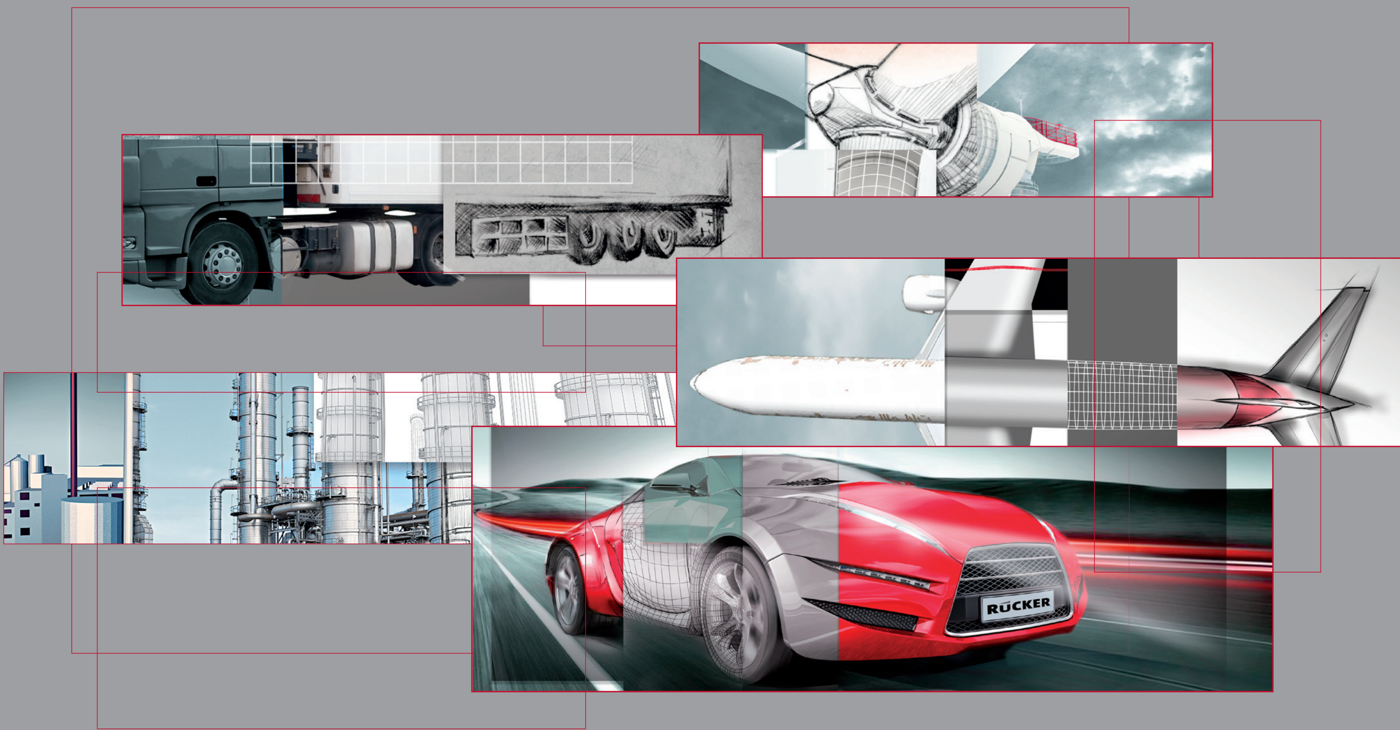
# 2012




ANNUAL CONSOLIDATED FINANCIAL STATEMENT 2012

RÜCKER

**Rücker Aktiengesellschaft, Wiesbaden**

**Group Management Report for the Business Year from 1 January 2012 to 31 December 2012**

## I. Business and General Economic Settings

The Rücker Group is a technologically leading company in the field of virtual product development with emphasis on the automotive and aviation industries. Further, larger volumes are being processed in the industries of mechanical engineering, plant engineering, railroad engineering and shipbuilding.

Since the customers in these industries are internationally oriented, the business model of the Rücker Group depends on the development of the global economy and on the customers' success in their respective markets, above all the automotive markets. In the year 2012 the Rücker Group benefitted from the positive development of the global economy as well from the above relevant markets. With positive business perspectives the customers invest more into new developments. In the year 2012 this applied both to customers in the segments "inland" and „abroad", although with different dynamics, as the growth was stronger inland as abroad.

During the year 2012 the company's shareholders' structure was newly organized. The ATON Engineering AG, Hallbergmoos, acquired by means of a takeover bid of EUR 16.00 per share to the shareholders of the Rücker AG a total of 89.71 % of the shares of the Rücker AG. Sole shareholder of the ATON Engineering AG is the ATON GmbH, Hallbergmoos, being a mere holding company and entirely in the possession of the Helmig family. The ATON GmbH itself has interests in several companies in diverse industries with group sales of more than EUR 2 billion. The ATON GmbH is also active in the fields engineering and plant engineering for the automotive industry and in further companies of the mobility industry, and it is the sole shareholder of the EDAG GmbH & Co. KGaA, Fulda. Jointly with its subsidiaries the EDAG develops at more than 20 locations solutions ready to go into production for the automotive and aviation industries.

## Economic development

The global growth was dampened a little with an increase of 3.2 % in the year 2012 after the increase of 3.9 % in the year 2011. The reason for that was mainly the reduction in the economic performance in the Euro zone (0.4 %) and in Great Britain (0.2 %). Many European countries were affected from the Euro sovereign debt crisis and were marked by high rates of new indebtedness, high unemployment rates and by low, respectively negative, growth rates. Germany, too, was affected by this development and had to suffer a decreasing growth rate from 3.1 % in the year 2011 to 0.9 % in the year 2012. This negative development was compensated, however, mainly by high growth rates in China, India, and Russia and in other emerging nations.

**Growth forecasts** (in %)

| **Land / Region** | **2011** | **2012** | **2013e** | **2014e** |
|---|---|---|---|---|
| USA | 1,8 | 2,3 | 2,0 | 3,0 |
| Japan | -0,6 | 2,0 | 1,2 | 0,7 |
| Germany | 3,1 | 0,9 | 0,6 | 1,4 |
| Great Britain | 0,9 | -0,2 | 1,0 | 1,9 |
| Brazil | 2,7 | 1,0 | 3,5 | 4,0 |
| China | 9,3 | 7,8 | 8,2 | 8,5 |
| India | 7,9 | 4,5 | 5,9 | 6,4 |
| Russia | 4,3 | 3,6 | 3,7 | 3,8 |
| **Global** | **3,9** | **3,2** | **3,5** | **4,1** |

Source: IMF, World Economic Outlook,
January 2013

Since all customers of the Rücker Group are strongly internationally oriented they benefitted from the development of the global growth rates, and thus ultimately, the company, too. For 2013 further increases in the global economic performance are expected at about 3.5 %; for 2014 even 4.1 % are expected.

Overall, this should have positive effects on the business prospects of the Rücker Group's customers, although there will be a recession in the economic performance mainly in the Euro area. For Germany itself a growth rate of 0.6 % is expected, after 0.9 % in the year 2012.

Developments within the Automotive Industry (passenger cars)

The global markets for automotive industry developed positively during the reporting year. All in all there was a growth of 7 % from 62.8 million units to 66.9 million units. The sales rose in the USA by 13 % to 14.5 million passenger cars. Even strong growth occurred in China, India, Brazil and Russia, too. Europe was confronted by a clear drop of sales figures by 8 %.

**The most important global automotive markets**

| Sales in 1,000 pass. cars | 2011 | 2012 | 2013e | 2014e |
|---|---|---|---|---|
| USA | 12.778 | 14.482 | 15.180 | 15.635 |
| Europe (EU 27+Efta) | 13.572 | 12.518 | 12.069 | 12.610 |
| Thereof Germany | 3.174 | 3.083 | 2.980 | 3.200 |
| Japan | 3.525 | 4.780 | 4.661 | 4.754 |
| Russia | 2.653 | 2.935 | 3.020 | 3.100 |
| Brazil | 3.426 | 3.640 | 3.720 | 3.800 |
| China | 12.214 | 13.167 | 13.957 | 14.655 |
| India | 2.523 | 2.808 | 2.949 | 3.096 |
| **Global** | **62.777** | **66.924** | **68.528** | **70.968** |

Source: CAR University Duisburg-Essen

Overall, the German car manufacturers benefitted from the global growth because they are well positioned, particularly in the USA, in China and in other emerging nations. Thus the receding demand in some Euro countries was more than compensated by sales in countries outside Euro zone.

For the year 2013 slightly rising sales are expected in the car markets, i.e. with about 68.5 million units. In the year 2014, too, a global growth is expected again with sales of then 71.0 million units.

The department “Versuch” (testing) was transferred as a whole from the Munich office of the Rücker GmbH to the Rücker Testing Servicing GmbH, Munich, a company established on 19 December 2011. The transfer was made as of 1 January 2012 by way of a demerger in the sense of section 123 paragraph 3 no. 1 UmwG (German Commutation Law) against the granting of new company shares in the nominal value of kEUR 1. The demerger was made at carrying value. Since then the Rücker Testing Servicing GmbH is being integrated into the basis of consolidation.

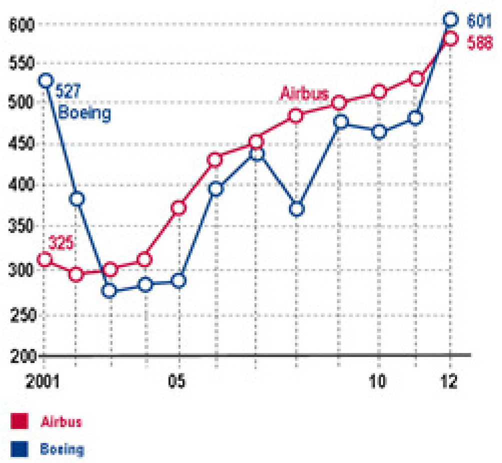
## Developments in the Aviation Industry

Air traffic recorded strong growth rates globally. With about 2.9 billion passengers more than 5 % more travellers were transported as in the last year. In comparison, the cargo volume increased only slightly as compared to last year.

All in all the world air traffic organization IATA assumes for the time until 2016 an increase in passenger numbers by 5 % annually to 3.6 billion, with freight volumes an increase of 3 % p.a. is expected. For the next twenty years Airbus expects a sale of about 28,200 new passenger aircrafts with an estimated value of US $ 4.0 trillion. Boeing even expects a higher demand of 34,000 aircrafts. All in all the tendency is towards larger low-noise fuel efficient aircrafts. Major backlog demand exists mainly in China and India. Airbus recorded a total of more than 900 orders in the year 2012, Boeing even about 1,300. Therefore, both manufacturers have an order backlog of more than seven years

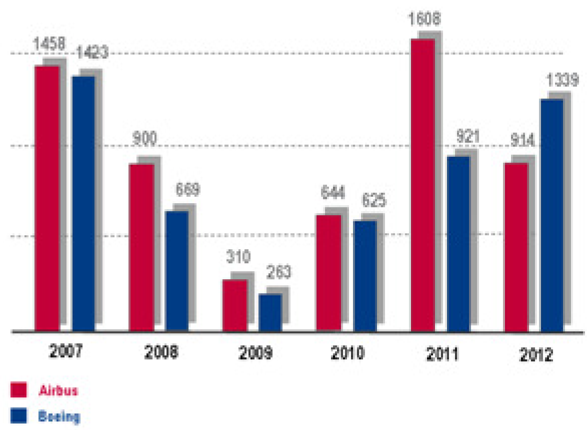
The Rücker Aerospace GmbH clearly improved its standing as supplier of EADS. By the establishment of a joint venture with CT INGENIEROS A.A.I., S.L., Madrid, Spain, the company qualified among the top 20 suppliers of EADS and thus for its 100 % subsidiary, Airbus. The status improvement did not create additional volume for the joint venture yet, however. Still, the status should generate strong impulses in the future for the aviation business.

**Delivered aircraft**




Source: FAZ, 18.01.2013

**Newly ordered aircraft**




Source: FAZ, 18.01.2013

In the other industries in which the Rücker Group is active the customers are internationally oriented, too. Therefore they also benefit from the positive development of the global economy.

Development of the Market for Engineering Services

The market for engineering services was marked during the reporting year by growing awarded volumes. The car manufacturers, our main customer group, articulately increased their global sales, mainly because of the strong growth in China, India, Russia, and the USA. This in turn caused increased expenses for development, which meant clear increases in the awarding of contracts to the companies of the Rücker Group.

Generally, the market for engineering services is marked by growth potentials resulting from our clients' increasing number of models and the increased share of outsourcing. The automotive industry faces the challenge to develop new, particularly environmentally friendly products like for example hybrid or electro driven vehicles. New CO2 limits set by the governments must be implemented by the manufacturers. Additional safety regulations and user friendly communication are also motors of development demand.

Research and development play an important role within the industries in which the Rücker Group is active. The volume of research and development of the German automotive industry was in the year 2012 estimated to be EUR 22 billion, the major part being processed by the manufacturers themselves. The volume increased as compared to the previous year by about 5 %.

The market chances in the segment of aviation are positive, too, because of the rather long-ranged projects, even if business developed cautiously in the year 2012. The tourism industry is expected to grow twice as fast as the global economy within the next twenty years because of China and India and because of the high demand to replace highly fuel consuming aircrafts with new more economic and more silent models.

Also in the plant engineering positive development is predicted for the future.

**The development of the Rücker Group in the Market**

The Rücker Group with the Rücker AG and its 7 domestic and 22 foreign subsidiaries is doing business mainly in the field of counselling, planning and engineering of vehicles, airplanes, plants, machinery, rail vehicles and ships as well as with the connected technical documentation. Focal points of the activities are the preparation and validation of constructional data by means of state-of-the-art CAD systems under application of time-efficient development strategies. The services are performed on the base of work contracts or by means of transfer of employees.

The customers of the Rücker Group are international corporate groups of the automotive and aviation industries and in the industries of mechanical engineering, railroad engineering and shipbuilding, as well as the suppliers of these. All rely on quality and competence. To those we provide competences, continually being developed further, within the globally acting network of the Rücker Group.

In the year 2012 the Rücker Group benefitted from the positive development of the global economic condition. The improved macroeconomic framework had decisive influence on the business of our customers, leading during the reporting year to increased development activities and subsequently to increased awarding to all companies of the Rücker Group.

In the medium range, too, it is still to be expected that the business model of the Rücker AG and its subsidiaries will generate increasing sales with the performance of engineering services for new propulsion systems, ecologically friendly mobility under consideration of new safety regulations and the increasing share of electronics in passenger cars, freight vehicles, aeroplanes and plants.

However, the markets on which our customers act are highly competitive. The competition within the industries in which the Rücker Group is active was even further increased and is still marked by business cooperations and company takeovers. With the international positioning the Group is well primed to counter these increased challenges successfully in the future, too.

The Rücker companies are certified according to the following standards: DIN EN ISO 9001, DIN EN ISO 9100, DIN EN ISO/IEC 17025, SS EN ISO 14001. The EASA approval (European Aviation Safety Agency) was already awarded in the year 2007 and permits us to become active for new circles of customers.

All in all the order volume of the Rücker Group followed roughly the total market. Therefore, existing market shares were defended. The main business of the Rücker Group is based on framework contracts. On that base projects can be processed revolvingly, so that the number of orders at a given date can be no indicator for the future volume of revenues. The dynamics of new models in the aviation and automotive industries suggests a stable business in the coming two years if there are no undulations in the awarding of the contracts.

The industries in which the Rücker Group is active are still highly competitive, even more so if there are shifts in the volume of awarded contracts. Still many suppliers are competing in the market for development services. The market shares of these companies are, as is the market share of the Rücker Group, within the single-digit percentage range.

Competitors are companies supplying both development services and the production of whole vehicles or components, as well as other development services providers. Within the first category are companies like Valmet, Pinninfarina, Magna, Lear, Faurecia, Johnson Controls, Bosch or Siemens VDO. Within the second category are, besides the companies of the Rücker Group, mainly Bertrandt, EDAG, IVM, Ferchau, Assystem, Altran, Alten, Semcon, IAV, Satyam, AKKA, Labinal, TCS and other, mainly medium sized companies.

For all worked industries is true that it becomes increasingly difficult to find qualified staff, even more so nationally as compared to internationally. The engineers move to the customers more and more. The stronger fluctuation of employees and the resulting higher wages to be paid caused an increase in the level of cost of personnel.

## II. Net assets, financial position and results of operations

All in all the course of business was marked by a distinctive positive situation of incoming orders for the Rücker Group in the year 2012. The level of business activity, globally growing by 3.2 %, as well as the positive development in the automotive markets, did positively influence the awarding of contracts from our customers. Therefore we clearly outperformed in the year 2012 the volume of business in the last year. Revenues rose by 7.6 % from EUR 175.9 million in the year 2011 to EUR 189.4 million in the year 2012. In Germany were EUR 128.1 million of the above generated, abroad the share was EUR 70.0 million before the elimination of intragroup business relations. The average number of employees rose during the reporting year to 2,507 employees. The increase in revenues was stronger in Germany with 9.1 % as abroad (4.9 %).

Opposed to the increase in sales is an almost proportional increase of production cost by 6.9 % to EUR 159.0 million. The gross result was increased by EUR 3.1 million to EUR 30.3 million. The gross income margin was with 16.0 % on the same level as last year (15.4 %). The increase of the gross result was more than compensated, however, by the receding other income and expenses and mainly by higher costs of distribution and administration (increase by EUR 2.7 million to EUR 23.6 million). The resulting operative Group result (EBIT) was reduced in the year 2012 from EUR 10.0 million to EUR 9.0 million. The higher cost for distribution and administration were mainly caused by increased expenses for recruiting of personnel, for advertising and for fairs, as well as for a software changeover. The EBIT was achieved in Germany (EUR 4.3 million) and abroad (EUR 4.7 million). The Group tax quota rose from 29.6 % to 37.0 % in the year 2012 because of a special effect resulting from deferred taxes. The Group net profit was about EUR 4.8 million in the year 2012. It was reduced by 21.2 % as compared to last year (EUR 6.1 million) and it is divided into EUR 1.7 million generated inland and EUR 3.1 million earned abroad.

The reason for the growth in sales by 7.6 % was the additional demand of passenger cars, goods vehicles, aircrafts, industrial plants and other products, positively influencing the awarding habits of our customers. The manufacturers need new models in order to fortify market shares and to develop new markets. Additional effects have the shortening of development cycles, since the intervals between the launch of a new model and the replacement by a new model grow ever shorter. Short development cycles mean for the Rücker Group increased demand of development services.

The manufacturers of airplanes, plants and machines work to develop more economic, more environmentally friendly and more silent products and will demand corresponding development services from the companies of the Rücker Group in the future.

In the year 2012 the Rücker Group achieved 66 % of its sales within Germany, after 65 % in the year 2011. The EBIT achieved abroad fell from EUR 5.3 million to EUR 4.7 million, clearly stronger than inland, where the decrease was from EUR 4.5 million to EUR 4.3 million. Within the Group the EBIT margin was 4.8 % (previous year 5.7 %). The net yield fell from 3.5 % to 2.5 %.

The balance sheet total of the Rücker Group was EUR 95.8 million (previous year EUR 90.8 million) increased. The property, plant and equipment were EUR 24.4 million (previous year EUR 21.7 million). The increase was mainly caused by new investments into testing and design equipment. Intangible assets fell slightly by EUR 0.3 million to EUR 10.6 million, caused mainly by an unscheduled depreciation on the goodwill of the Hövelmann GmbH in the amount of EUR 0.3 million.

Because of the higher revenues volume trade receivables were increased by EUR 1.4 million to EUR 29.0 million. Liquid funds, however, were reduced because of higher investments and dividends from EUR 19.3 million to EUR 18.9 million by 31 December 2012. Other receivables rose as compared to last year by EUR 1.5 million because of the higher receivables from the factor.

The largest debt item is the shareholders' equity with EUR 39.9 million and remained virtually unchanged as compared to last year (EUR 40.0 million). The pension commitments for the Swiss based company were for the first time valued according to IAS 19 and classified as a correction according to IAS 8. Consequently, the Group financial statements as at 31 December 2011 and the opening balance values as at 1 January 2011 were adjusted. This caused a reduction of the equity capital in the amount of kEUR 410. As far as there are comparisons with last year's values within the Group financial statements and the Group management report, they all refer to the values corrected according to IAS 8. Within the notes the adjustments are explained in detail.

In September 2012 the Rücker AG sold 23,039 treasury shares at a price of EUR 15.93 per share, respectively at a total price of kEUR 367. The difference amount from the sales price and the historic acquisition cost of kEUR 186 was entered into the capital reserves not affecting income. Further, because of the rebuy of shares in the Rücker EKS (23.5 %) by the Rücker AG as at 1 April 2012 and because of distributions the non-commanding share in the subsidiaries was reduced from kEUR 522 to kEUR 45.

The pension commitments rose strongly from EUR 4.7 million to EUR 7.2 million, mainly because of the reduction of the discounting interest rate and of the adjustment of the period of service. The current and non-current liabilities due to banks and other financial liabilities rose in total by EUR 1.0 million to EUR 18.1 million, caused by increased investment demand.

The other liabilities were higher as last year because of higher personnel and tax liabilities (EUR 18.6 million as compared to EUR 17.8 million in the last year). With almost unchanged equity capital the balance sheet total rose because of the higher pension commitments and bank liabilities. Consequently the equity ratio fell from 44.1 % to 41.6 %. Nonetheless, the Rücker Group still has a solid financing structure, both in comparison to other share values of the medium sized businesses and in the inter-industry comparison. The equity capital covers the non-current assets, as in the last year, more than completely, namely at 107 % (previous year: 116 %).

The financing of the Group is being secured by the use of factoring, leasing, bank lines and the cash flow from current business operations.

The operative cash flow was increased as compared to the last year from EUR 7.5 million to EUR 8.9 million. Opposed to the positive operative cash flow were outflows of funds from investment activities in the amount of EUR 6.7 million and from financing activities in the amount of EUR 2.9 million. In total cash and cash equivalents fell from EUR 19.3 million to EUR 18.9 million.

