

Q1 2012 PACK- AGING.

NEXT LEVEL.

 **DEUFOL**

INTERIM REPORT

Key Figures for the Deufol Group

figures in € thousand	Q1 2012	Q1 2011
Results of operations		
Revenue (total)	79,407	75,128
Germany	45,992	42,543
Rest of the World	33,415	32,585
International revenue ratio (%)	42.1	43.4
EBITDA	3,657	3,968
EBIT	1,437	1,832
EBT	813	892
Income tax income (expenses)	(645)	(500)
Income (loss) from continuing operations	168	392
Income (loss) from discontinued operation	(14)	(161)
Profit (loss) for the period	154	231
of which noncontrolling interests	79	107
of which shareholders of the parent company	75	124
Earnings per share (€)	0.002	0.003
Balance sheet		
Noncurrent assets	146,658	149,308
Current assets	80,661	78,068
Balance sheet total	227,319	227,376
Equity	98,172	98,583
Liabilities	129,147	128,793
Equity ratio (%)	43.2	43.4
Net financial liabilities	56,553	50,749
Cash flow/investments		
Cash flow from operating activities	5,730	2,462
Cash flow from investing activities	(783)	(329)
Cash flow from financing activities	(4,972)	(3,430)
Investments in property, plant and equipment	3,331	1,490
Employees		
Employees (as of March 31)	2,726	2,856

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Deufol in the First Quarter

Positive Sales Growth

In the first quarter of 2012, at € 79.4 million sales were 5.7 % higher than in the same period in the previous year. Adjusted for the 4.1 % average appreciation of the US dollar versus the euro, this growth amounts to 5.0 %.

In Germany, sales rose by 8.1 % on the same quarter in the previous year, to € 46.0 million. In the Rest of Europe, sales fell by 5.9 % to € 20.6 million. In the USA/Rest of the world, sales were significantly higher than in the previous year, at € 13.2 million, a rise of 16.9 %.

Stronger Operating Result

The operating result (EBITA) in the first quarter was at € 1.44 million 21.6 % lower than the level for the same period in the previous year (€ 1.83 million). The result is attributable to one-off expenses incurred by Deufol AG (holding). Expenses of around € 1.1 million resulted in the course of the Company's internal investigations (see the Events after the Balance Sheet Date section). Adjusted for this special item, the EBITA amounted to € 2.54 million, compared and thus was around 39 % higher to the previous year.

The individual segments performed as follows: In Germany EBITA increased from € 1.36 million to € 2.53 million. This shows early success signs of the implemented measures (e. g. creation of a central purchasing system). In the rest of Europe, EBITA fell by 19.5 % to € 1.02 million. The USA/Rest of World segment realized an operating loss of € 0.33 million (previous year: – € 0.26 million). This reflected expenses associated with the expansion of capacity in the Data Packaging division, which led to a scheduled temporary decrease in the operating result. Due to the special item, the EBITA loss of Deufol AG (Holding) amounted to € 1.73 million compared to € 0.58 million before.

The first-quarter cash flow provided by operating activities amounted to € 5.73 million and was thus significantly higher than the level in the previous year (€ 1.35 million).

Outlook – Planning Confirmed

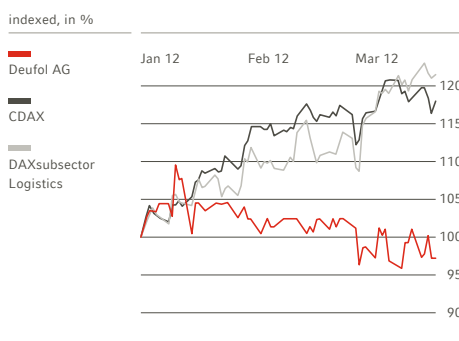
Deufol AG confirms its planning figures published for fiscal year 2012 in its annual financial report. These envisage sales in a corridor between € 315 million and € 330 million and an operating result (EBITA) of between € 12 million and € 14 million.

Deufol Share Unable to Participate in the Upward Price Trend

The Deufol share has been unable to participate in a market environment for shares whose overall trajectory has been upward on balance. In the first quarter, the share fluctuated in a corridor between € 0.89 and € 1.07. It reached its highest closing price on January 11, at € 1.07, and its lowest on three days in March, at € 0.94. The Deufol share closed the first quarter at a price of € 0.95. Relative to the end of the year 2011, this represents a decrease of 2.6 %.

The sector index of logistics stocks quoted in the Prime Standard (DAXsubsector Logistics) rose by 21.3 % in the first quarter, and the multiple-sector CDAX – on which Deufol is listed – gained 17.6 %.

The Deufol share in the first quarter



Economic Outline Conditions

Lower Risks for Global Economy

According to the joint diagnosis by the leading economic research institutes, in the spring of 2012 the acute risks facing the global economy declined significantly in relation to the situation in the autumn. Sentiment on the part of companies and consumers – which had strongly deteriorated in the second half of 2011 – has improved in most regions since the start of the year, and the global output trend is slightly stronger. The burdens posed by the sovereign debt crisis in the Eurozone and the uncertainty over financial policy in the USA have significantly diminished, for the time being. Nonetheless, the world economic outlook remains moderate overall. The debt problems have still not been resolved. Moreover, further negative factors are now also in play. The price of oil has increased significantly in the past few weeks. The pace of economic growth in China has also noticeably weakened.

