Q4 31.03.2013

Jetter

Business Report
2012 - 2013

Jetter at a Glance

JETTER GROUP

KEUR	2012 / 13	2011 / 12	2010 / 11	2009 / 10	2008 / 09	2007 / 08
Sales	40,210	44,040	33,638	28,613	40,150	40,947
Result of ordinary activities	-1,535	282	-2	-1,978	1,188	4,003
Net result	-2,216	151	-114	-1,298	1,205	3,394
Earnings per share (EUR)	-0.68	0.05	-0.04	-0.40	0.37	1.05
Changes in financing funds	1,944	-2,290	-1,673	-176	455	18
	31.03.2013	31.03.2012*	31.03.2011*	31.03.2010	31.03.2009	31.03.2008
Equity	20,145	22,830	22,917	23,105	24,945	23,813
Equity ratio	63 %	65 %	67 %	70 %	70 %	66 %
Total assets	31,836	35,336	34,460	33,287	35,914	35,969
Employees (average)	249	252	234	238	225	208

* adjusted under IAS 19

Content

Preface by the CEO

LADIES AND GENTLEMEN, SHAREHOLDERS, MEMBERS OF STAFF, CUSTOMERS AND FRIENDS OF OUR COMPANY

After record sales for the company's history in the previous year, Jetter suffered a distinct setback in the reporting period. This had been expected, yet not in the degree that finally happened. It was especially the last quarter that fell short of expectations. The downturn was caused on the one hand by the end of catch-up effects following the preceding crisis, on the other hand by an economic cooling off of the general machinery industry. The mobile automation segment continued to grow, as opposed to the industrial automation segment, but could not compensate the decrease of the latter. The result was therefore negative and far below expectations.

The economic environment was characterised by high volatility and increasingly erratic investment decisions by end-customers, which made reliable prognostics about business development ever more difficult. Because there are no signs of this situation improving in the short term, management has implemented cost-cutting measures which are meant to stabilise profitability in uncertain times. These measures have additionally burdened the result in the reporting period, before yielding results in the current fiscal year.

Günter Eckert
CFO

Martin Jetter
CEO

SALES

Consolidated sales fell by nearly 9% to 40.2 Mio Euro in the reporting period. Total output fell even by nearly 17% to 39.2 Mio Euro. The excessive decline in output was caused by a decrease in stock, which, on the other hand, had positive repercussions on cash.

Satisfying sales were reached only and alone in the third fiscal quarter, all other periods fell short of expectations. Especially the last quarter missed expectations sharply, causing an outspokenly weak result.

RESULT

Especially the fourth quarter loss, caused by low sales and additional restructuring costs, led to a loss before interest and tax of -1.4 Mio Euro, after a modest profit of 0.4 Mio Euro in the previous year.

A positive influence on earnings was caused by a slight decline in personnel cost, and by a marked decline of the material ratio from 47% to 42%. On the other hand, development cost of 7 Mio Euro, or 18% of sales, have massively burdened the result.

Christian Benz
CTO

MOBILE AUTOMATION AND INDUSTRIAL AUTOMATION

The high development costs are in part an investment in the young segment of mobile automation. In the reporting period, further pilot projects were done with new, renowned customers. These allow a very positive outlook on future business development, although not in the current fiscal year, due to the long-term character of these projects. Industrial automation, too, has generated high development costs. In the future, an optimized make-or-buy strategy and sharper focus shall improve the ratio of development cost to sales.

SUBSIDIARIES

The futronic subsidiary could push sales by 34% to 10.2 Mio Euro, a new all-time high for this company, at an EBIT margin of 5.4%. It is worth mentioning that the sales growth was achieved mostly outside the glass industry, thus strengthening futronic's independency from the glass economy.

Production activities had already been transferred from Jetter UK to Ludwigsburg, leaving the English subsidiary a development center; management in Germany then decided to transfer development to Ludwigsburg, too and close the site. The transfer will be finished by September 2013 and add to the cost saving.

OUTLOOK

As presently there is no sustainable economic upswing in sight, management expects only moderate topline growth, driven by new customers in the industrial and mobile automation segments. The return to profit, through the cost cutting measures mentioned above, is expressly aspired.

Thanks to employees and partners

Business or companies are formed by humans. Our thanks go to our employees, for their great engagement and their performance in the fiscal year. We thank our customers, shareholders and business partners for their confidence and support.

Ludwigsburg, June 2013

Martin Jetter

Martin Jetter
CEO

Profile and Mission of Jetter

OUR LEITMOTIF

Innovative solutions for uncomplicated automation. This has been the leitmotif of Jetter AG since its foundation over thirty years ago. From the beginning, Jetter AG has been a competent service provider in the field of industrial automation. A distinctive feature of Jetter technology is the integration of all automation functions into one system and one programming language. This holistic approach renders software and hardware interfaces unnecessary and provides the user with an integrated system which simplifies programming and commissioning and brings products faster to market (time to market).

MANY YEARS OF EXPERIENCE IN INDUSTRIAL AUTOMATION

Jetter AG considers itself as a partner of industrial automation. We provide control solutions for a great variety of applications in mechanical and plant engineering, in process technology and in building automation. They excel by their seamless integration of motion technology and an extremely powerful programming language. Only one system and one programming language are needed to efficiently complete all automation tasks.

SYSTEM SOLUTIONS FOR MOBILE AUTOMATION

Many years of experience in industrial automation and close cooperation with market and industry leaders enable us to offer innovative system solutions to the mobile automation industry, as well. Our powerful and rugged systems can also be produced in small batches customized to the customers' needs. Powerful programming and visualization software support the user for maximum efficiency.

A COMPREHENSIVE SERVICE PORTFOLIO IN COOPERATION WITH FUTRONIC GMBH

Since 2006, futronic GmbH, one of the world's leading specialists in control technology for glass manufacturing, has belonged to the Jetter group. It has been a well-proven concept of a strategic partnership between these two companies.

futronic develops customized control applications for hardware platforms of various manufacturers. The control specialist being located in Tettnang generally focuses on end-customer projects. This means the core competencies are both the planning of demanding automation solutions, and their implementation.

THE MANAGEMENT

Jetter AG was founded in 1980 by today's CEO Martin Jetter, who had it be listed at the stock exchange in 1999. The company is managed by the Martin Jetter (chairman, CEO), Christian Benz (CTO and Sales) and Günter Eckert (CFO and Production). Mr. Benz took the position on 1 April 2013 from Andreas Kraut.

OUR CORPORATE PHILOSOPHY

Joint client-oriented effort by all members of staff is crucial to a company's success. Our Corporate Philosophy is a great help in reaching this goal, as it points the way and provides the framework for positive action.

Please find below the principles of our actions:

- We cultivate honest and trusting cooperation for strong partnerships.
- Willingness to change is an important factor for our success.
- We take responsibility for others, both in and outside our company.
- We are careful to treat environmental resources with a responsible attitude.
- We are an ethical company: everything that we do should withstand public scrutiny.

OUR STAFF

The success of Jetter AG to a great extend lies in our employees. This means that their expertise and qualification, as well as their ability to identify with the company, are decisive success factors. From our staff, we expect a high level of commitment, flexibility, cost and quality awareness, the ability to work in a team, and the readiness to take responsibility. Our mutual approach is based on positive interaction, the willingness to assist, and the ability of inter-departmental thinking. Adequate qualification given, equal opportunities both regarding employment and development, as well as advancement in the job must be ensured. To this end, it is our responsibility to recruit capable leaders whose conduct is fair and ethically motivated.

THE TECHNOLOGY

In the 1990s, Jetter AG as an innovative organization was the first company in the industry that systematically focused on networking with standard Ethernet TCP/IP known from the IT world, and the use of web technologies (known as JetWeb technology). In JetWeb, integrated Ethernet-TCP/IP has been applied – even for synchronizing electric motion systems. This way, modular organization and servicing of plants have been simplified, and connectivity to the office EDP has been provided. Visualization and operation through a web browser are possible, as are alarms delivered by the installation via e-mail or SMS.

THE CUSTOMER'S BENEFIT

Applying the JetWeb technology results in a significant technological edge at low system costs for our customers. Integration of all functions into one system helps achieve a reduction of up to 30 % in time and money for our customers spent on programming and commissioning. The reason is that JetWeb eliminates expenses for various software licenses, for getting familiar with several different systems and for programming interfaces.

The Jetter Share

THE STOCK EXCHANGE

At the beginning of our fiscal year, the DAX index lost several points over a short period, before starting a new rally in June 2012. In March 2013, it tested the 8,000 mark on several days, for the first time since 2007. It closed at 7,795 points on 28 March 2013.

SHARE PRICE AND TRADING ACTIVITY

For several months, the Jetter share moved in the bandwidth between EUR 5.50 and EUR 6.50, before falling below EUR 5.00 towards the end of 2012. Under continuing sales pressure, it fell to EUR 4.75 at the end of the year.

The Jetter share is mainly traded on the XETRA system of the Frankfurt stock exchange; Frankfurt is also the only place with significant floor trading. The total volume for both these places was about 0.29 Mio. shares, less than in the previous year. With 3.2 Mio. outstanding shares, market cap on 31 March 2013 was 15 Mio. Euro.

INVESTOR RELATIONS

During the year, we continued our communication with specific institutional investors. In November 2012, we were present at the Eigenkapitalforum in Frankfurt, presenting the company to interested parties in an investors' conference as well as in one-on-one meetings.

PRIME STANDARD AND DESIGNATED SPONSOR

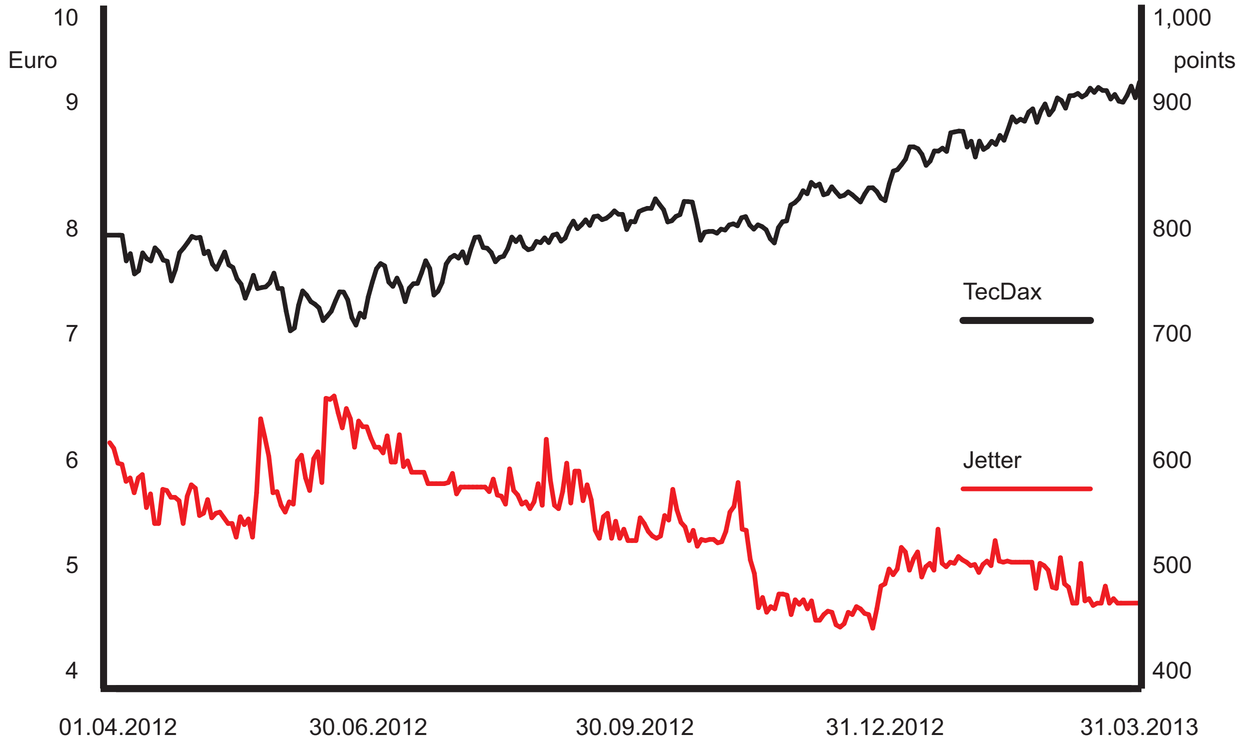
Since the IPO in 1999, the Jetter share had been traded on the Neuer Markt. When this trading segment was closed in 2003, Jetter opted for a listing in the Prime Standard, whose high transparency requirements ensure an efficient trading platform.

In order to ensure a continuous trade, Jetter employs the services of a designated sponsor. Since 2011, Close Brothers Seydler Bank AG is fulfilling this role.

SHARE INFORMATION

WKN	626400
ISIN	DE0006264005
Listing	Geregelter Markt Frankfurt am Main Prime Standard
Designated Sponsor	Close Brothers Seydler Bank AG

JETTER SHARE PRICE



Directors Report

I. BUSINESS DEVELOPMENT

ECONOMIC ENVIRONMENT

The German machinery and equipment industry took off strong in 2012, but could not carry the momentum. According to the VDMA organisation, exports in December were 10% below the previous year, with the whole year 5.1% above the previous year. In early 2013, a precarious balance existed between cautious optimism and a whiff of doubt. Especially the debt crisis in the Euro-zone has kept machinery customers on edge for several quarters now.

Jetter as a supplier to the machinery industry is suffering from this anxiety, as expressed in strong volatility of quarterly sales and results.

SALES

In the fiscal year 2012/13 (31 March) the Jetter group with a turnover of 40.2 Mio Euro missed the previous year value of 40.2 Mio Euro by 9%.

DISTRIBUTION AND MARKETING

Marketing and distribution in the fiscal year continued to widen the customer base, especially in the new target segment of mobile automation.

Apart from the headquarters in Ludwigsburg, Jetter has the sales offices “South-East” in Kolbenmoor, “Centre” in Wölfersheim (near Frankfurt)and “North” in Haltern. Sales outside Germany are mainly promoted through subsidiaries in their corresponding regions.

RESEARCH AND DEVELOPMENT

Integrated coding of motion control, HMIs, SPS functions and network access is a core characteristic and UPS of Jetter technology. Development activity in the reporting period therefore focused on the further development of the programming language that we offer our customers for programming and setting up of control solutions. Apart from Subversion®, the tool suite now supports also Microsoft®’s Team Foundation Server®. The customer thus can comfortably and in state-of-the-art manner organise complex projects involving several programmers. Additionally, we have improved numerous details in order to facilitate efficient and timely work.