## III. Non-financial indications of performance

Qualified engineers are still the most sought-after resource within the industry. Therefore, our competent, reliable and motivated engineers are the decisive competitive advantage of the

Rücker AG. In order to keep our employees always up to date with technological developments and challenges we constantly invest into their further training and into attractive incentive programs. Internal trainings make sure that our engineers are internationally on the top level regarding competence and application. This is our top priority. The degree of utilization of the major part of the Rücker Group's business units was in the year 2012 at about the same level than in the year 2011. The capacities were gradually increased by new hire. The number of the employed own and contract staff was 2,288 in the annual average. Rücker Group's employees are mainly qualified graduate engineers, design engineers and design draughtsmen. The number of employed own staff and hired staff was in average at 2,507. The employees of the Rücker Group are mainly qualified as graduate engineers, design engineers and design draughtsmen. The number of the own and hired graduate engineers, design engineers and design draughtsmen employed by the Rücker Group was increased by 198 to 2,597 by the end of the year 2012. All this despite the difficult situation in the market for engineers, mainly caused by high development expenses and migration of employees to our customers and competitors. Our company's strategy is to increase the employee retention in order to maintain competitiveness primarily by training, support in child care, health consulting and support and sport programs.

Usually, we have been cooperating with our customers for decades. This confirms the high acceptance and the customer satisfaction. By means of an escalating system from the employees to the management board we make sure that immediate reaction to problems in the workflow is possible.

## IV. Events after the balance sheet date

Events of special importance after the balance sheet date did not occur.

## V. Report on the expected development with its material chances and risks

In the year 2012 the global economy grew by 3.2 %. This caused positive effects for our customers and to their awarding practice of development tasks, mainly within the automotive industry. Globally, the gain in the automotive industry was at about 7 % and amounted to 66.9 million units sold. This development had positive effects for our customers and their suppliers with further reduced risks of insolvency in the business year 2012 for most of our customers.

Even if the Rücker Group is also oriented towards other industries apart from automotive and aviation, still the largest part of the revenues is being generated with customers from these segments. Should these customers cut down their expenses for research and development or their investments further, or should these customers process their projects increasingly internally instead awarding them to external service providers, the Rücker Group would be subject to additional price pressure because of the aggravated competition. The affection of the capacity utilization would negatively influence the net worth, the financial situation and the income situation of the Group. Negative effects may also occur from the dependency from a few main customers, if these defer projects or award them to competitors. We are counteracting by increased flexibility of the resources (regarding location, time and industry) and a corresponding customer management, by which cyclic developments are partially levelled out. Under-utilization may occur here which might be compensated only partially or for a short time. Similar effects would have a reduction in the multitude of models by the manufacturers. The dependency from a few main customers shall be reduced by the development of business with suppliers and customers of the OEM.

The Rücker Group's development could be infringed by problems with the recruitment of qualified personnel since it is difficult to find engineers who can be employed for the customer orders. This situation is being countered with improved applicant's marketing, training and the organization and maintenance of an applicant's data base (also internationally).

Further, with long term projects there is the risk of exceeding the budgeted costs and subsequently of negative project results.

The above-mentioned customer risks were already named in the last year and became partially true during the year 2012. A quantification of the risks is not possible because of the uncertainty of the occurrence and because of the existence of the counteracting instruments.

Despite the positive growth prospects for the global economy negative effects may occur for financial institutes, mainly because of the international debt crisis in some Euro countries. These effects might influence the real economy, too.

Within the USA the economic development could be burdened by the weak condition of the employment market, the real estate market and by the high national debt. In addition, the strong growth in China, Brazil, Russia and India might be infringed by the changing of political majorities.

In order to be able to take early countermeasures against the outlined risks we implemented in the year 2000 a risk management system in the whole Group, which was further improved in the year 2012. This system is integrated into our current reporting system. All operating units in Germany and abroad report monthly deviations to the business plan and newly arising risks and assess these. This is an integrated process between operating unit, Group controlling, Management Board and Supervisory Board. Important risks are reported to the Management Board, which for its part informs the Supervisory Board at the overrun of certain threshold values in order to be able to take countermeasures timely. The counter measures are the tapping of new potentials with existing customers, acquisition of new customers and the adjustment of capacities and costs.

Chances are in the multitude of planned new models in the aviation and automotive industries with emphasis on eco-friendly locomotion, optimization of consumption and in the industries of plant engineering, railroad engineering and shipbuilding.

The safety regulations to protect traffic participants are being further aggravated by EU requirements. Emergency breaking systems, lane assistance, monitoring of tire pressure, daytime running lights are topics which will further utilize our capacities.

Alternative propulsion concepts like hybrid drives and electro drives and the optimization of the combustion process will further improve the environmental balance of mobility. New, lighter materials will accordingly support this goal and will also cause increased development expenses.

It is important for the big manufacturers of cars and aero planes, ships and plants, who are our customers, to keep conceiving products which can successfully be sold on the world markets. This has broad influence on their demand of development capacities. Among others the Rücker Group offers these capacities inland and abroad. The most important topics are environment, safety and communication. The expenses for research and development mean for the manufacturers an investment into the future to protect the competitive capacity. Expansions of the range of models were announced in order to comply with the demand of more individual mobility. This means that the volume of research and development services should have a rising tendency in the years 2013 and 2014 since the manufacturers have positive market perspectives again and the sales figures keep recovering.

In turn, this means that revenues and results of the Rücker AG and its subsidiaries will develop correspondingly. The growth of the segments “national” and “international” should roughly be comparable. The improved income situation of the subsidiaries integrated into the consolidated financial statements of the Rücker AG should have positive effects on the Group’s net assets, financial positions and results. The latter depends on the sustainability of the economic recovery and on the influence on the awarding practice of the customers. However, already known or new risks regarding global politics or financial politics might occur and negatively affect income and results.

## VI. Risk report regarding the usage of financial instruments

Principally there is a low risk inclination in the application of financial instruments. During the business year 2012 no hedging was made of which we would have to report within the risk reporting of financial instruments.

For factoring, leasing and bank lines the risk of changing interest rates is immanent. The management makes sure that the interest rates are in a mixture of short-, medium- and long-term levels. Therefore interest rate changing risks have little influence on the net profit of the year. As compared to the previous year the share of current financing was slightly increased on the cost of non-current financing. Financial risks would occur if credit lines would not be prolonged. This risk remains unchanged. The management makes sure by tight contact and information to all banks working for us to minimize that risk. Furthermore, there are meetings with external banks. The dependency from financing institutes is also being reduced by the cash flow, generating corresponding liquidity. In order to minimize the risk to be dependent on one source the financing is made by several means. In total the current and non-current finance and bank liabilities were by about EUR 1.0 million higher than by the end of the year 2011. The cash and cash equivalents were reduced by EUR 0.4 million.

With the bank lines granted it was mostly refrained from giving collateral. The financing to major customers collateralized with real estate is presented within the notes. In the course of the factoring receivables are sold to the financial institutes. With leasing liabilities the respective asset gives collateral. The terms of financial liabilities is reported within the notes. The Management Board analyses the term of certain financial instruments and ensures timely prolongation as far as these means are still needed.

Because of the conservative structure of the financial policy there are no material changes in market prices for the financial instruments. The same applies to currency risks, since the company operates at 85 % (previous year: 84 %) within the Euro zone and the currency risks from other areas are immaterial in the view of the Group. All this causes a strongly reduced currency risk, so that additional hedging is not deemed necessary.

Receivables in the main business in Germany are generally handled by factoring. With this the risks of default for receivables from main customers is immediately transferred to the financing company at the time of invoicing, and correspondingly reduced. The remaining risks of default are being countered by the agreement and monitoring of periods of payment, prepayments, granted credit lines and by active management of receivables. The economic and financial situation of the factors is continually being monitored. As far as there are still risks of default discernible appropriate valuation adjustments are made. Because of the economic framework the risk of default was slightly reduced. Important is the active monitoring of due-dates of receivables from customers.

## VII. Explaining report of the Management Board of the Rücker AG on the main features of the internal control and risk management system regarding the group accounting process

The material features of the internal control system existing at the Rücker AG and of the risk management system regarding the process of (Group) accounting can be described as follows:

- The Rücker AG is marked by clear structures regarding organization, the company, controls and monitoring.
- In order to be able to integrally analyse and control risk factors affecting income and risks for the continuation of the company there are planning systems, reporting systems, controlling systems and rapid alert systems, all tuned to each other throughout the Group.
- All functions in each field of the process of accounting are clearly allocated (e.g. financial accounting and controlling).
- The EDP systems used within the accounting are protected against unauthorized access.
- In the field of financial systems mainly standard software customized for the company's needs is used.
- An adequate internal guideline management was implemented and is being adjusted if necessary (for example there is a risk management guideline valid throughout the Group).
- All departments involved in the accounting process comply with the requirements regarding quantity and quality.
- Completeness and correctness of the accounting data are made sure by the implemented accounting related internal control system and the internal reporting, and checked preferentially by plausibility analyses. Additionally, the internal auditing makes sure by sample checks of the system and functions the compliance of the implemented and accounting related internal control system.
- The existing Group wide risk management system is being continually adopted to current developments and examined with regard to its efficiency.
- The four-eyes-principle and the separation of functions are generally observed with all processes relevant for the accounting.

- The Supervisory Board addresses among others material questions of the accounting, the risk management, the audit assignment and its focal points.

The internal control system and risk management system with regard to the process of accounting, whose material features are described above, makes sure that business transactions and matters are being correctly recorded, prepared and recognized within the balance sheet and that they are thus being transferred into the external accounting.

The clear monitoring and control structures and the organizational and company structures as well as the sufficient infrastructure of the accounting regarding personnel and materials are the basis for the efficient work of all areas participating in the accounting. Clear internal and statutory guidelines provide for a uniform and orderly accounting process. The risk detection by the risk management system ensures the orderly accounting.

The internal control system and risk management system of the Rücker AG makes sure that the accounting of the company and of all companies included into the consolidated financial statements is made uniformly and in accordance to the statutory provisions and to the internal guidelines. The Group risk management system, which complies with legal requirements, has the particular task to identify risks early, to assess them and to communicate them appropriately. This ensures early information for the addressee of the report.

## VIII. Additional information relevant for the acquisition according to section 315 paragraph 4 HGB (German Commercial Code)

1. The subscribed capital of the Rücker AG was EUR 8,379,194 as at December 31, 2012. It is divided into 8,379,194 individual bearer shares without nominal value. The share in the capital stock allotted to each individual share was as at December 31, 2012 EUR 1.00.
2. The Management Board does not know of any limitations of the voting rights or assignability of the shares. All shares are tied to equal rights.
3. The ATON Engineering AG, Hallbergmoos, Germany, acquired by means of a takeover bid to the shareholders of the Rücker AG 89.71 % of the shares in the Rücker AG. Mr Heinz Ferchau, Germany, holds 5.00002 % of the shares in the Rücker AG.
4. As far as the Management Board knows there are no shares with special rights granting controlling power.
5. As far as employees are participated in the capital they are not subject to any kind of voting right control. They exercise their control rights like the other stockholders immediately according to the statutory regulations and to the articles of incorporation.

6. The articles of incorporation provide for the Supervisory Board to appoint the members of the Management Board. The provisions of sections 84 and 85 AktG (German Stock Corporation Law) do apply. Changes of the articles of incorporation require the resolution of the general meeting of the shareholders. The provisions of sections 179 through 181 AktG do apply. The articles of incorporation provide for the Supervisory Board to resolve changes of the articles of incorporation concerning only the form. Resolutions concerning a change of the articles of incorporation require a majority of three quarters of the stock capital represented at the general meeting of the shareholders.
7. The Management Board was authorized to increase the stock capital of the company, with the approval of the Supervisory Board, until June 30, 2011 by EUR 4 million at most by means of issue of new shares (approved capital). The authorization of the management board to issue new individual bearer stocks ended on June 30, 2011. The authorization was not executed. Further, the company is authorized to acquire treasury shares until June 9, 2015. This authorization is limited to the acquisition of 837,919 shares
8. There is no company's agreement subject to the condition of a change of control subsequent to a takeover bid.
9. There is no compensation agreement with the members of the Management Board or the employees in the case of a takeover bid.

## IX. Remuneration system

The remuneration of members of the Management Board is composed from several parts. The members of the Management Board are entitled, on the base of the agreed service contracts, to a fixed and to an annually variable remuneration as well as to supplementary payments. Vested rights to future pension payments from an employer's pension scheme exist only for one active member of the management board. The variable remuneration for the Management Board is calculated as percentage of the average Group EBIT of several business years. For each year there is a stipulated maximum amount to be paid. After the business years a final calculation of the variable remuneration is made; only at that time the extra allowance is fully earned. So the calculation contains a component regarding several years.

The members of the Management Board have a company car at their disposal. Furthermore, there are insurances for members of the Management Board against accidents, for legal expenses and a D & O liability insurance.

The members of the Management Board are personally liable for up to 10 % of the damage, respectively for up to 1.5 times the annual basic salary.

The members of the management board did not receive any remuneration from the subsidiaries of the Rücker Group. Additionally, no loans or advance payments were granted to the members of the management board during the reporting year.

Generally, contracts with the members of the Management Board are closed for a fixed term of three to five years.

Within the current contracts with members of the Management Board there is a cap of the variable remuneration provided for in the case of extraordinary, not foreseeable developments, but not for the limitation of the performance bonus because of the prematurely ending of the work as member of the Management Board as a result of a change of control.

The remuneration of the members of the Management Board is composed as follows:

| kEUR | 2012 Wolfgang Rücker | 2012 Jürgen Vogt | 2011 Wolfgang Rücker | 2011 Jürgen Vogt |
|---|---|---|---|---|
| Remuneration independent on performance incl. benefit in money's worth | 719 | 445 | 700 | 418 |
| Remuneration depending on performance | 475 | 285 | 490 | 294 |
| Other earnings | 0 | 0 | 0 | 0 |
| | **1,194** | **730** | **1,190** | **712** |
| **Total management board** | | **1,924** | | **1,902** |

The remuneration does not contain the expenses for accident insurance, insurance against legal expenses, and a D&O insurance in the amount of kEUR 57 (previous year: kEUR 56). Those insurances were taken out in the name of the company, i.e. not individually.

Pension payments were made to former members of the Management Board in the amount of kEUR 35 (previous year: kEUR 34). The provisions for pensions for former members of the Management Board are kEUR 764 (previous year: kEUR 604).

The Rücker AG's supervisory board consists of three members elected by the general meeting of the shareholders. Out of the three the chairman is being elected. The supervisory board was elected by the general meeting of the shareholders in the year 2010 for five more years. On 7 November 2012 all members of the supervisory board resigned as members of the supervisory board. Because no general meeting of the shareholders was imminent the local court of Wiesbaden appointed on 13 November 2012 three new members of the supervisory board with immediate effect until the next general meeting of the shareholders. The local court acted on request of the management board of the Rücker AG and followed the proposal of the ATON Engineering AG.

The supervisory board appoints the members of the management board. It supervises and advises the management board with the operation of the company. Material decisions of the management board require the supervisory board's approval. The supervisory board convenes at least four times a year and meets, if necessary, without the joint management board or individual members of the management board. The supervisory board does not form committees. It approves of the annual financial statements and assents to the Group financial statements.

The remuneration of the members of the Supervisory Board was provided for within section 19 of the articles of corporation of the Rücker AG. Each member of the Supervisory Board receives, besides the reimbursement of expenses, a fixed annual remuneration in the amount of kEUR 15; the chairman of the Supervisory Board receives double remuneration, the deputy chairman 1.5 times the remuneration. Additionally, each member of the Supervisory Board receives a variable remuneration in the amount of EUR 300.00 per EUR 0.01 of distributed dividend, calculated on the dividends per share bearing dividend. Further, the members of the supervisory board are protected in the course of the company contracts for legal protection and D&O liability insurance.

Above this the members of the supervisory board did not receive remunerations or benefits for personally rendered services, particularly counselling and agency services during the reporting year. Further, no loans or advance payments were granted to members of the supervisory board during the reporting year.

The remuneration of the members of the Supervisory Board is composed as follows:

| kEUR | 13.11.2012 - 31.12.2012 | | |
|---|---|---|---|
| | Thomas Eichelmann | Dr. Michael Hammes | Harald Poeschke |
| Remuneration independent on performance incl. benefit in money's worth | 5 | 3 | 2 |
| Remuneration depending on performance | 3 | 3 | 3 |
| Other earnings | 0 | 0 | 0 |
| | **8** | **6** | **5** |

| kEUR | 01.01.2012 - 07.11.2012 | | |
|---|---|---|---|
| | Tomas Mielert | Otto Happich | Dr. Wolfgang Gerhardt |
| Remuneration independent on performance incl. benefit in money's worth | 25 | 19 | 12 |
| Remuneration depending on performance | 14 | 14 | 14 |
| Other earnings | 2 | 3 | 0 |
| | **41** | **36** | **26** |
| **Total supervisory board** | | | **122** |

| kEUR | 2011 | 2011 | 2011 |
|---|---|---|---|
| | Tomas Mielert | Otto Happich | Dr. Wolfgang Gerhardt |
| Remuneration independent on performance incl. benefit in money's worth | 30 | 22 | 15 |
| Remuneration depending on performance | 18 | 18 | 18 |
| Other earnings | 0 | 1 | 0 |
| | **48** | **41** | **33** |
| **Total supervisory board** | | | **122** |

No payments were made to former members of the Management Board or the Supervisory Board, except for the pension payments for former members of the Management Board.

No options or purchase rights or other remunerations with long-term effect were granted in the year 2012.

Wiesbaden, 8 March 2013

Rücker Aktiengesellschaft

| | |
|---|---|
| ............................................... | ............................................ |
| Wolfgang Rücker | Jürgen Vogt |
| **-Director-** | **-Director-** |

## ***Declaration of Corporate Governance***

### *Declaration of Compliance by the Executive Board and Supervisory Board of Rücker AG with the German Corporate Governance Code as amended on May 15, 2012 according to § 161 of the German Stock Corporation Law (AktG )*

Under section 161 of the German Stock Corporation Law (AktG), the executive board and the supervisory board of a corporation listed on the stock exchange are obliged to declare annually whether the corporation complied and still complies with the recommendations of the "Regierungskommission Deutscher Corporate Governance Kodex" (Government Commission on the German Corporate Governance Code) as published by the Federal Ministry of Justice in the official part of the electronic Federal Gazette, or which recommendations of the Code were or are not applied. The declaration has to be permanently accessible to the shareholders.

The Code comprises regulations of different binding force. Besides presentations of the applicable Stock Corporation Law, the Code contains recommendations from which corporations may deviate. However, in this case the corporations are obliged to disclose the fact annually. Furthermore the Code contains proposals from which corporations may deviate without any obligation to disclose the fact.

The Executive Board and the Supervisory Board of Rücker AG submitted the last Declaration of Compliance in accordance with section 161 of the German Stock Corporation Law in February 2012. The Executive Board and the Supervisory Board of Rücker AG declare that the Company complied with and continues to comply with the recommendations of the Government Commission on the German Corporate Governance Code as amended on May 15, 2012, with the following exceptions:

- Concerning the D&O insurance for the Supervisory Board, there is no excess because of the moderate remuneration (number 3.8 para. 3).

- Due to the long-standing relationships with the members of the Executive Board, no limit has been set on payments for early termination. There is no "change of control" clause. The calculation systems suggested in the Code (number 4.2.3 paras. 3,4,5) are therefore not applicable.

- Due to the low number of members, no separate Supervisory Board committees have been established (number 5.3.1 to number 5.3.3).

- The Code states that the Supervisory Board shall specify concrete objectives regarding its composition which, while considering the specific situation of the enterprise, take into account its international activities, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of 5.4.2, an age limit to be specified for the members of the Supervisory Board, and diversity. The Supervisory Board has so far not specified any concrete objectives regarding its (future) composition. However, it will establish the most important criteria that any new candidates should meet in good time prior to the next Supervisory Board elections, with emphasis being placed on expertise. These criteria will not include an age limit for members of the Supervisory Board or a quota for the percentage or number of male and female members since, in the view of the Company, neither the age nor the sex of a person can in itself provide an indication of whether he or she is able to carry out a Supervisory Board mandate properly or successfully. There are currently no plans to publish the criteria in the Corporate Governance Report (number 5.4.1).

Wiesbaden, February 2013

| The Executive Board | The Supervisory Board |
| --- | --- |
| **Wolfgang Rücker** | **Thomas Eichelmann** |

## Rücker's Management Board's and Supervisory Board's Report on Corporate Governance

In February 2013 both the management board and the supervisory board issued a declaration of compliance pursuant to section 161 AktG (German Stock Corporation Law) according to which the recommendations of the Government Commission German Corporate Governance Code in the version of May 15, 2012 will be observed, with four exceptions, however.

The current declaration of compliance as well as the former ones are accessible on www.ruecker.de.

### Management and Controlling Structure

The management of the Rücker AG, being a quoted German stock company, is above all governed by the German Stock Corporation Law (Aktiengesetz) and then by the requirements of the German Corporate Governance Code in the respectively current version.

According to the statutory regulations the Rücker AG is subject to the so-called "dual management system". This system is marked by a strict separation between the management board as the management body and the supervisory board as the supervising organ. In the company's favour both organs work closely together.

The management board operates the company with the aim of sustainable value creation in its own responsibility. With this, the principle of overall responsibility applies. This means that the members of the management board jointly bear responsibility for the whole management. They develop the business strategies and care for their implementation, after consulting the supervisory board. The principles of the management board's cooperation are compiled in the management board's internal rules of procedure. These are regulating in particular the departmental responsibility of each member, the functions reserved for the whole management board, the passing of resolutions, necessary majorities and rights and duties of the chairman of the management board. Currently, the management board of the Rücker AG consists of two members.

The management board keeps the supervisory board informed regularly, promptly and comprehensively about all aspects of the business development material for the Rücker Group, as well as about important business transactions and the current income situation including the risk situation and the risk management. Departures from formerly set up plans and goals are comprehensively explained and justified. Moreover, the management board regularly reports about the issue of compliance, in other words the measures to make sure the observance of statutory regulations and intra company guidelines, which is also the responsibility of the management board.

The structure of the company management and the supervision of the Rücker AG is as follows:

Stock holders and General meeting

Our stock holders administer their rights during the company's general meeting. The annual general meeting takes place in the first six months of the business year. The supervisory board's chair also conducts the general meeting. The general meeting decides on all tasks assigned to it by law.