Recession in the Eurozone

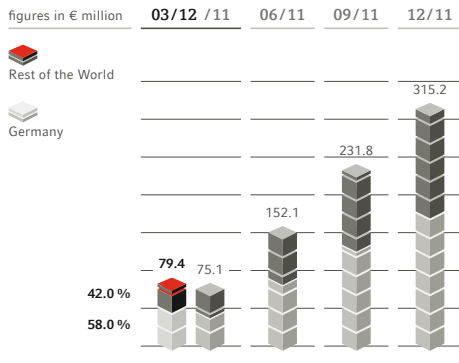
Overall economic output in the Eurozone fell by 0.3 % in the fourth quarter of 2011. Of the major economies, only France realized slight growth (0.2 %). As well as output, exports also declined. This was mainly due to the fall in movement of goods between the countries of the Eurozone. Domestic demand has been shrinking since the spring of 2011 – the consolidation measures are having an effect here. Government consumption fell in the second half of the year and private consumption was weak throughout 2011, falling by 0.5 % in the final quarter of the year. The fact that real disposable incomes are generally declining slightly was a factor here, not least because the rate of inflation is permanently above 2.5 % due to the strong increase in energy and commodity prices since the spring of 2011. In Spain and Ireland, the profound real estate crisis continues, and house prices are also falling in the Netherlands. The situation on the labor markets will also likely curb consumption propensity: Employment has been falling since the summer, and since July unemployment has risen by a total of 0.8 percentage points to 10.8 % in February.

German Economy Improves

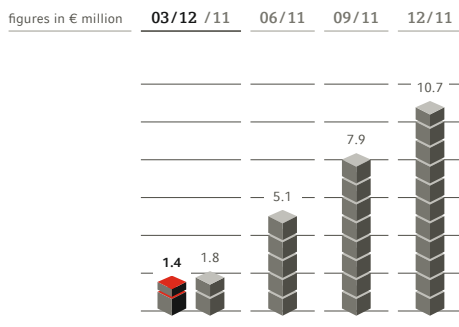
Following a weak phase of several months, in the spring of 2012 the German economy is improving. In the past winter, overall economic output virtually stagnated in the context of a worsening debt and confidence crisis in the Eurozone and the cyclical weakness of the world economy. However, the global economic environment has now improved and the measures implemented to reduce turbulence in the Eurozone have helped to stabilize the situation on the financial markets and to reduce the level of uncertainty over the economy. This decline in uncertainty is also apparent in terms of sentiment indicators. German companies' business predictions have been optimistic since December last year. The consumer climate has also improved.

Results of Operations, Financial and Asset Position

Sales



EBITA



Positive Sales Growth

In the first quarter of 2012, at € 79.4 million sales were 5.7 % higher than in the same period in the previous year. Adjusted for the 4.1 % average appreciation of the US dollar versus the euro, this growth amounts to 5.0 %.

In Germany, sales rose by 8.1 % on the same quarter in the previous year, to € 46.0 million. In the Rest of Europe, sales fell by 5.9 % to € 20.6 million. In the USA/Rest of the world, sales were significantly higher than in the previous year, at € 13.2 million, a rise of 16.9 %.

With a 57.9 % share of Group sales, the proportion accounted for by Germany rose by 1.4 percentage points on the previous year. The share of sales provided by the Rest of Europe fell from 28.3 % to 25.2 %, while the USA's share of sales has risen by 1.6 percentage points to 16.9 %.

Lower Result Due to One-Off Expenses for Holding

At € 3.66 million, earnings before interest, taxes, depreciation and amortization (EBITDA) were 7.8 % lower than in the same quarter in the previous year. The EBITDA margin was 4.6 % (previous year: 5.3 %). Depreciation of property, plant and equipment and amortization of other intangible assets rose from € 2.14 million to € 2.22 million.

The operating result (EBITA) in the first quarter was at € 1.44 million 21.6 % lower than the level for the same period in the previous year (€ 1.83 million). The result is attributable to one-off expenses incurred by Deufol AG (holding). Expenses of around € 1.1 million resulted in the course of the Company's internal investigations (see the Events after the Balance Sheet Date section). Adjusted for this special item, the EBITA amounted to € 2.54 million, compared and thus was around 39 % higher to the previous year.

The individual segments performed as follows: In Germany, EBITA increased from € 1.36 million to € 2.53 million. This reflects initial success of the measures taken (e.g. establishing a central purchasing system). In the Rest of Europe, EBITA fell by 19.5 % to € 1.02 million. The USA/Rest of the World segment realized an operating loss of € 0.33 million (previous year: –€ 0.26 million). This reflected expenses associated with the expansion of capacity in the Data Packaging division, which led to a scheduled temporary decrease in the operating result. Due to the special item, the EBITA loss of Deufol AG (Holding) amounted to € 1.73 million compared to € 0.58 million before.

The financial result improved in relation to the same quarter in the previous year, from –€ 0.94 million to –€ 0.62 million. This is attributable to lower financial expenses. Financial income and the share of earnings accounted for by associates fell slightly.