In the framework of new and further development in industrial automation, we have mainly developed further the JetControl-300 and the JX3 peripheral module series. The functionality of these systems was enhanced through new software features and the development of communication modules. Intense development and preparations are undertaken for the next generation of servo amplifiers, which are prepared to enter the market within the calendar year.

Further progress was made in the field of electronic drives in mobile automation. Two customers successfully tested agricultural machines in the field. Some parts of these machines were powered electronically, thus proving the road capability and process improvement as well as measuring fuel savings. Additional controller models for mobile automation were brought to serial production. In order to empower intelligent fleet management, a unit with GPS and GSM connections was developed for use in municipal utility vehicles. As in the past, part of mobile automation development was done in co-operation with our English subsidiary Jetter UK in Eynsham.

EMPLOYEES

Considering the moderate development and still existing uncertainty, headcount was slightly reduced in the fiscal year.

Employees are treated to regular education and training measures, especially in the current crisis. The qualification and continuous improvement of our workforce is sine qua non for the group’s success.

Headcount in the group sank from 256 at the beginning of the fiscal year to 253 at its end. 13 of these were apprentices (previous year: 12). Jetter’s corporate philosophy defines providing a qualified apprentice training as the basis for the company’s continuing development and an obligation towards society.

INVESTMENT

In the fiscal year 2012/13, the Jetter group spent 1.9 Mio Euro on investment in software, development and tangible fixed assets. The largest items concerned the development and production facilities in Ludwigsburg. Further investments regard self-produced test and demo equipment for new products, replacement of personal computers and software.

II. SITUATION OF THE JETTER GROUP

BALANCE SHEET

Investment in tangible and intangible assets was done in the fiscal year 2012/13 to the extent described above. Total non-current assets receded from 16.5 Mio Euro to 15.5 Mio Euro.

Stocks and trade receivables, which in the previous year had increased strongly, could be markedly reduced during the year. Stock sank by 28% to 8.9 Mio Euro, receivables by 8% to 4.0 Mio Euro. This reduction in working capital led to an increase in financing funds to 2.6 Mio Euro, the loss notwithstanding. Total current assets decreased from 18.8 to 16.4 Mio Euro.

Equity sank from 22.8 Mio Euro to 20.1 Mio Euro. The equity ratio sank from 64.6% to 63.3%.

Pension accruals rose from 3.1 Mio Euro to 3.9 Mio Euro, mainly through actuarial losses. Employee benefit accruals remained nearly unchanged at 0.3 Mio Euro. Other accruals sank from 0.9 to 0.6 Mio Euro.

During the fiscal year, loans were regularly paid back. Bank liabilities at the closing date were 3.2 Mio Euro, 0.6 thereof short-term.

INCOME SITUATION

EARNINGS FIGURES

KEUR	2012/13	2011/12
EBIT	-1,418	432
Consolidated Result	-2,216	151
Earnings per share in EUR	-0.68	0.05

Apart from the third fiscal quarter, sales throughout the reporting period hovered markedly below the level of the previous year. Sales fell by 9% to 40.2 Mio Euro. Decrease in stock levels pushed total output down by 17% to 39.2 Mio Euro. The material-to-sales ratio improved: after 47% in the previous year, it now amounted to 42%. Gross margin, calculated as output less material and personnel cost in relation to output, worsened from 17.4% to 16.3%. Material expense fell proportionally more than sales, but personnel expense fell only slightly, from 16.7 Mio Euro to 16.2 Mio Euro. Combined with the stock reduction, this led to a worse ratio. Amortisation rose slightly to 2.4 Mio Euro. Other operating expenses rose from 6.1 to 6.3 Mio Euro. EBIT was -1.4 Mio Euro, after +0.4 Mio Euro in the previous year. Consolidated after-tax loss was -2.2 Mio Euro (previous year: profit of +0.2 Mio Euro).

FINANCIAL SITUATION

Operating cash-flow improved over the previous year, the loss notwithstanding. This was mainly due to a sharp decrease in working capital. Investment was slightly below the previous year level. Financing funds at the closing date were 2.6 Mio Euro, 1.9 Mio Euro more than the year before.

ORDERS

Order intake was 39 Mio Euro in 2012/13 (previous year: 44 Mio Euro). On 31 March 2013, the order book amounted to 5.3 Mio Euro (previous year: 5.9 Mio Euro).

The fiscal year was characterised by volatile sales on a low level. Cost-cutting measures from the past showed some effect, but not enough to stay out of loss.

SUBSIDIARIES

On 31 December 2007, Jetter has acquired the Oxford-based Control Developments Ltd. and renamed it Jetter UK Ltd. The company has excellent know-how in the control of hydraulic drives. After complete transfer of this expertise to Ludwigsburg, development shall be continued by Jetter AG and the British subsidiary shall be closed. Activities shall be wholly continued at markedly reduced cost.

In Switzerland and USA, there is a sales company each to care for the local market.

futronic GmbH in Tettnang produces controllers and is focussed on the glass container industry. The company has developed well since the takeover by Jetter in 2006. Since the fiscal year 2006/07, a control and result-sharing agreement is in place.

In July 2012, Jetter Automation Technology Shanghai Co. Ltd. was founded in Shanghai, China. Share capital is EUR 560,000, of which EUR 300,000 were paid in on 31 March 2013. The remaining EUR 260,000 were paid in April 2013. The shares are 100% owned by Jetter AG, Ludwigsburg. The main activity of this company is the opening up of the Chinese market. In the interim financial statements at 30 September 2012, it was consolidated for the first time.

III. NOTES REQUIRED BY THE ÜBERNAHMERICHTLINIE-UMSETZUNGSGESETZ (SIC) § 315 (4) HGB

§ 315 (4) Nr. 1 HGB

The share capital of Jetter AG was EUR 3,246,061 on 31 March 2012. It consisted of as many ordinary non-par value bearer shares, with one share corresponding to one Euro of share capital. Rights and obligations resulting from share ownership are set out in the Aktiengesetz.

§ 315 (4) Nr. 3 HGB

Bucher Industries AG, Switzerland, held 29.98% of voting rights on the closing date.

§ 315 (4) Nr. 6 HGB

Appointment and disappointment of management board members are ruled by § 84 AktG. The statutes rule that the supervisory board defines the number of management board members and appoints them for a maximum term of five years. Repetitive appointments, for a maximum of five years, each, are permitted. The statutes also say that the management board may consist of one or more people.

Statute changes are subject to §§ 133, 179 AktG. The statutes additionally specify in § 14 that AGM decisions are met with the simple majority of cast votes, unless the law prescribes a higher majority. If the Aktiengesetz prescribes a majority of the share capital present in the AGM, a simple majority is sufficient, if legally allowed. The supervisory board is authorised by the statutes to decree statute changes that affect only the version, especially the changes in version due to changes in share capital.

§ 315 (4) Nr. 7 HGB

The management board is authorised to issue shares in the course of capital increases from authorised capital, or in the use of conditional capital. The extent and conditions of these authorisations are explained in detail in the notes to the financial statements. Management is not authorised to acquire own shares.

IV. RISKS AND OPPORTUNITIES FOR THE FUTURE DEVELOPMENT

In compliance with the law on control and transparency of enterprises (KonTraG), Jetter indicates risks that could either compromise the company's existence or influence significantly its financial and economic situation. These risks are continually and systematically monitored within the framework of a risk management system in order to eventually take appropriate measures. The risk management report describes defined risks including the corresponding control, monitoring and precaution measures. Risk-owners are appointed for each risk, who must file reports on their risk in given intervals. The most important risk factors are listed below:

MARKET RISKS

Jetter operates in the automation market, which is subject to fast technological change. Jetter's own JetWeb technology is opening up new markets with potentially strong customers. The further development of Jetter's market potential strongly depends on the company's continuing ability to develop innovative and attractive products, thus enabling its customers to have the edge over their competition.

CUSTOMERS

A large part of our current sales is achieved with comparatively few customers in limited industry sectors. The glass machine industry, led by our customer Emhart Glass, continues to have considerable importance, followed by the window-building and packaging industries. Losing one of these customers can have a significant adverse effect on the profit situation. Jetter is therefore broadening its customer base by enlarging the distribution forces, a process which is eased by the attractiveness of JetWeb products.

SUPPLIERS

Several of the components that Jetter needs for its products are only available from a very small number of suppliers, or even from one single supplier only. Additionally, the demand for these elements can exceed their supply by far during strong economic cycles. This can result in supply bottlenecks with consequences for delivery times and sales, at least in reduced margins due to purchase price increases. On the other hand, key suppliers might suddenly disappear. Jetter tries to implement design changes that would allow for alternative components in order to reduce dependency in key areas.

PERSONNEL

The future corporate development depends to a high degree on Jetter's ability to retain qualified employees in key positions for application, development and distribution. This regards not only the parent company and existing subsidiaries, but also the international distribution network in general.

QUALITY OF HARDWARE AND SOFTWARE

As with every hard- and software supplier, systems and software products sold by Jetter can contain bugs and malfunctions that can compromise the company's reputation or even result in damage claims. In order to limit these risks, Jetter is implementing a wide-ranging quality control management and has underwritten appropriate product liability insurance.

FINANCIAL RISKS

The business risks outlined above might eventually lead to a strained liquidity situation. Financial instruments like loans, trade receivables and other receivables, as contained in the balance sheet, can generate payment risks or market risks due to changing exchange rates, interest rates or market prices. The interest risk is limited, as we only use fixed interest rates for interest-bearing financial instruments. The maximum payment risk for financial instruments is equal to their book values.

Business control focuses on the generation of liquidity through operations. In periods with negative cash-flow, e.g. through increasing working capital requirements, loans can generate the required liquidity. We have installed a cash-pooling system with our German subsidiary in order to centrally control existing liquidity. This reduces the need for additional loans and interest cost. Cash-pooling as well as external financing are controlled centrally by group treasury.

The interest risk is limited, as we only use fixed interest rates for interest-bearing financial instruments.

GENERAL BUSINESS RISKS

Furthermore, Jetter is subject to the common production and market risks. These include the credit risk and legal risks in judicial confrontations.

OPPORTUNITIES

In the automation field, Jetter holds a significant technological advantage over the competition. Especially in the glass container forming industry, the acquisition of futronic and the co-operation with Emhart Glass give Jetter an excellent market position. The acquisition of Control Developments provides Jetter with an excellent basis for the mobile automation area, constituting the premises for further profitable growth. The specific knowledge of Jetter UK were successfully transferred to Ludwigsburg, so the closure of the subsidiary in 2013 will not affect this development.

V. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM REGARDING CONSOLIDATED ACCOUNTING PROCEDURES § 315 (2) NR. 5 HGB

The main elements of the internal control and risk management system regarding consolidated accounting procedures installed at Jetter may be described as follows:

The company has a clear management and enterprise structure. The functions of the areas mainly involved in the accounting process, accounting, tax, consolidation, controlling and investor relations are clearly separate. Responsibilities are well defined.

IT systems used in accounting are password-protected. The software used in accounting consists of standard products as far as possible. Regularly updated regulations ensure the uniform handling of events throughout the company and the group.

Departments and areas involved in the accounting process are sufficiently equipped both financially and in quality. Accounting data received and sent are continuously checked for completeness and consistency, e.g. through samples. The software has defined consistency checks.

The four-eye principle is followed in all processes relevant for the accounting process. Internal and external accounting procedures are subject to supervision concerning governance and reliability.

The internal control and risk management system regarding consolidated accounting procedures, as described above, ensures that events are at all times correctly registered, prepared, judged and accounted for. Appropriate personnel, adequate software and clear legal and internal guidelines are the basis for an orderly, uniform and continuous accounting process. A clear distinction of responsibilities as well as control and monitoring mechanisms ensure concrete and responsible accounting. Business events are thus registered, computed and documented in accordance with legal requirements, the statutes and internal guidelines, and are accounted for immediately and correctly. At the same time it is ensured that assets and liabilities are adequately recognised, measured and presented in the consolidated financial statements and that relevant information is completely and timely made available.

VI. REPORT ON CORPORATE GOVERNANCE

The recommendations and suggestions contained in the German Corporate Governance Code ("DCGK") have always been a firm element of our corporate governance and corporate culture. A close co-operation in a spirit of trust between the management and supervisory boards as well as a high level of transparency in the company's corporate communications and accounting have always been our fundamental principles. The activities of the management and supervisory board members follow these principles. Material changes to reflect the code were and are thus unnecessary. On 12 November 2012, the Management and Supervisory Boards of Jetter AG submitted the statement of compliance required by § 161 of the German Stock Corporation Act ("AktG"). It has been made permanently available to shareholders on the company's website (www.jetter.de). The following points deviate from the recommendations of the German Corporate Governance Code:

1. Age Limit for the Members of the Management Board and Supervisory Board

The German Corporate Governance Code recommends that an age limit be fixed for the members of the management board and supervisory board. Jetter AG does not apply this recommendation, because a fixed age limit is considered an inappropriate limitation for the choice of potential members. In each individual case, however, care is taken to avoid a negative impact of the member's age on the performance of their function.

2. Publication of Compensation System on the Company's Website

The German Corporate Governance Code recommends that the salient points of the compensation system and the concrete form of a stock options scheme shall be published on the company's website. Jetter AG does not apply this recommendation, because the rules are relatively simple and are explained in the general meeting.

3. Appointment of management, management board or supervisory board positions

The German Corporate Governance Code recommends an appropriate consideration resp. proportion of women. The management and supervisory board of Jetter AG hold the opinion that sex is not an especially qualifying element in a candiate and therefore choose to ignore this element in the choice of the most apt candidate.

SHAREHOLDERS AND ANNUAL SHAREHOLDERS MEETING

The annual shareholders meeting is the company's supreme body. At the meeting, our shareholders can either exercise their voting rights in person, or have them exercised by a proxy of their choice or by an individual named by the Company who will be bound by their instructions. The shareholders make all major decisions at the annual shareholders meeting, such as on the employment of unappropriated retained earnings or amendments to the articles of association. The shareholders are provided with all major information and documents for the annual shareholders meeting sufficiently in advance. The agenda and remarks relating to the conditions of participation and shareholder rights are typically announced one and a half months prior to the date of meeting. All documents and information relating to the meeting are available on our website. Moreover, it is also possible to electronically submit questions to the staff of our investor relations department. Our financial calendar, which is published in the business report, in the quarterly reports and on our website, informs our shareholders and other interested parties throughout the year about major dates, announcements and events. In addition, we maintain close ties to our shareholders through our investor relations activities. It is also possible to contact the company with questions at any time.

MANAGEMENT BOARD

In the year 2013, just as at the close of the preceding fiscal year, the Management Board consists of three people:

Martin Jetter (CEO), Andreas Kraut (until 31 March 2013), Christian Benz (from 1 April 2013) and Günter Eckert.