It is our aim to make the participation in the general meeting as easy as possible for the stock holders. Therefore, all necessary documents are published in the internet beforehand. The stock holders will be named a voting proxy who the stock holders may assign with the exertion of the voting rights bound by instructions.

Supervisory board

The supervisory board of the Rücker AG consists of three members, elected by the general meeting. The chairman will be voted from amid the supervisory board's members. The supervisory board was elected by the general meeting in the year 2010 for five more years. On 7 November 2012, however, all members of the supervisory board abdicated from their mandates. Since no general meeting as immediately due the local court at Wiesbaden appointed on 13 November 2012 three new members of the supervisory board with immediate effect until the next general meeting. The local court acted upon the management board's request and followed the suggestion of ATON Engineering AG.

The supervisory board appoints the management board's members. It supervises and advises the management board in the operation of the company. Material decisions of the management board require the supervisory board's approval. The supervisory board meets at least four times a year and sits, if necessary, even without the entire management board or without individual members of the management board. The supervisory board does not form committees. The supervisory board approves of the financial statements and assents to the Group financial statements.

Management board

The management board runs the company under their own responsibility. Currently, the body consists of two members. The management board informs the supervisory board regularly, promptly, comprehensively about all relevant questions of the business development, the planning, the financing and the business situation. A D&O liability insurance was concluded for the management board and the supervisory board. A cost sharing was stipulated for the members of the management board with economic losses in the amount of 10 % of the damage and up to a maximum of 1.5 times of the annual base salary.

Accounting and year end audits

The Group financial statements will be prepared by the management board according to the accounting principles of the IFRS, as to be applied within the EU. The financial statements will exclusively be audited by the annual auditor and be assented to by the supervisory board. The Group financial statements will be made publicly accessible within 90 days after balance sheet date.

We agreed with the annual auditor, the BDO AG, Wirtschaftsprüfungsgesellschaft, Hamburg, branch establishment Wiesbaden, that the chairman of the supervisory board will be immediately informed about exclusion criteria or exemption criteria which become known during the audit. The auditor reports immediately to the chairman of the supervisory board about all questions and incidents material for the tasks of the supervisory board which come up during the audit. Further, the chairman will be informed if the auditor establishes facts pointing to the incorrectness of the declaration of compliance according to section 161 AktG issued by the management board and the supervisory board.

Transparency

Uniform, comprehensive and prompt information is most significant for the Rücker AG. The reporting on the business situation and the results of the Rücker AG is made within the financial statements, at the press conference on the financial statements, the quarterly reports, the half year finance report, the general meeting and in the telephone and analysts conferences.

Further information comes from press releases, respectively ad hoc announcements, as far as this is statutory obligatory. All announcements and messages are accessible in the internet on the home page www.ruecker.de under the menu item investor relations.

The Rücker AG prepared the obligatory insider list. The persons concerned were informed about the statutory duties and sanctions.

**Directors' Dealings**

In the year 2012 the following directors' dealings transactions according to section 15a WpHG (German Securities Trade Act) were reported:

**Wolfgang Rücker**, chairman of the management board of the Rücker AG, informed us according to section 15a paragraph 1 WpHG on 24 September 2012 that he sold on 19 September 2012 a total of 4,932,265 Rücker stocks at a total price of 78,916,240 Euro.

**Jürgen Vogt**, finance director in the management board of the Rücker AG, informed us according to section 15a paragraph 1 WpHG on 5 November 2012 that he sold on 1 November 2012 a total of 2,600 Rücker stocks at a total price of 41,600 Euro.

**Tomas Mielert**, chairman of the supervisory board of the Rücker AG, informed us according to section 15a paragraph 1 WpHG on 5 November 2012 that he sold on 31 October 2012 a total of 1,325 Rücker stocks at a total price of 21,200 Euro.

**Otto Happich**, deputy chairman of the supervisory board of the Rücker AG, informed us according to section 15a paragraph 1 WpHG on 5 November 2012 that he sold on 1 November 2012 a total of 10,100 Rücker stocks at a total price of 161,600 Euro.

**Notification on Voting Rights in the Rücker AG according to section 21 paragraph 1 WpHG**

**ATON Engineering AG**, Hallbergmoos, Germany, informed us according to section 21 paragraph 1 WpHG on 24 September 2012 that their voting rights in the Rücker AG exceeded on 21 September 2012 the thresholds of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 % and 50 % and that it is now 58.86 %. This equals 4,932,265 voting rights.

**ATON GmbH**, Hallbergmoos, Germany, informed us according to section 21 paragraph 1 WpHG on 24 September 2012 that their voting rights in the Rücker AG exceeded on 21 September 2012 the thresholds of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 % and 50 % and that it is now 58.86 %. This equals 4,932,275 voting rights. 58.86 % of these are to be attributed to the ATON GmbH (4,932,275 voting rights), according to section 22 paragraph 1 sentence 1 no. WpHG. Out of these voting rights attributable to the ATON GmbH according to section 22 paragraph 1 sentence 1 no. WpHG 58.86 % (4.932.265 voting rights) are held by the following company controlled by the ATON GmbH, whose voting rights in the Rücker AG are 3 % or more: ATON Engineering AG, Hallbergmoos, Germany.

**Dr. med. Lutz M. Helmig**, Germany, informed us according to section 21 paragraph WpHG on 24 September 2012 that his voting rights in the Rücker AG exceeded on 21 September 2012 the threshold of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 % and 50 % and that it is now 58.86 %. This equals 4,932,275 voting rights. 58.86 % of these are to be attributed to Dr. Lutz M. Helmig (4,932,275 voting rights), according to section 22 paragraph 1 sentence 1 no. WpHG. These voting rights attributable to Dr. Lutz M. Helmig according to section 22 paragraph 1 sentence 1 no. WpHG are held by the following company controlled by him, whose voting rights in the Rücker AG are 3 % or more: ATON Engineering GmbH, Hallbergmoos, Germany.

**Nosta Oldtimer-Vermietungs-GmbH**, Wiesbaden, Germany, informed us according to section 21 paragraph 1 WpHG on 25 September 2012 that their voting rights in the Rücker AG fell on 21 September 2012 below the threshold of 50 %, 30 %, 25 %, 20 %, 15 %, 10 %, 5 % and 3 % and that it is now 0.00 %. This equals 0 voting rights.

**Wolfgang Rücker**, Germany, informed us according to section 21 WpHG on 25 September 2012 that the voting rights held by him fell on 21 September 2012 below the threshold of 50 %, 30 %, 25 %, 20 %, 15 %, 10 %, 5 % and 3 % and is now 0.00 %. This equals 0 voting rights. The voting rights attributable to him according to section 22 paragraph 1 sentence no. 1 WpHG were held by the company controlled by him: Nosta Oldtimer-Vermietungs-GmbH, Wiesbaden, Germany.

**ATON Engineering AG**, Hallbergmoos, Germany, informed us according to section 21 paragraph 1 WpHG on 27 November 2012 that its voting rights in the Rücker AG exceeded on 26 November 2012 the threshold of 75 % and that it is now 89.71 %. This equals 7,516,825 voting rights.

**ATON GmbH**, Hallbergmoos, Germany, informed us according to section 21 paragraph WpHG on 27 November 2012 that its voting rights in the Rücker AG exceeded on 26 November 2012 the threshold of 75 % and that it is now 89.71 %. This equals 7,516,835 voting rights. Out of these voting rights are 89.71 % are to be attributed to the ATON GmbH (7,516,835 voting rights), according to section 22 paragraph 1 sentence 1 no. WpHG. These 89.71 % or 7,516,825 voting rights attributable to the ATON GmbH according to section 22 paragraph 1 sentence 1 no. WpHG are held by the following company controlled by it, whose voting rights in the Rücker AG are 3 % or more: ATON Engineering AG, Hallbergmoos, Germany.

**Dr. med. Lutz M. Helmig**, Hallbergmoos, Germany, informed us according to section 21 paragraph WpHG on 27 November 2012 that his voting rights in the Rücker AG exceeded on 26 November 2012 the threshold of 75 % and that it is now 89.71 %. This equals 7,516,835 voting rights. Out of these voting rights are 89.71 % are to be attributed to Dr. Lutz M. Helmig (7,516,835 voting rights), according to section 22 paragraph 1 sentence 1 no. WpHG. These 89.71 % or 7,516,825 voting rights attributable to Dr. Lutz M. Helmig according to section 22 paragraph 1 sentence 1 no. WpHG are held by the following company controlled by him, whose voting rights in the Rücker AG are 3 % or more: ATON Engineering GmbH, Hallbergmoos, Germany.

**Heinz Ferchau**, Germany, informed us according to section § 21 paragraph 1 WpHG on 9 January 2013 that his voting rights in the Rücker AG fell on 26 November 2012 below the threshold of 25 %, 20 %, 15 % and 10 % and that it is now 5.00002 %. This equals 418,961 voting rights.

## Consolidated statement of financial position (balance sheet)

| kEUR | | | 31.12.2012 | 31.12.2011 | | 01.01.2011 | |
|---|---|---|---|---|---|---|---|
| A | 1 | Intangible assets | 10,644 | 10,922 | | 10,551 | |
| A | 2 | Property, plant and equipment | 24,384 | 21,713 | | 19,950 | |
| A | 3 | Financial assets | 1,302 | 1,382 | | 1,310 | |
| A | 4 | Deferred tax assets | 877 | 421 | * | 830 | * |
| | | **Non-current assets** | **37,207** | **34,438** | ** | **32,641** | ** |
| A | 5 | Inventories | 18 | 182 | | 158 | |
| A | 6 | Trade receivables | 29,032 | 27,663 | | 22,135 | |
| A | 7 | Other receivables | 10,601 | 9,097 | | 9,209 | |
| A | 8 | Current recoverable income taxes | 54 | 75 | | 160 | |
| A | 9 | Cash and cash equivalents | 18,928 | 19,312 | | 22,862 | |
| | | **Current assets** | **58,633** | **56,329** | | **54,524** | |
| | | **Assets** | **95,840** | **90,767** | ** | **87,165** | ** |
| P | 1 | Subscribed capital | 8,379 | 8,379 | | 8,379 | |
| P | 2 | Capital reserves | 14,859 | 14,678 | | 14,678 | |
| P | 3 | Treasury shares | 0 | -186 | | -186 | |
| P | 4 | Retained earnings | 16,630 | 16,592 | * | 14,957 | * |
| P | 5 | Non-controlling interests | 45 | 522 | | 16 | |
| | | **Shareholders' equity** | **39,913** | **39,985** | ** | **37,844** | ** |
| P | 6 | Financial liabilities | 5,842 | 6,390 | | 7,054 | |
| P | 7 | Provisions for pensions | 7,157 | 4,691 | * | 4,447 | * |
| P | 8 | Other non-current provisions | 1,007 | 867 | | 923 | |
| P | 9 | Deferred tax liabilities | 855 | 711 | | 758 | |
| | | **Non-current liabilities** | **14,861** | **12,659** | ** | **13,182** | ** |
| P | 10 | Current financial liabilities | 12,225 | 10,648 | | 10,912 | |
| P | 11 | Trade payables | 8,439 | 8,096 | | 8,510 | |
| P | 12 | Income tax liabilities | 1,545 | 1,372 | | 794 | |
| P | 13 | Other current provisions | 274 | 182 | | 228 | |
| P | 14 | Other liabilities | 18,583 | 17,825 | | 15,695 | |
| | | **Current liabilities** | **41,066** | **38,123** | | **36,139** | |
| | | **Shareholders' equity and liabilities** | **95,840** | **90,767** | ** | **87,165** | ** |

* adjusted comparatives (see note C)

** follow-up adjustements

## Consolidated income statement

| kEUR | | 2012 | 2011 | |
|---|---|---|---|---|
| **G1** | **Revenues** | **189,355** | **175,910** | |
| G2 | Cost of sales | -159,027 | -148,735 | * |
| | **Gross profit** | **30,328** | **27,175** | ** |
| G3 | Other operating income | 3,744 | 5,356 | * |
| G4 | Selling expenses | -5,119 | -4,304 | |
| G5 | General and administrative expenses | -18,444 | -16,604 | * |
| G6 | Other operating expenses | -1,162 | -1,671 | * |
| G7 | Goodwill impairment | -349 | 0 | |
| | **Operating result (EBIT)** | **8,998** | **9,952** | ** |
| G8 | Financial result | -1,396 | -1,304 | * |
| | **Earnings before income taxes (EBT)** | **7,602** | **8,647** | ** |
| G9 | Income taxes | -2,810 | -2,563 | * |
| | **Net income for the year** | **4,792** | **6,084** | ** |
| | of which are attributable to | | | |
| | - shareholders of Rücker AG | 4,838 | 5,871 | ** |
| | - non-controlling interests | -46 | 213 | |
| | | | | |
| | Average number of shares | 8,362,953 | 8,356,155 | |
| | Earnings per share in EUR (basic and diluted) in EUR | 0.58 | 0.70 | ** |

* adjusted comparatives (see note C)

** follow-up adjustements

## Consolidated statement of comprehensive income

| | 01.01. - 31.12. | | |
|---|---|---|---|
| kEUR | **2012** | **2011** | |
| **Net income** | **4,792** | **6,084** | * |
| Exchange differences on translation of foreign subsidiaries | 602 | -112 | * |
| Change in fair value of financial instruments, gross | 96 | 0 | |
| Change in fair value of financial instruments, taxes | -25 | 0 | |
| Change in fair value of pension commitments, gross | -2,183 | 9 | * |
| Change in fair value of pension commitments, taxes | 663 | -3 | |
| **Other comprehensive income, after taxes** | **-847** | **-106** | ** |
| **Comprehensive income** | **3,945** | **5,978** | ** |
| of which are attributable to | | | |
| - shareholders of Rücker AG | 3,991 | 5,765 | * |
| - non-controlling interests | -46 | 213 | |

* adjusted comparatives (see note C)

** follow-up adjustements

## Consolidated statement of changes in equity

| kEUR | Subscribed capital | Capital reserves | Treasury shares | Retained earnings | |
|---|---|---|---|---|---|
| **As at 31.12.2010** | **8,379** | **14,678** | **-186** | **14,883** | |
| Adjustments according to IAS 8 | | | | -298 | * |
| **As at 01.01.2011** | **8,379** | **14,678** | **-186** | **14,585** | ** |
| *Net income for the year* | | | | *5,871* | * |
| *Other comprehensive income - gross* | | | | | |
| *Other comprehensive income - deferred taxes* | | | | | |
| Comprehensive income | | | | 5,871 | |
| Dividend | | | | -3,760 | |
| Non-controlling interests | | | | -370 | |
| **As at 31.12.2011** | **8,379** | **14,678** | **-186** | **16,326** | ** |
| *Net income for the year* | | | | *4,838* | |
| *Other comprehensive income - gross* | | | | | |
| *Other comprehensive income - deferred taxes* | | | | | |
| Comprehensive income | | | | 4,838 | |
| Dividend | | | | -4,178 | |
| Own shares sold | | 181 | 186 | | |
| Non-controlling interests | | | | 224 | |
| Other | | | | 1 | |
| **As at 31.12.2012** | **8,379** | **14,859** | **0** | **17,211** | |

* adjusted comparatives (see Notes C)

** follow-up adjustments

| Other comprehensive income | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Exchange differences | | Financial instruments | Provisions for pensions | | Non-contr. interest | Total equity | |
| **695** | | **-12** | **-250** | | **16** | **38,203** | |
| | | | -61 | * | | -359 | ** |
| **695** | | **-12** | **-311** | ** | **16** | **37,844** | ** |
| | | | | | *213* | *6,084* | |
| *-112* | * | *0* | *9* | * | | *-103* | ** |
| | | *0* | *-3* | | | *-3* | |
| -112 | ** | 0 | 6 | ** | 213 | 5,978 | ** |
| | | | | | -77 | -3,837 | |
| | | | | | 370 | 0 | |
| **583** | ** | **-12** | **-305** | ** | **522** | **39,985** | ** |
| | | | | | *-46* | *4,792* | |
| *602* | | *96* | *-2,183* | | | *-1,485* | |
| | | *-25* | *663* | | | *638* | |
| 602 | | 71 | -1,520 | | -46 | 3,945 | |
| | | | | | -135 | -4,313 | |
| | | | | | | 367 | |
| | | | | | -249 | -25 | |
| | | | | | -47 | -46 | |
| **1,185** | | **59** | **-1,825** | | **45** | **39,913** | |

## Consolidated statement of cash flows

The cash flow statement was prepared in accordance to IAS 7 and classifies the cash flows from the operating activities, investments and financing activities. The presentation of the cash flow from operating activities is made according to the indirect method.

| kEUR | | | 01.01. - 31.12. 2012 | 2011 | |
|---|---|---|---|---|---|
| 1. | | Net income for the year (including non-controlling interests) | 4,792 | 6,084 | * |
| 2. | +/- | Depreciation/ appreciation of fixed assets | 4,718 | 4,048 | |
| 3. | +/- | Increase/decrease of provisions | 257 | -57 | |
| 4. | +/- | Other expenses/ income recognized directly in equity | 361 | 265 | * |
| 5. | -/+ | Gains/Loss from the disposal fixed assets | -39 | 15 | |
| 6. | -/+ | Increase/decrease of inventories, trade receivables and other assets not attributable to investment or financing activities | -2,704 | -5,282 | |
| 7. | +/- | Increase/decrease of trade liabilities and of other debts not attributable to investment or financing activities | 1,554 | 2,422 | * |
| **8.** | **=** | **Cash flow from operating activities (total of 1 to 7)** | **8,939** | **7,495** | |
| 9. | | Proceeds from disposal of property, plant and equipment | 211 | 233 | |
| 10. | - | Cash outflows for investments in property, plant and equipment | -6,304 | -4,609 | |
| 11. | + | Proceeds from disposal of intangible assets | 0 | 11 | |
| 12. | - | Cash outflows for investments in intangible assets | -720 | -807 | |
| 13. | + | Proceeds from disposals of financial assets | 231 | 39 | |
| 14. | - | Cash outflows for investments in financial assets | -73 | -45 | |
| 15. | - | Cash outflows for investments in fully consolidated subsidiaries | 0 | -349 | |
| **16.** | **=** | **Cash flow from investing activities (total of 9 to 15)** | **-6,655** | **-5,527** | |
| 17. | | Proceeds from the sale of own shares | 367 | 0 | |
| 18. | - | Cash outflow to company's owners and minority interests | -4,334 | -3,794 | |
| 19. | + | Proceeds from issue of bonds and from the raising of (financial-) credits | 13,828 | 7,056 | |
| 20. | - | Payments from the redemption of loans and (financial-) credits | -12,740 | -8,721 | |
| **21.** | **=** | **Cash flow from financing activities (total of 17 to 20)** | **-2,879** | **-5,459** | |
| **22.** | | **Change in cash and cash equivalents (total of 8, 16 and 21)** | **-595** | **-3,491** | |
| 23. | +/- | Effect of changes of exchange rate, consolidated group, valuations on cash and cash equivalents | 211 | -59 | |
| 24. | +/- | Change of restriction on cash | -40 | 0 | |
| 25. | + | Cash and cash equivalents at the beginning of the year | 19,102 | 22,652 | |
| **26.** | **=** | **Cash and cash equivalents at the end of the year (total of 22 to 25)** | **18,678** | **19,102** | |
| 27. | + | Restricted or pleged cash | 250 | 210 | |
| **28.** | **=** | **Cash and cash equivalents as statement of financial positions (A 9)** | **18,928** | **19,312** | |

Additional information:

| | | |
|---|---|---|
| Interest paid: | 1,212 | 1,008 |
| Taxes on income paid: | 1,870 | 1,616 |
| Interest received: | 122 | 136 |
| Taxes on income recovered: | 201 | 80 |

* adjusted comparatives (see note C)

# Notes

## A – Description of the business activities

The Rücker AG, Kreuzberger Ring 40, 65205 Wiesbaden (Germany), (hereinafter referred to as "Rücker AG" or "company") is a quoted stock company. The Rücker Group is mainly active in counselling as well as in the planning and development of motor vehicles, aeroplanes, plant, machines, railway vehicles and ships as well as with the connected technical documentation. Focal points of the activities are the preparation and validation of constructional data with state-of-the-art CAD systems and under application of time efficient development strategies. The locations are mainly in Germany, besides the representations in many other countries of Europe, Asia, and the Americas.

## B – General basic information

The Group financial statements of the Rücker AG as of 31 December 2012 was prepared according to the standards of the International Accounting Standards Board (IASB), London, as to be applied within the European Union and as valid on the balance sheet date. Supplementary standards were the German commercial law regulations applicable according to section 315a paragraph 1 HGB (German Commercial Code). All International Financial Reporting Standards (IFRS) as well as the International Accounting Standards (IAS) authoritative for the business year 2012 and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly Standing Interpretations Committee (SIC) were applied in the form adopted within the European Union.

The individual financial statements of the companies integrated into the Group financial statements were prepared according to consistent accounting and valuation principles as at the balance sheet date of the Rücker AG (31 December).

The Group currency is the Euro (EUR). The Group financial statements were prepared in thousand Euros. All amounts are named in thousand Euros (kEUR), if not stated otherwise. Differences due to rounding may occur with percentages and figures.

The balance sheet is classified according to IAS 1 into long-term and short-term assets and liabilities. Assets and liabilities due within one year are regarded short-term. Correspondingly, deferred taxes are disclosed as long-term assets and liabilities, according to IAS 12.

The ATON Engineering AG, Hallbergmoos, acquired in the course of a takeover-bid to the stockholders of the Rücker AG on 21 September the majority in the stocks of the company and holds now 87.71 % of the Rücker AG's stocks. Sole stockholder of the ATON Engineering AG is the ATON GmbH, Hallbergmoos, being a mere holding company in the sole possession of the Helmig family. Therefore, receivables from respectively payables to the ATON Group are disclosed as receivables from respectively payables to affiliated companies within these Group financial statements.

The statement of profit and loss (P&L) is classified according to the cost-of-sales accounting format.

**Initial application of standards and interpretations**

The initial obligatory application of the following new or revised standards and interpretations has had no material influence on the net assets, financial position and results of operations of the Group or on the results per share:

- IFRS 7 – "Financial Instruments: Disclosures" changed – transfer of financial assets.
  Issued on 7 October 2010 by the IASB.
  On 22 November 2011 adopted into EU law.