Earnings before taxes (EBT) amounted to € 0.81 million in the first quarter (previous year: € 0.92 million). After tax expenses (€ 0.65 million), the profit from continuing operations amounts to € 0.17 million, compared to € 0.39 million in the first quarter of 2011.

The discontinued operation "Carton Business" in the USA yielded a small loss of € 14 thousand (previous year: € 161 thousand). This corresponds to a result for the period of € 0.15 million (previous year: +€ 0.23 million).

After deduction of the profit shares of noncontrolling interests (€ 0.08 million), a net profit of € 0.08 million is attributable to the shareholders of Deufol AG, compared to € 0.12 million in the previous year. Earnings per share in the first quarter were € 0.002 (previous year: € 0.003).

Financial Position

Asset Position

Net Cash and Investments

The first-quarter cash flow provided by operating activities amounted to € 5.73 million and was thus significantly higher than the level in the previous year (€ 2.46 million).

The net cash used in investing activities was negative at –€ 0.78 million (previous year: –€ 0.33 million). Outflows of funds resulted here from payments for the purchase of assets (–€ 1.64 million). Inflows of funds resulted from the decrease in financial receivables (+€ 0.48 million), interest received (+€ 0.32 million) and proceeds from the sale of assets (+€ 0.01 million).

The net cash used in financing activities was negative at –€ 4.96 million (previous year: –€ 3.43 million). The outflows resulted from the decrease in amounts owed to banks (–€ 2.01 million), interest paid (–€ 1.58 million) and the decrease in other financial liabilities (–€ 1.34 million). Cash and cash equivalents remained constant in relation to the end of the previous year, at € 11.4 million.

Decline in Financial Indebtedness

The financial indebtedness of the Deufol Group decreased in the first three months of the fiscal year by € 1.8 million to € 77.8 million. Since cash and financial receivables simultaneously declined (–€ 0.5 million), net financial liabilities also fell (though slightly less strongly), by € 1.3 million, from € 57.9 million at the end of the year to € 56.6 million.

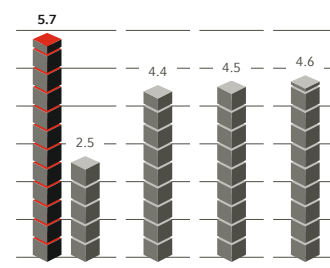
Slightly Lower Balance Sheet Total

At € 227.3 million, the balance sheet total as of March 31, 2012 is 2.6 % lower than at the end of the past year (€ 233.4 million). Of the noncurrent assets, property, plant and equipment (+1.0 to € 49.2 million) and financial receivables (–0.4 to € 8.0 million) accounted for the largest changes. Intangible assets decreased slightly (–0.3 to € 2.5 million). The other noncurrent assets realized only marginal changes. Of the current assets, trade receivables realized the strongest decrease (–5.8 to € 43.2 million). The other current assets realized only marginal changes.

On the liabilities side, equity (incl. noncontrolling interests) fell in the first three months of 2012 on balance by € 0.2 million to € 98.2 million. This was due to other comprehensive income (–€ 0.3 million) and the income for the period (+€ 0.1 million). Noncontrolling interests rose slightly (+0.1 to € 1.3 million). With a lower balance sheet total, the equity ratio increased from 42.1 % to 43.2 %. Liabilities decreased on balance by € 5.9 million to

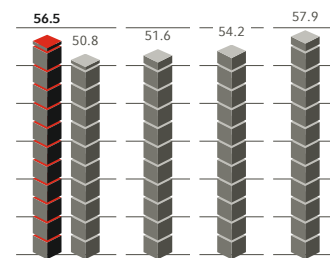
Net cash provided by operating activities

figures in € million



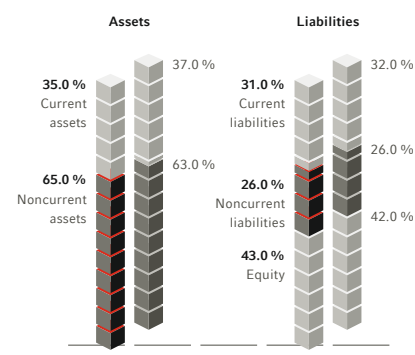
Net financial liabilities

figures in € million



Balance sheet structure

share in %



Employees**Development in the Segments****Employees**

Deufol Group	03/2012	12/2011
Germany	1,537	1,610
Share (%)	56.4	58.5
Rest of Europe	682	690
Share (%)	25.0	24.3
USA/Rest of the World	496	463
Share (%)	18.2	16.9
Holding company	11	9
Share (%)	0.4	0.3
Total	2,726	2,772

Employees**Slight Decline in Staff Numbers**

On March 31, 2012, the Deufol Group had 2,726 employees worldwide. This is 46 employees or 1.7 % fewer than at the end of last year. Workforce growth mainly occurred in the USA (+33 employees). In the Rest of Europe, the workforce fell by 8 employees and in Germany by 73.

Development in the Segments

The primary reporting format is based on geographical regions and consists of the segments "Germany", "Rest of Europe" and "USA/Rest of the World".

