

Consolidated Statement of Profit or Loss (in million Euro)

Unaudited, consolidated figures following IFRS accounting policies.

	Q2 2017	Q2 2018	H1 2017	H1 2018
Revenue	622	559	1,210	1,108
Cost of sales	(409)	(379)	(805)	(750)
Gross profit	213	180	405	358
Selling expenses	(88)	(81)	(174)	(161)
Research & Development expenses	(37)	(35)	(74)	(73)
Administrative expenses	(43)	(42)	(86)	(86)
Net impairment loss on trade and other receivables, including contract assets	1	-	1	(1)
Other operating income	19	15	32	34
Other operating expenses	(20)	(10)	(36)	(25)
Results from operating activities	45	26	68	46
Interest income (expense) - net	(1)	(1)	(3)	(3)
Interest income	1	1	1	1
Interest expense	(2)	(2)	(4)	(4)
Other finance income (expense) - net	(7)	(9)	(17)	(17)
Other finance income	3	2	5	3
Other finance expense	(10)	(11)	(22)	(20)
Net finance costs	(8)	(10)	(20)	(20)
Share of result of equity accounted investees – net of income tax	-	-	-	-
Profit (loss) before income taxes	37	16	48	26
Income tax expense	(10)	(10)	(13)	(13)
Profit (loss) for the period	27	6	35	13
Profit (loss) attributable to:				
Owners of the Company	26	5	32	10
Non-controlling interests	1	1	3	3
Results from operating activities	45	26	68	46
Restructuring and non-recurring items	(2)	(9)	(5)	(13)
Recurring EBIT	47	35	73	60
Earnings per share (Euro)	0.15	0.03	0.19	0.06

During 2018, the Group has consistently applied its accounting policies used in previous years, except for the presentation of the statement of profit or loss and comprehensive income that has changed resulting from the application of the new IFRS standard IFRS 9 'Financial Instruments'. According to this new standard the impairment losses on trade and other receivables are now shown on the face of the statement of profit or loss.

Consolidated Statements of Comprehensive Income for the half year June 2017 / June 2018 (in million Euro)

Unaudited, consolidated figures following IFRS accounting policies

	H1 2017	H1 2018
Profit / (loss) for the period	35	13
Other Comprehensive Income, net of tax		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences:	(25)	(1)
Exchange differences on translation of foreign operations	(25)	(1)
Exchange differences on disposal of foreign operations reclassified to profit or loss	-	-
Exchange differences on net investment hedge	-	-
Income tax on exchange differences on net investment hedge	-	-
Cash flow hedges:	8	(11)
Effective portion of changes in fair value of cash flow hedges	20	(5)
Changes in the fair value of cash flow hedges reclassified to profit or loss	-	(5)
Adjustments for amounts transferred to initial carrying amount of hedged items	(7)	(5)
Income taxes	(5)	4
Items that will not be reclassified subsequently to profit and loss:	-	(2)
Equity investments at fair value through OCI – change in fair value ¹	-	(1)
Remeasurements of the net defined benefit liability	-	-
Income tax on remeasurements on the net defined benefit liability	-	(1)
Total other Comprehensive Income for the period, net of tax	(17)	(14)
Total Comprehensive Income for the period attributable to:	18	(1)
Owners of the Company	16	(5)
Non-controlling interests	2	4

¹ Following the introduction of the new IFRS standard IFRS 9 'Financial Instruments', the Group has adapted the presentation of the statement of comprehensive income. In this statement the change in fair value of equity instruments at fair value through OCI has shifted to 'items that will not be reclassified to profit or loss'.

Consolidated Statements of Comprehensive Income for the quarter ending June 2017 / June 2018
(in million Euro)

Unaudited, consolidated figures following IFRS accounting policies

	Q2 2017	Q2 2018
Profit / (loss) for the period	27	6
Other Comprehensive Income, net of tax		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences:	(24)	11
Exchange differences on translation of foreign operations	(24)	11
Exchange differences on disposal of foreign operations reclassified to profit or loss	-	-
Exchange differences on net investment hedge	-	-
Income tax on exchange differences on net investment hedge	-	-
Cash flow hedges:	-	1
Effective portion of changes in fair value of cash flow hedges	5	3
Changes in the fair value of cash flow hedges reclassified to profit or loss	(1)	-
Adjustments for amounts transferred to initial carrying amount of hedged items	(4)	(2)
Income taxes	-	-
Items that will not be reclassified subsequently to profit and loss:	(1)	(3)
Equity investments at fair value through OCI – change in fair value ¹	(1)	(2)
Remeasurements of the net defined benefit liability	-	-
Income tax on remeasurements on the net defined benefit liability	-	(1)
Total other Comprehensive Income for the period, net of tax	(25)	9
Total Comprehensive Income for the period attributable to:	2	15
Owners of the Company	2	14
Non-controlling interests	-	1

¹ Following the introduction of the new IFRS standard IFRS 9 'Financial Instruments', the Group has adapted the presentation of the statement of comprehensive income. In this statement the change in fair value of equity instruments at fair value through OCI has shifted to 'items that will not be reclassified to profit or loss'.