**IFRS adopted into EU law not prematurely applied**

The ISAB issued the following standards, interpretations and changes referring to existing standards, whose application was not yet obligatory, however, and which were not prematurely applied by the Rücker AG to the Group financial statements as at 31 December 2012:

- IAS 1 – "Presentation of Financial Statements" changed
  Issued by the IASB on 16 June 2011.
  Adopted into EU law on 5 June 2012.
  Obligatory application to business years beginning on or after 1 July 2012.
  The representation of the other result will be changed.

- IAS 19 – "Employee Benefits" changed
  Issued by the IASB on 16 June 2011.
  Adopted into EU law on 5 June 2012.
  Obligatory application to business years beginning on or after 1 January 2013.
  The representation of employee benefits was changed and the information given in the notes was amended.

- IFRS 10 – “Consolidated Financial Statements”
  Issued by the IASB on 12 May 2011.
  Adopted into EU law on 11 December 2012.
  Obligatory application to business years beginning on or after 1 January 2014.
  The new standard replaces the formerly relevant standards IAS 27 (2008) “Consolidated and Separated Financial Statements” and SIC-12 “Consolidation – Special Purpose Entities”.

- IFRS 11 – “Joint Arrangements”
  Issued by the IASB on 12 May 2011.
  Adopted into EU law on 11 December 2012.
  Obligatory application to business years beginning on or after 1 January 2014.
  The new standard replaces the formerly relevant standards IAS 31 “Interests in Joint Ventures” and SIC-13 “Jointly Controlled Entities”.

- IFRS 12 – “Disclosure of Interest in Other Entities”
  Issued by the IASB on 12 May 2011.
  Adopted into EU law on 11 December 2012.
  Obligatory application to business years beginning on or after 1 January 2014.
  The new standard regulates the necessary information in the notes regarding connections of companies within the consolidated financial statements and on joint arrangements.

- IFRS 13 – “Fair Value Measurement”
  Issued by the IASB on 12 May 2011.
  Adopted into EU law on 11 December 2012.
  Obligatory application to business years beginning on or after 1 January 2013.
  The new standard covers the establishment of the current market value and the related information necessary within the notes.

- IAS 27 (2011) – “Separate Financial Statements” and IAS 28 (2011) – “Investments in Associates and Joint Ventures” adapted.
  Issued by the IASB on 12 May 2011.
  Adopted into EU law on 11 December 2012.
  Obligatory application to business years beginning on or after 1 January 2014.
  These standards were adapted to the new standards IFRS 10, 11 and 12.

- IAS 12 – “Income Taxes” changed – realisation of underlying assets
  Issued by the IASB on 20 December 2010.
  Adopted into EU law on 11 December 2012.
  Obligatory application to business years beginning on or after 1 January 2013.

Clarification of the application of the income tax rate with the valuation of deferred taxes in the case of different tax rates.

- IFRS 7 – “Financial Instruments: Disclosures” changed (2011)
  Issued by the IASB on 16 December 2011.
  Adopted into EU law on 13 December 2012.
  Obligatory application to business years beginning on or after 1 January 2013.
  The changes can, if necessary, cause extended statements within the notes with the setting off of financial assets and financial liabilities in order to achieve better comparison with US-GAAP disclosures.

- IAS 32 – “Financial Instruments: Presentation” amended
  Issued by the IASB on 16 December 2011.
  Adopted into EU law on 13 December 2012.
  Retrospective obligation to apply for business years beginning on or after 1 January 2014.
  Additional guidelines were amended in order to facilitate the application of the standard.

- IFRIC 20 – “Stripping Costs in the Production Phase of a Surface Mine”
  Issued by the IASB on 19 October 2011.
  Adopted into EU law on 11 December 2012.
  Obligatory application to business years beginning on or after 1 January 2013.

**IFRS issued by the IASB not yet adopted by EU law**

The application of these new or changes IFRS generally postulates that they were adopted in the course of the IFRS endorsement procedure by the EU:

- IFRS 9 – “Financial Instruments” (2009 and 2010)
  Issued by the IASB on 2 November 2009 / 16 December 2011.
  Obligatory application to business years beginning on or after 1 January 2015.
  The IASB intends with IFRS 9 to entirely replace the existing IAS 39 “Financial Instruments: Recognition and Measurement”.

- Improvements in the IFRS (2011)
  Issued by the IASB on 17 May 2012.
  Obligatory application to business years beginning on or after 1. January 2013. Since the adoption into EU law was not yet made the time of the initial application obligation for EU-IFRS adopters is not yet known.
  Minor changes to IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34.

- Transitory regulations to IFRS 10, 11, 12
  Issued by the IASB on 28 December 2012.
  Obligatory application to business years beginning on or after 1 January 2013. Since the adoption into EU law was not yet made the time of the initial application obligation for EU-IFRS adopters is not yet known.
  The transitory regulations of IFRS are clarified and there are additional alleviations in the transition to IFRS 10, IFRS 11 and IFRS 12.

- Investment companies (Changes to IFRS 10, IFRS 12 and IAS 27)
  Issued by the IASB on 31 October 2012.
  Obligatory application to business years beginning on or after 1 January 2014.
  The changes refer to the valuation and to information in the notes for investment companies.

The possible effects of applying the above regulations are currently being examined. At the moment no material effects on the presentation of the Group financial statements is expected.

## C – Changes according to IAS 8

The Switzerland based subsidiary entered a multi-employer plan in order to meet its obligations regarding old age provisions according to the Schweizer Bundesgesetz über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge (BVG, Swiss federal act on the occupational provisions regarding old age, surviving dependants and disability). Besides the payment of current premiums into this pension organisation there is also the statutory obligation to cover the funding gap of this pension organisation based on full coverage insurance, if the necessity arises. For that reason this old age provision system is to be classified as a performance oriented joint pension plan of several employers in the sense of IAS 19.29. In former periods these pension commitments were not valued according to IAS 19 because the pension organisation made no valuation of the plan based on IAS 19. In order to be able to enter this benefit plan as a performance oriented plan into the balance sheet and to give further information in the notes, a different actuarial expertise had been made in the business year 2012 for the business years 2012, 2011 and for the values as at 1 January 2011. Correspondingly, last year's values were retroactively corrected, according to IAS 8.42.

The corrections for the opening balance sheet as of 1 January 2011 and for the Group financial statements as of 31 December 2011 are comprised as follows:

**Statement of financial position**

| kEUR | | | Disclosed values 31.12.2010 | Adjustments | Adjusted values 01.01.2011 |
|---|---|---|---|---|---|
| A | 4 | Deferred tax assets | 817 | 13 | 830 |
| P | 4 | Retained earnings | 15,316 | -359 | 14,957 |
| P | 7 | Provisions for pensions | 4,075 | 372 | 4,447 |

| | | | Disclosed values 31.12.2011 | Adjustments | Adjusted values 31.12.2011 |
|---|---|---|---|---|---|
| A | 4 | Deferred tax assets | 406 | 15 | 421 |
| P | 4 | Retained earnings | 17,002 | -410 | 16,592 |
| P | 7 | Provisions for pensions | 4,266 | 425 | 4,691 |

| **Income statement**<br>kEUR | | Disclosed values 31.12.2011 | Adjustments | Adjusted values 31.12.2011 |
|---|---|---|---|---|
| G2 | Cost of sales | -148,709 | -26 | -148,735 |
| G3 | Other operating income | 5,316 | 40 | 5,356 |
| G5 | General and administrative expenses | -16,597 | -7 | -16,604 |
| G6 | Other operating expenses | -1,662 | -9 | -1,671 |
| G8 | Financial result | -1,256 | -48 | -1,304 |
| G9 | Income taxes | -2,564 | 1 | -2,563 |
| Earnings per share in EUR (undiluted and diluted) | | 0.71 | -0.01 | 0.70 |

## D - Basic accounting and valuation principles

### Intangible assets and property, plant and equipment

Paid for intangible assets with determinable useful life and property, plant and equipment are disclosed at acquisition cost and they are amortized and depreciated on a straight-line basis over their estimated useful lives. The useful lives of intangible assets are two to five years, of buildings including inheritable building rights 25 to 50 years and of furniture and office equipment two to 20 years.

The Rücker AG regularly tests for impairment and considers all events or circumstances indicating impairment and requiring a new estimation of the useful lives. Except for the goodwill all intangible assets of the Group are amortized regularly

Internally generated software is disclosed according to IAS 38 at the cost of acquisition or production, as far as the following prerequisites are met: The earliest possible time for capitalization is the technical feasibility of the project, connected with the probability of the commercial success and of a future economic benefit. Computer software developed for internal use, which is being amortized in the straight line method during the estimated useful life, which is, as a rule, not longer than five years.

The costs of production comprise directly and indirectly attributable costs, as well as, in the case of qualified assets according to IAS 23, the cost of debt attributable to the period of production.

### Goodwill

IFRS 3 in accordance with IAS 36 “Impairment of Assets” (revised 2004) and IAS 38 “Intangible Assets” (revised 2004) was applied for the first time during the business year 2004 for goodwill. The required impairment test was made as of January 1, 2004 (IFRS opening balance sheet) and subsequently annually on December 31. The impairment test is made by comparison of the carrying amount of the cash generating units with its recoverable amount. The recoverable amount of the cash generating units is the higher of either fair value less costs to sell or value in use (discounted cash flows of a cash generating unit). The recoverable amount is calculated on the basis of its fair value less costs to sell. For this purpose the DCF-method is applied.

For the calculation of the fair values of the goodwill's the company has also to consider material projections of future cash flows as well as of the discount rate in future periods. The projection of future cash flows is based on the company's budgets and the current business plans for the next business year. Previous experiences as well as future expectations are taken into consideration. Base for the "perpetuity" is the first and only plan year, clarified from special effects. The discount interest rate is determined on the base of the relevant market data.

**Mergers**

According to IFRS 3 the acquisition costs of a merger are being distributed at the time of the acquisition by capitalization of identifiable assets, liabilities and contingencies of the acquired company at current fair values.

**Impairment of assets**

Tangible and intangible assets (except for goodwill) are depreciated or amortized on a regular basis. If matters or circumstances indicate that the carrying amount of an asset might be less than its recoverable amount this asset is examined for impairment. An impairment loss is realized if the carrying amount of an asset exceeds the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and the value in use of an asset.

The fair value less costs to sell is the amount realizable from a sale at generally accepted market terms, less cost of realization. The value in use is the present value of the estimated future cash flows expected from the continual usage of the asset and its disposal at the end of its effective life. The recoverable amount is established for each individual asset, or, if this is not possible, for the cash-generating unit to which the asset belongs.

**Finance lease**

According to IAS 17 the beneficial ownership in leased assets is attributed to the Group if the Group bears substantially all the risks and rewards incidental to ownership (finance lease). In the balance sheet the company recognizes finance leases as assets and liabilities with equal amounts. This is the fair value of the leased item at the commencement of the lease term or the present value of the minimum lease payments, whichever is lower. The depreciation methods and useful lives of the capitalized assets correspond to those of comparable acquired assets. The liabilities for leased assets corresponding to the assets are disclosed under bank and other financial liabilities. The leasing payments are divided into financing costs and repayment share of the remaining liability. Finance lease leads to depreciation expenses for the capitalized assets and to financing expenses in each period, because of the transaction not affecting payment with the new undertaking of leasing liabilities. The interest share of the leasing payments is being recorded during the whole leasing term within the income statement.

As far as with leasing contracts the beneficial ownership remains with the lessor (operating lease), the leased items are presented in the balance sheet of the lessor. The lease payments in the full amount are recognized as expenses.

**Financial assets**

Loans to and receivables from third parties, which are not traded in any market, are valued as original receivables at the time of addition at the attributable fair value, which generally complies to the nominal value of the receivable, respectively to the loan amount. Non or low interest bearing non-current loans and receivables are valued at cash value. The subsequent valuation is made at carrying acquisition costs under application of the effective interest method.

Shares in related companies not being integrated into the consolidated financial statements and associated companies are capitalized at acquisition costs, respectively at fair value according to IAS 39.

Non-current securities held for sale are capitalized at current market value. With this changes of the attributable current market values will generally be accrued within the equity capital not affecting net income. Not before the actual sale the net income will be affected.

Claims from the liability insurances for pension commitments are capitalized at the coverage capital to be capitalized including profit participation (current market value). As in the previous year kEUR 21 were paid into this scheme this year. As far as the liability insurance is detracted from the access of all other creditors they are set off as plan assets with the pension commitments.

**Inventories**

Among the inventories work in progress is capitalized, valued at cost of acquisition or production, respectively at the lower net salvage value. The costs of production comprise all directly attributable overhead costs and direct costs, but not the profit margin. The costs of production comprise in the case of qualified assets according to IAS 23 the debt costs attributable to the production period.

**Trade receivables and other receivables**

Trade receivables and other receivables are capitalized at acquisition cost respectively considering value adjustments to the lower market value. Non-interest bearing receivables of a term of more than one year, for example from the tax authorities, are capitalized at present value. With the establishment of the valuation adjustment the Management Board relies on its knowledge of the customers' payment behaviour, previous experiences and other indications. Payments before balance sheet date being expenses for a certain time after that date and from which a future benefit is expected are also disclosed under “Other receivables”.

**Tax refund claims**

The tax refund claims originate mainly from non-interest bearing refund claims from the capitalization of the corporate tax credit as at 31 December 2006. They are discounted towards the balance sheet date at an interest rate of 4.0 % p.a.

**Cash and cash equivalents**

Cash comprises the bank balance and cash in hands. Cash equivalents comprise receivables from factors due at any time. The carrying amount of cash and cash equivalents disclosed within the balance sheet corresponds to their market value. A fixed deposit account in the amount of kEUR 210 was collateralized for the granting of a credit. Further there is cash in the amount of kEUR 40 subject to restraints on disposal.

**Financial instruments**

With Rücker, cash and cash equivalents, available-for-sale financial assets, trade receivables, trade receivables, liability insurances, shares into unconsolidated subsidiaries and associated enterprises, other assets in the sense of IFRS 7, trade liabilities, liabilities due to banks and financial liabilities due to third parties, liabilities from finance lease contracts and other liabilities in the sense of IFRS 7 are summarized under the original term “financial instruments”.

Rücker AG considers cash equivalents all liquid financial assets including all receivables due on first call from factors with an initial term of up to three months.

Certain trade receivables are being transferred to non-affiliated factors for a factoring fee. The default risk is being transferred, too. As far as the conditions of IAS 39.20 are met, the trade receivables are taken out of the trade receivables and other receivables from the factors are recorded.

Financial instruments are classified either as financial assets or financial liabilities with the initial entering according to the economic content of the contractual agreement.

Financial instruments are classified with Rücker according to IAS 39 and IFRS 7 as follows:

- held-to-maturity investments
- financial assets or financial liabilities held for trading
- loans and receivables
- available-for-sale financial assets
- financial liabilities measured at amortized cost
- financial assets or financial liabilities at fair value through profit or loss

Financial assets with fixed or determinable payments and fixed terms, which the company intends and is able to keep until their final maturities are being classified as financial investments to be “held to maturity“. Financial assets or liabilities mainly acquired to gain profits from current fluctuations of prices or exchange rates are classified as financial assets “held for trade“. Available for sale investments are financial assets which are not derivative, but classified as “available for sale” and which are not (a) loans and receivables or (b) investments held to maturity or (c) financial assets or liabilities at fair value through profit or loss

Held to maturity investments are presented as non-current assets except if they are due within twelve months after the balance sheet date. Financial assets held for trading are shown as current assets. Financial assets available for sale are classified as current assets if they are due within twelve months after the balance sheet date.

When a financial asset is recognized initially it is measured at cost, which corresponds to the fair value of the consideration given; transaction costs are included. Financial assets available for sale or those held for trading are measured in subsequent years at their fair values without any deduction of transaction costs that may incur on sale and at their quoted price at balance sheet date.

Gains and losses arising from the valuation of a financial asset available for sale with its fair value are recorded directly in equity less deferred taxes, until the financial asset is realized, called in or otherwise disposed of or until for this financial asset impairment was determined. At this time the cumulative gain or loss, previously recognized in equity is recognized in the income statement of the period. Changes in the fair value of financial assets carried for trading are recognized in the financial result. Held-to-maturity investments are measured at amortized costs using the effective interest method.

**Capitalization of hedging contexts**

Hedging policy of the Group is to conclude only derivatives in order to hedge interest and currency risks. As at December 31, 2012 no hedges existed within the Rücker Group for risks from interest transactions or foreign currency transactions.

As far as the employed derivative financial instruments are effective hedges of the cash flows in the framework of hedging contexts according to the regulations of IAS 39 the fluctuation of the fair value during the derivative’s term do not affect the period’s results. As far as the employed financial instruments do not qualify as effective hedges according to IAS 39 all fluctuations of the market value affect the income statement immediately.

**Treasury shares**

The capitalization of treasury shares is made on the base of the acquisition cost method, in which the acquisition costs are deducted openly from the equity. Income from the sale of treasury shares is allocated to the capital reserves not affecting operating result. Losses from the sale of treasury shares up to the amount of formerly capitalized income are set off against the capital reserves. Exceeding losses are set off against the net profit for the year.

**Current and non-current loan capital**

Current loan capital is valued at its repayment amount. The discounting of non-current financial commitments of the Rücker AG is made by the loan capital rates for comparable credit transactions (leasing). Non-interest bearing liabilities are recognized at fair value.

**Pension commitments**

The valuation of pension commitments bases on the present value of potential pension method for achievement oriented benefit plans in accordance with IAS 19 (projected unit credit method). With this current capital market interest rates as well as probable increases in wages and pensions in the future are taken into consideration. The recording of actuarial gains and losses under consideration of deferred taxes is set off against the equity not affecting operating results. The interest share from the changes of the pension commitments is disclosed within the group income statement within the net interest income. The current expense for periods of service is recorded under administration costs.

The plan assets to be set off against the present value of pension commitments are liability insurances covering a part of the claims from the pension commitments. The liability insurances are pledged with the respective beneficiary, the setting off with the present value of the commitments is made at current market value.

Further, there are plans based on premiums with some Group companies. No further commitments arise to the Group companies from these contracts besides the paying of premiums to the external insurance carrier.

**Government grants**

Investment allowances and subsidies are being accrued. The dissolution is made according to the assumed effective life of the assets concerned and in favour of the other operating income. Investment subsidies are connected to a series of requirements. These are met, according to current knowledge.

**Other provisions and accruals**

Tax accruals and other provisions and accruals are made according to IAS 37, as far as from a past event a current legal or actual commitment toward third parties arises which probably leads to a future outflow of assets and if this outflow can be assessed reliably. All commitments recognizable on balance sheet date based on past events and with undeterminable amount and due date are being recognized in the amount of the probable occurrence.

All provisions classified as current have a due date of up to one year. All provisions classified as non-current have a remaining term of more than one year.

Provisions are recognized with the most probable repayment amount. Provisions with a remaining term of more than one year are disclosed at their performance amount discounted to the balance sheet date. Discount amounts incurred are disclosed under additions.

**Liabilities**

Liabilities are generally disclosed at their repayment amount. Liabilities with a remaining term of more than one year are being capitalized at their performance amount discount to the balance sheet date. Sales before the balance sheet date being income for a certain time after that date are also disclosed as deferred income and accrued expenses within the position other liabilities.

**Tax accruals and deferrals**

Deferred taxes are being capitalized according to IAS 12 according to the asset-and-liability-method. With this, future tax effects of differences between the valuations within the tax balance sheet and the consolidated balance sheet, tax loss carry forwards and amounts creditable against future tax liabilities are being capitalized as deferred taxes. Claims and liabilities of deferred taxes are valued at the tax rate valid at time when the temporary accounting differences will presumably invert. The effects of changes in tax rates on the calculated deferred taxes will be entered affecting net income within the period in which the respective change will become legally effective. As far as the realization of deferred taxes is doubtful the lower attributable current value will be capitalized.

Claims and liabilities of deferred taxes are entered into the balance sheet as long-term assets, respectively liabilities. They are not being discounted.

**Revenues**

Under revenues all income for already rendered services is disclosed according to IAS 18 if the price is determined or determinable, ownership and risk was transferred to the customer and if the realization of the related receivables are probable. Services by means of the supply of workforce are generally deemed rendered by the end of the supply period. Revenues from the engineering service business were entered regarding the degree of completion of the business as at balance sheet date, if:

- the amount of income can be reliably assessed;

- it is sufficiently probable that the economic benefit from the business will flow into the company;
- the stage of completion as at balance sheet date is reliably determined; and
- the cost incurred for the business and those to be expected until the complete performance are reliably determined.

Determining the degree of completion is made according to the number of work hours performed until the balance sheet date. With the partial billing (stipulated in advance) the realization of revenues is made after the binding acceptance of the partial service by the customer.

**Earnings per share**

The undiluted results per share are calculated by dividing the Group results allotted to the stockholders of the Rücker AG by the average number of stocks (weighted) of the outstanding stocks.

Potential voting rights do not exist; therefore there is no diluting effect. Consequently, the naming of the diluted earnings per share is the same as the undiluted result.

**Foreign currency sensitivity**

If the Euro was 10 % increased compared to foreign currencies, the result for the period would have been kEUR 4,574 (previous year: kEUR 5,946), with a descent of the Euro by 10 % it would have been about kEUR 5,057 (previous year: kEUR 6,363).

**Contingent liabilities and assets**

Contingent liabilities are not disclosed within the consolidated financial statements. They are stated within the notes, except if the possibility of an outflow of resources with economic benefit is very unlikely (with contingent liabilities) or if the inflow of resources with economic benefit is unlikely (with contingent assets).

**Estimations and assumptions**

The preparation of the consolidated financial statements requires estimations and assumptions by the management. These affect the amounts disclosed within the balance sheet, the disclosure of contingent claims and liabilities at closing date and the disclosure of income and expenses during the period under report. Insofar there may be differences between the values disclosed within the consolidated financial statements and the later actually incurred values. The estimations and the underlying assumptions are being permanently examined. Adjustments will be taken in consideration in the business year on which the changes occurred.

In the following we explain the assumptions and estimations which were underlying the management's capitalization of assets and liabilities within the Rücker Group.