The tasks within the board are distributed thusly:

Mr. Jetter is responsible for the strategic orientation of the group and for the pampering of especially important customers. Mr. Kraut (as of 1 April 2013 Mr. Benz) is responsible for technology, development and sales. Mr. Eckert is responsible for administration, finance and production.

All members of the management board are responsible for the company's further development and strategy. Moreover, they are also highly involved in the company's day-to-day activities and bear operational responsibility. Major decisions are always made jointly. Personal expenditures, such as travel expenses, for example, must be approved by the other members of the management board. In addition to collaborating closely with one another and mutually informing one another on a daily basis, management board meetings are conducted regularly and documented by minutes.

Messrs. Kraut, Benz and Eckert work exclusively for Jetter. Martin Jetter is also president of the Swiss company Emhart Glass and member of the Bucher Industries AG board.

SUPERVISORY BOARD

In accordance with legal regulations and the articles of association of Jetter AG, the supervisory board comprises a total of three individuals. In the fiscal year 2012/13, it consisted of:

Dr. Michael J. Oltmanns, attorney at law and tax advisor, Stuttgart, Germany (chairman),

Kurt Hauser, businessman, Ludwigsburg, Germany (deputy chairman),

Theo Frank, businessman, chartered accountant and tax advisor, Bietigheim-Bissingen, Germany.

The last elections to the supervisory board took place in 2009, which means that the regular term of office of all supervisory board members will end in 2014. The supervisory board submits a slate of nominations for the election of the supervisory board members. In selecting the nominees, care is taken to assure that the supervisory board will at all times be composed of members who possess the requisite expertise, skills, abilities and professional experience, as well as sufficient independence. Both the international business activities of the group as well as potential conflicts of interest are taken into consideration in this regard. The supervisory board has defined the following concrete targets for its composition: Professional diversity (at least from the fields of business, technology and law), internationality through professional experience gained abroad, avoidance of potential conflicts of interest through the exclusion of close relationships to competitors. These objectives have thus far been taken into consideration, and this is also intended in connection with future nominations.

During the period under review, no remunerations or advantages for personal services provided, in particular consulting and intermediary services, were paid or granted. There were no conflicts of interest between members of the management and supervisory boards, which must immediately be disclosed to the supervisory board. In accordance with the recommendations of the German Corporate Governance Code, no more than two former members of the management board should hold seats on the supervisory board of Jetter. The supervisory board also reviews the independence of its members. For this end, it has defined principles for assessing their independence, with particular respect for the code. Under these principles, the majority of the present members of the supervisory board are considered independent, thus assuring independent advice to and monitoring of the Management Board.

Due to its size, the supervisory board has formed no committees. Personnel decisions regarding the members of the management board are taken by the supervisory board as a whole, in conformity with the DCGK.

COLLABORATION BETWEEN THE MANAGEMENT AND SUPERVISORY BOARDS

Close collaboration in a spirit of trust between the management and supervisory boards is a major prerequisite for good corporate governance and serves to benefit the company. Quarterly meetings of the supervisory board are conducted in this connection, at which the members of the management board report in detail on the course of operative business. If necessary, further executives also comment on current issues in their respective areas of responsibility. If necessary, additional special meetings are conducted.

COMPENSATION REPORT

COMPENSATION PAID TO MEMBERS OF THE MANAGEMENT BOARD

The compensation paid to members of the management board was adopted by the full supervisory board. This compensation consists of a fixed element and a variable element, as well as non-monetary compensation (company car, accident insurance). The variable element is basically contingent upon the group's EBT. An EBT of 4 Mio Euro grants a bonus of ½ yearly fixed salary. The bonus is linked to EBT and can reach from 0 to 200% of yearly fixed salary. In conformity with the "Gesetz zur Angemessenheit der Vorstandsvergütung", only 40% of the bonus is paid immediately. 60% is paid after two years and only to the extent that the average EBT in these two years reaches the average EBT of the two preceding years. Details of management compensation are given in the notes.

The company has underwritten a liability insurance for the members of the management and supervisory board (D&O insurance), including a retention according to legal requirements.

COMPENSATION PAID TO MEMBERS OF THE SUPERVISORY BOARD

The members of the supervisory board receive fixed compensation, which is stipulated by the shareholders meeting. The compensation in 2011/12 was KEUR 38 for the chairman, KEUR 23 for the deputy chairman and KEUR 15 for the member. Should members of the supervisory board be newly elected or retire during the course of a fiscal year, their compensation is paid on a pro rata basis.

NEGATIVE STATEMENT

No further payments in addition to the above-indicated compensation elements were paid to members of the management or supervisory boards during the year covered by this report. In particular, no stock options were granted, no loan entitlements were established and no guaranty commitments were issued. Nor do any special agreements exist in connection with the termination of the activities of members of the management or supervisory boards.

TRANSPARENCY

Our corporate communications work strives to provide all target audiences with the same information contemporaneously and on a timely basis. One way to ensure this is the publication of all material information in both German and English. Shareholders and interested parties can use the internet to inform themselves directly about current developments within the group. All ad-hoc announcements issued by Jetter AG are made available on the company's website. Pursuant to § 15a of the German Securities Trading Act ("Wertpapierhandelsgesetz"), the members of the management and supervisory boards must disclose purchases and sales of Jetter shares immediately and on a pan-European basis, as well as on the internet pages at www.jetter.de. In fiscal 2012/13, a total of 11,000 Jetter shares were sold and 17,000 shares were bought by board members.

ACCOUNTING AND AUDITING

In accordance with statutory regulations, the consolidated financial statements of Jetter as well as the quarterly financial reports are compiled in accordance with currently applicable International Financial Reporting Standards (IFRS). The financial statements of Jetter AG, the parent corporation, are compiled in accordance with the regulations of the German Commercial Code ("HGB"). Pursuant to a resolution by the shareholders meeting on 19 September 2012, the consolidated financial statements were audited by Ebner Stolz Mönning Bachem GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, Germany. Ebner Stolz Mönning Bachem GmbH & Co. KG also audits the financial statements of Jetter AG. It was agreed with the independent auditor that the Chairman of the Supervisory Board will be informed without delay with respect to any grounds for exclusion or prejudice which may arise during the course of the audit should they fail to be eliminated without delay. The independent auditor must also report without delay any and all observations and events that are material to the responsibilities of the supervisory board which may be determined in connection with the audit of the financial statements.

VII. REMUNERATION PRINCIPLES OF BOARD MEMBERS

The members of the management board, apart from their fixed salary, receive a bonus that depends on EBT and is applicable only with positive EBT. The maximum bonus is limited. After the end of their service period, management board members enjoy a fixed benefit pension scheme for old age and disability. The pension for old age is paid from the completion of 65 years. If the person is not a member of the management board until that age, the pension is reduced pro rata temporis. If a member ends their service due to disability, the pension is paid in full. The remuneration is detailed in the notes.

Supervisory Board members receive only a fixed compensation.

VIII. EVENTS OF SPECIAL IMPORTANCE AFTER THE BALANCE SHEET DATE

None that would have a material effect on the earnings, assets or financial situation of the company or the group, as of the date of this report.

IX. DECLARATION ON COMPANY MANAGEMENT § 289A HGB

Management and supervisory board of the company have released the declaration on company management according to § 289a HGB for the year 2012/13. The declaration is published on the company website at www.jetter.de.

X. OUTLOOK

We expect a generally stable economy for 2013 and 2014, yet without remarkable growth potential. Yet the still looming risks of raw material prices and Euro crisis leave room for sinister phantasies.

Most customers of Jetter AG are to be found in the machinery industry, so this sector is of paramount importance for the company's development. The German VDMA industry organisation has a gloomy outlook for the German machinery industry. VDMA chief economist Dr. Ralph Wiechers laments the current absence of an effective impulse to get the global economy moving forward.

EMPLOYMENT

Personnel cost will grow only slightly over the next two years. The overall goal is to handle rising volumes with existing staff. Jetter AG as well as futronic GmbH have always been active in the training of young professionals. This activity is very important for us and an element of our long-term employment strategy, which we will continue to persue.

INVESTMENT

Investment in tangible and immaterial fixed assets is expected to be ca. 2 Mio Euro in both following years. The biggest single project, at KEUR 800, is an addition to the production facilities of futronic in Tettnang, which will be finished shortly. Apart from that, the majority of investments regard the widening of production capacities, while at the same time promoting quality. Investment shall be mainly financed through cash-flow from operations; to a lesser degree, loans may be employed, if conditions are attractive, e.g. through interest-subsidised growth incentive programs. The production facility in Tettnang shall be 100% financed through a loan.

DEVELOPMENT

Development will continue to be central to the company's activities. Apart from the further development of industrial automation products, the growing family of mobile automation products will take up considerable space.

EARNINGS EXPECTATIONS

We consider the perspectives for our business in the years 2013/14 and 2014/15 to be cautiously positive. Management expects the business in the current year 2013/14 to grow moderately; cost-cutting measures should allow for a positive result. We expect sales of 43 Mio Euro and a profit of more than 1 Mio Euro. For the years until 2015/16, management expects a yearly sales growth of 7% to 10%, with a corresponding increase in profits, driven mainly by the mobile automation business.

In the mean term, we aim for a 10% yearly growth of both sales and profit. For the years from 2013/14 onwards, we expect the EBIT margin to stay in a 3% - 10% corridor, through volume expansion and improved cost structure.

Given the still ample working capital and available credit lines, management foresees no difficulties in financing this growth. Notwithstanding planned investments, the debt-to-equity ratio is expected to remain at the current level. Additional loans shall not significantly exceed principal repayments. Due to the loss carried forward, no dividends are expected in the next few years.

FORWARD-LOOKING STATEMENTS

The statements in the outlook are based on presumptions concerning future economic and business-specific developments. Actual results may deviate substantially from expected assumed developments, if the presumptions underlying the statements prove to be inaccurate in hindsight.

Ludwigsburg, 7 June 2013

The Management Board of Jetter AG

Balance Sheet

ASSETS

KEUR	Notes	31.03.2013	%	31.03.2012 *	31.03.2011 *
A. Non-current Assets		**15,474**	**48.6**	**16,497**	**16,779**
I. Intangible Assets	11	8,526	26.8	9,268	9,733
1. Software		476	1.5	603	596
2. Licences		17	0.1	23	43
3. Capitalised Development Cost		3,640	11.4	4,221	4,770
4. Goodwill		4,393	13.8	4,421	4,324
II. Tangible Assets	11	5,362	16.8	5,107	4,919
1. Real Estate		1,653	5.2	1,730	1,769
2. Leasehold Improvements		477	1.5	552	614
3. Machinery		451	1.4	334	424
4. Other Furniture and Equipment		1,920	6.0	1,992	1,843
5. Construction in Progress		861	2.7	499	269
III. Financial Assets	11	152	0.5	210	267
1. Loans		152	0.5	210	267
IV Other Assets and Deferrals		81	0.3	93	105
V. Deferred Tax Assets	8	1,353	4.2	1,819	1,755
B. Current Assets		**16,362**	**51.4**	**18,839**	**17,681**
I. Stocks	12	8,861	27.8	12,345	8,690
1. Raw Materials and Supplies		5,094	16.0	6,780	5,515
2. Unfinished Goods and Services		2,374	7.5	3,808	2,065
3. Finished Goods and Merchandise		1,393	4.4	1,757	1,110
II. Receivables ond other Assets	13	4,935	15.5	5,756	6,104
1. Trade Receivables		3,962	12.4	4,329	4,147
2. Other Assets		973	3.1	1,427	1,957
III. Cash at Bank and in Hand	14	2,566	8.1	738	2,887
TOTAL ASSETS		**31,836**	**100.0**	**35,336**	**34,460**

* Adjusted under IAS 19 - see notes.

EQUITY AND LIABILITIES

KEUR	Anhang	31.03.2013	%	31.03.2012 *	31.03.2011 *
A. Equity	15	**20,145**	**63.3**	**22,830**	**22,917**
I. Share Capital		3,241	10.2	3,241	3,241
II. Capital Reserve		26,911	84.5	26,911	26,911
III. Revenue Reserves		-7,791	-24.5	-7,473	-7,121
IV. Consolidated Result		-2,216	-7.0	151	-114
B. Non-currrent Liabilities		**6,442**	**20.2**	**6,020**	**5,940**
1. Pension Accruals	16	3,853	12.1	3,101	2,453
2. Non-current portion of Liabilities to Banks	19	2,589	8.1	2,919	3,487
C. Currrent Liabilities		**5,249**	**16.5**	**6,486**	**5,603**
1. Provisions for Employee Benefits	18	261	0.8	319	154
2. Other Provisions	18	571	1.8	912	1,032
3. Liabilities to Banks	19	632	2.0	711	547
4. Advance Payments received		372	1.2	804	345
5. Trade Liabilities		1,202	3.8	2,102	1,788
6. Tax Liabilities	17	0	0.0	17	0
7. Other Liabilities		2,211	6.9	1,621	1,737
TOTAL EQUITY AND LIABILITIES		**31,836**	**100.0**	**35,336**	**34,460**

* Adjusted under IAS 19 - see notes.