Consolidated Statement of Financial Position (in million Euro)

Unaudited, consolidated figures following IFRS accounting policies.

	31/12/2017	01/01/2018 ⁽¹⁾	30/06/2018
Goodwill	509	509	516
Intangible assets	80	80	82
Property, plant & equipment	190	190	190
Investments in associates	5	5	5
Other financial assets	11	11	10
Trade receivables	14	14	14
Receivables under finance leases	55	55	73
Other assets	6	6	5
Deferred tax assets	115	115	119
<u>Non-current assets</u>	985	985	1,014
Inventories	487	476	516
Trade receivables	503	419	384
Contract assets	-	105	120
Current income tax assets	63	63	61
Other tax receivable	23	23	38
Receivables under finance lease	30	30	22
Other receivables	14	14	15
Other assets	44	34	32
Derivative financial instruments	16	16	2
Cash and cash equivalents	68	68	89
Non-current assets held for sale	-	-	-
<u>Current assets</u>	1,248	1,248	1,279
<u>TOTAL ASSETS</u>	2,233	2,233	2,293

	31/12/2017	01/01/2018 ⁽¹⁾	30/06/2018
Share capital	187	187	187
Share premium	210	210	210
Retained earnings	878	878	888
Other reserves	(69)	(69)	(81)
Translation reserve	(8)	(8)	(10)
Remeasurement reserve (IAS19)	(923)	(923)	(924)
Equity attributable to owners of the company	275	275	270
Non-controlling interests	32	32	36
Total equity	307	307	306
Liabilities for post-employment and long-term termination benefit plans	1,149	1,149	1,138
Other employee benefits	13	13	14
Loans and borrowings	47	47	112
Provisions	5	5	5
Deferred tax liabilities	21	21	17
Trade payables 3 rd parties	4	3	2
Contract liabilities	-	1	1
Other liabilities	2	2	2
Non-current liabilities	1,241	1,241	1,291
Loans and borrowings	39	39	32
Provisions	66	49	41
Trade payables	220	220	225
Contract liabilities	128	145	167
Current income tax liabilities	53	53	51
Other tax liabilities	34	34	46
Other payables	12	13	10
Employee benefits	128	128	115
Other liabilities	3	2	5
Derivative financial instruments	2	2	4
Current liabilities	685	685	696
TOTAL EQUITY AND LIABILITIES	2,233	2,233	2,293

1) During 2018, the Group has consistently applied its accounting policies used in previous year, except for the presentation of the balance sheet that has changed resulting from the application of the new IFRS-standard 15 'Revenue from Contracts with Customers'. The Group has adopted IFRS 15 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application, i.e. January 1, 2018. As a result, the Group will not apply the requirements of IFRS 15 to the comparative period presented. The new standard has introduced the concept of contract assets and contract liabilities. At December 31, 2017 these assets and liabilities were included in other captions of the balance sheet. At January 1, 2018 recognized not billed revenue amounting to 84 million Euro, previously comprised in trade receivables, has been reclassified to contract assets. Reclassifications from inventory to contract assets amounted to 11 million Euro and mainly comprised work in progress. The reclassification from other assets to contract assets amounted to 10 million Euro and related to contracts with a third party that provides supporting services enabling the Group to deliver maintenance services to the customers. On the liability side, contract liabilities at 1 January 2018 comprised 'Deferred revenue and advance payments received from customers' amounting to 128 million Euro, previously presented separately on the face of the balance sheet and bonuses and rebates related to goods and service purchased by customers during the period. The latter amounted to 17 million Euro and was previously presented as part of trade-related provisions.

Consolidated Statement of Cash Flows (in million Euro) Unaudited, consolidated figures following IFRS accounting policies.

	2017 Restated ⁽¹⁾	2018 YTD	Q2 2017 Restated ⁽¹⁾	Q2 2018
Profit (loss) for the period	35	13	27	6
Income taxes	13	13	10	10
Net finance costs	20	20	8	10
Operating result	68	46	45	26
Depreciation, amortization and impairment losses	27	27	14	14
Other non-cash expenses	70	70	28	33
Change in inventories	(72)	(56)	(21)	(14)
Change in trade receivables	-	33	2	28
Change in contract assets	-	(16)	-	(8)
Change in trade working capital assets ⁽²⁾	(72)	(39)	(19)	6
Change in trade payables	15	4	(21)	(9)
Changes in deferred revenue and advance payments	27	-	(18)	-
Change in contract liabilities	-	23	-	(5)
Changes in trade working capital liabilities ⁽²⁾	42	27	(39)	(14)
Changes in trade working capital	(30)	(12)	(58)	(8)
Cash out for employee benefits	(109)	(101)	(76)	(72)
Cash out for provisions	(10)	(14)	(3)	(7)
Changes in lease portfolio	2	(9)	(1)	(3)
Changes in other working capital	(12)	(1)	13	15
Cash generated from operating activities	6	6	(38)	(2)
Income taxes paid	(7)	(10)	(1)	(9)
Net cash from / (used in) operating activities	(1)	(4)	(39)	(11)
Capital expenditure	(18)	(22)	(10)	(11)
Proceeds from sale of intangible assets and PP&E	3	7	1	1
Acquisition of subsidiaries, net of cash acquired	(2)	(13)	(2)	(13)
Interests received	1	1	1	-
Dividends received	-	-	-	-
Net cash from / (used in) investing activities	(16)	(27)	(10)	(23)

