

Annual Report 2012/2013

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Business Year July 01, 2012 – June 30, 2013

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FORTEC Elektronik AG

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Management Report 2012/2013

Business and Result

FORTEC is systems supplier for manufacturers of industrial high-tech-products. Its target potential are high-tech companies of long-term and predictable positioning, especially in the growing market segments of industrial automation, informative technologies, security, medicine and automotive. The reason of FORTEC's success is a large number of customer business relations over years. Its distribution strategy is to find partnerships with top-customers preferable market leaders in their special segment. FORTEC's competence is efficient support in application, tailor-made products for customers – and last not least complete development for customers of the large-scale industry as well as for those with smaller and/or medium order volume. For almost 30 years, FORTEC has been successful for years in sales and results with its proved business model without having any losses.

Within the business year reported, the expected cyclical decrease of the industrial economy took place as predicted.

The group's result in BY 2012/13 of 44.5 million EUR was below that of last year (47.8 million EUR); however considerably increased that of BY 2009/10 of merely 36 million EUR – which was due to recession.

The last good year before the burst of the biggest recession after war in Germany – caused by the Lehman tragedy in September 2008 – was our BY 2007/8 recording 42.8 million EUR in sales. By December 2008 the down-hill of the electronic industry started. In BY 2009/10, the financial bottom was reached with a turnover of 36 million EUR; yet then, followed by an extraordinary upswing in BY 2010/11 which was the most successful year in FORTEC's 25 years of business.

Since mid 2011, business turned to normal again. In total, the industry in the Euro-zone decelerated due to the strong saving measures of the countries-in-debt; Business is frosty, pressure on margins increased. Again these influences reflect in FORTEC's turnover and result in BY 2012/13.

Business report

The group's total result amounts to 44.5 million EUR (prev. year 47.8 million EUR), whereas the costs of goods and material was 34.3 million EUR (prev. year 36.7 million EUR). Thus, there is a changed rate of 76.6 % in 2011/12 to 77.1 % in 2012/13 which causes the continuous pressure on prices. The change in the company's result is as follows: first, by the sales increase in the field of data visualisation of 0.9 million EUR (-4.8%) and second, by the sales decrease in the segment power supplies of 2.3 million EUR (-8.2%). Thus, these segments add up to the company's total result; 18.6 million EUR data visualisation and 26.0 million EUR power supplies.

The decrease of costs of personnel from 5.6 million EUR to 5.4 million EUR is due to a lower allowance reflected on business result. Compared to the total result, the costs in personnel raised by 0.4% from 11.7 (BY 2011/12) to 12.1% (BY 2012/13).

Other company expenses were reduced by savings from 3.6 million EUR to 3.4 million EUR – however raised by approx. 0.15 % compared to total result.

The company's result (EBIT) of 2.4 million EUR in BY 2012/13 was slightly below that of last year of 2.9 million EUR; based mainly on a lower turnover at reduced margin – however hardly changed cost structure. Compared in total, the result is reduced by 0.7% to 5.3 % this year compared to 6% last year.

The group's EBIT consists of 0.7 million EUR data visualisation (-10.7% compared to prev. year) and 1.6 million EUR power supply (- 26.0 % compared to prev. year).

Net income of BY 2012/13 decreased by approx. 0.4 million EUR to now 1.8 million EUR compared to BY 2011/12 and thus complies with the expectations given in last year's report. The profit margin reduced by 0.7 % from 4.6% (BY 2011/12) to 3.9 % (BY 2012/13).

The result per share reduced from 0.75 EUR last year to now 0.59 EUR. In view of the planned dividend payment of again 0.50 EUR per share; again this year, the payment was earned in operating business.

As to balancing 2012/13, we took all necessary steps again for any risks involved and carefully evaluated the assets.

The financial situation is considered to be extraordinary and compared to companies of similar business model also persuades by an equity capital quota higher than above-average.

As concerns total assets at a balance sum of 26.1 million EUR (prev. year 27.7 million EUR), the long-term assets amounted to 4.3 million EUR (prev. year 4.5 million EUR). Therefore, the goodwill of 2.8 million EUR (prev. year 2.9 million EUR) resulting from the acquisition of companies these last years dominates – followed by assets/investments of 1.1 million EUR (prev. year 1.3 million EUR).

As to the value of short-terms assets of 9.46 million EUR (prev. year 9.6 million EUR); stock amounting to 36.2 % is the biggest item in balance (prev. year 34.7%); followed by cash-on-hand of 7.2 million EUR (prev. year 8.7 million EUR). Receivables resulting from deliveries and service amount to 4.7 million EUR (prev. year 4.8 million EUR) at balance issue date. Cash balance decreased from 31.3% to 27.7% of balance sum caused by payment of last year's tax liabilities.

The company works on own capital only without any bank liabilities. Having a capital quota of 84 % (prev. year 79%), the company possesses sufficient own capital. Due to the actual cash-on-hand stock, it is possible to make major acquisitions. Definite focus is to further extend the group in Europe.

Cash-flow in operative business in BY 2012/13 was only slightly positive by 0.2 million EUR (prev. year 2.8 million EUR) mainly due to a considerable payment of liabilities.

The cash-flow as regards investments of – 0.2 million EUR (prev. year 0.2 million EUR) is a result from selling of financial assets last year resp. of investments to assets during business year.

Cash-flow from financing activities of -1.5 million EUR (prev. year -1.5 million EUR) includes payment of dividends.

In total, cash-flow is 1.4 million EUR (prev. year 1.1 million EUR).

Further Information according to § 315 Article 4 HGB

The number of shares is 2.954.943 at a nominal value of 1 EUR. At present, there is no limited or proved capital, nor any program for repurchase of stock.

The signed capital is exclusively common stock drawn to bondholders who are entitled to vote. There are neither limitations as concerns the right to vote nor the purchase.

Appointment and dismissal of the board is in accordance with legal regulations (§§ 84, 85 AktG). The compensation as regards the management board breaks down to a fix and a variable part. On 15.12.20011, the general shareholders board decided, that the required statements in the financial report can be omitted as per § 314 Abs.1 No. 6 Art. 5-9 HGB. It is not agreed that there are any refunds to be made in case of change of control and/or any takeover offer. If change of control based on a takeover offer takes place, it is agreed that the suppliers' contracts essential for the company may be cancelled by the principals. Especially, when there is a potential risk that a competitor will take over.

According to the company's statutes, the board consists of 3 persons. The regular mandate of the current board ends as per day of the annual board's meeting, which reports on BY 2013/14.

Alterations of articles of the association, especially dismissal of the supervisory board requires a majority of board votes of 75%.

Annexe Report

Any occurrences of considerable importance did not happen after final balance date.