Statement of Comprehensive Income

KEUR	Notes	2012 / 13	%	2011 / 12 *	%
Sales Revenues	1	**40,210**	**102.6**	**44,040**	**93.6**
Changes in Finished and Unfinished Goods and Work in Progress		-1,757	-4.5	2,213	4.7
Internal Expenditure Capitalised		742	1.9	793	1.7
Total Output		**39,195**	**100.0**	**47,046**	**100.0**
Other Operating Income	2	903	2.3	654	1.4
Cost of Materials	3	16,637	42.4	22,209	47.2
Personnel Cost	4	16,177	41.3	16,679	35.4
Amortisation of Intangible and Tangible Fixed Assets	5	2,412	6.2	2,290	4.9
Other Operating Expenses	6	6,290	16.0	6,090	12.9
Operating Result		**-1,418**	**-3.6**	**432**	**0.9**
Financial Income	7	37	0.1	46	0.1
Financial Expenses	7	-154	-0.4	-196	-0.4
Financial Result	7	-117	-0.3	-150	-0.3
Result from Ordinary Activities		**-1,535**	**-3.9**	**282**	**0.6**
Income Taxes	8	667	1.7	111	0.2
Other Taxes		14	0.0	20	0.0
Consolidated Result		**-2,216**	**-5.7**	**151**	**0.3**
Exchange Rate Differences		-43	-0.1	126	0.3
Actuarial Gains/Losses		-426	-1.1	-364	-0.8
Comprehensive Income		**-2,685**	**-6.9**	**-87**	**-0.2**
Number of Shares	9	3,241,061		3,241,061	
Result per Share in EUR **	9	**-0.68**		**0.05**	

* adjusted for IAS 19

** equals diluted result per share

Cash-Flow Statement

	KEUR	Notes	2012 / 13	2011 / 12 *
	Result of Ordinary Activities	10	**-1,535**	**282**
	Amortisation of Fixed Assets		2,412	2,290
	Increase of Pension Accruals		130	119
	Changes in Other Assets and Deferrals		137	108
	Profit / Loss from Disposal of Fixed Assets		71	12
	Other Non-Cash Revenues / Expenses		29	19
	Investment Income		-340	13
	Interest Expense		-37	-46
	Operating Income before Changes in Working Capital		154	196
	Increase (-) / Decrease (+) of Current Assets		**1,021**	**2,993**
	Increase (+) / Decrease (-) of Current Liabilities		4,187	-3,414
	Cash generated from Operations		-539	657
	Interest paid		**4,669**	**236**
	Interest received		-142	-197
	Income Taxes paid	8	36	47
	Other Taxes paid		9	36
(1)	**Cash generated from Operating Activities**		-14	-20
	Payments from Sales of Fixed Assets		**4,558**	**102**
	Payments for Investment in Intangible Fixed Assets		1	3
	Payments for Investment in Tangible Fixed Assets		-497	-644
(2)	**Net Outflow from Investment Activities**		-1,709	-1,292
	Loans	19	**-2,205**	**-1,933**
(3)	**Net Flow from Financing Activities**		-409	-459
(4)	**Changes in Financing Funds (1+2+3)**		**-409**	**-459**
(5)	**Exchange Rate Variations in Financing Funds**		**1,944**	**-2,290**
(6)	**Changes in Consolidation**		**-5**	**30**
(7)	**Funds at the Beginning of the Period**		**627**	**2,887**
(8)	**Funds at the End of the Period (4+5+6+7)**		**2,566**	**627**
	Composition of Funds	10		
	Cash at Bank and in Hand		2,566	738
	Short-term Liabilities to Banks		0	-111
	Funds at the End of the Period		**2,566**	**627**
	* adjusted for IAS 19			

Movements in Equity

The following table shows the movements in Equity

KEUR	Share Capital	Capital Reserve	Exchange Rate Differences	Result carried forward	Consoli-dated Result	Total
Balance 31.03.2011 as reported	**3,241**	**26,911**	**-403**	**-6,564**	**-114**	**23,071**
Changes under IAS 19				-154		-154
Modified Balance 31.03.2011 *	**3,241**	**26,911**	**-403**	**-6,718**	**-114**	**22,917**
Offset against Reserves				-114	114	0
Reclassification			254	-254		0
Comprehensive Income			126	-364	151	-87
Modified Balance 31.03.2012 *	**3,241**	**26,911**	**-23**	**-7,450**	**151**	**22,830**
Offset against Reserves				151	-151	0
Comprehensive Income			-43	-426	-2,216	-2,685
Balance 31.03.2013	**3,241**	**26,911**	**-66**	**-7,725**	**-2,216**	**20,145**

* adjusted for IAS 19

Notes

THE COMPANY

The parent company of the group is Jetter AG, in Gräterstr. 2, 71642 Ludwigsburg, Germany. Jetter is registered at the Stuttgart registrar of companies under HRB 205545. The shares are traded in the Prime Standard segment of Deutsche Börse in Frankfurt am Main. The closing date is 31 March 2012. The company develops, produces and markets industrial automation devices, especially for machinery and equipment manufacturers and mobile automation.

PRINCIPLES FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Jetter AG prepares its consolidated financial statements according to “International Financial Reporting Standards” (IFRS) and the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC), as applied in the European Union. This is based upon the obligation regarding the application of international accounting standards, resulting from § 315a (1) HGB in connection with Art. 4 of the Regulation (EC) No 1606/2002 of the European parliament and the council from 19 July 2002. All mandatory standards and interpretations were followed. Further to the disclosures mandatory under IFRS, all disclosures and notes were included that are additionally required by § 315a (1) HGB in the case of consolidated financial statements under IFRS. The financial statements are drawn up in thousand Euro.

CHANGED OR NEW IFRS AND RESULTING CHANGES FOR RECOGNITION, MEASUREMENT OR DISCLOSURE

In the fiscal year 2012/13, Jetter voluntarily earlyly applies revised IAS 19, employee benefits (mandatory for periods starting from 1 January 2013).

There are no other new or amended or EU-endorsed IFRS applicable for the first time in the fiscal year 2012/13.

IFRS CHANGES EXPECTED IN 2013/14

The following standards were issued and EU-endorsed or not by the reporting date, but are only applicable in later periods. The company has chosen not to apply them earlier on a voluntary basis, with the exception of IAS 19. Possible consequences are currently being considered by the group.

Standard	Interpretation	Status	Applicable from
IFRS 9 *	Financial instruments	new	1.1.2015
IFRS 10	Consolidated financial statements	new	1.1.2013
IFRS 11	Joint arrangements	new	1.1.2013
IFRS 12	Disclosure of interests in other entities	new	1.1.2013
Amend. IFRS 10, IFRS 11, IFRS12	Transition rules	revised	1.1.2014
IFRS 13	Fair Value measurement	new	1.1.2013

Amend. IAS 1	Presentation of financial statements – presentation of positions in other results	revised	1.7.2012
Amend. IAS 12	Deferred taxes – realisation of assets	revised	1.1.2013
Amend. IAS 32	Presentation - setting off assets against liabilities	revised	1.1.2014
IAS 27	Consolidated and separate financial statements	revised	1.1.2014
IAS 28	Investments in associates	revised	1.1.2014
Amend. IFRS 1	Hyperinflation and first adoption	revised	1.1.2013
Amend. IFRS 1	Loans from public institutions	revised	1.1.2013
Amend. IFRS 7	Disclosure - setting off assets against liabilities	revised	1.1.2013
IFRIC 20	Surface mining restructuring cost while in operation	new	1.1.2013
Divers	Improvements project 2009-2011	revised	1.1.2013
Amend. IFRS 10, IFRS 12, IAS 27 *	Investment companies	revised	1.1.2014
IFRIC 21*	Liabilities to public authorities	new	1.1.2014

* EU endorsement outstanding.

CHANGES IN THE MEASUREMENT AND PRESENTATION OF EMPLOYEE BENEFITS (IAS 19)

In the fiscal year 2012/13, Jetter has voluntarily early-adopted revised IAS 19. Its most significant repercussion is the abolition of the corridor method, which had allowed for actuarial gains or losses to be distributed over several periods. Under the revised standard, actuarial gains or losses , as well as gains or losses from re-evaluation of plan assets, are immediately recognized in other comprehensive income in equity. Another change regards expected return on plan assets, which now is determined using the same interest rate as for the pension obligation. Interest income on plan assets is now set off against interest expense on the obligation and shown as net interest income/expense. The revised standard also calls for even more disclosure of confusing information.

IAS 19 has been applied retroactively as of 31 March 2011 (according to IAS 8). The balance sheets for 31 March 2011 and 2012 and the income statement for 2011/12 have been adjusted.

Income statement for 2011/12

KEUR	2011/12 as reported	adjustment IAS 19	2011/12 adjusted
Consolidated result	151	0	151
Comprehensive income	277	-364	-87

Balance sheet

KEUR	31.03.2012 as reported	adjustment IAS 19	31.03.2012 adjusted	31.03.2011 as reported	adjustment IAS 19	31.03.2011 adjusted
Latente Steuern	1,583	236	1,819	1,684	71	1,755
Ergebnisrücklagen	-6,955	-518	-7,473	-6,967	-154	-7,121
Rückstellungen für Pensionen	2,347	754	3,101	2,228	225	2,453

FURTHER PRINCIPLES FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The statement of comprehensive income follows the total cost method; the balance sheet is classified according to term structure.

The financial statements of the parent company and its subsidiaries are prepared using uniform accounting policies. In accordance with international practice, the notes to the financial statements start with the statement of comprehensive income. The methods for recognition and measurement are explained next to the relevant position.

CONSOLIDATION PRINCIPLES

The financial statements of the parent company and its subsidiaries are prepared using uniform accounting policies. Equity was consolidated by use of the purchase method, setting off purchase costs of the subsidiaries against the attributable portion of the re-evaluated net equity at the acquisition date. Resultant goodwill was recognised as an intangible asset in accordance with IFRS 3. Revenues and costs as well as receivables and debts between group companies were compensated. Unrealised profits resulting from intragroup transactions that are included in inventories were eliminated.

FINANCIAL INSTRUMENTS

Financial instruments are classified according to IAS 39:

- Financial assets or liabilities at fair value through profit or loss,
- Held-to-maturity investments,
- Loans and receivables not quoted in an active market,
- Financial assets available for sale,
- Financial liabilities measured at carrying amount.

The classification depends on the kind and intended use of the financial instrument and is determined at the start. Upon first recognition, a financial asset is valued at cost or fair value, eventually plus transaction costs. The subsequent valuation of financial assets depends on their attribution to one of the aforementioned categories. Purchases or sales are recognised on the day of trade, i.e. on the day the group has entered into a binding commitment to purchase or sell the instrument.

Financial assets with defined payments and fixed terms, which the company intends to hold to maturity, and which are neither loans nor receivables not quoted in an active market, are classified as held-to-maturity investments, financial assets that were mainly acquired to gain a profit from short-term changes in fair value are classified as financial assets at fair value through profit or loss. Credits and debts are valued at revalued historical cost using the effective interest method, minus eventual impairment effects. Apart from short-term credits with insignificant interest effect, interest income is computed using the effective interest method.

Held-to-maturity investments are shown under long-term assets, unless they are due within twelve months from closing date. Financial assets or liabilities at fair value through profit or loss are shown under short-term assets, if management intends to sell them within twelve months from closing date.

Financial assets and financial liabilities comprise cash, trade receivables, trade payables, advance payments, other assets and liabilities, long-term receivables, loans, credits and financial investments. For financial instruments that are classified as loans and receivables not quoted in an active market, such as loans, trade receivables, other assets as well as liabilities to banks, advance payments, trade payables and other payables, we do not indicate fair value if the book value is an appropriate approximation of fair value.

OTHER FINANCIAL LIABILITIES

Other financial liabilities, including liabilities to banks, are measured at fair value upon first recognition, less transaction costs directly attributable to the incurring of the debt. Subsequently, other financial liabilities are measured applying the effective interest method, recognising interest expense according to the effective interest rate. Gains and losses are recognised when the liability is derecognised or through amortisation.

DERECOGNITION OF FINANCIAL ASSETS OR FINANCIAL LIABILITIES

A financial asset is derecognised, when the contractual rights on cash-flows therefrom expire, or when the group transfers the financial asset to a third party, including basically all risks and chances connected with its property. If the group neither transfers nor keeps basically all risks and chances connected with the property and continues to control the transferred asset, the group recognises its remaining part of the asset and a liability corresponding to the amount it eventually will have to pay. If the group basically retains the risks and chances of a transferred financial asset, it has to recognise that asset as well as a secured debt for the contractual consideration received.

A financial debt is derecognised when the contractual obligation is fulfilled, cancelled or expired. If a financial liability is exchanged for another financial liability against the same creditor, but with substantially different conditions, or if the conditions of an existing liability are essentially changed, such an exchange or change is treated as derecognition of the original liability and the incurrence of a new one. The difference between the corresponding values is charged to income.

IMPAIRMENT OF FINANCIAL ASSETS

At each closing date, the group checks financial assets and groups of financial assets for possible impairment. An impairment may be indicated, among others, by signs of financial distress on the part of the debtor's, when payments of interest or capital are missed or late. Eventual impairments as measured by comparing an asset's book value to its fair value are recognised through profit and loss. The book value is adjusted through a write-down. If the impairment amount changes in a subsequent period as a consequence of an event that occurred after the original impairment, the original impairment amount is adjusted accordingly through profit and loss. If a formerly derecognised financial asset is subsequently considered realisable, the corresponding amount is booked to other operating income.

AIMS AND METHODS OF THE FINANCIAL RISK MANAGEMENT

IFRS 7 wants to provide the reader of financial statements with decision-relevant information about the amounts, the timing and the probability of future cash-flows from financial instruments, as well as an estimate of the risks resulting from these instruments.

The principal financial instruments used by the Jetter group comprise bank loans, credit lines and trade payables. The main purpose of these instruments is to finance the group's business activities. The group holds several financial assets such as trade receivables, cash and short-term investment, which result immediately from its business activities.

The main risks inherent in financial instruments concern changes in interest rates, exchange rates, market prices and the general credit risk. Management applies strategies and methods to control individual risk factors. With its financial risk management, the company seeks to limit the following risks through the indicated methods.

The book value of financial instruments (e.g. cash, trade debtors or creditors, other debtors, other liabilities) basically equals their fair value.

INTEREST RISK

Bank loans are entered in only at fixed interest rates, so the risk of changing interest rates is limited to the necessary follow-up financing. We therefore refrain from explaining the risks of variable-interest financial instruments.

CURRENCY RISK

The currency risk results from the group's global business activities and the existence of foreign subsidiaries and sales offices. They are by and large negligible, though, since most of the sales are generated in the Euro zone. Right now, business in foreign currencies is not worth mentioning, so we expect no significant effect from other currencies' fluctuation against the group's functional currency (Euro).

LIQUIDITY RISK

The group has a certain requirement for liquid funds necessary to fulfil its financial obligations. Liquidity risks result from the possibility of customers being unable to fulfil their obligations towards the group within the usual terms. The group's credit rating allows for the raising of liquid funds in the necessary volume. Furthermore, unused credit lines exist. The risk is monitored through the regular assessment of clients' payment ability. The high cash balance currently effectively eliminates liquidity or refinancing risks at group level.

CREDIT RISK

Payment risk, i.e. the risk that contractual partners are unable to fulfil their obligations, is controlled by means of authorisation process, credit limits and weekly monitoring. A credit insurance further limits possible losses from receivables. The company expects no such losses from partners with a high credit rating.

MARKET PRICE RISK

Currently, Jetter holds no securities at fair value through profit or loss.

Financial assets are composed as follows:

	Closing date			
KEUR	book value	write-down	interest	net effect
Loans	152	0	10	10
Trade receivables	3,962	173	0	-99
Other assets	973	0	3	3
Cash	2,566	0	5	5
Balance 31 March 2013	**7,653**	**173**	**18**	**-81**
Loans	210	0	12	12
Trade receivables	4,329	197	0	-152
Other assets	1,427	0	0	11
Cash	738	0	8	8
Balance 31 March 2012	**6,704**	**197**	**20**	**-121**

Net effect of receivables comprises changes in write-down. The effects are shown as other operating income or other operating expense in the statement of comprehensive income.