*Determination of useful lives*

The determination of useful lives for depreciable assets is made according to the anticipated usability and is based on estimations. As a guideline experiences with comparable assets were taken as a basis. The estimated useful lives for intangible assets and tangible assets are being examined and adjusted, if necessary, at the end of each business year. However, the examination gave no reason for an adjustment.

*Recoverability of assets*

The Rücker Group determines for each balance sheet date whether there are indications for unscheduled depreciations of intangible assets or tangible assets. Further explanations on the basic assumptions of the impairment test are described under “A1 Intangible Assets”.

*Payments to employees*

With the valuation of the pension commitments the Rücker AG uses actuarial calculations based, amount others, on assumptions regarding wage and pension increases, fluctuation and discount interest rates. Because of the long-term orientation these actuarial assumptions might be subject to material uncertainties regarding changed market and economic conditions. Thus they may differ from actual developments. This in turn might cause changes in the pension commitments and the respective future expenses.

*Capitalisation of leasing*

With the use of leased assets one has to assess whether all material chances and risks tied to the ownership were transferred or not. On the base of this assessment the assets will be attributed to the lessee or to the lessor.

*Deferred taxes*

The valuation of deferred taxes on taxable loss carry forwards requires estimations regarding the amount and the time of incurrence of the taxable income usable for the loss. For each balance sheet date the Rücker Group assesses whether the liquid ability of future tax advantages are sufficiently probable in order to be capitalized as deferred taxes.

*Revenue recognition*

Income from service business recorded according to the degree of completion require estimations regarding the total cost of the order, of the cost that will be incurred until the completion of the order, the total sales from the order, the risks of the order and others. Continuously the management examines all estimations required in the course of the production order and adjusts these if necessary.

## E – Principles of consolidation and consolidated group

### Principles of consolidation

The consolidated financial statements comprise the Rücker Aktiengesellschaft as well as generally all related subsidiaries. Subsidiaries which the Rücker AG controls because of either a direct or an indirect majority voting interest are being fully consolidated. The results of the subsidiaries are being included into the consolidated financial statements from the respective moment of acquisition on. For all companies the business year is the calendar year.

The **capital consolidation** is made under application of the acquisition method. A resulting difference from the comparison of acquisition cost of the acquired interest and the Group share in the newly valued equity capital of the subsidiary will be, as far as possible, attributed to the acquired assets and liabilities including the contingent liabilities of the acquired subsidiary. A further difference is disclosed as goodwill if on the asset's side, according to IFRS 3 and submitted to annual impairment tests. A further difference on the capital side will be entered into the income statement of the current period after another examination. Since the goodwill is disclosed in the respective national currency the consolidation might cause minor differences in comparison to last year's balance sheet values.

In the course of the **consolidation of debt** inter-group receivables and liabilities are being cancelled. Within the consolidated income statement the expenses and the income are disclosed after the setting off of inter group processes (**consolidation of income and expenses**). As far as in the separate financial statements value adjustments were made on the shares of consolidated companies or on intragroup receivables these are reversed in the course of the consolidation process.

Inter-group gains and losses are being eliminated in the course of the **elimination of intermediate results**.

Companies, in which the Rücker AG holds interest of between 20 % and 50 % and in which the Rücker AG can exert decisive influence on the business and company policies (associated companies) are valued according to the equity method, as far as of material importance.

Deferred taxes are being calculated on consolidation effects.

**Currency translation**

**Transactions and reserves in foreign currency**

Transactions in foreign currency are translated at the current market price at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the current market price at balance sheet date. Translation differences from the translation of balance sheet items are recorded within the income statement.

**Annual financial statements of foreign participations**

The functional currency of all foreign subsidiaries is the respective national currency, since the subsidiaries are economically independent entities. The translation of foreign, not Euro-based financial statements was made as follows:

The equity capital of consolidated companies are capitalized at historic prices, the assets, the provisions and liabilities as well as accruals and deferrals are capitalized at the respective market price on reporting day. Income and expenses are translated at the annual average market price. Resulting translation differences are disclosed under a separate item within the shareholders' capital (Other revenue reserves).

The exchange rates of countries not being members in the Euro-area and in which Rücker is active with consolidated subsidiaries of material extend are listed in the following:

| | | Closing rate at balance sheet date | | Average rate for the period | |
|---|---|---|---|---|---|
| 1 EUR | | 31.12.2012 | 31.12.2011 | 2012 | 2011 |
| Switzerland | CHF | 1.2072 | 1.2156 | 1.2053 | 1.2326 |
| China | CNY | 8.2207 | 8.1588 | 8.1052 | 8.9960 |
| Czech Republic | CZK | 25.1510 | 25.7870 | 25.1491 | 24.5898 |
| Mexico | MXN | 17.1845 | 18.0512 | 16.9029 | 17.2877 |
| Poland | PLN | 4.0740 | 4.4580 | 4.1847 | 4.1206 |
| Brazil | BRL | 2.7036 | 2.4159 | 2.5084 | 2.3265 |
| Sweden | SEK | 8.5820 | 8.9120 | 8.7041 | 9.0298 |
| Romania | RON | 4.4445 | 4.3233 | 4.4593 | 4.2391 |
| USA | USD | 1.3194 | 1.2939 | 1.2848 | 1.3920 |

## Consolidated group

| Company | Corporate Seat | Capital Share in % |
|---|---|---|
| Rücker GmbH | Wiesbaden, Germany | 100.0 |
| Rücker Akademie GmbH | Wiesbaden, Germany | 100.0 |
| Rücker EKS GmbH | Weingarten, Germany | 76.5 |
| Rücker Aerospace GmbH | Hamburg, Germany | 100.0 |
| VR-Leasing Malakon GmbH & Co Immo. KG | Eschborn, Germany | 85.0 |
| Hövelmann GmbH | Aachen, Germany | 100.0 |
| Rücker Testing Services GmbH | Munich, Germany | 100.0 |
| Rücker do Brasil Ltda. | Sao Bernardo do Campo, Brazil | 100.0 |
| Rücker Vehicle Design (Shanghai) Co.,Ltd. | Shanghai, China | 100.0 |
| Rücker France SARL | Blagnac, France | 100.0 |
| Rücker-Sier GIE | Blagnac, France | 51.0 |
| Rücker Italia S.R.L. | Robassomero, Italy | 100.0 |
| Star Design de Mexico S.A. de C.V. | Mexico City, Mexico | 100.0 |
| Rücker Ges.m.b.H. | Grambach, Austria | 100.0 |
| Wolfgang Rücker Ges.m.b.H. | Wien, Austria | 100.0 |
| Rücker Polska Sp. z oo | Warschau, Poland | 100.0 |
| Rücker Design S.R.L. | Iasi, Romania | 100.0 |
| Rücker Nord AB | Göteborg, Sweden | 100.0 |
| Rücker GmbH | Arbon, Switzerland | 100.0 |
| Rücker SR spol. s r.o. | Bratislava, Slovakia | 100.0 |
| Rücker Lypsa S.L. | Barcelona, Spain | 100.0 |
| Rücker CR spol. s r.o. | Mlada Boleslav, Czechia | 100.0 |
| Rücker Immobilien spol.s r.o | Mlada Boleslav, Czechia | 100.0 |
| Star Design of Alabama Inc. | Birmingham, USA | 100.0 |
| Silver AeroSpace B.V. | Haarlem, The Netherlands | 100.0 |

## Companies included at cost

| | | |
|---|---|---|
| Star Design (UK) Ltd. | Cambridge, Great Britain | 99.9 |
| Incat Aircraft Design B.V. | Haarlem, The Netherlands | 80.0 |
| Rücker Aerospace Canada Inc. | Bromont, Canada | 100.0 |
| Rücker - CT Engineering GmbH * | Hamburg, Germany | 49.0 |
| Rücker GmbH | Kaluga, Russian Federation | 100.0 |

* Associated company

**Changes in the consolidated group**

According to the acquisition and takeover agreement of 27 March 2012 with effective date 1 April 2012 (date of the transfer) the Rücker GmbH acquired further 23.5 % if the shares in the Rücker EKS GmbH at a purchase price of kEUR 25. The Group share in the company is now 76.5 % in total. The corresponding non-controlling share was as at transfer date kEUR 249. Therefore, the difference amount of kEUR 224 was set off with the revenue reserves. The profit share for the period from 1 January 2012 to 31 March 2012 was kEUR 48. This is due to the former non-controlling shareholder and is being disclosed under current other liabilities.

On 19 December 2011 the Rücker AG acquired all shares in the Rücker Testing Services GmbH at a purchase price of kEUR 28. Since the company was not operative in the year 2011 it was not fully consolidated in the year 2011. According to the acquisition and takeover agreement of 15 May 2012 the shares were transferred with immediate effect to the Rücker GmbH at a purchase price of kEUR 28. Subsequently, the Rücker AG retroactively transferred to the 1st of January 2012 (breaking up date) the department "Versuch" (Testing) as a total by breakup and transfer agreement of 10 August 2012 from the Munich branch by way of breakup according to section 123 paragraph 3 no. 1 UmwG (German Commutation Law) to the Rücker Testing Service GmbH against the granting of new corporate rights. The breakup was made at book values. Since the breakup date the company is fully consolidated and allotted to the segment "National". The attributable current market value of the transferred assets (excluding liquid funds) was kEUR 25. The difference amount as compared to the purchase price of kEUR 3 was recorded affecting income under other operating expenses.

On 1 April 2012 the Rücker Aerospace Canada Inc., Bromont, Canada, was established as subsidiary of the Rücker Aerospace GmbH. The company was not operative in the business year 2012 and is therefore not yet included into the Group financial statements.

Because of inferior meaning for the net assets, financial position and results of operations of the Group four companies into which the Rücker AG keeps directly or indirectly the majority of voting rights, and one associated company, were included into the Group financial statements only at acquisition cost, as last year.

**Associated companies**

In the following the financial information on associated companies not capitalized according to the equity method is presented:

| kEUR | **31.12.2012** | **31.12.2011** |
|---|---|---|
| Total assets | 530 | 114 |
| Liabilities | 636 | 104 |
| Revenues | 695 | 8 |
| Profit or loss | -97 | -58 |

**Escape clauses exercised**

The **Rücker GmbH**, being a subsidiary, is included into the consolidated financial statements of Rücker AG, Wiesbaden, being the topmost parent company. The Rücker AG is obliged to directly share the losses of Rücker GmbH because of the existing control agreement and profit and loss transfer agreement according to section 302 AktG (German Stock Corporation Law). The respective declarations were disclosed according to section 325 HGB (German Commercial Law) at the commercial register of the Rücker GmbH. The shareholders of the Rücker GmbH resolved on 30 October 2012 unanimously to exercise the escape clause of section 264 paragraph 3 HGB for the business year 2012 and to refrain from preparing a management report for the business year 2012. Further it was resolved to not disclose the financial statements for the year 2012.

The **Rücker Aerospace GmbH**, being a subsidiary, is included into the consolidated financial statements of Rücker AG, Wiesbaden, being the topmost parent company. The Rücker AG is obliged to directly share the losses of Rücker Aerospace GmbH because of the existing control agreement and profit and loss transfer agreement according to section 302 AktG (German Stock Corporation Law). The respective declarations were disclosed according to section 325 HGB (German Commercial Law) at the commercial register of the Rücker Aerospace GmbH. The shareholders of the Rücker Aerospace GmbH resolved on 30 October 2012 unanimously to exercise the escape clause of section 264 paragraph 3 HGB for the business year 2012 and to refrain from preparing a management report and notes for the business year 2012. Further it was resolved to not disclose the financial statements for the year 2012.

The **Rücker Akademie GmbH**, being a subsidiary, is included into the consolidated financial statements of Rücker AG, Wiesbaden, being the topmost parent company. The Rücker AG is obliged to directly share the losses of the Rücker Akademie GmbH because of the existing control agreement and profit and loss transfer agreement according to section 302 AktG (German Stock Corporation Law). The respective declarations were disclosed according to section 325 HGB (German Commercial Law) at the commercial register of the Rücker Akademie GmbH. The shareholders of the Rücker Akademie GmbH resolved on 30 October 2012 unanimously to exercise the escape clause of section 264 paragraph 3 HGB for the business year 2012 and to refrain from preparing a management report and notes for the business year 2012. Further it was resolved to not disclose the financial statements for the year 2012.

## F – Explanations on the Balance Sheet

### A 1 Intangible assets

| kEUR | Acquired software | Internally generated software | Goodwill | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| At January 1, 2011 | 12,570 | 1,377 | 20,236 | 34,183 |
| Additions from the consolidated group | 5 | 0 | 349 | 354 |
| Additions | 790 | 17 | 0 | 807 |
| Disposals | -1,623 | 0 | 0 | -1,623 |
| Exchange differences | -98 | 0 | 28 | -70 |
| At December 31, 2011 | **11,644** | **1,394** | **20,613** | **33,651** |
| Additions from the consolidated group | 0 | 0 | 0 | 0 |
| Additions | 661 | 59 | 0 | 720 |
| Disposals | -216 | 0 | 0 | -216 |
| Exchange differences | -11 | 0 | 225 | 214 |
| **At December 31, 2012** | **12,078** | **1,453** | **20,838** | **34,369** |
| **Accumulated amortization** | | | | |
| At January 1, 2011 | 11,124 | 1,310 | 11,198 | 23,632 |
| Additions from the consolidated group | 4 | 0 | 0 | 4 |
| Additions | 770 | 15 | 0 | 785 |
| Disposals | -1,598 | 0 | 0 | -1,598 |
| Exchange differences | -94 | 0 | 0 | -94 |
| At December 31, 2011 | **10,206** | **1,325** | **11,198** | **22,729** |
| Additions from the consolidated group | 0 | 0 | 0 | 0 |
| Additions | 803 | 16 | 349 | 1,168 |
| Disposals | -216 | 0 | 0 | -216 |
| Exchange differences | -9 | 0 | 53 | 44 |
| **At December 31, 2012** | **10,784** | **1,341** | **11,600** | **23,725** |
| **Net carrying amounts** | | | | |
| **At December 31, 2011** | **1,438** | **69** | **9,415** | **10,922** |
| **At December 31, 2012** | **1,294** | **112** | **9,238** | **10,644** |
| **Amounts included for Finance lease** | | | | |
| **At December 31, 2011** | **17** | **0** | **0** | **17** |
| **At December 31, 2012** | **3** | **0** | **0** | **3** |

The goodwill was initially created with the acquisition of the following companies:

| kEUR | **31.12.2012** | **31.12.2011** |
|---|---|---|
| Rücker Nord | 4,691 | 4,519 |
| Rücker Lypsa | 4,547 | 4,547 |
| Hövelmann | 0 | 349 |
| | **9,238** | **9,415** |

Each company is a cash generating unit and mainly offers engineering services. A decrease in value occurs if the achievable amount of the goodwill of the cash-generating unit is below its book value. The annual impairment test as at December 31, 2012 caused on the basis of the underlying information the need to depreciate the goodwill of the Hövelmann in the amount of kEUR 349. No need to depreciate goodwill was established with the other two companies. Even the decrease of the discount rates by 0.5 percentage points, a plan result reduced by 10 % or the reduction of the growth rate of would not cause depreciation with Rücker Nord or Rücker Lypsa.

The changes in the goodwill of Rücker Nord resulted from currency translation differences as compared to the previous year.

**Basic assumptions for the calculation of the achievable amount**

With the calculation of the current value as at December 31, 2012 less selling costs (by means of the DCF method) of the cash generating units there are uncertainties because of the estimations of the underlying assumptions. This applies particularly to:

- EBIT,
- discounting interest rate and
- with rate underlying the extrapolation of cash flows forecasts outside of the budget period.

The EBIT level underlying the planning is determined for all cash generating units with the annual planning period.

The discount interest rates reflect the current interpretation of markets regarding the specific risks to attributed to the cash generating units. The discount interest rate was estimated on the base of the average weighted capital costs (WACC) customary in the trade.

For purposes of the impairment test the discounting of the expected cash flows was made at discounting rates after taxes from 12.15 % for the Rücker Lypsa (previous year: 10.79 %), 8.93 % for the Rücker Nord (previous year: 5.94 %) and 8.93 % for the Hövelmann (previous year: 6.50 %)

The growth rate underlying the planning of the perpetuity assumes a sustainable growth of 1 % p.a. respectively.

## A 2 Property, plant and equipment

| kEUR | Land, leasehold rights and buildings | Technical equipment, plant and machinery | Other equipment, fixtures and furnitures | Con-struction in progress | Total |
|---|---|---|---|---|---|
| **Acquisition cost** | | | | | |
| At January 1, 2011 | 17,004 | 2,124 | 30,208 | 219 | 49,555 |
| Additions from the consolidated group | | | 54 | | 54 |
| Additions | 30 | 15 | 3,886 | 1,406 | 5,337 |
| Disposals | 0 | -18 | -1,634 | 0 | -1,652 |
| Reclassifications | 0 | 0 | 219 | -219 | 0 |
| Exchange differences | -143 | -6 | -153 | 0 | -302 |
| At December 31, 2011 | **16,891** | **2,115** | **32,580** | **1,406** | **52,992** |
| Additions | 86 | 362 | 5,384 | 495 | 6,327 |
| Disposals | 0 | -160 | -1,081 | 0 | -1,241 |
| Reclassifications | 161 | 93 | 1,133 | -1,387 | 0 |
| Exchange differences | 96 | 5 | -35 | 0 | 66 |
| **At December 31, 2012** | **17,234** | **2,415** | **37,981** | **514** | **58,144** |
| | | | | | |
| **Accumulated depreciation** | | | | | |
| At January 1, 2011 | 5,114 | 1,798 | 22,693 | 0 | 29,605 |
| Additions from the consolidated group | | | 23 | | 23 |
| Additions | 630 | 125 | 2,508 | 0 | 3,263 |
| Disposals | 0 | -13 | -1,397 | 0 | -1,410 |
| Exchange differences | -64 | -6 | -132 | 0 | -202 |
| At December 31, 2011 | **5,680** | **1,904** | **23,695** | **0** | **31,279** |
| Additions | 608 | 124 | 2,815 | 0 | 3,547 |
| Disposals | 0 | -160 | -909 | 0 | -1,069 |
| Exchange differences | 34 | 5 | -36 | 0 | 3 |
| **At December 31, 2012** | **6,322** | **1,873** | **25,565** | **0** | **33,760** |
| | | | | | |
| **Net carrying amounts** | | | | | |
| **At December 31, 2011** | **11,211** | **211** | **8,885** | **1,406** | **21,713** |
| **At December 31, 2012** | **10,912** | **542** | **12,416** | **514** | **24,384** |
| | | | | | |
| **Amounts included for Finance lease** | | | | | |
| **At December 31, 2011** | **0** | **86** | **999** | **0** | **1,085** |
| **At December 31, 2012** | **0** | **0** | **613** | **0** | **613** |

## A 3 Financial assets

The loans to and receivables from third parties are mainly claims from subsidies. The available-for-sales securities contain marketable debt issues and dividend papers.

| kEUR | Loans and receivables third parties | Shares in group and affiliated companies non consolidated | Available-for-sale securities | Reimbursment-right | Total |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At January 1, 2011 | 41 | 116 | 220 | 1,065 | 1,442 |
| Additions | 0 | 74 | 0 | 37 | 111 |
| Disposals | -38 | 0 | -1 | 0 | -39 |
| Reclassifications | 0 | 0 | 0 | 0 | 0 |
| Currency translation | 0 | 0 | 0 | 0 | 0 |
| **At December 31, 2011** | **3** | **190** | **219** | **1,102** | **1,514** |
| Additions | 68 | 1 | 4 | 0 | 73 |
| Disposals | -1 | -28 | 0 | -230 | -259 |
| Reclassifications | 0 | 0 | 0 | 0 | 0 |
| Currency translation | 0 | 0 | 10 | 0 | 10 |
| **At December 31, 2012** | **70** | **163** | **233** | **872** | **1,338** |
| **Accumulated amortization and valuations not affecting income** | | | | | |
| At January 1, 2011 | 3 | 116 | 13 | 0 | 132 |
| Valuation not affecting income | 0 | 0 | 0 | 0 | 0 |
| Amortization | 0 | 0 | 0 | 0 | 0 |
| Reclassification | 0 | 0 | 0 | 0 | 0 |
| Currency translation | 0 | 0 | 0 | 0 | 0 |
| **At December 31, 2011** | **3** | **116** | **13** | **0** | **132** |
| Valuation not affecting income | 0 | 0 | -94 | 0 | -94 |
| Amortization | 0 | 0 | -2 | 0 | -2 |
| Reclassification | 0 | 0 | 0 | 0 | 0 |
| Currency translation | 0 | 0 | 0 | 0 | 0 |
| **At December 31, 2012** | **3** | **116** | **-83** | **0** | **36** |
| **Net carrying amounts** | | | | | |
| **At December 31, 2011** | **0** | **74** | **206** | **1,102** | **1,382** |
| **At December 31, 2012** | **67** | **47** | **316** | **872** | **1,302** |

## A 5 Inventories

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Work in progress | 18 | 182 |
| | **18** | **182** |

## A 6 Trade receivables

The portfolio and the development of the allowances of trade receivables are presented in the following.

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Gross trade receivables | 29,405 | 28,625 |
| Gross trade receivables from not consolidated group (Rücker) | 123 | 76 |
| Gross trade receivables from not consolidated group (ATON) | 42 | 0 |
| Gross trade receivables from associated companies | 463 | 0 |
| Individual value adjustments | -1,001 | -1,038 |
| | **29,032** | **27,663** |

## Age structure of the net receivables

| thereof in kEUR: | 31.12.2012 | 31.12.2011 |
|---|---|---|
| **neither past due nor impaired:** | 23,885 | 24,040 |
| **past due but nor impaired:** | | |
| 3 months past due | 4,698 | 2,122 |
| 4 to 6 months past due | 219 | 1,318 |
| 7 to 12 months past due | 91 | 148 |
| more than 12 months past due | 139 | 35 |

## Development of allowances

| kEUR | |
|---|---|
| At January 1, 2011 | 1,085 |
| Consumption and income from retransferral | -57 |
| Additions | 10 |
| **At December 31, 2011** | **1,038** |
| Consumption and income from retransferral | -84 |
| Additions | 47 |
| **At December 31, 2012** | **1,001** |

## A 7 Other receivables

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Receivables from factor | 5,504 | 3,633 |
| Other receivables from third parties | 3,957 | 3,860 |
| Deferred expenses and accrued income | 1,083 | 1,549 |
| Other receivables from Rücker-group companies not consolidated | 5 | 55 |
| Other receivables from associated companies | 52 | 0 |
| | **10,601** | **9,097** |

## A 9 Cash and cash equivalents

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Cash in hand | 41 | 44 |
| Bank balances | 12,806 | 12,588 |
| Receivables from the factor due on first request | 6,081 | 6,680 |
| | **18,928** | **19,312** |

**P 1 Shareholders' equity**

The issued capital of Rücker AG is still EUR 8,379,194,00 as of December 31, 2012. It is divided into 8,379,194 individual no-par-value bearer shares. Every share grants one voting right.