Germany

figures in € thousand	Q1 2012	Q1 2011
Sales	51,713	49,525
Consolidated sales	45,918	42,474
EBITA	2,533	1,363
EBITA margin (%)	5.5	3.2
EBTA	2,488	1,101

At € 45.9 million, in the first quarter of 2012 consolidated sales in Germany exceeded sales in the previous quarter by 8.1 . This segment is therefore now contributing 57.8 % to Group sales (compared to 56.5 % in the first quarter of 2011).

The operating result (EBITA) increased considerably in the first quarter on the previous year from € 1.31 million to € 2.53 million. The EBITA margin was 5.5 %, compared to 3.2 %.

This increase is primarily attributable to better results for "Export & Industrial Packaging". As well as the increase in sales, this also reflects initial success for the central purchasing system which has now been established. At the same time, the situation on the purchasing markets for wood has eased slightly.

Development in the Segments

Rest of Europe

figures in € thousand	Q1 2012	Q1 2011
Sales	22,234	23,268
Consolidated sales	20,006	21,258
EBITA	1,016	1,262
EBITA margin (%)	5.1	5.9
EBTA	1,004	1,266

In the Rest of Europe, at € 20.0 million consolidated sales were 5.9 lower than in the same quarter in the previous year. This segment has therefore contributed 25.2 % to Group sales (compared to 28.3 % in the first quarter of 2011). However, this decrease is unevenly distributed across the regions: -12.3 % in Belgium, -2.3 % in Italy and +29.8 % in the Slovakia/Czech Republic/Austria region.

The operating result (EBITA) decreased in the first quarter by 19.5 % , from € 1.26 million to € 1.01 million. This decline is attributable to temporarily lower packaging volumes at our Belgian locations, while the other regions have recorded improved earnings.

USA/Rest of the World

figures in € thousand	Q1 2012	Q1 2011
Sales	13,409	11,327
Consolidated sales	13,409	11,327
EBITA	(329)	(264)
EBITA margin (%)	(2.5)	(2.3)
EBTA	(883)	(919)

In the USA/Rest of the World segment, first-quarter consolidated sales were significantly higher than in the previous year at € 13.2 million, a rise of 18.4 %. Our new operations in Charlotte and Suzhou provided particularly significant growth contributions. This segment thus represents 16.9 % of Group sales (compared to 15.1 % in the first quarter of 2011). Adjusted for the 4.1 % average appreciation of the US dollar versus the euro, this growth amounts to 12.2 %.

The operating loss (EBITA) in the first quarter amounted to € 0.33 million, compared to a loss of € 0.26 million in the previous year; including the discontinued operation, the loss in the previous year was € 0.39 million. This scheduled temporary decrease in the operating result was due to the strong expansion of our gift card business. As part of the successful development of this business field, production capacities have been expanded to cope with the planned doubling of the sales volume and to provide the foundations for future success. The operations in Charlotte and Suzhou reached the break-even point.

Outlook

Slightly Stronger Global Economic Growth

Up to the end of 2011/early 2012, the outlook for the world economy was burdened by the sovereign debt crisis in the Eurozone, the uncertainty over the banking sector, the imponderabilities regarding the debate over financial policy in the USA and a surprisingly weak trend in the emerging markets. Confidence indicators have now improved slightly in many countries, for both companies and consumers, and growth in important regions of the world economy is improving. The risk of a new global recession in the forecast period has fallen strongly.

However, in the view of the economic research institutes there is nonetheless no sign of a strong global economic upturn. The adverse factors are too strong. Besides the dampening effect of the consolidation of many countries' budgets and the continued lowering of the private sector's debt burden in many advanced economies, the further rise in energy prices in particular is a source of additional strain.

Economic activity in the emerging markets remains curbed by the advanced economies' weak growth. Over the next few months, these markets' internal economic impetus will likely strengthen, however, supported by a more expansive monetary policy and diminishing uncertainty regarding the outlook for the advanced economies.

According to the spring survey conducted by the leading economic research institutes, overall in 2012 global output growth will fall to 2.5 %, while in the coming year at 3 % it will roughly equal the level in the past year. World trade should grow by 4.4 % in the current year.

Varying Economic Trends in the Eurozone

According to survey data from the European Commission, sentiment for companies and private households reached its low point in late autumn last year. Since this time, concerns over a further escalation of the financial crisis appeared to have decreased, particularly due to the ECB's liquidity measures but also due to an intensification of the consolidation efforts in several member states. At the same time, exports to countries outside of the Eurozone are improving again slightly. The slight overall improvement in the leading indicators suggests that the decline in economic performance in the Eurozone in the first quarter of 2012 will be slower than at the end of the past year.

There are currently significant variations in the economic outlook for the individual countries: For Germany, Austria, Estonia, Finland and Slovakia, the survey data point to a positive basic tendency. Elsewhere, the outlook remains gloomy or is deteriorating further, particularly in countries which have adopted strongly restrictive financial policies (Portugal, Greece, Italy, Spain and Ireland).

In the Eurozone, according to the research institutes overall economic output will decline by 0.3 % in 2012. For 2013, they predict moderate gross domestic production growth of 1.1 %.

Germany: Improving Economy

Following a weak phase of several months, in the spring of 2012 the German economy is improving. In the past winter, overall economic output virtually stagnated in the context of a worsening debt and confidence crisis in the Eurozone and the cyclical weakness of the world economy. However, the global economic environment has now improved and the measures implemented to reduce turbulence in the Eurozone have helped to stabilize the situation on the financial markets and to reduce the level of uncertainty over the economy. This decline in uncertainty is also apparent in terms of sentiment indicators. German companies' business predictions have been optimistic since December last year. The consumer climate has also improved.