Analysis and Strategy as well as Prospects

FORTEC's focus is the distribution of standard components. Due to vast and always available information via internet, there is a continuous trend seen as to reduction of margins in industrial business. FORTEC's goal is to compensate this development by own added-value.

When connecting the product segments of power supplies, display technology (industrial displays incl. controls) and embedded computer technology (single-board computer) to create an Embedded Solution System, FORTEC possesses for a long time now a very attractive rare domain. Marketing starts with delivery of system-proved and tested standard kits, accompanied by customers' service in hard- and software with the sale of standard units and ends in specific customer development e.g. base-board design accompanied by the development and installation of these customer-specific products.

In the field of power supplies, FORTEC domains completely open-frame boards and DC/DC convertors produced as standard in the Far East or modifies these units in Germany ranging to tailor-made and user-specific developments to be manufactured in our Czech subsidiary.

In every respect, FORTEC provides service to industrial final customers. Target customers are mainly manufacturers in the field of industry automation, medicine technology as well as providers for the railway and security instruments. With this portfolio, FORTEC thus covers the fields of health, information, security and mobility as well as build-up of industrial manufacture, which at present are the big trends of worldwide dynamic increase of demand.

Our big competence is to provide technology know-how in combination with sales at site. Years of business relations to thousands of customers are the basis of our success. Our core countries namely Germany, Austria and Switzerland still offer considerable potential. We manufacture in our sites in Germany and the Czech Republic. Moreover, we are represented in the Benelux by participation to an electronic distribution company.

Due to our product portfolio, our strategy is to continuously achieve profitable margins by own added-value, which, after cost deduction, still allows a reasonable interest rate of the company capital.

Risk Report.

The risks mentioned in categories below could influence our entire company (total risk), our financial situation (financial risk) and our results (result risk). Further risks are that of personnel and technique; we have to face these risks continuously. These risks are not definite, however others may occur which at present, we do not know nor do consider as important.

Risks that could endanger the company at present are not reported. The total risk of doom can practically not been determined at this time.

Balance risks as regards finances (re annexe no. 15), at balance day have been considered by appropriate accruals. The company has taken care of all possibilities to deal with any possible risks. At balancing day, the evaluation of these risks was made to our best knowledge, yet could not be sufficient in total.

Elementary risks are covered by considerable insurances and are thoroughly checked each year; in special cases it may not be sufficient.

Potential risks which have to be taken into consideration to exist within the market are the risks of distribution, products and marketing as well as the dependency from other suppliers.

Another enormous risk - yet not to be underestimated - is the system-related risk of the close co-operation with only few strategic partners in our product portfolio. Already a change in personnel could lead to the loss of an existent and successful business co-operation and this mainly in view of suppliers in the Far East with whom there are often relationships for many years and even of private matter.

A considerable risk is disposition of stock. Wrong planning could result in considerable losses because there is a continuous trend to local suppliers. The risk to have unsellable merchandise on stock, is not only the result of false material planning, but also depends on the different quality standards set by customers and producers. Mainly, the important fact is that of the configuration of the merchandise with origin Far East as well as the political EU requirements as to its contents and its usage.

Compared to a few years ago, the product liability is an increasing risk to the company which is controlled and noted by choice of suppliers and their ratings. However, as concerns different quality standards, frauds and/or criminal actions of suppliers, we - as importer/supplier - are liable towards our customers.

A yet steady growing risk is the customer's requirements as concerns a prolonged time of warranty and the usual terms of a suppliers' contract. During these past years, the customers started to develop a certain aggressiveness for claims which is obviously against and at expenses of the supplier. Claims resulting of a supplier's contract may accelerate considerably the delivered value of the product; resulting in more legal proceedings including corresponding risk.

Another main topic of the risk management is the often bad credit worthiness of some middle-sized companies. Here, careful examination of its solvency is made, yet observing mainly the requirements of the insurance company. In view of a possible economic slow-down, we will definitely expect further problems.

Our success also strongly depends on the vast and years of experience of our personnel (personnel risk). A big change in staff yet especially of key-persons would definitely endanger our current success.

A big question would endanger our business model as importer of technical high-quality products i.e. the change in customers' behaviour to no longer produce in Middle Europe and turn to local suppliers. In the future, the same effect would have the behaviour of our suppliers to sell directly to industrial customers and not any more within their distribution channels. Another negative aspect could be a concentration process expected from the supplier's side which could result – in worst case – to a contract cancellation towards the supplier. In addition, similar effects could arise if the costs decrease because of the reduction of margins due to competitor's information available to all customers via internet. This basically influences the personnel costs applied in the German speaking area.

Due to the EDP – networking of the entire group, a break-down (technical risk) or a serious interference in the computer system could cause enormous damage to the company. An abuse by externals or internals, especially theft of information, business interruptions or IT – system breakouts or insufficient means for data security could extremely endanger the company.

Foreign currency risks are excluded, if possible, in case of larger project by invoicing directly in the relevant currency. However, there could be negative impulses on our company in normal business especially due to a further change of the dollar and yen parity as well as fluctuations of the Swiss Franc towards Euro, Dollar and Yen.

The existing growth strategy of the group does not only involve organic increase but also company acquisitions. Here, the figure above the net asset value is balanced as goodwill and checked each year as to its recoverability. If the expectations of the purchased company are not met and/or – as a consequence of economic unstableness – the expected cash-flow result cannot be achieved, then depreciations in the group's balance as per IFRS have to be done. In spite of the economic setback and the carefully made income planning for the next two to three years, an additional need for depreciation may not be eliminated if economic recovery fails.

Risk Management

The risk management system of the FORTEC group assures that the daily business transactions may not be endangered by well-known and/or new risks to be made transparent and thus be controlled and/or even avoided.

The risk management is part of the management system enabling to recognise risks and limit their consequences as much as possible.

The risk management is a continuous task. Therefore, it is necessary to involve all personnel and especially the persons-in-charge to recognize any possible company risks.

Considering the statutes of risk analysis of the individual FORTEC companies, appropriate measures were taken and responsible persons-in-charge appointed.

Controlled by quarterly risk reporting, the management is informed regularly of the actual state of risk, however being updated of a sudden risk at any time. The formal implement of the risk management system will be of help; more important however is a continuous sensitising of all personnel for any possible risks and their immediate handling.

Goal of the risk management is that any possible risk is immediately recognized by personnel and/or the persons-in-charge before any company damage may occur and to try to find an appropriate and in-time solution by the responsible personnel as well as persons-in-charge.

Internal Control and Risk Management

The control and risk management is an integral part of all processes of the FORTEC group and is based on a global system of risk identification, its evaluation as well as its controlling. The board of directors holds sole responsibility of control and risk management. Active monitoring are to support its identification, evaluation and processing within the specific business sectors of the FORTEC AG and its subsidiaries.