The part of the capital stock attributed to the individual share is EUR 1.00.

**Authorized capital**

The Management Board was authorized by the articles of incorporation and depending on the Supervisory Board 's approval to increase the company's nominal capital until June 30, 2011 by up to 4,000 kEUR at the most by issuing new bearer shares denominated for the bearer against cash and / or contribution in kind once or several times. The authorization ended by June 30, 2011. It has not been exercised.

**P 2 Capital reserves**

The group's capital reserves contain mainly transfers into the capital reserve of the Rücker AG, resulting from the issuing of the shares in the course of the initial public offer and from the acquisition of subsidiaries. Further than that the reserves result from additions to and distribution of the revenue reserves in connection with additions and disposals of treasury shares and of the share options in previous years.

**P 3 Treasury shares**

On June 10, 2010 the general meeting of shareholders authorized the Management Board to acquire shares for the company until June 9, 2015 for the legally approved purposes, especially in order to do the following under exclusion of the subscription right of the shareholders:

- offer these to third parties in the course of business mergers or the acquisition of companies or parts of companies or participations;
- sell these with the Supervisory Board's approval at a price not materially below the stock market price of the company's shares at the time of sale; or
- call them in without the requirement of a further shareholders' resolution.

The authorization is limited to the acquisition of 837,919 shares with a proportionate share in the capital stock of EUR 837,919. This represents 10 % of the capital stock. The authorization may be executed wholly or in instalments, once or several times, in the pursuit of one or several purposes. The authorization may not be used by the company for the purpose of trading in treasury shares.
The shareholders' purchase right to the treasury shares of the company is excluded insofar these shares are used according to the above authorizations.

The treasury shares in the nominal amount of EUR 23,039.00 (share of the shareholder's equity is 0.27 %) were completely sold during the reporting year at a purchase price of kEUR 367. With historic acquisition costs of kEUR 186 the realized profit in the amount of kEUR 183 was transferred into the capital reserves.

**P 4 Retained earnings**

The retained earnings comprise the net results of former years after the distribution of dividends and the profit of the current year. Further, they contain changes in the equity capital not affecting net income from the currency translation of financial statements of foreign subsidiaries as well as from the valuation of securities available for sale and pension commitments under observation of deferred taxes (other retained earnings).

The general meeting of stockholders resolved on June 5, 2012 that for the business year 2011 a tax free dividend in the amount of EUR 0.50 per stock is to be distributed. The payment of the dividend in the total amount of kEUR 4,178 was made on June 6, 2012.

**P 5 Non-controlling interests**

The shares of non-controlling shareholders comprise shares of third parties in the paid and generated equity capital of fully consolidated subsidiaries. The takeover of further 23.5 % of the shares in Rücker EKS GmbH by the Rücker AG as of 1 April 2012 resulted in a reduction of the non-controlling interests in the amount of kEUR 249 with simultaneous increase of the Group retained earnings in the amount of kEUR 224.

## P 6 Non-current financial liabilities

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Loans from banks | 5,531 | 5,755 |
| Leasing liabilities intangible fixed assets | 0 | 4 |
| Leasing liabilities tangible fixed assets | 311 | 631 |
| | **5,842** | **6,390** |

## P 10 Current financial liabilities

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Loans from banks | 11,880 | 10,156 |
| Loans from third parties | 0 | 58 |
| Leasing liabilities intangible fixed assets | 4 | 14 |
| Leasing liabilities tangible fixed assets | 341 | 420 |
| | **12,225** | **10,648** |

Development of non-current and current financial liabilities:

| | Loans due to | | Finance lease liabilities | | Total |
|---|---|---|---|---|---|
| kEUR | banks | third parties | intangible assets | property, plant & equipment | |
| At January 1, 2011 | 16,954 | 79 | 41 | 892 | 17,966 |
| Addition | 7,025 | 27 | 0 | 740 | 7,792 |
| Repayment | -8,068 | -48 | -23 | -581 | -8,720 |
| **At December 31, 2011** | **15,911** | **58** | **18** | **1,051** | **17,038** |
| Addition | 13,802 | 0 | 1 | 26 | 13,829 |
| Repayment | -12,302 | -58 | -15 | -425 | -12,800 |
| **At December 31, 2012** | **17,411** | **0** | **4** | **652** | **18,067** |

The payments for the liabilities will develop as follows according to current knowledge:

| kEUR | Book value 31.12.2012 | Cash-Flow 2013 | Cash-Flows 2014 to 2016 | Cash-Flows 2017 to 2021 |
|---|---|---|---|---|
| Loans from banks | 17,411 | 11,880 | 3,951 | 1,580 |
| Leasing liabilities intangible fixed assets | 4 | 4 | 0 | 0 |
| Leasing liabilities tangible fixed assets | 652 | 341 | 194 | 117 |
| | **18,067** | **12,225** | **4,145** | **1,697** |

### Due dates of non-current financial liabilities

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---:|---:|
| Year n + 2 | 1,883 | 2,175 |
| Year n + 3 | 1,134 | 1,033 |
| Year n + 4 | 1,128 | 775 |
| Year n + 5 | 858 | 788 |
| Subsequent years | 839 | 1,619 |
| | **5,842** | **6,390** |

### Of which due dates of non-current leasing liabilities

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---:|---:|
| Year n + 2 | 132 | 340 |
| Year n + 3 | 42 | 128 |
| Year n + 4 | 20 | 38 |
| Year n + 5 | 19 | 16 |
| Subsequent years | 98 | 113 |
| | **311** | **635** |

Within the loans from banks (current and non-current) a real estate loan is included in the amount of kEUR 3,953 (previous year: kEUR 4,508), interest bearing at an unchanged average rate of 4.82 % per year. It was repayable at an unchanged monthly annuity installment of kEUR 64.

For the bank loans the Group gave the following collateral:

- First mortgages in a total amount of EUR 0.7 million on one piece of land
- Encumbrance of real property in a total amount of EUR 9.0 million on one piece of land
- Encumbrance of real property in a total amount of EUR 1.35 million on one piece of land

## P 7 Provision for pensions

The Rücker AG as well as some subsidiaries entered into pension commitments to employees. The payments into the old age benefit programs vary according to the economic situation and are generally based on the duration of the employment, the wages and the position taken within the company. The commitment for the future payment of pensions lies with the respective subsidiaries (defined benefit plan).

The pension obligations exist as follows:

| in kEUR | 31.12.2012 | 31.12.2011 | |
|---|---|---|---|
| Present value of funded obligation covered by plan assets | 5,305 | 4,034 | |
| Fair value of plan assets | -3,502 | -3,128 | * |
| **Deficit of funded plans** | **1,803** | **906** | ** |
| Present value of unfunded obligation | 5,354 | 3,785 | |
| **Liability in the balance sheet** | **7,157** | **4,691** | ** |

* adjusted comparatives (see note C)

** follow-up adjustments

## Development of the capital value of the pension commitments

| kEUR | | | |
|---|---|---|---|
| Present value of defined benefit obligation at 31.12.2011 / 31.12.2010 | 5,597 | 5,299 | |
| Adjustment IAS 8 | 2,222 | 1,843 | * |
| Present value of defined benefit obligation at 01.01.2012 / 01.01.2011 | 7,819 | 7,142 | ** |
| Current service costs (incl. interest costs) | 677 | 623 | * |
| Benefits paid | -83 | -109 | |
| Contributions by plan participants | 110 | 122 | * |
| Exchange differences | 14 | 50 | * |
| Actuarial losses (previous year gains) | 2,122 | -9 | * |
| | **10,659** | **7,819** | ** |

* adjusted comparatives (see note C)

** follow-up adjustments

### Development of the plan assets

| in TEUR | 31.12.2012 | 31.12.2011 | |
|---|---|---|---|
| Plan assets at December 31, 2011 / December 31, 2010 | 1,331 | 1,224 | |
| Adjustment IAS 8 | 1,797 | 1,471 | * |
| Plan assets at January 1, 2012 / January 1, 2011 | 3,128 | 2,695 | ** |
| Proceeds | 283 | 243 | * |
| Actuarial losses | -61 | 0 | * |
| Expected return on plan assets | 49 | 41 | * |
| Exchange differences | 13 | 42 | * |
| Profit participation | 90 | 107 | |
| | **3,502** | **3,128** | ** |

* adjusted comparatives (see note C)

** follow-up adjustments

The expected interest on the plan assets complies with the minimum interest stated by the insurance companies. The expected payments into the plan assets during the business year 2013 amount to an estimated kEUR 112. The income from the change of plan assets is contained in the other income.

### Personnel provision expenses within the income statement

| kEUR | 31.12.2012 | 31.12.2011 | |
|---|---|---|---|
| Current service costs | -331 | -294 | * |
| Interest costs | -346 | -329 | * |
| Expected return on plan assets | 49 | 41 | * |
| | **-628** | **-582** | ** |

* adjusted comparatives (see note C)

** follow-up adjustments

The current expenses for service time are part of the personnel expenses integrated into the administrative expenses. The interest expenses are part of the financial results.

### Actuarial information

| | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|---|---|---|---|---|
| Discount rate, Germany (D) | 3.60% | 5.30% | 5.30% | 5.80% | 6.00% |
| Discount rate, Switzerland (CH) | 2.00% | 2.50% | | | |
| Future salary increase, (D) | 2.75% | 2.75% | 2.75% | 2.75% | 0.00% |
| Future salary increase, (CH) | 1.00% | 1.00% | | | |
| Future pension increase, (D) | 2.00% | 1.50% | 1.50% | 1.50% | 1.50% |
| Future pension increase, (CH) | 0.00% | 0.00% | | | |
| Calculation base, (D) Guideline table Heubeck | 2005 G | 2005 G | 2005 G | 2005 G | 2005 G |
| Calculation base, (CH): BVG | 2010 GT | 2010 GT | | | |
| Employee turnover: | | | | | |
| Rücker AG | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Rücker GmbH [#] | 5.00% | 5.00% | 5.00% | 3.00% | 4.00% |
| Rücker Akademie GmbH | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Rücker Aerospace GmbH [#] | 11.00% | 11.00% | 11.00% | 16.70% | 0.00% |
| Rücker Testing Services GmbH | - | | | | |
| Rücker GmbH, Schweiz | - | - | | | |
| Expected return on plan assets, (D) | 4.00% | 4.20% | 4.40% | 4.40% | 4.60% |
| Expected return on plan assets, (CH) | 2.00% | 2.50% | | | |
| Active members | 118 | 137 * | 103 | 108 | 112 |
| Retired expectancies | 104 | 105 | 104 | 104 | 105 |
| Persons on old age pensions | 64 | 57 | 54 | 49 | 45 |

* adjusted comparatives (see note C)

[#] no effect on the calculation, because all entitlements are forfeitable

The differences between the expected values of the pension expectancies and the pension provisions and their actual values were as follows in the past years:

| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|---|---|---|---|---|---|
| Present value of DBO | | 10,659 | 7,819 * | 5,299 | 6,499 | 5,875 |
| Value of DBO expected | 11,092 | 8,533 * | 7,830 * | 6,838 | 6,291 | 6,312 |
| Deviation | | 2,126 | -11 * | -1,539 | 208 | -437 |
| Deviation in % | | 19.95% | -0.14% * | -29.04% | 3.20% | 7.44% |
| Plan assets | | -3,502 | -3,128 * | -1,224 | -3,290 | -3,028 |
| Provisions for pensions | | 7,157 | 4,691 * | 4,075 | 3,209 | 2,847 |

* adjusted comparatives (see note C)

The high deviation between the expected accrued pension rights and the actual present value of entitlement in the year 2012 results mainly from the change of the calculation interest rate in Germany from 5.3 % in the year 2011 to 3.6 % in the year 2012. The corresponding deviation in the year 2012 of 26.04 % results from the cancellation agreement on the stipulated pension promise against payment of a settlement amount equal to the taxable current worth of a pension promise.

The actuarial gains and losses after consideration of deferred taxes developed as follows:

| in kEUR | | |
|---|---|---|
| Accumulated actuarial losses as at 31.12.2009 | -31 | |
| Related deferred taxes | 62 | |
| Net as at 31.12.2009 | 31 | |
| Actuarial losses 2010 | -471 | * |
| Related deferred taxes | 129 | * |
| Net actuarial losses as at 31.12.2010 | -311 | ** |
| Actuarial gains 2011 | 9 | * |
| Related deferred taxes | -3 | * |
| Net actuarial losses as at 31.12.2011 | -305 | ** |
| Actuarial losses 2012 | -2,183 | |
| Related deferred taxes | 663 | |
| Net actuarial losses as at 31.12.2012 | -1,825 | |
| Thereof disclosed within other comprehensive income | -1,825 | |

* adjusted comparatives (see note C)

** follow-up adjustments

For premium based benefit plans the Group paid to external insurance carriers in the business year kEUR 8,744 (previous year: kEUR 8,011). The current payments of premiums are disclosed as social benefits costs under the personnel expenses of the respective area of operation.

**P 8 + P 13 Other provisions**

The provisions for employees refer mainly to working processes. The provisions for archival storage contain expenses for the storage of documents. The provisions for litigations refer mainly to a lawsuit concerning taxes. Provisions for warranties were made for claimed damages and within the other provisions are mainly tax risks.

### P 8 Non-current provisions

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Provisions for employees | 492 | 538 |
| Provisions for archiving costs | 80 | 85 |
| Provisions for litigation | 134 | 0 |
| Other provisions and accruals | 301 | 244 |
| | **1,007** | **867** |

### P 13 Current provisions

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Current provisions for warranties | 183 | 80 |
| Current provisions for archiving costs | 23 | 23 |
| Other provisions | 68 | 79 |
| | **274** | **182** |

### Analysis of non-current provisions

Non-current other provisions are disclosed at the cash value of the contingent liability, as far as the discounting effect is material. The accumulation is included into the additions and amounts to kEUR 4 (previous year: kEUR 8).

| kEUR | Personell provisions | Provision for archiving costs | law suit | Other provisions | Total |
|---|---|---|---|---|---|
| At January 1, 2012 | 538 | 85 | 0 | 244 | 867 |
| Usage | -159 | -23 | 0 | 0 | -182 |
| Retransfer | 0 | 0 | 0 | 0 | 0 |
| Addition | 134 | 18 | 134 | 90 | 376 |
| Currency effects | -21 | 0 | 0 | -33 | -54 |
| **At December 31, 2012** | **492** | **80** | **134** | **301** | **1,007** |
| | | | | | |
| Maturity in 2 to 5 years | 188 | 42 | 134 | 301 | 665 |
| Maturity after 5 years | 304 | 38 | 0 | 0 | 342 |

## Analysis of current provisions

| kEUR | Current provisions for archiving costs | warranties | other | Total |
|---|---|---|---|---|
| At January 1, 2012 | 23 | 80 | 79 | 182 |
| Usage | -23 | 0 | -39 | -62 |
| Retransfer | 0 | 0 | -14 | -14 |
| Addition | 23 | 103 | 42 | 168 |
| Exchange differences | 0 | 0 | 0 | 0 |
| **At December 31, 2012** | **23** | **183** | **68** | **274** |
| | | | | |
| Maturity up to 1 year | 23 | 183 | 68 | 274 |

## P 11 Trade payables

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Trade liabilities | 7,289 | 6,584 |
| Trade liabilities to affiliated companies (Rücker-Group), not consolidated | 1 | 27 |
| Trade liabilities - for affiliates | 21 | 27 |
| Liabilities for outstanding invoices | 1,128 | 1,458 |
| | **8,439** | **8,096** |

## P 14 Other liabilities

| kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Liabilities other taxes | 6,870 | 6,132 |
| Other liabilities to employees - Overtime | 3,280 | 2,958 |
| Other liabilities to employees - Holiday | 2,378 | 2,153 |
| Other liabilities to third parties | 1,763 | 1,900 |
| Other liabilities to employees - Profit sharing | 1,533 | 2,039 |
| Other liabilities to affiliated persons | 820 | 803 |
| Other liabilities from social security | 765 | 723 |
| Other liabilities to employees - Others | 615 | 352 |
| Deferred income and accrued expenses | 296 | 690 |
| Other liabilities to employees - Severance payments | 263 | 75 |
| | **18,583** | **17,825** |

## A 4 + P 9 Deferred taxes

Deferred taxes are capitalized for temporary differences between tax balance sheet and IFRS-balance sheet, as well as for consolidation effects and for accumulated losses brought forward

The deferred tax assets and tax liabilities are attributed to the following balance sheet Items:

| kEUR | 31.12.2012 Assets | 31.12.2012 Liabilities | 31.12.2012 Net |
|---|---|---|---|
| Intangible assets | 86 | 33 | 53 |
| Property, plant and equipment | 25 | 814 | -789 |
| Financial assets | 5 | 43 | -38 |
| Trade receivables | 5 | 309 | -304 |
| Other receivables | 3 | 0 | 3 |
| Non-current financial liabilities | 159 | 0 | 159 |
| Provisions for pension | 1,039 | 0 | 1,039 |
| Other non-current provisions | 43 | 95 | -52 |
| Current financial liabilities | 183 | 0 | 183 |
| Current provisions | 4 | 0 | 4 |
| Trade liabilities | 3 | 0 | 3 |
| Other liabilities | 97 | 22 | 75 |
| Value adjustments on loans | 0 | 353 | -353 |
| Value adjustments on receivables | 0 | 5 | -5 |
| Tax loss carryforwards | 44 | 0 | 44 |
| Subtotal | 1,696 | 1,674 | 22 |
| thereof eligible for netting out | -819 | -819 | 0 |
| **Total** | **877** | **855** | **22** |

| kEUR | 31.12.2011 Assets | | 31.12.2011 Liabilities | 31.12.2011 Net |
|---|---|---|---|---|
| Intangible assets | 87 | | 25 | 62 |
| Property, plant and equipment | 43 | | 803 | -760 |
| Financial assets | 5 | | 19 | -14 |
| Trade receivables | 5 | | 310 | -305 |
| Other receivables | 1 | | 0 | 1 |
| Non-current financial liabilities | 273 | | 0 | 273 |
| Provisions for pension | 359 | * | 0 | 359 |
| Other non-current provisions | 34 | | 90 | -56 |
| Current financial liabilities | 199 | | 0 | 199 |
| Current provisions | 5 | | 0 | 5 |
| Trade liabilities | 1 | | 0 | 1 |
| Other liabilities | 110 | | 0 | 110 |
| Value adjustments on loans | 0 | | 352 | -352 |
| Value adjustments on receivables | 0 | | 12 | -12 |
| Tax loss carryforwards | 199 | | 0 | 199 |
| Subtotal | 1,321 | ** | 1,611 | -290 |
| thereof eligible for netting out | -900 | | -900 | 0 |
| **Total** | **421** | ** | **711** | **-290** |

* adjusted comparatives (see note C)

** follow-up adjustments

On December 31, 2012 there are, just as last year, no tax loss carry forwards within Germany, which could be set off unlimitedly with future taxable profits, according to currently valid law. Further tax loss carry forwards for corporate tax and local trade tax, which do still exist in the amount of EUR 9.8 million, might go down according to section 8c KStG (German Corporate Tax Law) because of the change of the majority shareholder, if there are no hidden reserves in the same amount within the company concerned. At this moment the management assumes that there are indeed hidden reserves in at least that amount and that therefore the tax loss carry forwards continue to exist, even if they are currently not usable. For loss carry forwards of foreign companies in the amount of kEUR 166 (previous year: kEUR 728) deferred tax assets in the amount of kEUR 44 (previous year: kEUR 199) were calculated. According to the respective national tax law these can be set off against future taxable profits during a period of three years.

For domestic companies generally an income tax rate of about 31 % is still applicable. The tax rates abroad are between 4.06 % and 35.00 % (previous year: 3.97 % and 35.00 %).

For loss carry forwards in the amount of kEUR 5,691 (previous year: kEUR 5,490) no deferred taxes were calculated. These expire at the following points in time:

| in kEUR | 31.12.2012 | 31.12.2011 |
|---|---|---|
| Year n + 1 | 197 | 0 |
| Year n + 2 | 598 | 0 |
| Year n + 3 | 423 | 641 |
| Year n + 4 | 46 | 372 |
| Year n + 5 | 14 | 8 |
| Year n + 6 | 158 | 0 |
| Year n + 7 | 26 | 158 |
| Year n + 8 | 0 | 26 |
| Year n + 9 | 0 | 0 |
| Year n + > 10 | 163 | 165 |
| Possible to be brought forward within an unlimited period of time | 4,066 | 4,120 |
| | **5,691** | **5,490** |

Deferred taxes on items which were directly added to the other revenue reserves kEUR 638 (previous year: kEUR -3) were incurred. Out of these kEUR 663 (previous year: -3) result from actuarial losses (previous year: profits) coming from the valuation of pension commitments, and kEUR -25 (previous year: kEUR 0) come from the market appraisal not affecting net income of securities available for trade.