Interest from financial instruments is shown in the financial result.

AGING STRUCTURE OF RECEIVABLES

The trade receivables have the following aging structure:

KEUR	31.03.2013	31.03.2012
Not due	2,788	3,495
Due since 1-3 months	947	621
Due since 3-6 months	200	72
Due since 6-12 months	27	0
Due since more than 12 months	0	141
Total	**3,962**	**4,329**

No other receivables are overdue.

Financial assets that are neither overdue nor written off (KEUR 973) are considered unimpaired.

Financial liabilities are valued at revalued historical cost and are composed as follows:

KEUR	Book Value	Less than 1 year		2-5 years		More than 5 years	
		Capital	Interest	Capital	Interest	Capital	Interest
Liabilities to banks	3,221	632	115	1,340	261	1,249	223
Advance payments received	372	372	0	0	0	0	0
Trade liabilities	1,202	1,202	0	0	0	0	0
Other liabilities	2,211	2,211	0	0	0	0	0
Total 31 March 2013	**7,006**	**4,417**	**115**	**1,340**	**261**	**1,249**	**223**
Liabilities to banks	3,630	711	139	1,306	283	1,613	247
Advance payments received	804	804	0	0	0	0	0
Trade liabilities	2,102	2,102	0	0	0	0	0
Other liabilities	1,621	1,621	0	0	0	0	0
Total 31 March 2012	**8,157**	**5,238**	**139**	**1,306**	**283**	**1,613**	**247**

Trade liabilities and liabilities to banks are measured at carrying amount, which is equal to their fair value.

MEASUREMENT PRINCIPLES

The amount of assets and liabilities is based mainly on historical cost, for liabilities also on revalued cost. Interest cost is capitalised as far as the conditions set out in IAS 23 are fulfilled, otherwise they are expensed in the period they concern. Further specific measurement principles are explained next to the relevant positions.

The applied principles of recognition and measurement are the same as in the annual report at 31 March 2012, except for pension accruals, which are measured according to revised IAS 19. Details are shown in the notes on pension accruals.

CURRENCY CONVERSION

The financial statements of foreign subsidiaries were converted to Euro applying the rules for foreign entities according to IAS 21, since their operations are not an integral part of those of the parent company. Therefore, assets and liabilities were converted at the closing rate. Equity items were converted at historical rates and the difference with respect to the closing rate was set off against revenue reserves. Income and expense items were converted at the average rate during the reporting period. The applied exchange rates are as follows:

Country	Currency		EUR-rate (closing)	EUR-rate (average)	previous year closing rate	previous year average rate
Switzerland	1	CHF	0.82	0.83	0.83	0.82
UK	1	GBP	1.18	1.23	1.20	1.16
USA	1	USD	0.78	0.78	0.75	0.73
China	1	RMB	0.13	0.12	-	-

Exchange rate differences recognised in the income statement amounted to a net profit of KEUR 22 (previous year: KEUR 27). Exchange losses of KEUR 43 (previous year: gains of KEUR 126), resulting mainly from the conversion of the subsidiaries' financial statements, were set off against reserves.

USE OF MANAGEMENT ESTIMATES AND JUDGEMENTS

Below we state the most important assumptions relating to the future and other significant sources of estimation uncertainty as of the closing date. Estimates and judgements are based on parameters known at the date of the business report. These states and presumptions about future developments may vary, however, following market movements and conditions beyond the group's sphere of influence. Such variations are only considered in the assumptions once they manifest themselves.

DEVELOPMENT COST

Development cost is capitalised as described in the relevant note. The first-time capitalisation of these costs relies on management's assumption that the technical and economic realisation is secured; this is normally the case when a development project reaches a certain milestone in the project management model. The book value of capitalised development cost is shown in the fixed assets movement schedule.

IMPAIRMENT OF GOODWILL

To ascertain an eventual impairment of goodwill, the value in use of a cash generating unit has to be determined. The calculation of this value implies the estimation of future cash-flows from that unit and a suitable interest rate for computing present value. The book value of goodwill is shown in the fixed assets movement schedule. Details of the impairment test are explained in the relevant notes.

USEFUL LIFE OF TANGIBLE FIXED ASSETS

The group regularly reviews the estimated useful life of tangible fixed assets. The review brought about no changes in estimates.

DEFERRED TAX ASSETS

A deferred tax asset is recognised for all tax loss carry-forwards to the measure that taxable income will probably be available to offset the carry-forward against. In valuing this position, management must exert considerable judgement regarding the time and extent of future taxable income as well as its future tax strategy. Further information is contained in the notes to deferred taxes.

PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS

The cost of a defined post-employment benefit plan is determined by actuarial calculation. The latter is based on assumptions regarding interest rates, future salary increases, mortality and future pension increases. Given the long-term character of such plans, the underlying assumptions are subject to considerable uncertainty. Details are given in the notes to pension accruals.

GROUP COMPANIES

All companies that are directly or indirectly controlled by Jetter AG are included in the consolidated financial statements. There are no associated companies under IAS 28 or joint ventures under IAS 31 to report. Apart from Jetter AG, Ludwigsburg, the following subsidiaries are included in the consolidated financial statements:

Company *	Country	Jetter share %	Joined group in	Consolidation	Share capital (local currency)	Currency
futronic GmbH, Tettnang	Germany	100	2006	full	260,000	EUR
Jetter (Schweiz) AG, Tägerschen	Switzerland	100	1992	full	100,000	CHF
Jetter USA Inc., St. Petersburg (FL)	USA	100	2000	full	190,000	USD
Jetter UK Ltd., Eynsham	UK	100	2008	full	251,802	GBP
Jetter Automation Technology (Shanghai) Co., Ltd.	China	100	2012	full	2,304,240	RMB

* The 100% share in Jetter Asia Pte. Ltd., Singapore, is being liquidated. Equity and earnings are nil. The company was delisted on 8 April 2013.

futronic GmbH uses the facilitations of § 264 par. 3 HGB.

In July 2012, Jetter Automation Technology Shanghai Co. Ltd. was founded in Shanghai, China. Share capital is EUR 560,000, of which EUR 300,000 are paid in. The shares are 100% owned by Jetter AG, Ludwigsburg. The main activity of this company is the opening up of the Chinese market. In the interim financial statements at 30 September 2012, it was consolidated for the first time.

SEGMENT REPORTING

According to IFRS 8, operating segments are identified based on the internal reporting structure used by the main decision makers in order to allocate resources to the segment and assess its performance. In the internal management reporting structure, we distinguish segments based on the group's legal entities. These are the segments and their activities:

Jetter AG: development, production and sales of proprietary control systems

futronic GmbH: development, production and sales of proprietary control systems

Jetter UK Ltd.: production and sales of proprietary control systems, development work for Jetter AG – towards the end oft he fiscal year, these activities were transferred to Jetter AG.

All other companies: sales of Jetter AG systems in the local regions.

The rules for recognition and measurement are the same for the segments as for the group. Transfers between group companies were priced based on discounted list price and subject to third party comparison, where possible. This method complies with OECD standards. There have been no changes to the previous year.

External revenues and EBIT for each segment are as follows:

External revenues	2012/13	2011/12
Jetter AG	29,502	35,354
futronic GmbH	9,236	7,182
Jetter UK Ltd.	903	815
Other	569	689
Total	**40,210**	**44,040**

EBIT	2012/13	2011/12
Jetter AG	-1,909	66
futronic GmbH	546	595
Jetter UK Ltd.	115	-206
Other	-32	236
Subtotal	-1,280	691
Consolidation	-138	-259
Total	**-1,418**	**432**

Operating assets comprise all assets allocated to the operating sphere, and whose positive or negative result contributes to the operating result. Main operating asset groups are intangible and tangible fixed assets, trade debtors, other debtors and stock. Long-term financial assets (KEUR 152 (previous year: KEUR 210)) are not considered, nor are deferred tax assets (KEUR 1.353 (previous year: KEUR1.583)).

The following table shows the geographical distribution of external revenues and long-term assets:

External revenues	2012/13	2011/12
Germany	13,825	11,594
Abroad	26,385	32,446
thereof Sweden	14,649	20,040

Long-term assets	31.03.2013	31.03.2012
Germany	15,438	14,800
Abroad	36	1,697

Considering the transfer of activities from Jetter UK to Jetter AG, the goodwill was also transferred and is now shown in long-term assets in Germany; in the previous year, it was considered abroad.

External sales are classified according to customer location.

Long-term assets comprise intangible and tangible fixed assets, long-term financial assets and deferrals and deferred taxes.

A considerable part of the revenues is generated with companies of the Bucher group. Since Bucher is a related party, disclosures about these revenues are made in the section about related parties.

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

1. SALES REVENUES

Sales are recognised when it is probable that the company will draw an economic advantage from a business transaction and the value of that advantage can be reliably measured.

Recognition of sales presumes that the major chances and risks connected to the property of goods sold have passed to the buyer. This is normally the case when the service is rendered or the goods or products are delivered. Revenue from services is recognised in proportion of the service rendered, if reliably ascertainable. The rendition is measured by project reports. Sales are measured by the fair value of the received or expected compensation and diminished by returns, rebates, VAT and similar deductions. The composition of sales revenues is shown in the notes on operating segment. Sales revenues mainly result from the sale of goods. Sales from services were KEUR 4,873 (previous year: KEUR 5,930).

2. OTHER OPERATING INCOME

Other operating income is composed as follows:

KEUR	2012/13	2011/12
Release of accruals	246	61
Receipt of recaivables written off	0	139
Exchange rate gains	72	132
Payment in kind	185	205
Insurance claims	67	3
Other	333	114
Total	**903**	**654**

3. COST OF MATERIALS

The cost of materials amounts to 42.4 % of total output (previous year 47.2 %). Based on sales, the ratio is 41.4% against 50.4% in the previous year.

Its composition is as follows:

KEUR	2012/13	2011/12
Cost of materials and supplies	13,196	17,174
Cost of services	3,441	5,035
Total	**16,637**	**22,209**

4. EMPLOYEES AND PERSONNEL COST

The average headcount during the year was 86 blue-collar workers (pr. yr. 82), 146 employees (pr. yr. 152) and 11 apprentices (pr. yr. 12). The ratio of personnel cost to total output was 41.3 % (pr. yr. 35.4 %).

Personnel cost is thus composed:

KEUR	2012/13	2011/12
Wages and salaries	13,447	13,758
Social levies and retirement cost	2,730	2,909
Total	**16,177**	**16,667**

The headcount at year-end was as follows:

	31.03.2013	31.03.2012
Jetter AG, Germany	**171**	**177**
- Administration and finance	18	15
- Distribution and marketing	35	30
- Application (from 2013 Research and development)	0	20
- Research and development	65	57
- Production and logistics	53	55
futronic GmbH, Germany	**69**	**67**
- Administration and finance	7	7
- Distribution and marketing	13	12
- Application (from 2013 Research and development)	0	3
- Research and development	16	14
- Production and logistics	33	31
Jetter (Schweiz) AG, Switzerland	2	4
Jetter USA Inc., USA	1	1
Jetter UK Ltd., UK	5	7
Jetter Automation Technology (Shanghai) Co., Ltd.	3	0
Jetter Group	**251**	**256**

Retirement costs are composed as follows:

KEUR	2012/13	2011/12
Current service cost	149	125
Expected plan asset revenues	-58	-43
Interest cost	187	182
Total for defined benefit plans	**278**	**264**
Insurance contributions (defined contribution plan)	256	218
Total	**534**	**482**

Total cost comprises retirement cost of KEUR 534 (previous year: KEUR 482) shown in personnel cost. Insurance premiums for plan assets of KEUR 112 (previous year: KEUR 103) are shown personnel cost. Interest expense and actuarial gains/losses concern pensions and plan assets. Actuarial gains/losses are shown in other comprehensive income.

The group grants employee-funded defined contribution retirement plans. The company has no obligation other than the payment of defined contributions to an external retirement fund. These contributions are funded through salary conversions. The amount of future pension payments depends wholly on the amount contributed by the employer, for the benefit of the employee, to the external fund, and an eventual profit from the investment of such contributions.

Employers' social security contributions in Germany are part of a government-run defined contribution plan.

5. AMORTISATION OF INTANGIBLE AND TANGIBLE FIXED ASSETS

Fixed assets are mainly amortised on a straight-line basis or based on use. The useful life for the different categories is as follows:

	Years
Software	2 - 5
Established Clientele	3
Capitalised development expenditure	5-10
Buildings	33
Leasehold improvements	5 - 12
Machinery	8
Other furniture and equipment	2 - 13

6. OTHER OPERATING EXPENSES

Other operating expenses are composed as follows:

KEUR	2012/13	2011/12
Rent	981	920
External services	788	779
Car and travel expense	780	774
Legal, consulting and audit expense	335	718
Marketing	650	551
Freight and packaging	322	433
Insurance	303	266
Administration expense	247	252
Maintenance	261	250
Training	232	245
Other personnel-related expense	363	222
Exchange losses	61	105
Leasing	103	91
Guarantee	134	0
Write-off of receivables	157	152
Other	573	332
Total	**6,290**	**6,090**

RESEARCH AND DEVELOPMENT COST

The expensed cost for research and development in the business year amounted to 8.9 Mio EUR (previous year: 8.3 Mio EUR).

In the reporting period, the application department was merged with the development department, the cost is included in the 8.9 Mio EUR. That department's cost of 1.2 Mio EUR in the previous year were not included in the 8.3 Mio EUR.

A further 0.3 Mio EUR (previous year: 0.3 Mio. EUR) development expense were capitalised as intangible assets under IAS 38.57.

FINANCIAL RESULT

The financial result is composed as follows:

KEUR	2012/13	2011/12
Financial gains		
- Interest and similar income	37	46
Financial expense		
- Interest and similar expense	-154	-196
Balance	**-117**	**-150**

Interest and similar income of KEUR 23 result from receivables (previous year: KEUR 23). Interest income is recognised when it occurs (using effective interest rate, i.e. the discount rate used to discount expected future cash-flows over the lifetime of a financial instrument, in order to determine its net book value).

Interest and similar expense result from liabilities valued at effective interest rates.

8. INCOME TAX

Income tax expense is composed as follows:

KEUR	2012/13	2011/12
Current period actual tax	11	0
Past period actual tax	-1	11
Current period deferred tax	-142	-190
Deferred tax on loss carry-forward	0	290
Deferred taxes from write-off of loss carry-forward	799	0
Total	**667**	**111**

Current tax expense is computed on the basis of current taxable income. Taxable income can differ from the consolidated profit shown in the statement of comprehensive income, because it may contain revenues or costs that are taxable or tax-deductible either in a later period or not at all. Tax liabilities for current tax are computed on the basis of currently valid tax rates or tax rates that will be valid shortly after the closing date.