Monthly statements of the FORTEC AG and its subsidiaries help to recognize in time any changes as concerns order income, order book, stock as well as turnover and consequently take necessary steps as to the raw margin and costs. The value of receivables, especially those of the debtors is controlled on a regular basis. The value of share holdings is controlled once a year by a so-called impairment test and corrected if necessary.

The measures of the internal control system assure the correctness and reliability of the group's balance, which, in accordance with legal regulations, is covered properly and in time; furthermore, inventory is made correctly and group's assets and depths are listed and evaluated appropriately. It is guaranteed that balancing documents provide reliable and understandable information.

The balancing regulations are in accordance with the International Financial Reporting Standards (IFRS) and are basis for FORTEC's balancing and evaluation standards also applying to its German and foreign subsidiaries.

The group's auditor and others e.g. the tax auditor use process independent controlling. Especially as regards the group's final balancing process, a specific autonomous monitoring is applied at issue of the group's year balance.

Resumé and Expectations

The worldwide economy still is in a phase of weakness. The reasons are: tax increases in the USA at the beginning of this year, governmental saving's programs in all of Europe as well as the reasonable noted "down-cooling" of the Chinese economy.

For 5 years, central banks worldwide supported the economy with extraordinary measures and now, we obviously have to face the end of this expansive money policy.

During BY 2013/14 the world's economy might again become dynamic after the continuous corrected economic expectations of leading economy research institutes and the final end of the recession phase within the Euro-zone – which lasted longer than expected.

In the United States of America, the upswing should work by itself; within the Euro-zone the atmosphere seems to improve according to current research. Yet, there are still big pending problems and an escalation of the Euro crisis might again be possible within short.

Considering the latent insecurities, however, we do not expect an increase in sales at least for first half of BY 2014/15; nor do we see a profit rise in operative business based on the continuous pressure on margins during the entire year. This prognosis comprises our fields of data visualisation as well as power supplies. Other operating company income of previous years do not seem to be reproduceable.

As to BY 2014/15 we are optimistic according to the economic expectations in general and hope to be able to increase again sales as well as operative business.

Based on our business policy proven during many cycles, we succeeded to make profit above average year after year for 29 years now, without having only one single year of losses. However, there is no guarantee for the future, we still are confident that our business model continues to run successfully for the years to come. And we are positive that continuous long-term growth is possible after ending of the finance and debt crises which started in 2008.

Landsberg/Germany, 15.10.2013

FORTEC Elektronik AG

Dieter Fischer
CEO

Markus Bullinger
Board Member

Jörg Traum
Board Member

Versicherung der gesetzlichen Vertreter (Assurance Legal Representatives)

Wir versichern nach bestem Wissen, dass gemäß den anzuwendenden Rechnungslegungsgrundsätzen der Konzernabschluss ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage des Konzerns vermittelt und im Konzernlagebericht der Geschäftsverlauf einschließlich des Geschäftsergebnisses und die Lage des Konzerns so dargestellt sind, dass ein den tatsächlichen Verhältnissen entsprechendes Bild vermittelt wird, sowie die wesentlichen Chancen und Risiken der voraussichtlichen Entwicklung der Gesellschaft beschrieben sind.

Landsberg/Germany, 15.10.2013

FORTEC Elektronik AG

Dieter Fischer
CEO

Markus Bullinger
Vorstand

Jörg Traum
Vorstand

CONSOLIDATED BALANCE SHEET FORTEC Elektronik AG
dated 30.06.2013 (previous year 30.06.2012)

AKTIVA / TOTAL ASSETS		Konzern- Bilanz per 30.06.2012	Konzern- Bilanz per 30.06.2013	PASSIVA / TOTAL EQUITY AND LIABILITIES		Konzern- Bilanz per 30.06.2012	Konzern- Bilanz per 30.06.2013
A. Langfristige Vermögenswerte Non-current ass.				A. Eigenkapital Shareholders´equity			
I. Goodwill	Goodwill	2.896.069	2.829.256	I. Gezeichnetes Kapital	Subscribed capital	2.954.943	2.954.943
II. Immaterielle Vermögenswerte	Intangible assets	80.046	156.785	II. Kapitalrücklage	Capital reserve	8.689.364	8.689.364
III. Sachanlagen	Tangible assets	1.275.093	1.149.700	III. Umrechnungsdifferenz	Exchange differences	1.142.249	1.011.324
IV. Finanzielle Vermögenswerte	Financial assets	94.288	94.288	IV Sonstige Rücklagen	Other compreh. Income	6.816.298	7.567.114
V. Langfristige Forderungen	Accounts receiv.	133.283	93.609	V. Jahresüberschuss	Net income	2.228.286	1.758.370
VI. Latente Steuern	Deferred Taxes	0	0			21.831.140	21.981.114
		4.478.779	4.323.638				
B. Kurzfristige Vermögenswerte Current assets				B. Langfrist. Verbindlichkeiten Long-term liabilities			
I. Vorräte	Inventories	9.632.593	9.448.751	I. Langfrist.Rückstellungen	Other provisions	265.557	202.939
II. Forderungen aus Lieferungen und Leistungen	Accounts receiv und Leistungen	4.767.201	4.675.707	II. Latente Steuerverbindlichk.	Deferred Taxes	365.324	319.237
						630.881	522.176
III. Steuerforderungen	Tax receivables	58.156	317.957	C. Kurzfristige Verbindlichkeiten Short-term liabilities			
IV. Sonst. Vermögenswerte	Other assets	109.341	123.309	I. Verbindl. Lief./Leistungen	Trade payables	2.437.789	2.104.292
V. Zahlungsmittel und -äquivalente	Cash on hand, Bank balances	8.694.827	7.236.838	II. Steuerverbindlichkeiten	Accruals other taxes	1.263.886	407.382
		23.262.118	21.802.561	III. Sonstige Rückstellungen	Other provisions	756.581	155.445
				IV Sonst.Verbindlichkeiten	Other liability./accruals	820.620	955.791
						5.278.876	3.622.909
Summe Aktiva	Total Assets	27.740.897	26.126.199	Summe Passiva	Total Equity/Liabilities	27.740.897	26.126.199