	2017 Restated ⁽¹⁾	2018 YTD	Q2 2017 Restated ⁽¹⁾	Q2 2018
Interests paid	(6)	(6)	(4)	(4)
Dividends paid to non-controlling interests	(10)	-	(10)	-
Proceeds from borrowings	-	56	-	51
Repayment of borrowings	(11)	-	-	-
Proceeds / (payment) of derivatives	-	6	-	6
Other financing income / (costs) incurred	-	(1)	-	(1)
Other financial flows	(12)	-	(1)	-
Net cash from/ used in financing activities	(39)	55	(15)	52
Net increase / (decrease) in cash & cash equivalents	(56)	24	(64)	18
Cash & cash equivalents at the start of the period	127	67⁽³⁾		
Net increase / (decrease) in cash & cash equivalents	(56)	24		
Effect of exchange rate fluctuations on cash held	(2)	(4)		
Cash & cash equivalents at the end of the period	69	87⁽³⁾		

1) During 2018, the Group has changed the presentation of the Consolidated statement of cash flows by separating following non-cash expenses: write-downs on inventories, impairment losses on receivables, additions and reversals of provisions and accrued expenses for personnel commitments and defined benefit plans and similar plans. These other non-cash expenses were previously reflected in 'Changes in Trade Working Capital' and 'Changes in Provisions'. By this new presentation, management believes to provide more relevant information to the users of the Consolidated Financial Statements. Therefore, the Group has restated the comparative period presented.

2) During 2018, the Group has consistently applied its accounting policies used in previous year, except for the presentation of the consolidated statement of financial position and the consolidated statement of cash flows that both have changed resulting from the application of the new IFRS-standard 15 'Revenue from Contracts with Customers'. The Group has adopted IFRS 15 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application, i.e. January 1, 2018. As a result, the Group will not apply the requirements of IFRS 15 to the comparative period presented. Due to the changes in IFRS15, the cashflows on the different line items of the Trade Working Capital are not comparable with 2017 as the cash from / (used in) contract assets and contract liabilities for 2017 were reflected in the line items 'Changes in inventories', 'Changes in trade receivables' and 'Changes in other working capital'. More information is provided in footnote (1) to the Consolidated statement of financial position.

3) Net of bank overdraft previously included in proceeds / repayments of borrowings (December 31, 2017: 1 million Euro / June 30, 2018: 2 million Euro)

Consolidated Statement of changes in Equity (in million Euro)

Unaudited, consolidated figures following IFRS accounting policies.

in million Euro	ATTRIBUTABLE TO OWNERS OF THE COMPANY									NON-CONTROLLING INTERESTS	TOTAL EQUITY
	Share capital	Share premium	Retained earnings	Reserve for own shares	Revaluation reserve	Hedging reserve	Remeasurements of the net defined benefit liability	Translation reserve	Total		
Balance at January 1, 2017	187	210	841	(82)	2	1	(976)	32	215	37	252
Comprehensive income for the period											
Profit (loss) for the period	-	-	32	-	-	-	-	-	32	3	35
Other comprehensive income, net of tax	-	-	-	-	-	8	-	(24)	(16)	(1)	(17)
Total comprehensive income for the period	-	-	32	-	-	8	-	(24)	16	2	18
Transactions with owners, recorded directly in equity											
Dividends	-	-	-	-	-	-	-	-	-	(10)	(10)
Total transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	(10)	(10)
Balance at June 30, 2017	187	210	873	(82)	2	9	(976)	8	231	29	260
Balance at January 1, 2018	187	210	878	(82)	3	10	(923)	(8)	275	32	307
Comprehensive income for the period											
Profit (loss) for the period	-	-	10	-	-	-	-	-	10	3	13
Other comprehensive income, net of tax	-	-	-	-	(1)	(11)	(1)	(2)	(15)	1	(14)
Total comprehensive income for the period	-	-	10	-	(1)	(11)	(1)	(2)	(5)	4	(1)
Transactions with owners, recorded directly in equity											
Dividends	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
Balance at June 30, 2018	187	210	888	(82)	2	(1)	(924)	(10)	270	36	306