## G - Explanations to the Income Statement

### Preparation according to the type of expenditure format

Within the cost-of-sales accounting format the allocation of expenses is made within the income statements according to functional areas. Within the cost of production, the cost of sales and the administrative costs the following cost types in the following amounts were contained:

| kEUR | 01.01. - 31.12. 2012 | 01.01. - 31.12. 2011 | |
|---|---|---|---|
| **Personnel expenses** | **126,294** | **114,196** | ** |
| thereof in cost of sales line G 2 | 112,064 | 101,819 | * |
| thereof in selling expenses line G 4 | 3,277 | 2,713 | |
| thereof in general and administration expenses line G 5 | 10,953 | 9,664 | * |
| | | | |
| **Cost of materials in cost of sales line G 2** | **3,521** | **3,622** | |
| | | | |
| **Total depreciation and amortization** | **4,715** | **4,048** | |
| | | | |
| **Scheduled depreciation and amortization** | **4,363** | **4,048** | |
| thereof in cost of sales line G 2 | 3,399 | 3,190 | |
| thereof in selling expenses line G 4 | 104 | 47 | |
| thereof in general and administration expenses line G 5 | 860 | 811 | |
| | | | |
| **Scheduled amortization of intangible assets** | **819** | **785** | |
| thereof in cost of sales line G 2 | 632 | 577 | |
| thereof in selling expenses line G 4 | 14 | 13 | |
| thereof in general and administration expenses line G 5 | 173 | 195 | |
| | | | |
| **Scheduled depreciation of property, plant and equipment** | **3,544** | **3,263** | |
| thereof in cost of sales line G 2 | 2,767 | 2,613 | |
| thereof in selling expenses line G 4 | 90 | 34 | |
| thereof in general and administration expenses line G 5 | 687 | 616 | |
| | | | |
| **Impairment** | **352** | **0** | |
| thereof in cost of sales line G 2 | 1 | 0 | |
| thereof in selling expenses line G 4 | 1 | 0 | |
| thereof in general and administration expenses line G 5 | 1 | 0 | |
| thereof in goodwill impairment line G7 | 349 | 0 | |

* adjusted comparatives (see note C)

** follow-up adjustments

### G 1 Revenues

In the following overview of the main customers made anonymous with whom the Group achieved across all segments more than 10 % of the sales each are presented:

| kEUR | 01.01. - 31.12. 2012 | 01.01. - 31.12. 2011 |
|---|---|---|
| Customer A | 46,108 | 38,671 |
| Customer B | 35,598 | 33,776 |
| Customer C | 19,511 | 18,290 |
| Other Customers | 88,138 | 85,173 |
| | **189,355** | **175,910** |

### G 2 Cost of production

The costs of production contain the costs for the services sold within the respective period. Besides the directly attributable direct costs like cost of material and personnel costs they contain overhead including depreciation. The costs of production also contain the impairments and value adjustments on accounts receivable made during the respective period.

### G 3 Other operating income

| kEUR | 01.01. - 31.12. 2012 | 01.01. - 31.12. 2011 | |
|---|---|---|---|
| Rental income | 2,046 | 2,062 | |
| Income from car usage | 617 | 567 | |
| Income from reimbursement of costs | 238 | 247 | |
| Income from changes of reimbursement rights | 161 | 151 | |
| Income from exchange differences | 156 | 683 | |
| Income from the disposal of assets | 57 | 507 | |
| Income from plan assets | 49 | 40 | * |
| Income from public grants | 43 | 124 | |
| Income from damages paid | 30 | 0 | |
| Income from release of provisions | 0 | 514 | |
| Others | 347 | 461 | |
| **Total other operating income** | **3,744** | **5,356** | ** |

* adjusted comparatives (see note C)

** follow-up adjustments

## G 6 Other operating expenses

| kEUR | 01.01. - 31.12. 2012 | 01.01. - 31.12. 2011 | |
|---|---|---|---|
| exchange differences | 412 | 916 | * |
| Repairs and maintenance | 207 | 91 | |
| Other operating expenses - affiliates | 133 | 353 | |
| Other taxes | 86 | 76 | |
| Losses from the disposal of fixed assets | 18 | 26 | |
| Losses from the disposal of intangible assets | 0 | 15 | |
| Others | 306 | 194 | |
| **Total other operating expenses** | **1,162** | **1,671** | ** |

* adjusted comparatives (see note C)

** follow-up adjustments

## G 8 Financial result

| kEUR | 01.01. - 31.12. 2012 | 01.01. - 31.12. 2011 | |
|---|---|---|---|
| Interest income | 239 | 167 | |
| Exchange differences on financial assets | 0 | 32 | |
| **Total financial income** | **239** | **199** | |
| | | | |
| Interest expenses for loans from third parties | 708 | 702 | |
| Interest expenses for factoring | 376 | 222 | |
| Interest expenses for pensions | 346 | 329 | * |
| Interest expenses for leasing | 43 | 52 | |
| Commission on guarantees - related parties | 15 | 0 | |
| Exchanges differences on financial assets | 25 | 0 | |
| Other financial expenses | 122 | 198 | |
| **Total financial expenses** | **1,635** | **1,503** | ** |
| | | | |
| **Financial result** | **-1,396** | **-1,304** | ** |

* adjusted comparatives (see note C)

** follow-up adjustments

## G 9 Income taxes

| kEUR | 01.01. - 31.12. 2012 | 01.01. - 31.12. 2011 | |
|---|---|---|---|
| Income taxes | 2,500 | 2,203 | |
| Deferred taxes | 310 | 360 | * |
| **Total taxes** | **2,810** | **2,563** | ** |

* adjusted comparatives (see note C)
** follow-up adjustments

Germany raises taxes in the form corporate income tax in the amount of 15 % plus solidarity surcharge (5.5 % of the corporate income tax) as well as local trade tax in the amount of 3.5 % multiplied with the collection rate determined by the respective municipality. In average we expect a tax rate of 31.0 %, both for German companies as well as Group wide.

The actual tax burden within the Rücker Group of kEUR 2,810 (previous year: kEUR 2,563) was because of not capitalized deferred tax assets on losses above the tax burden calculated under application of the general group wide tax rate of 31 % on the results before income tax.

The transition from the expected tax burden the tax burden actually disclosed within the income statement is presented in the following:

### Transition from the expected to the actual tax expenditures

| in kEUR | 31.12.2012 | 31.12.2011 | |
|---|---|---|---|
| Income before taxes | 7,602 | 8,647 | * |
| Expected income tax expenses | 2,356 | 2,681 | |
| Differences resulting from tax rates | -455 | -489 | * |
| Usage of yet unvalued losses carried forward | -25 | -75 | |
| Tax refunds previous years | -11 | -157 | |
| Tax free income | -4 | 0 | |
| Tax effect of unvalued losses carried forward | 570 | 331 | |
| Non-deductible expenses | 270 | 242 | |
| No taxes on amortization of goodwill | 109 | 0 | |
| Tax burden pevious years | 0 | 32 | |
| Others | 0 | -2 | |
| **Tax expenses** | **2,810** | **2,563** | ** |

* adjusted comparatives (see note C)
** follow-up adjustments

## H - Segment reporting

According to the requirements of IFRS 8 the segment reporting is made according to the "management approach". With this information is forwarded from the operative units to the Management Board of the Rücker Group, being the main decision maker, in order to measure results and to allocate resources.

The internal organizational structure of the Rücker Group and the reporting to the Management Board are based almost exclusively on the performed engineering services of the operative units with the main focus on the business within Germany. Here, more than 66 % of the total revenues are being generated. Subsequently the Management Board monitors and controls the Rücker Group's activities by means of the distinguishing feature "national" and "international".

The main customers are included into the information on sales (G1). Revenues with external customers are attributed to the country in which the respective subsidiary has its head office. In Spain the revenues are kEUR 24,477 (previous year: kEUR 22,208). Apart from that in no other foreign country more than 10 % of the Group's revenues are achieved.

On the level of segments no assets and liabilities are named since this information is not part of the internal reporting.

The consolidation comprises the elimination of business relations within respectively between the segments. This is the setting off of intragroup expenses and income. The intragroup business relations between the segments are generally being treated at conditions usually in the market.

| kEUR | **01.01. - 31.12.2012** | | | |
|---|---|---|---|---|
| | **National** | **International** | **Elimination** | **Group** |
| External revenues | 124,832 | 64,523 | | 189,355 |
| Revenues within the group | 3,279 | 5,488 | -8,767 | 0 |
| **Segment revenues** | **128,111** | **70,011** | **-8,767** | **189,355** |
| EBIT | 4,309 | 4,689 | | 8,997 |
| Interest revenue | 123 | 238 | -122 | 239 |
| Interest expenses | -569 | -276 | 122 | -723 |
| Depreciation and amortization | -3,156 | -1,207 | | -4,363 |
| Impairment | -349 | -3 | | -352 |
| Income tax expense (-) /income (+) | -1,383 | -1,427 | | -2,811 |
| **Net income for the year** | **1,706** | **3,086** | | **4,792** |

| | 01.01. - 31.12.2011 | | | | | | |
|---|---|---|---|---|---|---|---|
| | National | International | | Elimination | Group | |
| External revenues | 114,478 | 61,432 | | | 175,910 | |
| Revenues within the group | 2,990 | 5,311 | | -8,301 | 0 | |
| **Segment revenues** | **117,468** | **66,743** | | **-8,301** | **175,910** | |
| EBIT | 4,627 | 5,324 | * | | 9,951 | ** |
| Interest revenue | 116 | 162 | | -111 | 167 | |
| Interest expenses | -610 | -251 | | 111 | -750 | |
| Depreciation and amortization | -2,788 | -1,260 | | | -4,048 | |
| Income tax expense (-) /income (+) | -1,283 | -1,280 | * | | -2,563 | ** |
| **Net income for the year** | **2,245** | **3,839** | * | | **6,084** | ** |

* adjusted comparatives (see note C)

** follow-up adjustments

# I - Other information

## Litigation and claims for damages

The company has to face litigations in the ordinary course of the business. The Management Board assumes that these litigations will probably have no material effects on the financial situation of the group or the group result exceeding the amounts already provided for.

## Contingencies and other financial commitments

### Contingencies

As in the previous year there are no contingencies to third parties as at December 31, 2012.

### Future minimum lease payments for operating leasing with outside third parties:

| kEUR | 2012 | 2011 |
|---|---|---|
| Year n + 1 | 1,435 | 1,012 |
| Year n + 2 | 896 | 776 |
| Year n + 3 | 584 | 588 |
| Year n + 4 | 455 | 472 |
| Year n + 5 | 450 | 457 |
| Year n + 6 | 914 | 1,351 |
| **Total minimum payments for operating leasing** | **4,734** | **4,656** |

### Other financial commitments from non-current leasing and maintenance contracts:

| kEUR | 2012 | 2011 |
|---|---|---|
| Year n + 1 | 7,258 | 6,218 |
| Year n + 2 to 5 | 8,636 | 7,893 |
| Year n + 6 | 3,648 | 3,273 |
| **Total other non-current financial liabilities** | **19,542** | **17,384** |

## Restraints on disposal and bailments

In connection with litigations and a leasing contract there are restraints on disposal on bank accounts in the amount of kEUR 40 and for three fully depreciated passenger cars with initial acquisition costs of kEUR 44. A fixed deposit account in the amount of kEUR 210 is mortgaged as in the last year for a loan taken.

## Contingent claims and liabilities

On 12 June 2012 the tax authority Wiesbaden II issued tax audit orders for field audits with some German companies of the Rücker Group comprising the calendar years 2001 through 2010. Further, in the course of the field audits for the first time the business connections to associated companies of foreign subsidiaries and locations, the internal prices and their appropriateness will be audited. The requested documentation on internal settlement prices was submitted to the tax authorities on 10 August 2012. Since this documentation is subject to a field audit for the first time with the German companies of the Rücker Group there is a certain risk regarding the non-acknowledgement of all internal settlement prices, respectively band widths, documented. Financial effects on the Group financial statements of the Rücker AG cannot reliably assessed at the moment, because there are no results yet and the field audit was postponed to the beginning of March 2013.

## Events subsequent to the balance sheet date

Incidents of material importance did not occur after the end of the business year.

## Number of employees

The average number of employees was during the year:

| | 2012 | 2011 |
|---|---:|---:|
| Employees | 2,201 | 1,992 |
| Employees in management | 95 | 89 |
| | 2,296 | 2,081 |
| Subcontractors and others | 211 | 207 |
| | **2,507** | **2,288** |
| | | |
| thereof domestic: | 1,547 | 1,419 |
| thereof abroad: | 960 | 869 |

## Management Board

The Management Board consists of the following persons:

Wolfgang Rücker, Merchant, Wiesbaden
– Chief Executive Officer (Chairman) –

Jürgen Vogt, Master in Business Administration, Wiesbaden
– Chief Financial Officer –

Authorized to represent the company are both directors jointly or each one together with an authorized representative.

## Remuneration of the Management Board

| kEUR | 2012 Wolfgang Rücker | 2012 Jürgen Vogt | 2011 Wolfgang Rücker | 2011 Jürgen Vogt |
|---|---|---|---|---|
| Remuneration independent on performance incl. benefit in money's worth | 719 | 445 | 700 | 418 |
| Remuneration depending on performance | 475 | 285 | 490 | 294 |
| Other earnings | 0 | 0 | 0 | 0 |
| | **1,194** | **730** | **1,190** | **712** |
| **Total management board** | | **1,924** | | **1,902** |

The remuneration for the Management Board does not contain expenses for the accident insurance, the legal costs insurance and the D&O general liability insurance in the amount of kEUR 57 (pr.y: kEUR 56). These insurances were contracted in the name of the company, i.e. not individually.

Payments were made to former members of the Management Board in the amount of kEUR 35 (previous year: kEUR 34). The amount of pension commitments for former members of the Management Board is kEUR 764 (previous year: kEUR 604).

### Remuneration of the Supervisory Board

| kEUR | 13.11.2012 - 31.12.2012 | | |
|---|---|---|---|
| | Thomas Eichelmann | Dr. Michael Hammes | Harald Poeschke |
| Remuneration independent on performance incl. benefit in money's worth | 5 | 3 | 2 |
| Remuneration depending on performance | 3 | 3 | 3 |
| Other earnings | 0 | 0 | 0 |
| | **8** | **6** | **5** |

| kEUR | 01.01.2012 - 07.11.2012 | | |
|---|---|---|---|
| | Tomas Mielert | Otto Happich | Dr. Wolfgang Gerhardt |
| Remuneration independent on performance incl. benefit in money's worth | 25 | 19 | 12 |
| Remuneration depending on performance | 14 | 14 | 14 |
| Other earnings | 2 | 3 | 0 |
| | **41** | **36** | **26** |
| **Total supervisory board** | | | **122** |

| kEUR | 2011 | 2011 | 2011 |
|---|---|---|---|
| | Tomas Mielert | Otto Happich | Dr. Wolfgang Gerhardt |
| Remuneration independent on performance incl. benefit in money's worth | 30 | 22 | 15 |
| Remuneration depending on performance | 18 | 18 | 18 |
| Other earnings | 0 | 1 | 0 |
| | **48** | **41** | **33** |
| **Total supervisory board** | | | **122** |

Additionally the members of the Supervisory Board are covered by a company insurance against legal costs and by a company D&O insurance. These insurances were contracted in the name of the company, i.e. not individually.

During the reporting year the members of the supervisory board did not receive further remunerations or benefits for personally rendered services, particularly counselling services or agency services. There were no loans or advances granted to members of the supervisory boardduring the reporting year, either.

| Name, Function | Occupation, other mandates |
|---|---|
| Thomas Eichelmann<br>- Chairman of the Supervisory Board -<br>(since 13 November 2012) | Chief manager of ATON GmbH, München<br><br>Further supervisory board or advisory board mandates:<br>- Hochtief AG, Essen (chairman of the supervisory board)<br>- V-Bank AG, München (deputy chairman of the supervisory board)<br>- Wüstenrot & Württembergische AG, Stuttgart (member of the supervisory board)<br>- ATON Engineering AG, Hallbergmoos (chairman of the supervisory board)<br>- EDAG GmbH & Co. KGaA, Fulda (member of the supervisory board)<br>- FFT GmbH & Co. KGaA, Fulda (member of the supervisory board)<br>- HAEMA AG, Leipzig (member of the supervisory board)<br>- ATON US, Inc., Scottsdale, AZ, USA (member of the board)<br>- J.S. Redpath Holdings, Inc., North Bay, OT Canada (member of the board)<br>- OrthoScan, Inc., Scottsdale, AZ, USA (member of the board)<br>- Bankhaus Ellwanger & Geiger KG, Stuttgart (chairman of the administrative board) |
| Dr. Michael Erich Matthias Hammes<br>- Deputy chairman of the Supervisory Board -<br>(since 13 November 2012) | Manging director of senco Management Consultants GmbH, Frankfurt am Main<br><br>Further supervisory board or advisory board mandates:<br>- V-Bank AG, München (member of the supervisory board) |
| Harald Poeschke<br>- Member of the Supervisory Board -<br>(since 13 November 2012) | Investment Manager with ATON GmbH, Hallbergmoos |
| Tomas Mielert<br>- Chairman of the Supervisory Board -<br>(since 2 April 2004 until 7 November 2012) | Lawyer, tax consultant, auditor,<br>Frankfurt am Main<br><br>Further supervisory board or advisory board mandates:<br>- IMP Computersysteme AG, Berlin<br>(member of the supervisory board), |
| Dipl.-Ing. Otto Happich<br>- Deputy chairman of the Supervisory Board -<br>(since 7 June 2005 until 7 November 2012) | Entrepreneur, Wuppertal |
| Dr. Wolfgang Gerhardt<br>- Member of the Supervisory Board -<br>(since 9. June 2004 until 7 November 2012 ) | Member of the German House of Parliament<br>Chairman of the management board of the Friedrich-Naumann-Stiftung für die Freiheit<br>President of the board of trustees of the Foundation Bundespräsident Theodor Heuss Haus<br><br>Further supervisory board or advisory board mandates:<br>- Bundesverband Mittelständische Wirtschaft (member of the advisory board)<br>- ALTE LEIPZIGER Lebensversicherung a.G., Oberursel (member of the advisory board)<br>- HALLESCHE Krankenversicherung, Stuttgart (member of the advisory board) |

**Remuneration of management members in key positions**

| in kEUR | 2012 | 2011 |
|---|---|---|
| Salaries and other short term benefits | 3,765 | 3,593 |
| | **3,765** | **3,593** |

**Fees for statutory auditors**

The fees incurred and recorded as expenses during the business year for the BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, Regional Office Wiesbaden, being the statutory auditor of the annual financial statements and of the annual consolidated financial statements and of financial statements of German subsidiaries, were kEUR 203 (pr.y.: kEUR 227), for other acknowledgment and assessment services kEUR 0 (pr.y.: kEUR 7), and for other advisory services kEUR 0 (pr.y.: kEUR 13). Within the contributions recorded as expenses there are expenses included for the previous year in the amount of kEUR 5.

**Declaration of conformity according to § 161 AktG**

The Management Board and the Supervisory Board submitted the mandatory declaration of conformity according to section 161 AktG (German Stock Corporation Law) and made it permanently available to the shareholders on the website of the Rücker AG.

**Proposed appropriation of profit**

Management Board and Supervisory Board suggest to the general shareholders' meeting to distribute a dividend out of the net profit for the year of the Rücker AG.

**Capital management**

The group manages its capital with the aim to maximize the income of those involved into the company by optimization of the ratio of equity capital to loan capital. With this it is guaranteed that all group companies may operate under the going-concern-assumption. The aim is to fortify the structure of the equity capital and to facilitate a dividend distribution oriented on the company's situation.

The capital structure of the group consists of equity capital and of loan capital. The equity capital consists of issued stocks, the capital reserves and the revenue reserves. The ratio of equity capital to the balance sheet total (equity ratio) was 41.6 % at December 31, 2012 (previous year: 44.5 %).

The loan capital consists of current and non-current financial liabilities, provisions, pension commitments and other liabilities. The ratio of loan capital to the balance sheet total (debt ratio) was 58.4 % at December 31, 2012 (previous year: 55.9 %).

The Management Board examines the capital structure twice a year. In the course of this examination the capital costs are being analyzed for costs for equity capital and costs for loan capital. On the base of the findings the total capital structure of the group is being adjusted by dividend distributions, issuing of new stocks and stock buybacks and by the raising of new and repayment of existing debts. The Group's strategy as a whole remains unchanged as compared to the business year 2011.

**Risk management**

In order to detect risks early there is a unified risk management system within the whole group of the Rücker AG. The system pilots the registration, valuation and reporting of risks and chances. Main aim of the risk management system of the Rücker AG is to guarantee that especially developments or risks threatening the continued existence of the company are being detected by the organs of the company (Supervisory Board and Management Board) and by the operational management as early as possible in order to lastingly secure the continued existence of the company by the timely launching of sufficient measurements. The financial executive is in charge with the central risk management function of the Rücker AG.

The operational management is responsible for the implementation of the risk management process. With this the decentralized company units are responsible for the timely identification, assessment, communication and covering of risks and chances in the place of occurrence. In the course of the monthly reporting both new risks and the change of already registered risks are being reported. Additionally ratios are being analyzed on the base of the monthly financial statements in order to recognize risks early.

**Risk of interest rate changes**

Risks from the change of interest rates originate from the financing and money investment activities of the Group. To factoring, leasing and credit lines applies that a risk from the change of interest rates is immanent. This risk contains both a fair-value risk with fixed-interest financial instruments and a cash flow risk with variable interest financial instruments. The interest bearing receivables are mainly fixed-interest agreements. Changes of the market's interest rates would only have effects here if these financial instruments were valued at fair value. Since this is not the case there are no risks of changes interest rates with fixed interest rate financial instruments valued at net carrying amounts according to IFRS 7. Original financial instruments bearing variable interest occur only to a small extent within the Group. The management takes care that the interest rates remain mixed among long-, medium- and short-term levels. The effects of changes in the market of interest rates with financial instruments bearing variable interest on the Group results is to be regarded immaterial and is not being collateralized by hedge accounting in the sense of IAS 39.

Since the Rücker Group is not exposed to a significant interest rate risk the effects on the interest income and possibly on the equity capital resulting from the changing of interest rates out of the analysis of interest rate sensitivity are negligible.

**Liquidity risk**

Within the Rücker Group we call the liquidity risk the risk not being able to comply to payment commitments fully or in time. A cautious liquidity management therefore includes the keeping of a sufficient reserve of liquid funds and the possibility to finance payment commitments by an adequate range of assured short and medium term credit lines. The management analyses the term of certain financial instruments and ensures prolongation in time if these funds are still being needed. The dependency from financing institutes is further minimized by the cash flow, which generates a corresponding liquidity, and by the sale of receivables to a factor. Because of the financing from different sources we are minimizing the risk to be dependent from just one source. The credit lines are kept with the Group's house banks and they are assured until further notice or for twelve months each. Since the house banks are generally nationwide acting financial institutes with low risk orientation there is for the Group no material contracting risk, which arises from the non-compliance of contractual agreements by the bank. The general liquidity risk from the financial instruments employed is deemed not material.

