UK	151	25	802	883	0	0	953	908
Rest of Europe	681	915	64	41	0	0	745	956
Rest of World	1.664	1.276	4	0	0	0	1.668	1.276
Total	6.298	6.021	1.461	1.492	0	0	7.759	7.513

Stock option plans

No stock options were issued to the Management Board or the Supervisory Board in 2015 or 2014.

Related party disclosures

There were no changes within the Management Board in the first quarter of 2015. The Supervisory Board appointed Mr Götz Ganghofer as its new Chairman from 28 January 2015.

The table below shows the shareholdings of the Management Board and the Supervisory Board as at 31 March 2015:

	Position	Stock options as at 31 March 2015	Shares as at 31 March 2015	Percentage of share capital ¹⁾
Dr Hanns-Dieter Aberle	Management Board		2,500	0.03
Thomas Kresser	Management Board		2,500	0.03
Dr Hans J. Langer	Supervisory Board		1,277,169 ²⁾	17.06
Falk F. Strascheg	Supervisory Board		1,114,568 ³⁾	14.89
Total		0.00	2,396,737	32.01

7,902,828 shares
of which 1,277,169 shares held by LHUM Vermögensverwaltungs GmbH
of which 566,993 shares held in Renate Strascheg Holding GmbH;
of which 547,575 shares in Falk Strascheg Holding GmbH

No stock options had been issued to members of the Management Board or the Supervisory Board as at 31 March 2015.

The company did not grant any loans to members of the Management Board or Supervisory Board.

Dr Hans J. Langer, a member of the Supervisory Board of Alphaform AG, is also the CEO of EOS Holding AG, Krailling. EOS GmbH, a wholly owned subsidiary of EOS Holding AG, is one of Alphaform AG's largest suppliers of raw materials with a purchasing volume of € 2.073 million in the first three months of 2015 (previous year: € 0.296 million).

Events after the end of the first three months

Besides the developments already described, no further events occurred that hold major significance for Alphaform and could lead to a different assessment of the company.

Current financial calendar for 2015

16th Annual General Meeting

Date: 11 June 2015

Location: Munich

Publication of the quarterly report for Q2 2015

Publication of the accompanying press release

Date: 7 August 2015

Publication of the quarterly report for Q3 2015

Publication of the accompanying press release

Date: 9 November 2015

Investor Relations

E-mail: ir@alphaform.de

Phone +49 (0) 89 90 500 2-35

Fax +49 (0) 89 90 500 2-1035

Alphaform AG
Kapellenstrasse 10
85622 Feldkirchen
Germany

This report is available online for download in German and in English.