Consolidated Statement of Comprehensive Income 01.07.2012- 30.06.2013

				Anh./Annex	1.7.11 - 30.6.2012	1.7.12 - 30.6.2013
1.	Umsatzerlöse	Sales revenues		20	47.791.006	44.539.958
2.	Erhöhung Bestand unfertige Erzeugnisse	Increase in finished goods/work in process		21	183.591	- 11.493
3.	sonstige betriebliche Erträge	Other operating income		22	1.165.002	1.229.470
4.	Materialaufwand	Cost of material		23	36.725.069	34.339.407
5.	Personalaufwand	Personnel expenses		24	5.620.760	5.402.242
6.	Abschreibungen	Depreciation		25	306.198	228.741
7.	Sonstige betriebliche Aufwendungen	Other operating expenses		26	3.617.721	3.412.965
8.	Betriebsergebnis (EBIT)	Operating result			2.869.852	2.374.580
9.	Sonstige Zinsen u. ähnliche Erträge	Other interest and similar income		27	128.422	57.110
10.	Zinsen u. ähnliche Aufwendungen	Other interest and similar expenses		27	3.997	6.234
11.	Ergebnis vor Ertragssteuern	Results from ordinary activities			2.994.278	2.425.456
12.	Ertragssteueraufwand	Taxes on income		28	765.992	667.086
13.	Jahresüberschuss	Net income			2.228.286	1.758.370
14.	Marktwertänderungen von zur Veräußerung Verfügbaren Vermögenswerten (erfolgsneutral)	Value changes of assets for sale (independent in success)		14	0	0
15.	Währungsumrechnungsdifferenzen (erfolgsneutral)	Exchange rate differences (succ.indep.)		30	7.197	- 130.925
16.	Summe sonstiges Ergebnis	Total other result			7.197	- 130.925
17.	Gesamtergebnis	TOTAL			2.235.483	1.627.445
18.	Ergebnis je Aktie	Earnings per Share				
	unverwässert	Basic			0,75	0,60
	verwässert	Diluted			0,75	0,60

Consolidated Statement of Changes in Equity 2012/2013

	Subscribed capital	Capital-reserves	Exchange Rate differences	Other compreh. income Market-evaluation reserves	Profit reserves/ Profit carried forward	T O T A L
	EUR	EUR	EUR	EUR	EUR	EUR
Balance as per 30.06.2011	2.954.943	8.689.364	1.135.052	0	8.293.770	21.073.129
Group's result 2011/12			7.197		2.228.286	2.235.483
Dividend payments					- 1.477.472	- 1.477.472
	0	0	7.197	0	750.814	758.011
Balance as per 30.06.2012	2.954.943	8.689.364	1.142.249	0	9.044.584	21.831.140
Group's result 2012/13			- 130.925		1.758.370	1.627.446
Dividend payments					-1.477.472	-1.477.472
	0	0	-130.925	0	280.898	149.974
Balance as per 30.06.2013	2.954.943	8.689.364	1.011.324	0	9.325.483	21.981.114

Consolidated Cash-flow Statement 01.07.2012 – 30.06.2013

		Annex	2011/2012	2012/13
I. OPERATIVER BEREICH 1. Jahresüberschuss 2. Abschreibungen auf Sachanlagen und immaterielle Anlagegegenstände inkl. Goodwill 3. Korrektur andere zahlungsunwirks. Transaktionen 4. Abnahme (VJ Zunahme) der Vorräte 5. Zunahme (VJ Abnahme) Forderungen aus Lieferungen, Leistungen u. sonstigen Forderungen 6. Abnahme (VJ Abnahme) Verbindlichkeiten aus Lieferungen und Leistungen 7. Abnahme (VJ Zunahme) kurzfrist. Verbindlichkeiten 8. Abnahme (VJ Abnahme) langfrist. Forderungen 9. Abnahme (VJ Abnahme) langfrist. Verbindlichkeiten <u>Cash flow aus dem operativen Bereich</u>	OPERATIVE BUSINESS 1. Consolidated net income 2. Depreciation of tangible assets and intangible assets incl. goodwill 3. Other cash-ineffective transactions 4. Decrease (PY Increase) in inventories 5. Increase (PY Decrease) in accounts receivable and other debts receivables 6. Decrease (PY Decrease) in accounts payable 7. Decrease (PY Increase) in short-term liabilities 8. Decrease (PY Decrease) in long-term receivables 9. Decrease (PY Decrease) in long-term liabilities <u>Cash flow provided from operating business</u>	31	2.228.286	1.758.370
			306.198	228.741
			72.335	- 97.026
			-38.263	183.842
			351.969	- 182.274
			-197.054	- 333.498
			107.418	- 1.322.469
			29.147	39.674
			-57.872	- 62.618
			2.802.163	212.742
II. INVESTITIONSBEREICH 1. Invest. Sachanlagen /immaterielle Anlagegegenstände 2. Investitionen in Finanzanlagen 3. Erlöse aus Abgängen Sachanlagevermögen 4. Erlöse aus den Abgängen von Finanzanlagen <u>Cash flow aus dem Investitionsbereich</u>	INVESTMENT ACTIVITIES 1. Investment tangible and intangible assets 2. Investment in financial assets 3. Proceeds from fixed assets sales 4. Proceeds from financial assets sales <u>Cash flow from investment activities</u>	31	-199.254	- 188.065
			-1.980.569	0
			5.754	3.950
			1.981.798	0
			-192.270	- 184.115
III. FINANZIERUNGSBEREICH 1. Gewinnausschüttung <u>Cash flow aus dem Finanzierungsbereich</u>	FINANCING ACTIVITIES 1. Distribution of profit <u>Cash flow from financing activities</u>	30	-1.477.472	-1.477.472
			-1.477.472	-1.477.472
IV. CASH FLOW INSGESAMT	TOTAL CASH FLOW	30	1.132.421	- 1.448.845
V. VERÄNDERUNG DER LIQUIDEN MITTEL Wechselkursbed. Änderungen auf Zahlungsmittel Kasse, Bankguthaben 30.06.2013 (VJ 30.06.2012) Kasse, Bankguthaben 01.07.2012 (VJ 01.07.2011) Veränderung der liquiden Mittel	CHANGE IN LIQUID FUNDS Change of exchange differences on payments Cash on hand/bank accounts 30.06.2013 (PY 30.06.2012) Cash on hand/bank accounts 01.07.2012 (PY 01.07.2011) Change in liquid funds	12	-26.690	- 9.144
			8.694.827	7.236.838
			7.589.096	8.694.827
			1.132.421	- 1.448.845
Zusammensetzung des Finanzmittelfonds Kasse Bankguthaben Finanzmittel am Ende der Periode	Liquid funds in detail Cash-on-hand Bank accounts Liquid funds at end of period	12	9.327	7.172
			8.685.501	7.229.666
			8.694.827	7.236.838

FORTEC Elektronik AG

Annex Business Year 2012/13

1) General Information

FORTEC Elektronik AG issues its group's final report according to § 315 a of HGB and according to the current valid regulations of International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as recommended in the EU taking into consideration all standards at balancing day. Basis thereof is the obligation to fulfil § 315a Art. 1 HGB and Art. 4 of regulation (EG) Nr. 1606/2002 of the European Parliament and Council dated July 19, 2002 re: use of the international balancing standards. All standards to report as per balancing day have been observed. Besides all information compulsory according to IFRS, also all statements and explanations will be made as per § 315a Art. 1 HGB, which German Trade Law requires for a group's report according to IFRS.