The recognised tax expense for the fiscal year of KEUR 667 differs from the expected expense of KEUR -481 due on the result from ordinary activities. The following table explains this difference.

KEUR	2012/13	2011/12
Expected tax expense	-481	88
Past period actual tax	-1	11
Use of tax loss carry-forward	1,141	32
Differences in tax rates of foreign subsidiaries	24	-4
Non-deductible other expenses / tax-free gains	-16	-16
Recognised tax expense	**667**	**111**

ACTUAL AND DEFERRED TAX FOR THE PERIOD

Actual and deferred taxes are recognised as revenue or expense in the period, unless they concern items charged directly to equity; in that case, tax is set off against that position. Nor is tax recognised as expense, when tax effects are the result of the first-time recognition of a business combination. In the case of a new business combination, the tax effect is considered in determining goodwill or the surplus of the buyer's share in the fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity over the purchase price.

Deferred taxes contain assets and liabilities resulting from temporary differences between the consolidated financial statements and declared income for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences, while deferred tax assets are recognised to the extent that it is probable that there will be taxable income to compensate deductible temporary differences.

The value of deferred tax assets is tested for impairment each year on the closing date and written off if it is no longer probable that sufficient taxable income will be available to realise the asset entirely or partially.

Deferred taxes are computed on the basis of tax rates and tax regulations that will presumably prevail at the time the debts are settled or the assets realised. The measurement of deferred tax items reflects the fiscal consequences of the way the group intends to settle a debt or realise an asset.

The differences result mainly from the valuation of intangible assets, pension accruals, stocks and from the compensation of intercompany transactions. Deferred tax assets and liabilities were set off where the prerequisites of IAS 12.71 were met. Deferred taxes are calculated by the liability method (IAS 12), considering all recognition and measurement differences between fiscal and IAS assets and liabilities, independent from eventual future reversals of these differences, with the exception of goodwill resulting from consolidation. The applied domestic tax rate is 31.3 %, as in the previous year. Jetter AG, Ludwigsburg, has a tax loss carry-forward of KEUR 9,134 for federal and local income taxes (previous year: KEUR 8,516). A contract regulating control and transfer of profits allows futronic GmbH to use this carry-forward, too. From the tax asset on unused tax losses of KEUR 1,875, KEUR 545 are due within one year, based on budgeted results (pr. yr. KEUR 502 of KEUR 2,674). No deferred tax was shown on loss carry-forward of KEUR 3,152 (pr. yr. 0).

Realisation of deferred tax assets on loss carry-forward is sufficiently probable. The assets were recognised based on a three-year projection of revenues and expenses for Jetter AG and futronic GmbH. Despite the negative development in the past fiscal year, we expect a significant improvement for the following years.

Deferred taxes result from differences in the following positions:

KEUR	31.03.2013	31.03.2013	31.03.2012	31.03.2012
	Debit	Credit	Debit	Credit
Capitalised development expense		1,141		1,323
Consolidation	11		16	
Valuation differences in accruals	730		625*	
Valuation differences in liabilities		122		173
Tax on loss carry-forward	1,875		2,674	
Total	**1,353**		**1,819***	

* Adjusted under IAS 19.

As far as deferred tax assets and liabilities concern the German entities, they were set off against each other.

No deferred tax was calculated on the temporary differences in the valuation of shares in subsidiaries.

Tax expenses were thus composed:

KEUR	2012/13	2011/12
Current tax	10	11
Deferred tax	657	100
Total	**667**	**111**

Expense from deferred taxes is thus composed:

KEUR	2012/13	2011/12
Tax loss carry-forward	799	290
Capitalised development expense	-182	-183
Pension accruals	-13	-12
Other accruals	130	-1
Liabilities	0	10
Consolidation	-50	-4
Total	**657**	**100**

Deferred taxes of KEUR 195 were shown in other comprehensive income (previous year: KEUR 166).

Dividend payments to shareholders have no tax consequence at group level.

9. EARNINGS PER SHARE

Earnings per share were calculated in accordance with IAS 33. Shares issued in a capital increase, if applicable, were considered in the number of shares, calculating a weighted average. Earnings are net of minority interest, as shown in the statement of comprehensive income.

Undiluted earnings per share neglects options and is calculated by dividing the consolidated result net of minority interest through the average number of shares outstanding during the year.

Diluted earnings per share are calculated increasing the number of shares by the number of outstanding stock options, taking into account the ratio of the options' strike price to the average stock price during the business year. Average stock price during the year was below the strike price, so there was no dilution from options.

In the period between the closing date and the preparation of the financial statements, there were no transactions involving shares or options.

Details about the number of outstanding shares are given in the notes to equity. During the fiscal year, there were no changes in the number of outstanding shares. The company owns no shares of its own.

The first-time application of IAS 19 had no effect on earnings per share in the previous year.

10. NOTES TO THE CASH FLOW STATEMENT

The cash flow statement shows changes in financial funds of the Jetter group during the fiscal year. In accordance with IAS 7, movements in cash and cash equivalents are divided into movements from operations, from investment and from financing activities. Amounts resulting from foreign subsidiaries are converted at quarterly average rates. Liquidity, however, is calculated at the closing date rate, as in the balance sheet. The effect on financing funds from exchange rate differences is shown separately.

Cash flows from investment and financing activities are based on payments. Cash flow from operating activities is determined indirectly, based on the result from ordinary activities. The indirect approach is based on changes in balance sheet items from operating activities, compensating for exchange rate effects and changes in the group structure. The resulting values may differ from the changes in balance sheet items.

FINANCING FUNDS

Financing funds comprise cash on hand and cash equivalent bank balances, net of short-term overdrafts where applicable. A fixed interest deposit of KEUR 333 (previous year: KEUR 667), which is ceded as security for all existing or future, pending or limited liabilities towards the bank from banking activities, is not part of financing funds but shown in other current assets.

INCOME TAX

In the fiscal year, the group paid KEUR 27 (previous year: KEUR 11) income tax, while KEUR 17 (previous year: KEUR 47) was received as reimbursements.

CONSOLIDATED RESULT

The consolidated result for the year was KEUR -2,216, in the previous year it was KEUR 151. The correspondence to the result from ordinary activities can be seen in the statement of comprehensive income.

NOTES TO THE BALANCE SHEET

ASSETS

11. NON-CURRENT ASSETS

Acquired non-current assets are carried at cost less accumulated depreciation and write-offs. Amortisation expense is recognised on a straight-line basis over expected useful life. Expense is shown on the line Amortisation on Intangible and Tangible Fixed Assets. Expected useful life and amortisation method are reviewed at the end of each fiscal year and estimate changes are treated prospectively. The development of the single items of fixed assets, including amortization, is shown in the fixed asset schedule, which is an integral part of these notes.

INTANGIBLE ASSETS

Development expenses were scrutinised under the criteria of IAS 38.42; as a result, 0.3 Mio EUR from a total of 8.9 Mio EUR had to be capitalised (previous year: 0.3 Mio EUR out of 8.6 Mio. EUR). The majority of capitalised expense concerns additional devices for the field of mobile automation, which will start selling in the fiscal year 2013/14. The not-capitalised part concerns maintenance and further development of existing products.

When they are put in use, these assets, as individually acquired intangible ones, are valued at cost less accumulated depreciation and write-offs. Amortisation of intangible fixed assets with a limited useful life are shown under amortisation in the income statement. Capitalised development cost contain KEUR 1,554 (previous year: KEUR 1,857) for the development of a control unit which is amortised based on use until the year 2022. These assets are amortised when the initial development phase is finished and the devices are put into use. Intangible fixed assets also include KEUR 4,393 of Goodwill, which results from consolidation and is capitalised in accordance with IFRS 3 (previous year: KEUR 4,421). Goodwill is not amortised on a systematic basis but subjected to an impairment test once a year. For the purpose of this impairment test, goodwill is attributed to the group’s cash generating units that are expected to draw a profit from the business combination. Cash generating units are generally the single companies. The first such test was applied on 31 March 2005, with no impairment resulting. On 31 March every year since, management again tested goodwill for eventual impairment. The carrying amount of goodwill of each cash-generating unit is compared to the expected future cash-flows from the unit, based on their respective medium-term budgets and discounted at a rate of 8.5% (previous year: 7.5 %). The budgets are based on past experience and expectations about future development over the next three years. Cash-flows after these three years are extrapolated, based on a yearly growth rate of 1 %. The tests revealed no necessity for a write-down.

Cash generating units with a corresponding goodwill were subjected to a sensitivity analysis, assuming lower future margins and a 5% higher compounded interest rate. The analysis revealed no necessity for a write-down.

Goodwill concerns the following cash generating units:

KEUR	31.03.2013	31.03.2012
futronic GmbH	2,118	2,118
Former Jetter UK Ltd.	1,629	1,657
Former Ebelt GmbH	646	646
	4,393	**4,421**

Goodwill for Jetter UK is treated as an asset of that company (IAS 21.47) and is therefore subject to exchange rate variations in the course of the conversion of the functional currency to the reporting currency. These variations are neutralised in the currency reserve, without passing through the income statement. In the course of the transfer of activities to Jetter AG and the complete continuation thereof, the corresponding goodwill was transferred as well.

TANGIBLE FIXED ASSETS

Tangible fixed assets are measured at cost less accumulated amortisation and write-off. For self-produced assets, cost consists of material cost, labour cost and attributable portions of production-related overheads. Assets of insignificant value are completely amortised in the year of acquisition. Certain machinery is transferred by way of security for liabilities to banks; the amount is indicated in the notes to liabilities.

A tangible fixed asset is derecognised upon disposal or if there are no more expected economic gains from the further use or sale. Upon derecognition, historical cost and accumulated depreciation and amortisation are taken off the balance sheet; a profit or loss from a sale is shown in the statement of comprehensive income in other operating income or other operating expense.

Book value, expected lifetime and depreciation method are checked at the end of each fiscal year and adjusted if necessary. An impairment or reversal thereof is shown, if there are indications for an impairment or its demise.

FINANCIAL ASSETS

Financial assets comprise mainly the long-term part of loan. The loan has a principal of KEUR 215 (previous year: KEUR 271) and bears interest at 4 %. At monthly instalments of KEUR 5.5, it expires in 10 years.

IMPAIRMENT TEST

Tangible fixed assets and intangible fixed assets that are systematically amortised are tested for impairment, whenever events or changed circumstances indicate that the carrying amount might not be recoverable. Goodwill and non-current assets not subject to systematic amortisation are tested for impairment on a yearly basis even in the absence of an impairment indication. If the carrying amount of an asset is higher than its recoverable amount, an impairment loss is recognised in the income statement. The recoverable amount is the higher amount between fair value less cost to sell and value in use.

12. STOCKS

Stock is valued at the lower of purchase or manufacturing cost and net realisable value. For raw materials and supplies, the FIFO-method is applied. Risks resulting from reduced usability of raw materials and supplies were considered through an appropriate write-down. Stocks are shown as finished goods when they are ready to be sold. Where necessary, stocks have been written down to net realisable value by KEUR 256 (previous year: KEUR 764); KEUR 949 of stocks were subject to this kind of write-down (previous year: KEUR 449). Net realisable value consists of the expected sales price less all expenses necessary for the completion and sale of the product. Manufacturing cost for unfinished goods or services and for finished goods incorporates material cost, labour cost and attributable portions of production-related overheads. KEUR 223 of stocks are used as collateral for a rent agreement (previous year: 223).

13. RECEIVABLES AND OTHER ASSETS

Receivables and other assets are stated at carrying amount. Identifiable risks are covered by appropriate adjustments. Adjustments are made when there are indications for a customer's impending insolvency. Other assets contain mainly accrued interest and prepaid lease and insurance premiums.

Trade receivables are ceded to Baden-Württembergische Bank as collateral for loans and credit lines. Details are given in the section on liabilities.

Receivables and other assets are due within one year.

Other assets contain bank balances of KEUR 333 (previous year: KEUR 667), over which the company has no free control. They are pledged to the bank, which has issued guarantees for long-term contracts in return.

14. CASH AT BANK AND IN HAND

CAPITAL CONTROL

The predominant aim of Jetter's capital control is to supply the group and all its companies with the necessary funds for ongoing operations and necessary investment. If needed, especially for voluminous investments, Jetter AG supports the respective subsidiary's capital structure through appropriate capital measures. The decisions concerning dividends or capital measures are taken in accordance with the subsidiary's management. The capital management of all group companies is in principle monitored by standardised monthly reporting requirements.

The group monitors capital by debt ratio, i.e. the relation of net financial debt to the sum of equity and net financial debt. This ratio should not exceed 20 to 30 %. Net financial debt comprises loans, trade liabilities advance payments from customers and other liabilities, less cash and cash equivalents.

KEUR	31.03.2013	31.03.2012
Bank loans	3,221	3,630
Trade payables, advance payments and other payables	3,785	4,527
Less cash and cash-equivalents	-2,899	1,405
Net financial debt	4,107	6,752
Equity	20,145	22,830
Debt ratio	20.4%	28.6%

EQUITY AND LIABILITIES

15. EQUITY

The parent company has been quoted on the Frankfurt (Germany) stock exchange since 19 August 1999. Until 31 December 2002, its stock was traded in the "Neuer Markt" segment. Since 1 January 2003, the stock is traded in the "Prime Standard" segment of the Frankfurt stock exchange.

SHARE CAPITAL

The group share capital is that of the parent company. Share capital was Euro 3,241,061 throughout the year. It consisted of 3,241,061 ordinary non-par value bearer shares, with one share corresponding to one Euro of share capital.

AUTHORISED CAPITAL

The management board is authorised to issue up to 1,620,530 additional bearer shares, in one or more steps, with the approval of the supervisory board, on or before 12 September 2016. Payment is to be in cash or in kind.

PUBLICISED INVESTMENTS IN JETTER AG AND CHANGES THEREIN

DWS Investment S.A. (formerly Deutsche Postbank Vermögensverwaltung S.A.), Luxembourg, informed us that their investment in Jetter AG exceeded 3% of voting rights on 16 August 2012, reaching 3.89% (126,144 voting rights); they then informed us that their investment dropped below 3% of voting rights on 20 November 2012, reaching 0% (0 shares).

Argos Funds Sicav, Luxembourg, informed us that their investment in Jetter AG exceeded 3% of voting rights on 16 January 2012, reaching 3.18% (103,000 voting rights). These voting rights are also attributed to Argos investment Managers SA, Switzerland, according to §22 Par. 1 s.1 #6.