The institutes expect that the buoyant economic factors will gain the upper hand in the forecast period. While the economic trend will remain very weak elsewhere in the Eurozone, the ECB's interest rate policy for the Eurozone as a whole is having an expansionary effect on Germany; the interest rate level is also low due to Germany's attractiveness as a "safe haven". Moreover, German companies' price competitiveness is currently higher than at any time in the past 30 years, particularly due to the euro's low level on the foreign exchange markets. Accordingly, despite the recession in German manufacturers' key sales territory, the Eurozone, and a global economic environment which is only slowly improving, the export trend is positive.

In this context, the improvement in output will gain significant impetus from the spring onwards, and utilization of overall economic capacity should noticeably increase. Catch-up effects for construction investments will initially also play a role, as a result of the weather-related obstacles to production in the first quarter. In the remainder of the forecast period, as in the past few years, domestic demand will provide the key impulses, and investments and private consumer spending in particular will likely strongly increase.

All in all, in 2012 the economic research institutes predict that the country's gross domestic product (GDP) will grow by 0.9%. For 2013, the institutes predict a rise in GDP of 2.0%.

Company-Specific Outlook

Risks and Opportunities

The risks and opportunities described in the Report on Expected Developments and the Risk Report contained in the Group management report for the 2011 annual financial statements remain applicable.

Outlook – Planning Confirmed

Deufol AG confirms its planning figures published for fiscal year 2012 in its annual financial report. These envisage sales in a corridor between € 315 million and € 330 million and an operating result (EBITA) of between € 12 million and € 14 million.

**Consolidated Income
Statement (IFRS)**

	Jan. 1, 2012– Mar. 31, 2012	Jan. 1, 2011– Mar. 31, 2011 adjusted*	Note/Page
figures in € thousand			
Sales	79,407	75,128	01/015
Cost of sales	(70,267)	(67,065)	
Gross profit	9,140	8,063	
Selling expenses	(1,424)	(1,405)	
General and administrative expenses	(6,146)	(4,857)	
Other operating income	465	385	
Other operating expenses	(598)	(354)	
Profit from operations (EBIT)	1,437	1,832	
Financial income	324	354	
Finance costs	(1,014)	(1,439)	
Share of profit of associates	66	145	
Earnings before taxes (EBT) from continuing operations	813	892	
Income taxes	(645)	(500)	
Income from continuing operations	168	392	
Loss from discontinued operation (net of tax)	(14)	(161)	02/015
Income for the period	154	231	
of which income attributable to noncontrolling interests	79	107	
of which income attributable to equity holders of parent	75	124	
Earnings per share			
in €			
Basic and diluted earnings per share, based on the profit (loss) attributable to common shareholders of Deufol AG	0.002	0.003	03/016
Basic and diluted earnings per share, based on the profit (loss) from continuing operations attributable to common shareholders of Deufol AG	0.002	0.007	03/016

* Concerning the adjustment of the previous year's figures, see the explanation on page 015.

**Consolidated Statement of
Comprehensive Income**

	Jan. 1, 2012– Mar. 31, 2012	Jan. 1, 2011– Mar. 31, 2011	Note/Page
figures in € thousand			
Income for the period	154	231	
Other recognized income and expense	(303)	(602)	
Exchange rate differences on translation of foreign operations			
Before tax	(347)	(763)	
Tax	0	0	
After tax	(347)	(763)	
Gain (loss) on cash flow hedges			
Before tax	63	228	
Tax	(19)	(67)	
After tax	44	161	
Total comprehensive income after tax	(149)	(371)	
of which attributable to noncontrolling interests	79	107	
of which attributable to equity holders of parent	(228)	(478)	


**Consolidated Balance Sheet
(IFRS)**

Assets	Mar. 31, 2012	Dec. 31, 2011	Note/Page
figures in € thousand			
Noncurrent assets	146,658	146,660	
Property, plant and equipment	49,169	48,155	
Investment property	370	383	
Goodwill	68,619	68,612	
Other intangible assets	2,446	2,778	
At-equity-method-accounted investments	2,860	2,794	
Financial receivables	7,946	8,339	
Other financial assets	248	248	
Other receivables and other assets	4,014	4,237	
Deferred tax assets	10,986	11,114	
Current assets	80,661	86,689	
Inventories	12,171	12,276	
Trade receivables	43,193	49,037	
Other receivables and other assets	8,691	8,664	
Tax receivables	1,426	1,356	
Financial receivables	1,864	1,953	
Cash and cash equivalents	11,391	11,416	
Assets classified as held for disposal	1,925	1,987	
Total assets	227,319	233,349	
Equity and Liabilities			
figures in € thousand			
Equity	98,172	98,336	04/016
Equity attributable to equity holders of Deufol AG	96,851	97,079	
Subscribed Capital	43,774	43,774	
Capital reserves	107,240	107,240	
Retained earnings (accumulated losses)	(52,356)	(52,431)	
Other recognized income and expense	(1,807)	(1,504)	
Equity attributable to noncontrolling interests	1,321	1,257	
Noncurrent liabilities	57,964	59,361	
Financial liabilities	48,315	49,308	
Provisions for pensions	3,736	3,885	
Other provisions	420	420	
Other liabilities	2,948	3,105	
Deferred tax liabilities	2,545	2,643	
Current liabilities	71,183	75,652	
Trade payables	25,195	28,971	
Financial liabilities	29,439	30,312	
Other liabilities	13,022	13,519	
Tax liabilities	2,295	1,673	
Other provisions	1,232	1,177	
Total equity and liabilities	227,319	233,349	