The year's report of the FORTEC AG as well as of the group was issued in EUR, e.g. that there could be slight but not considerable differences in amounts.

The consolidated balance sheet as well as the income statement is issued according to the total cost procedure.

In order to improve clear understanding, some items in the consolidated balance sheet and in the income statement as well as in the balance are summarized; they are explained in detail in the annex.

Revised and/or new Accounting Regulations

The IASB resp. IFRIC announced the following standards, interpretations and changes, yet not in effect for BY 2012/13. Application of these new regulations was not yet made. At present, FORTEC AG analyses the effects of these new standards as concerns its situation of assets, finance and profit as well as cash-flow.

IFRIC Interpretations

IFRIC 20 - Clearance costs during production phase of a surface mine in effect
To be applied for BY starting 01.01.2013

IFRIC 21 - Fees
To be applied for BY starting 01.01.2013

IFRS and IAS Standards

IFRS 9 - "Financial Instruments" (Classification and evaluation as well as balancing of financial liabilities and write-offs), published November 2009/October 2010
To be applied for BY starting 01.01.2015.

IFRS 10 - "Group results", published in May 2011

To be applied for BY starting 01.01.2013

- IFRS 11 - "Common agreements", published in May 2011
To be applied for BY starting 01.01.2013
- IFRS 12 - "Reporting as to investments in other companies", published in May 2011
To be applied for BY starting 01.01.2013
- IAS 27 - "Separate Transactions", changes published in May 2011
To be applied for BY starting 01.01.2013
- IAS 28 - "Participations to associated companies and Joint Ventures", changes published in May 2011; to be applied for BY starting 01.01.2013
- IFRS 13 - "Fair value as at reported time", published in May 2011
To be applied for BY starting 01.01.2013
- IAS 19 - "Benefits to employees"; changes published in June 2011
To be applied for BY starting 01.01.2013
- IFRS 7 - "Financial instruments"; changes published in December 2011
To be applied for BY starting 01.01.2013 resp. 01.01.2015
- IAS 32 - "Financial instruments"; changes published in December 2011
To be applied for BY starting 01.01.2014
- IFRS 1 - "First application of IFRS"; changes published in March 2012
To be applied for BY starting 01.01.2013

Changes of various standards as regard to "annual improvements 2009-2011";
Published in May 2012; to be applied for BY starting 01.01.2013.

Changes to define transition-line period in IFRS 10 re IFRS 10 "Company's result", IFRS 11 "Common agreements" and IFRS 12 "Publication re take-over of other companies", published in June 2012; to be applied for BY starting 01.01.2013.

Changes as regards consolidation – investment companies as per IFRS 10 "Company results", IFRS 12 "Publication re take-over of other companies" and IAS 27 "Separate Results" (changed 2011()), published in October 2012; to be applied for BY starting 01.01.2014.

- IAS 36 - "Reduction in value of assets", changes published in May 2013
To be applied for BY starting 01.01.2014.
- IAS 39 - "Financial instruments: start point and evaluation"; changes published in May 2013
To be applied for BY starting 01.01.2014

For this business year, FORTEC Elektronik AG did accept and apply the following IASB published standards:

Changes as to IAS 1 - "Presentation of Company's Report" as regards the "total other result". Standard shall be applied for BY starting 01.07.2012. First report did not considerably effect the report of FORTEC AG's situation as concerns assets, finance, earning as well as cash-flow.

2) Balancing and Evaluation Principles.

Intangible assets (without goodwill) as well as tangible assets are calculated according to purchase cost minimized by the accumulated depreciation and being depreciated according to plan for the period of use.

This period is said to be 3-5 years for software, 10 years for company building, for vehicles 3-6 years, for tools and equipment 4 years, for office equipment 3-5 years and for other company and business equipment 4 -10 years. Costs for repair are calculated according to FORTEC Elektronik AG's expenses.

At balance day, the achieved proceeds from the equipment assets were not below the book value. As depreciation method, only linear depreciation is used. Incomes are depreciated according to "pro rata temporis"; minor cost merchandise is depreciated for 5 years.

At each balance day, the book values are examined as to possible depreciation in value.

The long-term financial assets are investments. If there is no active demand in market for these companies and "fair- values" could not be calculated effectively, then their respective purchase costs are listed; however low "fair-values" are taken into account. At present, it is not intended to sell these financial assets.

The stocks asset is evaluated to purchase costs plus additional costs and minus discount. As concerns price alterations, only mixed prices are changed accordingly. Therefore, the average method was used; the lowest value principle was observed. If the net sales value was below purchase cost, the lower net sales value was used. Financing costs are not activated.

Obligations from deliveries, services and others are evaluated as to their nominal amount. Necessary value corrections were done right away. Individual debtors risks were evaluated separately.

The evaluation of payment means and/or equivalents is done by their net value.

Taken into consideration the necessary caution, reserves which the company might have to deal with were not made. It was not required to calculate interests.

Pension reserves were not made.

Obligations with return payment were made. As per balance day, there were no obligations with a remaining period of more than 5 years.

Deferred taxes are made considering temporary differences of the balance report and the financial values. The future average tax (KSt, SolZ and GewSt) amounts to 29 % (prev.year 29%). Balancing of deferred tax return claims and tax debts was made of TEUR 25 (prev.year TEUR 5).

Currency exchange rates of any transactions, obligations, liabilities and monetary assets and debts per balance day were made at daily EUR rate. Exchange rate differences are stated.

The report of the Swiss company Altrac AG is calculated according to IAS 21 of functional currency into EUR. The valid currency for Altrac AG is the country's currency, as the company is considered independent financially, economically and logistically. At groups' balance all considerable balance data – based on exchange rates – were calculated at daily rate of the balance day; investments and earnings at average annual rate as well as company capital at average yearly rate (modified day method).

Earnings/Returns – whenever payment date was – were recorded when service rendered. They will be evaluated according to date for payment; taxes will be calculated proportionally and in time.

Other capital costs made during business year were recorded as expenses.

Regulations in structure remain same as previous year. "Short-term" means assets and obligations if due within one year. Accounts receivables from deliveries, service and stock are in general considered short-term. Deferred claims on tax and/or obligations are considered long-term according to IAS 1.56.

The issue of the group's report in accordance with IFRS requires decisions and estimations as concerns the book value of balanced assets and liabilities, profit and obligations as well as possible accounts payable. However, if necessary these amounts may differ. Changes will be observed successfully until improved information is available.

Insecurities as to the estimations mainly relate to the amount and evaluation of assets and liabilities that may result in a incalculable risk for the coming business years.

Liabilities as to deliveries and services are examined on estimated basis as to their realisation in view of a possible global single value correction.