Other investments known from prior years:

Bucher Industries AG, Switzerland (over 25 %).

Lupus alpha Investment S.A., Luxembourg, (over 5 %).

CAPITAL RESERVE

The capital reserve contains mainly parts of the funds received for the IPO in 1999 (KEUR 19,560), and for capital increases in previous years (KEUR 5,891). KEUR 27 thereof concern share-based employee benefits and are meant to determine the value of equity instruments granted to directors and employees as share-based part of their remuneration.

REVENUE RESERVES

Revenue Reserves contain the reserve for exchange rate differences and the result carried forward.

The reserve for exchange rate differences contains changes in shareholders equity caused by different conversion rates. Deferred taxes on these differences are set off directly against the reserve.

The loss carried forward contains undistributed profits as well as accumulated losses of the parent company and its subsidiaries.

16. PENSION ACCRUALS (FOR DEFINED BENEFIT PLANS)

Defined benefit liabilities concern Jetter AG and futronic GmbH. The plans include defined benefit for life-long retirement pension, widow's pension and disability pension. Pensions are regularly reviewed by the company for appropriate inflation effects, yet without granting a right to such increases. Pension obligations are calculated according to the internationally accepted method of actuarial present value (IAS 19). The first-time adoption of IAS 19 (revised) is explained above.

A future pension increase of 2.0% p.a. was assumed in the calculations (previous year: 2.0%). To determine present value, an interest rate of 3.5% was applied (previous year: 4.25%). Expected gains from plan assets were calculated at 3.5 % (previous year: 3.5 %).

Additional past service cost is expensed immediately if the obligation is unconditional, otherwise it is distributed over the time until it becomes so.

The company's pension obligations are fully covered by the accrual. They are partly funded by plan assets whose value is set off against the accrual. The majority of the liabilities is due after more than one year. The accrual shown in the balance sheet is composed as follows:

KEUR	31.03.2013	31.03.2012 *	31.03.2011 *
Defined benefit obligation	5,289	4,422	3,662
Plan assets	1,436	1,321	1,209
Liability	**3,853**	**3,101**	**2,453**

* Restated in application of IAS 19 (revised).

The defined benefit obligation developed as follows:

KEUR	31.03.2013	31.03.2012
Value at the beginning of the year	4,422	3,662
Current service cost	149	125
Interest cost	187	182
Actuarial gains / losses	584	506
Payments	-53	-53
Value at the end of the year	**5,289**	**4,422**

Actuarial gains/losses resulted to KEUR -99 (previous year: KEUR -95) from changes in composition and to KEUR 683 (previous year: KEUR 601) from changes in actuarial assumptions.

The plan assets set off against the accrual and the income thereof are reserved exclusively for pension payments. It consists of insurance plans (without fair value through an existing market) and developed as follows:

KEUR	31.03.2013	31.03.2012
Fair value at the beginning of the year	1,321	1,209
Revenue from plan assets	58	43
Current contributions	112	112
Payments received	-19	-19
Actuarial gains / losses	-36	-24
Fair value at the end of the year	**1,436**	**1,321**

Net interest cost for the period was KEUR 129 (previous year: KEUR 139).

The sensitivity analysis for central actuarial assumptions on 31 March 2013 is:

KEUR	Change in the present value of the obligation
Interest rate	
Increase 1%	-886
Reduction 1%	+1,140
Salary trend	
Increase 1%	0
Reduction 1%	0
Pension trend	
Increase 1%	+702
Reduction 1%	-602

The bandwidth for the sensitivity analysis was determined based on past experience. With an interest rate sensitivity of +/- 1%, there is a 75% chance that the interest rate at closing date will not stray out of bounds. The other assumptions are long-term and subject to little - if any - change.

Benefit obligations are financed from free cash-flow. Plan assets are supposed to partly fund the obligations and are ceded to the beneficiaries.

The following table shows payments towards plan assets for the following fiscal year 2013/14 and prognosticated pension payments for the next ten years.

KEUR	
Contributions to plan assets 2013/14	185
Expected pension payments	-886
2013/14	53
2014/15	53
2015/16	53
2016/17	53
2017/18	53
2018/19-2022/23	711

17. TAX LIABILITIES

Actual tax assets or liabilities for the current and past periods have to be measured with the expected amount to be received from or paid to the tax authorities. Current tax expense is calculated based on the taxable income for the year. Taxable income may differ from the income shown in the statement of comprehensive income, because it excludes revenues or expenses that will be taxable or tax-deductible in future periods or never. Amounts are calculated using tax rates and legislation valid at the closing date. Since the taxable income for the year was negative, no liability is shown on the balance sheet date. The liability of KEUR 17 in the previous year concerned Jetter (Schweiz) AG.

18. PROVISIONS FOR EMPLOYEE BENEFITS AND OTHER PROVISIONS

Accruals are recognised when the group has a present obligation (legally or factually) from a past event and it is probable that the group will be obliged to fulfil that obligation and the value can be estimated reliably.

Year-end or holyday pay matured and accrued up to the closing date and matured vacation not taken are shown under other liabilities. Based on reliable economic estimates, other provisions represent the amount, which covers the probable outflow of resources required for the settlement of present obligations. Accruals are recognised only for singularly identifiable obligations. The following table shows the movements during the fiscal year:

KEUR	Balance 01.04.2012	Use	Dissolution	Attribution	Balance 31.03.2013
Employee benefits	**319**	**319**	**0**	**261**	**261**
Closing and auditing	32	30	2	26	26
Guarantee	467	120	235	0	112
Onerous contracts	176	134	0	0	42
Outstanding invoices	206	197	9	369	369
Sales and marketing	31	31	0	22	22
Total Other Provisions	**912**	**512**	**246**	**417**	**571**
Total	**1,231**	**831**	**246**	**678**	**832**

Employee benefits and other provisions are due within one year, with the exception of the accrual for guarantee, which is due within two year.

There is a certain uncertainty regarding the actual amounts of accruals, especially however regarding the time of their fulfilment.

19. LIABILITIES

Liabilities to banks are composed as follows:

Bank	Nominal value KEUR	Issued	Term	Effec-tive interest %	Balance 31.03.2013 KEUR	Thereof due within one year	Collateral
BW-Bank	2,000	2006	2014	3.73	333	333	Bank balance
BW-Bank	702	2007	2015	4.42	234	116	Machinery
BW-Bank	900	2009	2019	4.55	900	0	
BW-Bank	600	2009	2019	2.75	487	75	Receivables
Volksbank Tettnang	900	2007	2027	4.53	767	53	Mortgage
Volksbank Tettnang	300	2007	2022	5.95	200	20	Mortgage
Volksbank Tettnang	300	2012	2032	2.60	300	35	Mortgage
Loans	**5,702**				**3,221**	**632**	

All remaining liabilities are due within one year. They are valued at revalued cost, which corresponds to the amount necessary for their extinction.

Under IAS 17, leasing contracts are to be classified as either finance or operating lease. For an operating lease, no assets are recognised and payments are expensed as they occur. With a finance lease, all relevant risks and opportunities inherent in ownership are transferred. The assets are recognised and valued at the present value of the minimum lease payments. A corresponding liability is recognised as well. Lease payments are split into an interest and a principal part. The interest part is recognised as interest expense, the principal part reduces the liability. The assets are amortised over their usual expected lifetime.

Liabilities from leasing are shown under other current liabilities, measured at the present value of lease payments.

CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Contingent liabilities are shown in the notes, if an obligation from a past event can potentially arise, based on the occurrence or non-occurrence of one or more uncertain future events, which are not completely under the company's control. A contingent liability may also stem from a present obligation based on past events, which was not recorded because an outflow of economically useful resources in the fulfilment of that obligation is not probable or the amount of the obligation cannot be reliably determined. If an outflow of economically useful resources for the company is improbable, no contingent liability is disclosed.

Leasing contracts are mostly structured as operating lease in compliance with IAS 17. Payments are expensed in the income statement. Other financial obligations from rent and lease contracts for buildings and assets, which are not recognised on the balance sheet, amount to KEUR 4,776 over the duration of the contracts (previous year: KEUR 5,558). KEUR 967 thereof are due within 1 year, KEUR 2,767 between two and five years and KEUR 1,042 after more than 5 years (previous year: KEUR 1,000/2,910/1,678). In the fiscal year, KEUR 885 were expensed for rent and lease (previous year: KEUR 805). Rent and lease contracts contain usual renewal clauses.

Open purchase orders for fixed assets amount to KEUR 9 (previous year: KEUR 7), for production material to KEUR 2,798 (previous year: KEUR 1,496).

CORPORATE GOVERNANCE

The declaration required by § 161 Aktiengesetz (Code for companies limited by shares) has been made on 12 November 2012. Shareholders can access it on the company's website.

Auditors' compensation

The auditors of the company have received the following compensations expensed in the fiscal year:

For auditing: KEUR 85
For tax consulting: KEUR 16
For other consulting services: KEUR 2

SUPERVISORY BOARD, MANAGEMENT BOARD

The members of the supervisory board and management board are listed below, complete with the number of Jetter shares they held on 31 March 2013.

Supervisory Board

Dr. Michael J. Oltmanns, attorney at law and tax advisor, Stuttgart, Germany (chairman), 1,635 shares (previous year: 635 shares).

Kurt Hauser, businessman, Ludwigsburg, Germany (deputy chairman), 58,098 shares (previous year: 69,098 shares).

Theo Frank, businessman, chartered accountant and tax advisor, Bietigheim-Bissingen, Germany, 500 shares (unchanged)

Members of the supervisory board receive only a fixed compensation. The basic yearly compensation is KEUR 15 for regular members, KEUR 23 for the deputy chairman and KEUR 38 for the chairman. For one supervisory board member, a pension accrual of KEUR 918 exists, from his former activity as director of the company. The corresponding plan assets amount to KEUR 316. During the year, this member has received pension payments of KEUR 53.

If members of the supervisory board are newly elected during a fiscal year, or retire from office, the compensation is paid pro rata temporis.

Dr. Michael J. Oltmanns is also on the supervisory board or comparable panel of these companies:

Becker Mining Systems AG (chairman)

Pfeiffer Vacuum Technology AG (chairman)

Scholz AG (chairman)

Merkur Bank KgaA (chairman) (until 15 October 2012)

Based on contracts approved by the board as a whole, the law firm Menold Bezler received KEUR 9 for specific consultancy appointments. Dr. Oltmanns is a partner in this law firm.

MANAGEMENT BOARD

Martin Jetter, Ludwigsburg (chairman), 311,600 shares (previous year: 309,600 shares)

Günter Eckert, Ludwigsburg (finance, administration and production), 8,400 shares (previous year: 5,400 shares)

Andreas Kraut, Ludwigsburg (technology, development and sales until 31 March 2013), 113,820 shares (previous year: 111,820 shares)

Christian Bent, Baden-Baden, (technology, development and sale from 1 April 2013, not yet published in the companies' register).

Martin Jetter is also president of the Swiss company Emhart Glass and member of the board of Bucher Industries AG.

After the end of their service period, management board members enjoy a fixed benefit pension scheme for old age and disability. The pension for old age is paid from the completion of 65 years. If the person is not a member of the management board until that age, the pension is reduced pro rata temporis. If a member ends their service due to disability, the pension is paid in full. The remuneration of the management board and their pensions are as follows:

Fiscal year 2012/13 TEUR	Fixed salary	Variable component	Long-term variable component	Total	Pension (per year)
Martin Jetter	129	0	0	129	107
Günter Eckert	198	0	0	198	113
Andreas Kraut	226	0	0	226	129
Fiscal year 2011/12 TEUR	**Fixed salary**	**Variable component**	**Long-term variable component**	**Total**	**Pension (per year)**
Martin Jetter	126	4	0	130	107
Günter Eckert	195	7	0	202	113
Andreas Kraut	226	8	0	234	129

Fixed salary and variable component are short-term, the other positions have long-term character.

The company pays liability and defence insurance premiums for the members of the management board, which are considered by fiscal authorities to be no part of their remuneration.

There are no further benefits at the end of the contract, nor is there a severance benefit included. A severance payment can result however from an individual termination agreement.

There is a pension accrual of KEUR 94 for a former member of the management board (previous year: KEUR 73).

The service contracts of the management board members also include reimbursement of contributions to a direct pension scheme of KEUR 2 per year.

There have been no business transactions between members of the management board and the company during the fiscal year.

A manager of a group company has received a loan of KEUR 160 in the past. It bears 5 % interest and is repayable in the short term. It is secured through a mortgage.

RELATED PARTY TRANSACTIONS

Balances and transactions between Jetter AG and its subsidiaries, which would qualify as related parties, were eliminated in the consolidation process and are not explained in these notes.

Under IAS 24, the companies of the Swiss Bucher group qualify as related parties. Jetter has sold goods and services to the following companies belonging to that group:

Bucher Hydraulics GmbH, Germany
Bucher Schörling Baltic SIA, Latvia
Bucher-Guyer AG, Switzerland
Emhart Glass Manufacturing Inc. USA
Emhart Glass SA, Switzerland
Emhart Glass Sweden AB, Sweden
Johnston Sweepers Ltd., UK
Bucher Schörling AG, Germany
Emhart Glass Sdn Bhd, Malaysia

The sales to and receivables from the aforementioned companies were as follows:

KEUR	2012/13	2011/12
Sales revenues		
Jetter AG	17,939	23,000
Subsidiaries	262	350
Total	**18,201**	**23,350**

TEUR	31.03.2013	31.03.2012
Trade receivables		
Jetter AG	1,940	1,998
Subsidiaries	43	34
Total	**1,983**	**2,032**

Sales of goods and services to related parties were conducted at arm’s length. The receivables are not secured and are settled in cash. Guarantees were neither given nor received. Receivables were not written down, they are neither unrecoverable nor insecure.

FURTHER NOTES

There were no events of particular importance after the end of the fiscal year.

The consolidated financial statements are expected to be adopted on 14 June 2013 by the supervisory board and thus cleared for publication.