The contractually agreed terms for credits and leasing liabilities are presented under the topic information on current and non-current financial liabilities and other financial liabilities (P6 and P10). The trade liabilities as well as the other liabilities have a remaining term of up to one year.

Significant concentrations of the liquidity risk could mainly arise in the connection with geographic regions.

These were according to carrying amounts as at December 31, 2012 as follows:

| | 2012 | | 2011 | |
|---|---|---|---|---|
| in kEUR | **National** | **International** | **National** | **International** |
| Loans from banks | 16,081 | 1,330 | 14,130 | 1,781 |
| Loans from third parties | 0 | 0 | 0 | 58 |
| Leasing liabilities | 656 | 0 | 1,046 | 23 |
| Trade liabilities | 4,848 | 3,591 | 4,928 | 3,168 |
| Other financial liabilities without deferred income and accrued expenses, tax liabilities | 8,071 | 3,159 | 7,911 | 2,770 |
| | **29,656** | **8,080** | **28,015** | **7,800** |

No collateralization was given to most of the agreed bank lines. With the leasing liabilities the leased assets give collateral.

**Risk of changing market prices**

Because of the conservative structure of the financing policy there are no material risks of changing market prices regarding the financial instruments.

**Currency risk**

Since the Rücker Group operates internationally it is exposed to a currency risk because of the changing exchange rates of different foreign currencies. Currency risks arise from expected future transactions, capitalized financial assets and liabilities and from net investments into foreign business operations. However, since the company operates at about 85 % (previous year: 84 %) within the Euro zone and the currency risks in other areas are largely leveled out, the total currency risk is rather low.

However, in case the currency risk should rise significantly derivative financial instruments could be used if necessary. As at balance sheet date no such foreign exchange contracts or other derivatives were used for exchange hedging, however. Equally, a hedging in the sense of the “hedge accounting” according to IAS 39 is not deemed necessary.

Since the currency risks are restricted to financial assets and liabilities of smaller Group companies the analyzing of hypothetical changes of exchange rates is negligible because of the minor importance of the risk for the Rücker Group.

**Risk of default**

Risks of default with trade receivables, other receivables and cash and cash equivalents can arise from the non-compliance of customers and banks regarding the payment of their commitments in time. To counteract this risk of default and the possibly corresponding risks regarding credit-worthiness and liquidity we generally liquidate receivables from the core business in Germany via factoring. With this the risks of default for receivables from main customers is immediately transferred to the financing company at the time of invoicing and correspondingly reduced. The remaining risks of default are being countered by the agreement and monitoring of periods of payment, prepayments, and granted credit lines and by active management of receivables.

Customers are only granted credit after the individual examination of their financial situation. We could refrain from collateral or other credit enhancements in the current business year, as in the last year. The economic and financial situation of the factor is continually being monitored

Risks of default in connection with cash and cash equivalents are being counteracted by keeping deposits only with banks and financial institutes with perfect credit rating.

Recognizable risks of default within the receivables are generally being counteracted by the capitalization of value adjustments in sufficient extent. The development of value adjustments of trade receivables can be taken from the table in the notes under “A6 Trade receivables”. Thanks to the active monitoring of the due dates of customer receivables we achieved that not material defaults occurred during the reporting year. Because of the partial transfer of receivables to the factors the default risk is deemed low for the future as well. The value adjustments made in the amount of kEUR 1,001 (previous year: kEUR 1,038) cover the risk of default of existing trade receivables as at balance sheet date. The carrying amount of kEUR 44,631 (previous year: kEUR 41,891) of the capitalized trade receivables, other receivables and receivables from factors comprises the theoretical maximum risk of default.

Since the loans given, the available-for-sale stocks and the other assets have minor importance for the consolidated financial statements; the risk of default is to be neglected. Bank deposits were invested short term and not within the risk oriented field.

**Concentration of the credit risks**

Concentrations of credit risks can arise from business relations with individual debtors or with groups of debtors in one industry who show several mutual characteristics and whose ability to repay debts depends in equal measure from the change of certain economic basic conditions.

Because of the major importance AG of the business within Germany for the Rücker particularly cyclical, structural or legal changes have immediate effect on the German customers' capacity to pay. Therefore, significant concentrations of the default risk of receivables may mainly occur in connection with geographic regions.

These are as at December 31, 2011 according to carrying amounts as follows:

| | 2012 | | 2011 | |
|---|---|---|---|---|
| in kEUR | **National** | **International** | **National** | **International** |
| Trade receivables | 11,665 | 17,367 | 10,981 | 16,682 |
| Other receivables without deferred expenses and accrued income | 6,902 | 2,616 | 4,818 | 2,730 |
| Receivables from the factor due on first request | 6,081 | 0 | 6,680 | 0 |
| | **24,648** | **19,983** | **22,479** | **19,412** |

**Other price risks**

In the course of the presentation of market risks IFRS 7 requires also information on the effects of hypothetical changes of risk variables on the prices of financial instruments. Especially stock exchange prices are possible risk variables. As at December 31, 2012 the Rücker Group did not have material shares in stock quoted companies.

### Net gains and losses

| **2012**<br>kEUR | **Interests** | **Allowance** | **Exchange differences** | **Disposal** | **Total** |
|---|---|---|---|---|---|
| Loans and receivables (LaR) | -320 | -20 | -249 | -53 | -642 |
| Available-for-Sale financial assets (AfS) | 10 | 0 | 0 | 0 | 10 |
| Financial liabilities measured at amortised costs (FLAC) | -766 | - | -32 | 0 | -798 |

| **2011**<br>kEUR | **Interests** | **Allowance** | **Exchange differences** | **Disposal** | **Total** |
|---|---|---|---|---|---|
| Loans and receivables (LaR) | -55 | -19 | 0 | -25 | -99 |
| Available-for-Sale financial assets (AfS) | 0 | 0 | 0 | 0 | 0 |
| Financial liabilities measured at amortised costs (FLAC) | -901 | - | -192 | 0 | -1,093 |

The carrying amounts of the financial instruments, the allotment according to valuation categories as well as the information on attributable market values required according to IAS 39 and of the valuation sources according to classes according to IFRS 7 are shown in the following table:

**Other information on financial assets and liabilities**

| kEUR | Note | Measurement category per IAS 39 | Fair Value | Book Value |
|---|---|---|---|---|
| **ASSETS** | | | **2012** | **2012** |
| Shares in group and affiliated companies, not consolidated | A 3 | AfS | 47 | 47 |
| Available-for-sale-securities | A 3 | AfS | 314 | 314 |
| Reimbursementright | A 3 | LaR | 872 | 872 |
| Trade receivables | A 6 | LaR | 29,032 | 29,032 |
| Other receivables without deferred expenses and accrued income | A 7 | LaR | 9,518 | 9,518 |
| Cash and cash equivalents | A 9 | LaR | 18,928 | 18,928 |
| | | | **58,711** | **58,711** |
| **LIABILITIES** | | | | |
| Loans from banks | P 6 / P 10 | FLAC | 17,411 | 17,411 |
| Loans from third parties | P 6 / P 10 | FLAC | 0 | 0 |
| Leasing liabilities | P 6 / P 10 | | 656 | 656 |
| Trade liabilities | P 11 | FLAC | 8,439 | 8,439 |
| Other liabilities | P 14 | FLAC | 11,230 | 11,230 |
| | | | **37,736** | **37,736** |
| **thereof aggregated by measurement category according to IAS 39:** | | | | |
| Loans and receivables (LaR) | | LaR | 58,350 | 58,350 |
| Available-for-Sale financial assets (AfS) | | AfS | 361 | 361 |
| Financial liabilities measured at amortised costs (FLAC) | | FLAC | 37,080 | 37,080 |

Trade receivables, cash and cash equivalents, other receivables and trade liabilities and other liabilities have predominantly short remaining terms. Therefore, the carrying amounts correspond approximately to the attributable market values as at balance sheet date.

| Measurement method per IAS 39 | | No measurement category |
|---|---|---|
| amortized costs | fair value not through p/l | per IAS 39 |
| 47 | | |
| | 314 | |
| 872 | | |
| 29,032 | | |
| 9,518 | | |
| 18,928 | | |
| **58,397** | **206** | |

| | | |
|---|---|---|
| 17,411 | | |
| 0 | | |
| | | 656 |
| 8,439 | | |
| 11,230 | | |
| **37,080** | | **656** |

| | | |
|---|---|---|
| 58,350 | | |
| 47 | 206 | |
| 37,080 | | |

| kEUR | Note | Measurement category per IAS 39 | Fair Value | Book Value |
|---|---|---|---|---|
| **ASSETS** | | | **2011** | **2011** |
| Shares in group and affiliated companies, not consolidated | A 3 | AfS | 74 | 74 |
| Available-for-sale-securities | A 3 | AfS | 206 | 206 |
| Reimbursementright | A 3 | LaR | 1,102 | 1,102 |
| Trade receivables | A 6 | LaR | 27,663 | 27,663 |
| Other receivables without deferred expenses and accrued income | A 7 | LaR | 7,548 | 7,548 |
| Cash and cash equivalents | A 9 | LaR | 19,312 | 19,312 |
| | | | **55,905** | **55,905** |
| **LIABILITIES** | | | | |
| Loans from banks | P 6 / P 10 | FLAC | 15,911 | 15,911 |
| Loans from third parties | P 6 / P 10 | FLAC | 58 | 58 |
| Leasing liabilities | P 6 / P 10 | | 1,069 | 1,069 |
| Trade liabilities | P 11 | FLAC | 8,096 | 8,096 |
| Other liabilities | P 14 | FLAC | 10,681 | 10,681 |
| | | | **35,815** | **35,815** |
| **thereof aggregated by measurement category according to IAS 39:** | | | | |
| Loans and receivables (LaR) | | LaR | 55,625 | 55,625 |
| Available-for-Sale financial assets (AfS) | | AfS | 280 | 280 |
| Financial liabilities measured at amortised costs (FLAC) | | FLAC | 34,746 | 34,746 |

| | Measurement method per IAS 39 | | No measurement category per IAS 39 |
|---|---|---|---|
| | amortized costs | fair value not through p/l | |
| | 74 | | |
| | | 206 | |
| | 1,102 | | |
| | 27,663 | | |
| | 7,548 | | |
| | 19,312 | | |
| | **55,699** | **207** | |
| | | | |
| | 15,911 | | |
| | 58 | | |
| | | | 1,069 |
| | 8,096 | | |
| | 10,681 | | |
| | **34,746** | | **1,069** |
| | | | |
| | 55,625 | | |
| | | 207 | |
| | 34,746 | | |

Within the other liabilities there are no liabilities from other taxes in the amount of kEUR 6,870 (previous year: kEUR 6,132), no accrued items in the amount of kEUR 296 (previous year: kEUR 690) and no prepayments received in the amount of kEUR 186 (previous year: kEUR 322) included.

The determination and the disclosure of the financial instruments valued at the attributable cash value are made on balance sheet date according to the three-tiered fair value hierarchy. The securities available for trade are stock quoted company shares whose attributable cash value was derived from the quotations on the active market (tier 1).

The market values of the non-current financial liabilities and leasing liabilities were determined on the base of current market interest rates under application of the discounting of the payments of interest and repayment for these liabilities to be expected in the future.

At the end of the year 2012 the stipulated interest rate for fixed interest bearing loans corresponded roughly to the current market interest rates. Therefore, the carrying values of the loans from banks are largely identical to their market values. The attributable market values of the shares in not consolidated companies and associated companies were not reliably determinable.

**Related parties**

The Rücker AG is the topmost controlling company of the Rücker Group. The chairman of the Management Board held until 19 September 2012 through a company, which is at 100 % attributable to him, 58.86 % of the 8,379,194 issued stocks. Therefore the chairman of the Management Board had dominating influence on the management of the Rücker Group.

In September and November 2012 the ATON Engineering AG, Hallbergmoos, acquired in the course of a takeover bid to the stockholders of the Rücker AG in the amount of EUR 16.00 per stock a total 89.71 % of the stocks of the Rücker AG. Sole stockholder of the ATON Engineering AG is the ATON GmbH, Hallbergmoos, being a mere holding company, entirely in the possession of the Helmig family. Therefor those, and all other companies in the majority possession of these companies and persons, are related parties.

The fully consolidated companies of the Rücker Group are in the course of their usual business transactions related to the non-consolidated and to the associated companies of the Rücker Group. Related parties of the Rücker Group are the members of the boards as well as the companies related with Mr. Wolfang Rücker.

In the following table the material transactions with related persons and companies presented, as far as made at conditions usual in the markets. Business transactions with not consolidated subsidiaries were made only to a small extent.

| in k€ | 2012 | 2011 |
|---|---|---|
| **Group with Supervisory Board** | | |
| Remuneration and expenses | 122 | 122 |
| Liabilities from remuneration | 56 | 61 |
| Counselling expenses | 17 | 108 |
| Liabilities from counselling | 0 | 6 |
| **Group with Chairman of the Management Board *** | | |
| Liabilities from remuneration | 490 | 490 |
| Other liabilities | 21 | 0 |
| Other expenses | 131 | 245 |
| Payment of the purchase price Rücker Immobilien | 0 | 50 |
| Dividend liabilities Rücker Immobilien previous year | 40 | 40 |

* incl. controlled entities

| | | |
|---|---|---|
| **Group with Management Board** | | |
| Other liabilities from remuneration | 234 | 234 |
| **Group with Rücker – CT Engineering GmbH** | | |
| Loan to Rücker - CT Engineering GmbH | 52 | 49 |
| Trade receivables | 463 | 0 |
| Trade revenues | 618 | 0 |
| Counselling expenses | 12 | 0 |
| **Group with ATON-Group** | | |
| Trade liabilities | 1 | 0 |
| Trade receivables | 42 | 0 |
| Trade revenues | 93 | 0 |
| Trade expenses | 18 | 0 |

**Directors´ Dealings**

"Information in dealings of executive persons according to section 15a WpHG (Securities Trade Act)"

**Wolfgang Rücker**, chairman of the management board of the Rücker AG, informed us according to section 15a paragraph 1 WpHG on 24 September 2012 that he sold on 19 September 2012 a total of 4,932,265 Rücker stocks at a total price of 78,916,240 Euro.

**Jürgen Vogt**, finance director in the management board of the Rücker AG, informed us according to section 15a paragraph 1 WpHG on 5 November 2012 that he sold on 1 November 2012 a total of 2,600 Rücker stocks at a total price of 41,600 Euro.

**Tomas Mielert**, chairman of the supervisory board of the Rücker AG, informed us according to section 15a paragraph 1 WpHG on 5 November 2012 that he sold on 31 October 2012 a total of 1,325 Rücker stocks at a total price of 21,200 Euro.

**Otto Happich**, deputy chairman of the supervisory board of the Rücker AG, informed us according to section 15a paragraph 1 WpHG on 5 November 2012 that he sold on 1 November 2012 a total of 10,100 Rücker stocks at a total price of 161,600 Euro.

**Notification on Voting Rights in the Rücker AG according to section 21 paragraph 1 WpHG**

**ATON Engineering AG**, Hallbergmoos, Germany, informed us according to section 21 paragraph 1 WpHG on 24 September 2012 that their voting rights in the Rücker AG exceeded on 21 September 2012 the thresholds of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 % and 50 % and that it is now 58.86 %. This equals 4,932,265 voting rights.

**ATON GmbH**, Hallbergmoos, Germany, informed us according to section 21 paragraph 1 WpHG on 24 September 2012 that their voting rights in the Rücker AG exceeded on 21 September 2012 the thresholds of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 % and 50 % and that it is now 58.86 %. This equals 4,932,275 voting rights. 58.86 % of these are to be attributed to the ATON GmbH (4,932,275 voting rights), according to section 22 paragraph 1 sentence 1 no. WpHG. Out of these voting rights attributable to the ATON GmbH according to section 22 paragraph 1 sentence 1 no. WpHG 58.86 % (4.932.265 voting rights) are held by the following company controlled by the ATON GmbH, whose voting rights in the Rücker AG are 3 % or more: ATON Engineering AG, Hallbergmoos, Germany.

**Dr. med. Lutz M. Helmig**, Germany, informed us according to section 21 paragraph WpHG on 24 September 2012 that his voting rights in the Rücker AG exceeded on 21 September 2012 the threshold of 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 % and 50 % and that it is now 58.86 %. This equals 4,932,275 voting rights. 58.86 % of these are to be attributed to Dr. Lutz M. Helmig (4,932,275 voting rights), according to section 22 paragraph 1 sentence 1 no. WpHG. These voting rights attributable to Dr. Lutz M. Helmig according to section 22 paragraph 1 sentence 1 no. WpHG are held by the following company controlled by him, whose voting rights in the Rücker AG are 3 % or more: ATON Engineering GmbH, Hallbergmoos, Germany.

**Nosta Oldtimer-Vermietungs-GmbH**, Wiesbaden, Germany, informed us according to section 21 paragraph 1 WpHG on 25 September 2012 that their voting rights in the Rücker AG fell on 21 September 2012 below the threshold of 50 %, 30 %, 25 %, 20 %, 15 %, 10 %, 5 % and 3 % and that it is now 0.00 %. This equals 0 voting rights.

**Wolfgang Rücker**, Germany, informed us according to section 21 WpHG on 25 September 2012 that the voting rights held by him fell on 21 September 2012 below the threshold of 50 %, 30 %, 25 %, 20 %, 15 %, 10 %, 5 % and 3 % and is now 0.00 %. This equals 0 voting rights. The voting rights attributable to him according to section 22 paragraph 1 sentence no. 1 WpHG were held by the company controlled by him: Nosta Oldtimer-Vermietungs-GmbH, Wiesbaden, Germany.

**ATON Engineering AG**, Hallbergmoos, Germany, informed us according to section 21 paragraph 1 WpHG on 27 November 2012 that its voting rights in the Rücker AG exceeded on 26 November 2012 the threshold of 75 % and that it is now 89.71 %. This equals 7,516,825 voting rights.

**ATON GmbH**, Hallbergmoos, Germany, informed us according to section 21 paragraph WpHG on 27 November 2012 that its voting rights in the Rücker AG exceeded on 26 November 2012 the threshold of 75 % and that it is now 89.71 %. This equals 7,516,835 voting rights. Out of these voting rights are 89.71 % are to be attributed to the ATON GmbH (7,516,835 voting rights), according to section 22 paragraph 1 sentence 1 no. WpHG. These 89.71 % or 7,516,825 voting rights attributable to the ATON GmbH according to section 22 paragraph 1 sentence 1 no. WpHG are held by the following company controlled by it, whose voting rights in the Rücker AG are 3 % or more: ATON Engineering AG, Hallbergmoos, Germany.

**Dr. med. Lutz M. Helmig**, Hallbergmoos, Germany, informed us according to section 21 paragraph WpHG on 27 November 2012 that his voting rights in the Rücker AG exceeded on 26 November 2012 the threshold of 75 % and that it is now 89.71 %. This equals 7,516,835 voting rights. Out of these voting rights are 89.71 % are to be attributed to Dr. Lutz M. Helmig (7,516,835 voting rights), according to section 22 paragraph 1 sentence 1 no. WpHG. These 89.71 % or 7,516,825 voting rights attributable to Dr. Lutz M. Helmig according to section 22 paragraph 1 sentence 1 no. WpHG are held by the following company controlled by him, whose voting rights in the Rücker AG are 3 % or more: ATON Engineering GmbH, Hallbergmoos, Germany.

**Heinz Ferchau**, Germany, informed us according to section § 21 paragraph 1 WpHG on 9 January 2013 that his voting rights in the Rücker AG fell on 26 November 2012 below the threshold of 25 %, 20 %, 15 % and 10 % and that it is now 5.00002 %. This equals 418,961 voting rights.

The Management Board of the Rücker AG authorized the publication of the Group financial statements on March 8, 2013.

Wiesbaden, den 8 March 2013

Rücker Aktiengesellschaft

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| …………………….. | …………………….. |
| Wolfgang Rücker | Jürgen Vogt |
| - Director - | - Director - |

**Responsibility Statement**

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

Wiesbaden, 8 March 2013

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| …………………….. | …………………….. |
| Wolfgang Rücker | Jürgen Vogt |
| - Director - | - Director - |

“**Auditors’ Opinion**

We have audited the consolidated financial statements prepared by the Rücker AG, Wiesbaden, consisting of balance sheet, statement of profit and loss, presentation of income and expenses recognised, cash flow statement and notes - as well as the group management report for the Business Year from January 1, 2012 to December 31, 2012. The preparation of the consolidated financial statements and the group management report according to the International Financial Reporting Standards (IFRS), as to be applied within the European Union, and to the regulations to be applied additionally according to section 315a paragraph 1 HGB (German Commercial Code) is the responsibility of the company’s statutory representatives. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with section 317 HGB and the German generally accepted standards for the audit of consolidated financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). These standards require that we plan and perform the audit such that material misstatements affecting the presentation of net assets, financial positions and results of operations conveyed by the consolidated financial statements under observance of applicable accounting requirements and by the group management report detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group of companies, and evaluations of 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 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 financial reporting information 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 Group -management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not result in any objections.

In our opinion on the base of the knowledge obtained during the audit, the consolidated financial statements comply to the International Financial Reporting Standards (IFRS), as to be applied within the European Union, and to the regulations to be applied additionally according to section 315a paragraph 1 HGB (German Commercial Code) and present, in compliance with these regulations, a true and fair view of the net assets, financial positions and results of operations of the group of companies. The group management report is in accordance with the consolidated financial statements and overall conveys a correct presentation of the group’s situation and represents the chances and risks of the future development correctly.“

Wiesbaden, March 8, 2013

BDO AG

Wirtschaftsprüfungsgesellschaft

| | |
|---|---|
| Alten | ppa. Fischer |
| Auditor | Auditor |

**Disclaimer**

This report contains forward-looking statements that are based on management's current estimations of future developments. Such statements are subject to certain risks and uncertainties. Should one of these uncertainty factors or other unforeseeable circumstances materialize or the assumptions on which the statements are made prove to be incorrect, the actual results could deviate materially from the results stated or implicitly expressed in these statements. We therefore neither have the intention nor undertake any obligation to continuously update forward-looking statements as these originate exclusively based on the circumstances on the day of their publication.

**Publication information**

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