The sum of provisions for guarantee was calculated on estimated and expected costs and their due date taking into consideration past-time values and current transactions.

3) Consolidation

Besides the parent company, this group report includes the German subsidiaries of Blum Stromversorgungen GmbH, Thannhausen, Emtron electronics GmbH, Nauheim, Rotec technology GmbH, Rastatt and Autronic Steuer- und Regeltechnik GmbH, Sachsenheim as well as the Swiss Altrac AG, Dietikon. The reports of each subsidiary are dated at the day of issue of the group's report, being examined and certified by independent financial auditors with unlimited comments.

The group's balance is made by FORTEC Elektronik AG together with four active national and one foreign company having the majority of votes. Thus all subsidiaries were consolidated. As FORTEC Elektronik AG holds the entire capital of all subsidiaries, there are no minority shares. The most important figures according to IFRS of the relevant companies (before consolidation) are shown in the following chart as per 30.06.2013:

	FORTEC AG	Blum SV GmbH	Emtron GmbH	Rotec GmbH	Autronic GmbH	Altrac AG
	TEuro					
Turnover	20.758	450	12.330	1.615	4.614	6.504
<i>previous year</i>	22.151	769	12.126	2.233	5.525	6.871
Company result (EBIT)	982	6	1.122	85	-40	219
<i>previous year</i>	615	-18	1.236	129	355	252
Financial result	55	4	41	-20	-29	0
<i>previous year</i>	154	-3	66	-39	-53	-3
Taxes	288	2	325	19	-10	44
<i>previous year</i>	199	18	366	27	86	86
Year's earning (as per IFRS)	749	8	838	46	-58	176
<i>previous year</i>	570	-17	936	63	216	163

Participation figures of the results of all group members/subsidiaries are as follows:

	Blum SV GmbH Thannhausen	Emtron electronic GmbH Nauheim	ROTEC GmbH Rastatt	Autronic Sachsenheim	Altrac AG Dietikon (CH)
Goodwill (IFRS) (€)	69.339	167.146	0	0	2.592.771
<i>previous year</i>	69.339	167.146	0	0	2.659.583
Nominal value of participation (€)	250.000	250.000	250.000	250.000	160.000
<i>previous year</i>	250.000	250.000	250.000	250.000	160.000
Economic equity capital (€)	473.070	6.205.229	364.929	615.938	2.570.287
<i>previous year</i>	464.978	5.367.592	319.144	673.797	2.458.792
Capital-/Shareholders (%)	100,00%	100,00%	100,00%	100,00%	100,00%
<i>previous year</i>	100,00%	100,00%	100,00%	100,00%	100,00%
Acquisition	17.12.1992	17.12.1998	02.07.2003*	01.01.2004	30.08.2000

*Note: Rotec technology GmbH was founded by FORTEC AG on 2.7.03.

The day of issue of all reports of all group members/subsidiaries equals the date of the group's report (30.06.2013).

Altrac AG made its annual report in Swiss Francs. The year's result as per 30.06.2013 is converted in EUR according to IAS 21 and the concept of functional currency.

At balance day, FORTEC holds 36.6% (prev.year 36.6%) of the capital stock of Advantec Electronics B.V. Oudenbosch (NL) as well as 25% of EOS Europe B.V., Oudenbosch (NL). These companies are not considered subsidiaries in terms of IAS 27.13, as there is no command/control function.

Besides Advantec Electronics B.V. and EOS Europe B.V. are non-associated companies according to IAS 28.2 i.V.m. IAS 28.6, as the indication catalogue of IAS 28.5 not being relevant. As concerns companies with shares of 20 to 50 %, it is foreseen in general that these are non-associated companies, unless it is assumed that there is considerable influence. We assume the latter, because there is no affiliation, nor important decisions made, nor important business between us and these companies, no exchange of management personnel and no important technical information/data to be provided. Therefore, consolidation of both companies is omitted.

4) Consolidation Basics

According to law and regulations, the reports of each company were issued for completion of the group's report in accordance with the valid balancing and evaluation methods of FORTEC Elektronik AG and/or appropriately adapted for consolidation. Similar positions were added together.

Accounts receivables and liabilities within the group were eliminated; hand in hand with successful consolidation, all internal sales and revenues/returns were set against costs and purchases.

5) Capital Consolidation

The capital consolidation was made according to IFRS 3 and the benchmark method. Settlement of "fair values" was done with own capital of each subsidiary of the group's financial statement at date of purchase. Similar items were added.

The difference of Blum Stromversorgungen GmbH accumulates completely towards goodwill because the time values of the acquired values and debts are in conformity with the relevant book values. At Emtron electronic GmbH, the difference accumulates to "quiet" reserves at capital assets – namely on corporate income tax and goodwill. At ALTRAC AG, there are "quiet" reserves in acquired values and in goodwill.

The differences from capital consolidation – if not applicable to "quiet" reserves – are defined as goodwill in the acquired assets. Goodwill is noted as assets and checked yearly by impairment test. Each reduction in value is immediately and successfully noted.

Detailed Information as to respective paragraphs in "Balance Sheet"

According to IAS 1, the group's balance is listed in long- and short-term assets and liabilities. Assets and liabilities are considered short-term if they are due within one year. According to IAS 1.56, deferred taxes are long-term assets and liabilities.

6) Goodwill

The listed goodwill results from the acquisition of the subsidiaries Altrac AG, Blum Stromversorgungen GmbH and Emtron electronic GmbH (company values).

As payment generating units and same as last year, the segments "data visualisation" and "power supplies" were identified as individually generating payment units for business year 2012/13.

As per 30.06.2013, book value of goodwill for power supplies amounts to EUR 2.592.771 (prev.year EUR 2.659.583).

The goodwill difference to previous year amounts to TEUR 67 (prev.year TEUR 6) and is based on the exchange rate reduction of the Swiss Franc compared to last year and in view of the participation rate of ALTRAC AG. The difference in exchange rate is added to own capital.

In spite of the planned depreciation of goodwill resulting from capital consolidation, a lower value based on impairment test according to IAS 36 i.V.m. IFRS 3 was determined.

This test comprises the listing of the company's identified value based on the discounted cash-flow procedure.

The annual impairment test was done in fourth quarter based on payments generated. The achievable figure was calculated based on fair value; considering accepted projects/planning of the next 5 years by the company management. For the period after the 5th year, a terminal value was stated in view of the up-date of last project year. These projects/plans are calculated based on gathered experiences, current business results and best possible management estimations as regards future development of specific facts i.e. costs for expenses, personnel and profit margins.

For the impairment test, a specific important capital cost rate after tax is necessary using the capital asset pricing model. Its components are risk-free interest, a market risk percentage as well as a surplus as to the financial risk. The impairment test was made according to a certain capital cost value of 8%. This is calculated on the basic interest for national loans in consideration of inflation and risk surplus.