Consolidated Cash Flow Statement

figures in € thousand	Jan. 1, 2012– Mar. 31, 2012	Jan. 1, 2011– Mar. 31, 2011	Note/Page
Income (loss) from operations (EBIT) from continuing operations	1,437	1,832	
Income (loss) from discontinued operation	(14)	(161)	
Adjustments to reconcile income (loss) to cash flows from operating activities			
Depreciation and amortization charges	2,232	2,301	
(Gain) loss from disposal of property, plant and equipment	(51)	(59)	
Other noncash expenses (revenue)	(140)	(82)	
Changes in assets and liabilities from operating activities			
Change in trade accounts receivable	5,844	(1,496)	
Change in inventories	105	(187)	
Change in other receivables and other assets	202	(647)	
Change in trade accounts payable	(3,776)	1,018	
Change in other liabilities	(227)	(224)	
Change in accrued expenses	(19)	(41)	
Change in other operating assets/liabilities (net)	137	208	
Net cash provided by (used in) operating activities	5,730	2,462	05/016
Purchase of intangible assets and property, plant and equipment	(1,636)	(1,366)	
Proceeds from the sale of intangible assets and property, plant and equipment	53	170	
Purchase of subsidiaries	0	(150)	
Net change in financial receivables	482	669	
Interest received	318	348	
Net cash provided by (used in) investing activities	(783)	(329)	05/016
Net change in borrowings	(2,008)	(5,479)	
Addition (extinction) of other financial liabilities	(1,366)	3,569	
Interest paid	(1,583)	(1,498)	
Dividends paid to noncontrolling interests	(15)	(22)	
Net cash provided by (used in) financing activities	(4,972)	(3,430)	05/016
Effect of exchange rate changes and changes in the scope of consolidation on cash and cash equivalents	0	114	
Change in cash and cash equivalents	(25)	(1,183)	
Cash and cash equivalents at the beginning of the period	11,416	16,811	
Cash and cash equivalents at the end of the period	11,391	15,628	

Consolidated Statement of Changes in Equity

	Subscribed Capital	Capital reserves	Accumulated losses	Other comprehensive income (expense)		Equity attributable to equity holders of Deufol AG	Equity attributable to noncontrolling interests	Total equity
				Cumulative translation adjustment	Reserve for cash flow hedges			
figures in € thousand								
Balance at Dec. 31, 2010	43,774	107,240	(51,207)	(1,461)	(541)	97,805	1,171	98,976
Income (loss)	—	—	124	—	—	124	107	231
Changes recognized directly in equity	—	—	—	(763)	228	(535)	—	(535)
Deferred taxes for valuation changes recognized directly in equity	—	—	—	—	(67)	(67)	—	(67)
Total recognized income and expense	—	—	124	(763)	161	(478)	107	(371)
Dividends	—	—	—	—	—	—	(22)	(22)
Balance at Mar. 31, 2011	43,774	107,240	(51,083)	(2,224)	(380)	97,327	1,256	98,583
Balance at Dec. 31, 2011	43,774	107,240	(52,431)	(1,208)	(296)	97,079	1,257	98,336
Income (loss)	—	—	75	—	—	75	79	154
Changes recognized directly in equity	—	—	—	(347)	63	(284)	—	(284)
Deferred taxes for valuation changes recognized directly in equity	—	—	—	—	(19)	(19)	—	(19)
Total recognized income and expense	—	—	75	(347)	44	(228)	79	(149)
Dividends	—	—	—	—	—	—	(15)	(15)
Balance at Mar. 31, 2012	43,774	107,420	(52,356)	(1,555)	(252)	96,851	1,321	98,172

Notes to the Consolidated Interim Financial Statements



General Accounting and Valuation Methods

These consolidated financial statements for the interim report – which have not been audited or verified by an auditor – describe the business activities of Deufol AG and its subsidiaries (the “Group”). The statements were produced in accordance with IFRS (“International Financial Reporting Standards”). All IFRSs (IFRSs, IASs, IFRICs, SICs) as adopted by the European Union and effective as of the balance sheet date were applied.

In principle, the balancing and valuation methods used are those for the last consolidated financial statements as of the end of the fiscal year. A detailed description of these methods is provided in our annual report for the year 2011. In addition, IAS 34 “Interim Financial Statements” was applied.

New Accounting Standards



The first-time application of the new standards and applications which are mandatory from fiscal year 2012 had no effect on the recognition and measurement of assets and liabilities.

Currency Translation

In accordance with IAS 21, the financial statements of the foreign subsidiaries included in the Group financial statements whose functional currency is not the euro were converted into the Group currency euro on the balance sheet cut-off date on the basis of the functional currency concept. The conversion was in accordance with the modified closing rate method.