Fixed Assets Movement Schedule

MOVEMENTS IN INTANGIBLE, TANGIBLE AND FINANCIAL FIXED ASSETS

KEUR	COST						ACCUMULATED DEPRECIATION						BOOK VALUE	
	Balance 01.04.2012	FOREX Differences	Additions	Reclassi-fications	Disposals	Balance 31.03.2013	Balance 01.04.2012	FOREX Differences	Additions	Reclassi-fications	Disposals	Balance 31.03.2013	Balance 31.03.2013	Balance 31.03.2012
Intangible Assets														
Software	2,747	-1	181	13	42	2,898	2,144		315	**5**	42	2,422	476	603
Licences	116	-1	13			128	93		18			111	17	23
Estrablished Clientele	734	-12			722	0	734	-12			722	0	0	0
Development Expense	9,937		303		196	10,044	5,716		884		196	6,404	6,640	4,221
Goodwill	4,421	-28				4,393	0					0	4,393	4,421
Total Intangible Assets	**17,955**	**-42**	**497**	**13**	**960**	**17,463**	**8,687**	**-12**	**1,217**	**5**	**960**	**8,937**	**8,526**	**9,268**
Tangible Assets														
Real Estate	2,035		4	3	14	2,028	305		73		3	375	1,653	1,730
Leasehold Improvements	1,194	-1				1,193	642		74			716	477	552
Machinery	1,047		221		14	1,254	713		104		14	803	451	334
Other Furniture and Equipment	7,618	2	411	473	862	7,642	5,626		944	**-5**	843	5,722	1,920	1,992
Construction in Progress	499		851	-489		861	0					0	861	499
Total Tangible Assets	**12,393**	**1**	**1,487**	**-13**	**890**	**12,978**	**7,286**	**0**	**1,195**	**-5**	**860**	**7,616**	**5,362**	**5,107**
Financial Assets														
Loans	210				58	152	0					0	152	210
Total Financial Assets	**210**	**0**	**0**	**0**	**58**	**152**	**0**	**0**	**0**	**0**	**0**	**0**	**152**	**210**
Total	**30,558**	**-41**	**1,984**	**0**	**1,908**	**30,593**	**15,973**	**-12**	**2,412**	**0**	**1,820**	**16,553**	**14,040**	**14,585**

Previous year fixed assets movement schedule

MOVEMENTS IN INTANGIBLE, TANGIBLE AND FINANCIAL FIXED ASSETS

KEUR	COST						ACCUMULATED DEPRECIATION					BOOK VALUE	
	Balance 01.04.2011	FOREX Differences	Additions	Reclassi-fications	Disposals	Balance 31.03.2012	Balance 01.04.2011	FOREX Differences	Additions	Disposals	Balance 31.03.2012	Balance 31.03.2012	Balance 31.03.2011
Intangible Assets													
Software	2,452	2	314		21	2,747	1,856	2	305	19	2,144	603	596
Licences	116					116	73		20		93	23	43
Estrablished Clientele	691	43				734	691	43			734	0	0
Development Expense	9,607		330			9,937	4,837		879		5,716	4,221	4,770
Goodwill	4,324	97				4,421	0				0	4,421	4,324
Total Intangible Assets	**17,190**	**142**	**644**	**0**	**21**	**17,955**	**7,457**	**45**	**1,204**	**19**	**8,687**	**9,268**	**9,733**
Tangible Assets													
Real Estate	2,001		34			2,035	232		73		305	1,730	1,769
Leasehold Improvements	1,183		11			1,194	569		73		642	552	614
Machinery	1,096		19		68	1,047	672		109	68	713	334	424
Other Furniture and Equipment	7,023	32	807	183	427	7,618	5,180	29	831	414	5,626	1,992	1,843
Construction in Progress	269		421	-183	8	499	0				0	499	269
Total Tangible Assets	**11,572**	**32**	**1,292**	**0**	**503**	**12,393**	**6,653**	**29**	**1,086**	**482**	**7,286**	**5,107**	**4,919**
Financial Assets													
Loans	267				57	210	0				0	210	267
Total Financial Assets	**267**	**0**	**0**	**0**	**57**	**210**	**0**	**0**	**0**	**0**	**0**	**210**	**267**
Total	**29,029**	**174**	**1,936**	**0**	**581**	**30,558**	**14,110**	**74**	**2,290**	**501**	**15,973**	**14,585**	**14,919**

Ludwigsburg, 7 June 2013

Management Board of Jetter AG

Report of the Supervisory Board

DEAR SHAREHOLDERS,

the fiscal year 2012/13 was marked by a mixed macroeconomic environment, where Jetter tolerably stood its ground. The strategic partnership with the Bucher Industries group (Switzerland) has continued its positive development. The still young area of Mobile Automation could be extended further and is beginning to bear fruit.

During the reporting period, the Supervisory Board was kept regularly informed, both verbally and in writing, about current business developments. Furthermore, the chairman of the Supervisory Board maintained close and consistent contact with the members of the Management Board and was continuously informed of all important events and decisions.

The Supervisory Board fulfilled its legal and statutory obligations in the course of five meetings and one telephone conference, controlling and advising the directors. The meetings were held in Ludwigsburg on 15 June 2012, 19 September 2012, 12 November 2012 and 13 February 2013, and in Tettnang on 3 August 2012. The telephone conference took place on 7 January 2013. All members of the Supervisory Board have attended all of these meetings and conferences. The meetings were held in an open, constructive, and goal-oriented atmosphere. Measures requiring Supervisory Board authorisation were discussed and deliberated in the meetings. The Supervisory Board of Jetter has no committees.

During the reporting period, the following topics were of special importance for the Supervisory Board:

The macroeconomic framework, its consequences for the business of the Jetter group and the cost development (15 June 2012, 3 August 2012, 19 September 2012, 12 November 2012, 13 February 2013),

- the German Corporate Governance Code (12 November 2012),
- Supervisory Board Efficiency (19 September 2012),
- the budget (13 February 2013),
- the risk management system (19 September 2012, 13 February 2013),
- the development of the Competence Center Technology (13 February 2013)
- production (3 August 2012)
- establishment of a subsidiary in the People's Republic of China (19 September 2012, 13 February 2013).

Furthermore, the supervisory board appointed Mr. Christian Benz as member of the management board as of 1 April 2013. Mr. Benz is responsible for technology and marketing. He succeeds Mr. Andreas Kraut, who, after 30 years in the service of the company, steps down from the management board, though staying connected with the company as shareholder and advisor. Mr. Kraut has built and shaped the Jetter group from the earliest beginnings. He contributed significantly to the company's success. The supervisory board thanks him sincerely, in the name of the whole company.

The Supervisory Board exercised all legal and statutory functions bestowed upon it, with special regard to the requirements of the law on control and transparency of companies from 1998 (KonTraG) and the law on transparency and publication from 2002 (TransPublG), supervising the management board scrupulously and unconditionally.

The requirements of KonTraG regarding risk management were intensely discussed with the management board. The Supervisory Board repeatedly ascertained that insurable risks are adequately insured and that operative, financial and contractual risks are controlled by organisational procedures and authorisation rules. A detailed reporting system for the company and the group is in place and it is continually being maintained and updated. All employees in the operating units are sensitised against potential risks and encouraged to report accordingly.

The German Corporate Governance Kodex (DCGK) was subject of intense discussion. The Supervisory and Management Boards agree, that the exceptions to the DCGK are justified and useful, namely: age limits for members of the Management and Supervisory Boards, variable compensation components for members of the Supervisory Board, publication of the compensation structure on the company's website and special consideration to women in the Directors' and Supervisory Boards. The Management and Supervisory Boards gave the declaration of conformity according to § 161 AktG, with the exceptions mentioned above, timely before year-end. In the interest of good corporate governance, the Supervisory Board has investigated its own efficiency with an overall positive outcome.

In the meetings of the Supervisory Board as well as in personal discussions, the management and Supervisory Boards have intensely discussed the company's strategic alignment and planning. The economic development was subject of deep analysis, too. The budget for the fiscal year 2013/14 was discussed and adopted.

The Management Board has prepared the financial statements and directors' report for Jetter AG in accordance with the German Commercial Code, as well as the consolidated financial statements and directors' report in accordance with IFRS at March 31, 2013. Ebner Stolz Mönning Bachem GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, appointed as the company's auditor by the general assembly on 19 September 2012, has audited the company's financial statements, the group's consolidated financial statements, and the respective directors' reports, including the bookkeeping, and has issued an unqualified opinion. The auditor has informed the Supervisory Board in its meeting on 14 June 2013 of the results of its audit and gave comprehensive answers to the questions of the Supervisory Board. The Supervisory Board itself has intensely discussed the audit report, the financial statements, and the directors' reports for both the company and the group; no objections were raised and the findings of the audit were approved. The financial statements for both the company and the group were approved by the Supervisory Board and are thus adopted.

The Supervisory Board wishes to thank the management and all employees for their unconditional efforts during the business year 2012/13. We thank all shareholders for their confidence in Jetter AG.

Dr. Oltmanns

Ludwigsburg, 14 June 2013

Dr. Michael Oltmanns
Chairman of the Supervisory Board

Audit Opinion

We have audited the consolidated financial statements prepared by Jetter AG, Ludwigsburg, comprising the balance sheet, the income statement, statement of changes in equity, cash flow statement and the notes to the consolidated financial statements, together with the group management report for the business year from 1 April 2012 to 31 March 2013. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a paragraph 1 HGB are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on my/our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a paragraph 1 HGB and supplementary provisions of the articles of incorporation and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Stuttgart, 7 June 2013

Ebner Stolz Mönning Bachem GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft

Hans-Dieter Harm	Dr. Christoph Eppinger
Wirtschaftsprüfer	Wirtschaftsprüfer

Assurance by the Management Board

We assure to the best of our knowledge that the consolidated financial statements provide a true and fair view of the Jetter group's net worth, financial position and results of operations, in keeping with the principles of due group reporting. We further assure to the best of our knowledge that the consolidated management report presents the course of business, including the results of operations and the group's position, such as to provide a true and fair view and that the major opportunities and risks relating to the presumable development of the group are described.

Ludwigsburg, 7 June 2013

The management of Jetter AG

Balance Sheet of Jetter AG

ASSETS

KEUR	31.03.2013	31.03.2012
A. Fixed Assets		
I. Intangible Assets		
1. Software	300	495
2. Licences	17	23
	317	**518**
II. Tangible Assets		
1. Leasehold Improvements	477	552
2. Technische Anlagen und Maschinen	383	245
3. Other Furniture and Fixtures	1,484	1,485
4. Construction in Progress	314	458
	2,658	**2,740**
III. Financial Assets		
1. Investment in Affiliated Companies	5,673	7,337
2. Loans to Affiliated Companies	1,283	1,283
3. Other Loans	215	271
	7,171	**8,891**
Total Fixed Assets	**10,146**	**12,149**
B. Current Assets		
I. Stocks		
1. Raw Materials and Supplies	4,502	5,856
2. Unfinished Goods, Unfinished Services	1,588	2,470
3. Finished Goods and Merchandise	1,232	1,465
	7,322	**9,791**
II. Receivables and Other Assets		
1. Trade Receivables	2,917	3,479
2. Receivables from Affiliated Companies	737	959
3. Other Assets	578	1,054
	4,232	**5,492**
III. Cash at Bank and in Hand	2,173	162
Total Current Assets	**13,727**	**15,445**
C. Prepaid Expenses	**188**	**215**
TOTAL ASSETS	**24,061**	**27,809**

EQUITY AND LIABILITIES

KEUR	31.03.2013	31.03.2012
A. Shareholders' Equity		
I. Subscribed Capital	3,241	3,241
II. Capital Reserve	25,451	25,451
III. Retained Earnings	-12,185	-9,455
Total Shareholders' Equity	**16,507**	**19,237**
B. Accruals		
1. Pension Accruals	2,506	2,382
2. Other Accruals	1,538	1,803
Total Accruals	**4,044**	**4,185**
C. Liabilities		
1. Liabilities to Banks	1,955	2,591
2. Trade Liabilities	913	1,610
3. Liabilities to Affiliated Companies	21	0
4. Other Liabilities	621	180
Thereof for Taxes	(154)	(144)
Thereof for Social Security	(1)	(0)
Total Liabilities	**3,510**	**4,381**
D. Deferred Income	**0**	**6**
TOTAL EQUITY AND LIABILITIES	**24,061**	**27,809**

Income Statement of Jetter AG

KEUR	2012 / 13	2011 / 12
1. Sales Revenues	29,941	35,901
2. Changes in Finished and Unfinished Goods, Unfinished Services	-1,062	1,468
3. Capitalised Expenditure	364	416
Total Output	**29,243**	**37,785**
4. Other Operating Income	800	804
Thereof from currency conversion KEUR 28 (pr. y.: KEUR 54)		
5. Cost of Materials		
a) Cost of Raw Materials, Supplies and Merchandise	10,711	15,222
b) Cost of Services	3,240	4,530
	13,951	**19,752**
6. Personnell Cost		
a) Wages and Salaries	9,516	10,091
b) Social Security and Pension Cost	1,932	1,992
Thereof Pension Cost KEUR 327 (pr. y.: KEUR 401)		
	11,448	**12,083**
7. Amortisation of Intangible and Tangible Fixed Assets	1,207	1,098
8. Amortisation of Intangible and Tangible Fixed Assets	4,898	5,197
Thereof from currency conversion KEUR 20 (pr. y.: KEUR 42)		
Operating Result	**-1,461**	**459**
9. Income from Investment	140	0
thereof from Affiliated Companies KEUR 140 (pr. y.: 0)		
10 Transfer of Profits	764	813
thereof from Affiliated Companies KEUR 764 (pr.y.: KEUR 813)		
11. Income from Financial Fixed Assets	64	69
thereof from Affiliated Companies KEUR 54 (pr.y.: KEUR 57)		
12. Other Interest and Similar Income	17	22
13. Write-off of Financial Assets	1,965	0
14. Interest and Similar Expenses	282	282
thereof from Accruals KEUR 165 (pr.y.: KEUR 157)		
15. Result from Ordinary Activities	**-2,723**	**1,081**
16. Income Taxes	-1	0
17. Other Taxes	8	13
18. Result for the Period	**-2,730**	**1,068**
19. Loss carried forward	-9,455	-10,523
20. Retained Earnings	**-12,185**	**-9,455**

Upcoming Events

Following international practice, this business report concentrates on the Jetter group.

We therefore publish only the Balance Sheet and Income Statement of Jetter AG for the fiscal year ending 31 March 2013 according to HGB (German commercial code).

The complete financial statements can be obtained from the company upon request.

NOTE

This Business Report is a translation of the original German text. In case of discrepancies, the German version is the authentic version. We apologise for the poor quality of the translation.

28 June 2013	Press conference
28 June 2013	Analysts' conference
14 August 2013	Publication 3 months' statements (April - June 2013)
18 September 2013	General annual meeting 2013
14 November 2013	Publication 6 months' statements (April - September 2013)
14 February 2014	Publication 9 months' statements (April - December 2013)
27 June 2014	Press conference
27 June 2014	Analysts' conference
15 August 2014	Publication 3 months' statements (April - Juni 2014)
18 September 2014	General annual meeting 2014

IMPRINT

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CONCEPT, DESIGN, SETTING

Jetter AG