The intrinsic value of the mentioned goodwill may also occur at a change of growth prognosis and/or at a discount rate of +/- 0.5 %. When impairment test during past BY and previous year was done, there were no decreases in value of either business or company value.

7) Intangible and Tangible Assets

The development of asset at historical purchase costs and depreciation in business year are to be seen in the "consolidated gross fixed assets movement".

Intangible and tangible assets are reduced to purchase costs for in-time depreciation. Exclusively linear depreciations were made; low value industrial goods are depreciated on a linear basis within 5 years.

Depreciations on intangible and tangible assets are considered in the "consolidated income statement" under no. 6 *depreciations*.

In the "consolidated gross fixed assets movement" an additional column "differences in currency exchange rates" is added. Here, the differences in assets of Altrac AG are listed based on exchange differences at balance day of this independent foreign company at various exchange rate.

8) Financial Assets

The financial assets as per 30.06.2013 are as follows:

	Group (in €) 30.06.2012	Group (in €) 30.06.2013
Participations	94.288	94.288
TOTAL Financial Assets	94.288	94.288

The participations are as follows: 36.6 % (prev.year 36.6 %) for Advantec Electronics B.V., Oudenbosch (NL) amounting to nominal TEUR 46, the unchanged 25 % for EOS Europe B.V., Oudenbosch (NL) amounting to nominal TEUR 46 as well as the 99 % for Alltronic spol s.r.o. (via AUTRONIC) amounting to TEUR 48.

Based on the actual economic figures of Advantec Electronics B.V., there is no change compared to previous year. The evaluation was made at original acquisition costs which correspond to the current value at balance day.

In BY 2007/08, the participation of EOS Europe B.V., Oudenbosch (NL) amounting to nominal TEUR 46 (25%) was depreciated to TEUR 0 because of eventual reduction in value.

At balance day and same as last year, the subsidiary AUTRONIC Steuer- und Regeltechnik GmbH acquired a 99 % share of Alltronic elektronické stavebni skupiny a komponenty spol. s.r.o., Dýsina, Czech Republic (TEUR 48). Current value at balance day is considered approx. purchase price. There was no partial company's report made as per 30.06.2013 by AUTRONIC GmbH (IAS 27.10). The statement of shares of Alltronic is recorded in the group as financial asset according to IAS 39, as the company is of minor economic importance according to IAS 1.15 and 1.30.

The financial assets are classified "financial assets available-for-sale" as per IAS 39. Changes in value compared to previous year are listed success-neutral in market value reserve as per IAS 39.55b. At balance day, the market evaluation reserve was totally cleared.

Consolidated Statement of Financial Assets as per 30.06.2013

		Historische Anschaffungskosten					Abschreibungen					Buchwerte	
		Purchase costs					Depreciation					Net book value	
		Stand am Balance on 01.07.2012	Zugänge Additions 2012/2013	Abgänge Retirements 2012/2013	WK-Diff. Exchange Difference	Stand am Balance on 30.06.2013	Stand am Balance on 01.07.2012	Zugänge Additions 2012/2013	Abgänge Retirements 2012/2013	WK-Diff. Exchange Difference	Stand am Balance on 30.06.2013	Stand am Balance on 01.07.2012	Stand am Balance on 30.06.2013
Immaterielle Vermögenswerte	Intangible assets												
- Software	- Software	472.718	102.239	13.340	-2.534	559.083	392.672	25.545	13.335	-2.584	402.298	80.046	156.785
Sum. Immat.Verm.werte	Total intangible assets	472.718	102.239	13.340	-2.534	559.083	392.672	25.545	13.335	-2.584	402.298	80.046	156.785
Sachanlagen	Tangible assets												
- Grundstücke	- Property	253.375	0	0	0	253.375	0	0	0	0	0	253.375	253.375
- Gebäude	- Plant, Buildings	538.383	0	0	0	538.383	140.367	33.376	0	0	173.743	398.016	364.640
- Außenanlagen	- outdoor facilities	43.001	0	0	0	43.001	8.362	2.867	0	0	11.229	34.639	31.772
- Fahrzeuge	- Vehicles	471.181	35.500	38.337	-3.504	464.840	374.028	33.210	31.307	-3.332	372.599	97.153	92.241
- Werkzeuge	- Small tools	49.232	2.742	647	0	51.327	36.688	6.880	646	0	42.922	12.544	8.405
- technische Anlagen/Maschl	- plant, machinery	298.320	0	0	0	298.320	109.002	23.518	0	0	132.520	189.318	165.800
- Büroeinrichtung	- Office furnishings	788.506	27.631	12.253	-10.470	793.414	654.139	59.492	12.185	-9.729	691.717	134.367	101.697
- Betriebs- und Geschäftsausstattung	- Office and plant equipment	345.520	5.283	8.263	-1.142	341.398	232.294	22.606	8.259	-1.137	245.505	113.226	95.893
- GWG	- Low-value items	110.337	14.669	22.560	0	102.446	67.882	21.247	22.560	0	66.569	42.455	35.877
Summe Sachanlagen	Total tangible assets	2.897.855	85.825	82.060	-15.116	2.886.504	1.622.762	203.196	74.957	-14.198	1.736.804	1.275.093	1.149.700
Finanzielle Vermögensw.	Financial assets	140.464	0	0	0	140.464	46.176	0	0	0	46.176	94.288	94.288
Summe Anlagevermögen	Total assets	3.511.037	188.064	95.400	-17.650	3.586.051	2.061.610	228.741	88.292	-16.782	2.185.278	1.449.427	1.400.773
nachrichtlich: Vorjahr 2010/2011													
Immaterielle Vermögenswert	Intangible assets	432.095	58.027	17.622	218	472.718	336.752	73.310	17.608	218	392.672	95.343	80.046
Sachanlagen	tangible assets	2.894.635	141.227	139.254	1.248	2.897.855	1.526.473	232.888	139.223	2.624	1.622.762	1.368.162	1.275.093
Finanzielle Vermögensw.	financial assets	140.464	1980.569	1980.569	0	140.464	46.176	0	0	0	46.176	94.288	94.288
Summe Vorjahr	total assets	3.467.194	2.179.823	2.137.445	1.466	3.511.037	1.909.400	306.198	156.831	2.842	2.061.610	1.557.793	1.449.427

9) Long-term Liabilities

These are the unpaid security deposits for the rented offices in Landsberg and Vienna. Also, these are liabilities from assurances of pension-part-time contracts, tax liabilities from reduced value of corporate income tax of TEUR 66 (prev.year TEUR 80) with a remaining duration of more than 1 year.