The exchange rates for the translation of currencies that are not part of the European Monetary Union changed as follows:

Foreign currency	Middle rate as of the balance sheet date		Average rate of exchange	
	Mar. 31, 2012	Dec. 31, 2011	Q1 2012	Q1 2011
per €				
US dollar	1.3356	1.2939	1.3110	1.3669
Czech crown	24.7300	25.7870	25.0830	24.3730
Renminbi	8.4089	8.1588	8.2702	8.9966



 Scope of Consolidation

All significant subsidiaries over which Deufol AG has legal or effective control are included in the consolidated financial statements.

The consolidated group is as follows:

figures in € thousand	Dec. 31, 2011	Additions	Disposals	Mar. 31, 2012
Consolidated subsidiaries	37	0	0	37
thereof in Germany	23	0	0	23
thereof abroad	14	0	0	14
Companies valued using the equity method	4	0	0	4
thereof in Germany	3	0	0	3
thereof abroad	1	0	0	1
Total	41	0	0	41



 01 Sales

In respect of further comments on the sales, we refer to the segment reporting.

 02 Income (Loss) from Discontinued Operation

Within the framework of its portfolio optimization, in the past fiscal year Deufol Sunman Inc. wound up its "Carton Business", i. e. production of carton packaging. This is classifiable as a discontinued operation in accordance with IFRS 5. Accordingly, in the period under review all income and expenses for this operation are reported separately in the income statement under "Income (loss) from discontinued operation (net of tax)". The previous year's figures have been adjusted accordingly.

The position "Income (loss) from discontinued operation (net of tax)" in the consolidated income statement is made up as follows:

figures in € thousand	Jan. 1, 2012– Mar. 31, 2012	Jan. 1, 2011– Mar. 31, 2011
Income from operating activities	216	895
Expenses for operating activities	(230)	(941)
Expenses from the recognition of a liability in relation to a pension fund	—	—
Income (loss) from discontinued operation (before tax)	(14)	(128)
Taxes	0	0
Income (loss) from discontinued operation (net of tax)	(14)	(128)
Earnings per share from discontinued operation (€)	(0.000)	(0.003)

03 Earnings per Share	Income	Jan. 1, 2012– Mar. 31, 2012	Jan. 1, 2011– Mar. 31, 2011
		figures in € thousand	
	Result attributable to the holders of Deufol AG common stock	75	124
	from continuing operations	89	285
	from discontinued operation	(14)	(161)
	Shares in circulation		
	figures in units		
	Weighted average number of shares	43,773,655	43,773,655



04 Equity

There was no change in the subscribed capital and in the capital reserves in the first quarter of 2012.

05 Cash Flow Statement

The cash flow statement shows the origin and appropriation of the money flows in the first three months of the fiscal years 2011 and 2012. It is of key significance for an assessment of the financial position of the Deufol Group.

The cash funds shown in the cash flow statement correspond to the balance sheet item "Cash and cash equivalents".

The net cash provided by operating activities has been adjusted for changes to the scope of consolidation and in the first three months of 2012 amounted to € 5,730 thousand.

The outflow of funds from investing activities amounted to € 783 thousand and includes the cash flows from the purchase and sale of property, plant and equipment, the purchase of subsidiaries and the change in financial receivables as well as interest received.

The outflow of funds from financing activities amounted to € 4,972 thousand and reflects the net change in financial liabilities plus dividend and interest payments.

The cash and cash equivalents balance decreased on balance by € 25 thousand.



Dividend

No dividend was distributed in the first three months of 2012.

Contingencies

There were no significant changes in the contingencies in relation to December 31, 2011.

**Significant Events after the
Balance Sheet Date**

On April 4, 2012, the Executive and Supervisory Boards of Deufol AG, Hofheim, filed charges with the Frankfurt am Main public prosecutor's office versus persons including the former managing director of the subsidiary Deufol Tailleur GmbH and the former CEO of Deufol AG. The Frankfurt am Main public prosecutor's office has now initiated preliminary proceedings. Deufol AG already parted ways with these persons in late 2011.

In the period from 2006 to 2011, they are suspected of having acted in business dealings to the detriment of the Deufol Group.

The damage is a low eight-figure euro amount. As well as the criminal proceedings which are now under way, Deufol AG will also assert compensation claims in a civil action. The Company is confident in its ability to enforce these compensation claims.

Segment Information

The segment reporting is prepared in accordance with the provisions of IFRS 8 (Operating Segments).

Its primary reporting format is based on geographical regions which are grouped for the purpose of corporate management. As the segment result – used for assessment of the business success of the respective segments – the management has calculated the result for the period before taxes, financial income, financial expenses, shares of profits of companies accounted for using the equity method and amortization/impairment of goodwill (EBITA). The Deufol Group has the following segments for which reporting requirements apply:

- Germany
- Rest of Europe
- USA/Rest of the World

The holding company covers the Group's administrative activities and, in addition to Group management functions, includes support functions such as key account management and corporate communications.

The operating result (EBITA) for the business units is separately monitored by the management in order to make decisions on the allocation of resources and to determine the units' performance. The segments' development is mainly measured with reference to the operating result. As the Deufol Group has a decentralized organizational structure, financial expenses and income and income taxes can be allocated to the individual business segments.

The prices charged between the business segments are determined on the basis of standard market conditions between unrelated parties.

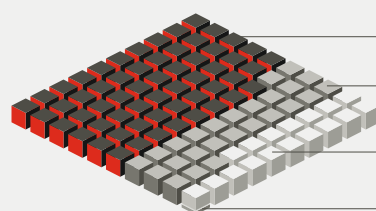


01 Segment Information
by Region (Primary Reporting
Format)

	Germany	Rest of Europe	USA/Rest of the World	Holding company	Elimination	Group
figures in € thousand						
First quarter 2012						
External sales	45,918	20,006	13,409	74	0	79,407
Internal sales	5,795	2,228	0	210	(8,233)	0
Total sales	51,713	22,234	13,409	284	(8,233)	79,407
EBIT	2,533	1,016	(329)	(1,729)	(54)	1,437
Financial income	81	297	28	390	(472)	324
Finance costs	(192)	(309)	(582)	(403)	472	(1,228)
Earnings from associates	66	0	0	0	0	66
EBT	2,488	1,004	(883)	(1,742)	(54)	599
Taxes						(645)
Result for the period						(253)
Assets	107,100	67,590	34,363	210,084	(204,230)	214,907
of which investments accounted for using the at-equity method	2,860	0	0	0	0	2,861
Non-allocated assets						12,412
Total assets						227,319
Financial liabilities	27,929	20,815	44,587	36,286	(51,863)	77,754
Other debt	60,933	16,595	9,815	4,354	(45,144)	46,553
Non-allocated debt						4,840
Total liabilities						129,147
Depreciation, amortization and impairment	1,005	749	365	101	0	2,220
Investments	194	461	2,680	23	0	3,358

External sales by segment

figures in %

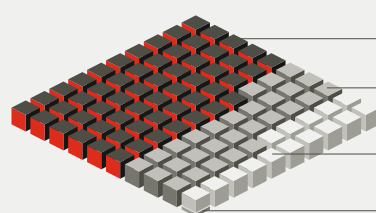


	Q1 2012
Germany	57.82
Rest of Europe	25.20
USA/Rest of the World	16.89
Holding company	0.09

	Germany	Rest of Europe	USA/Rest of the World	Holding company	Elimination	Group
figures in € thousand						
First quarter 2011						
External sales	42,474	21,258	11,327	69	0	75,128
Internal sales	7,051	2,010	0	382	(9,443)	0
Total sales	49,525	23,268	11,327	451	(9,443)	75,128
EBIT	1,363	1,262	(264)	(580)	51	1,832
Financial income	289	365	0	366	(666)	354
Finance costs	(696)	(361)	(655)	(393)	666	(1,439)
Earnings from associates	145					145
EBT	1,101	1,266	(919)	(607)	51	892
Taxes					0	(500)
Result for the period						392
Assets	97,674	71,296	29,421	196,851	(180,111)	215,131
of which investments accounted for using the at-equity method	2,850	0	0	0	0	2,850
Non-allocated assets						12,245
Total assets						227,376
Financial liabilities	29,986	25,708	37,079	22,078	(37,058)	77,793
Other debt	48,081	19,041	6,845	7,943	(35,134)	46,776
Non-allocated debt						4,224
Total liabilities						128,793
Depreciation, amortization and impairment	1,022	709	334	71	0	2,136
Investments	440	312	667	716	0	2,135

External sales by segment

figures in %



	Q1 2011
Germany	56.53
Rest of Europe	28.30
USA/Rest of the World	15.08
Holding company	0.09



Supplementary Disclosures

Composition of the Executive Board and the Supervisory Board

There were no changes to the members of the Executive and Supervisory Boards in the first three months of fiscal year 2012.

Securities Holdings

On March 31, 2012, the Executive Board held 23,190,632 no-par value shares. The members of the Supervisory Board do not hold any shares of Deufol AG.

The securities holdings are as follows:

Executive Board	No-par value shares at Mar. 31, 2012	No-par value shares at Dec. 31, 2011
Dr. Tillmann Blaschke	29,800	29,800
Detlef W. Hübner	23,160,832	23,160,832
Total	23,190,632	23,190,632

Mr. Detlef W. Hübner holds most of his shares indirectly through Lion's Place GmbH, Hofheim am Taunus.

Directors' Dealings

Transactions of the organs involving financial instruments of Deufol AG are notified promptly in accordance with the statutory regulations. An overview of transactions can be found on the website of Deufol AG (www.deufol.com) in the "Investor & Public Relations" area under the heading "The share".

Relationships with Related Parties

With regard to the transactions with related parties, there was no significant change in relation to the previous annual financial statements.

Additional Information

Financial Calendar

April 20	2012	Annual Financial Statements 2011
May 30	2012	Interim Report I/2012
July 4	2012	Annual General Meeting
August 14	2012	Semi-Annual Financial Report 2012
November 13	2012	Interim Report III/2012

Key to Symbols

-  Basis of Preparation
-  Scope of Consolidation
-  Consolidated Income Statement Disclosures
-  Consolidated Balance Sheet Disclosures
-  Consolidated Cash Flow Statement Disclosures
-  Other Disclosures
-  Segment Information
-  Supplementary Disclosures

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