10) Stock/Inventories

The stock/inventories as per 30.06.2013 are as follows:

	Group (in €) 30.06.2012	Group (in €) 30.06.2013
Goods/raw material/operating supplies	8.582.121	8.046.251
Finished/Unfinished products	1.029.315	1.246.443
Payments made	21.157	156.057
Total stock value	9.632.593	9.448.751

The goods like raw material and others total up together with purchase costs taken into consideration the purchase related extra costs and effective average prices. If necessary, depreciation was made on the lower value – which is the net sales value. All foreseen risks have been taken into consideration by relevant reductions.

The goods produced and/or semi-finished are calculated as per production costs not taking into consideration the direct costs (like salaries and material costs) as well as fix and variable general production costs (production and material costs) – i.e. costs as per IAS 2.16.

11) Accounts Receivables from Deliveries, Taxes, Service and other Assets

These accounts receivables as per 30.06.2013 are as follows:

	Group (in €) 30.06.2012	Group (in €) 30.06.2013
Receivables re: deliveries and service	4.767.201	4.675.707
Tax receivables	58.156	317.957
other accounts receivables	109.341	123.309
TOTAL accounts receivables	4.934.698	5.116.973

As concerns these receivables, all foreseen risks were eliminated by correcting each value item. The value corrections of receivables from deliveries and services according to IFRS 7.16 are as follows:

	Group (in €) 30.06.2012	Group (in €) 30.06.2013
Date of value correction per 01.07.	132.420	41.600
Allocations	100	0
Usage/ cancellations	-90.920	-14.000
Date of value correction as per 30.06.	41.600	27.600

All accounts receivables mentioned in chart above are of a remaining maturity of less than one year.

Besides the claim of overpaid taxes during 2012 and 2013, the tax liabilities are among others the credit balance resulting from the corporate tax of TEUR 18 (prev.year TEUR 18), with a remaining term of less than one year (also see remarks under no. 9).

Further and other receivables in the group are mainly due to the loan of TEUR 20 (prev.year TEUR 40) granted to the consolidated company Alltronic s.r.o., Dýšina, Czech Republic, a payment for advertising expenses of a supplier of TEUR 46 as well as active invoice amount of TEUR 39 (prev.year TEUR 39).

Receivables from deliveries and services as well as credits are financial instruments as per IAS 39 and are classified under "credits and receivables". Evaluation is made according to purchase costs.

12) Cash-on-hand and/or other equivalent capital

Cash-on-hand and/or other equivalent capital per 30.06.2013 are as follows:

	Group (in €) 30.06.2012	Group (in €) 30.06.2013
Cash-on-hand /postage machine	9.327	7.172
Bank credit and post giro	8.685.500	7.229.666
Total	8.694.827	7.236.838

Bank credits which are in US-\$, Japanese Yen or Swiss Francs were evaluated at the middle currency conversion rate valid at balance day. Bank credits in other currencies do not exist.

The mentioned value of the liquid capital equals market value.

All payment capital can be disposed of without restriction.

13) Capital Deposit/ Stock

The capital stock of FORTEC Elektronik AG at balance day amounts to EUR 2.954.943.00 (prev.year same amount). The companies' shares are divided into 2.954.943.00 non-value shares (Bond No. 577410/ISIN DE 0005774103). The value of each share is EUR 1.00 of the basic capital.

14) Company Capital.

The groups' capital during reported period is as follows.

	Basic Capital	Capital- reserve	Differences re: currency exchange	Profit reserve/ accumulated Profit reserve/ EUR	TOTAL EUR
	EUR	EUR	EUR	EUR	
Balance 01.07.2012	2.954.943	8.689.364	1.142.249	9.044.584	21.831.140
Purchase					
Currency exchange			-130.925		-130.925
Dividend				-1.477.472	-1.477.472
Year's earnings				1.758.370	1.758.370
Balance 30.06.2013	2.954.943	8.689.364	1.011.325	9.325.482	21.981.114

Since July 1st, 1998, the capital reserve of TEUR 256 continued to increase to TEUR 8.689 based on the additional capital surplus (agio) in 1999 of TEUR 5.233 minus the change in capital reserve and the increase in limited capital. There are no changes during this BY.

The market value reserves consist of the changed results from the evaluation at day of financial instruments (bonds and shares) and are considered included success-neutral. No market value reserve was listed.

Since several years, the group clearly states that the expansion is build exclusively on own-capital financing while strictly aiming for balancing own-capital quota of $\geq 50\%$ after dividend. The definition "own-capital" does not imply hybrid forms of company capital like in previous years.

Notice is given to the company capital statement to be obligatory as per IAS 1.10 c) which is part of this groups report.

15) Financial Instruments – First Statement and Evaluation

a) Financial Assets

First statement and Evaluation

According to IFRS 7 and IAS 39, financial assets are classified as

- financial assets, successfully evaluated at appropriate time value
- credits or obligations
- financial investments with expiry date
- financial assets for possible sale or
- derivatives designed and effective as security instrument.

The group states his financial assets for the first time.

For a first statement, financial assets are evaluated at time value. In case of financial investments that cannot be evaluated at time value, there will be transactions stated directly to purchase of assets.

The group's financial assets include payments and short-term invitations, account receivables from deliveries and service, others, noted and non-noted financial instruments.

Further evaluation

The group differentiates the financial assets as to their classification:

- *financial assets, successfully evaluated at appropriate time value*

There are no financial assets evaluated at appropriate time value.

- *credits or account receivables*

Credits and account receivables are non-derivative financial instruments at fix and noted payments, not noted in the market. At first statement and as evaluation, such instruments will be evaluated as purchase costs minus possible decrease in value. These losses are included in the "consolidated income statement" as financial expenses.

- *financial assets available-for-sale*

Financial assets available-for-sale is considered company capital, not evaluated for trade and at no definite time value.

After first evaluation and for further report periods, these financial assets available for sale will be evaluated at time value. Not realised profit or loss will be stated as other results in the market value statement.

- *decrease in value of financial assets*

At each balance day, the group examines if there are signs of decrease in value of a financial asset or a group of financial assets.

In the affirmative, the amount of decrease in value is the difference between book value and cash value of expected future cash flow.

b) Financial Obligations

First statement and Evaluation

As per IFRS 7 and IAS 39, financial obligations are considered obligations evaluated at time value, credits and receivables, loans or others.

The group states the classification of his financial obligations for the first time and at time value. These financial obligations include receivables from deliveries and service as well as others.

Further Evaluation

The group differentiates the financial assets as to their classification:

- *financial assets, successfully evaluated at appropriate time value*

There are no financial assets evaluated at appropriate time value.

- *credits or account receivables*

Credits and account receivables are non-derivative financial instruments as concerns fix and noted payment terms, not noted at the market. At first statement and as evaluation, such instruments will be evaluated as purchase costs minus possible decrease in value.

According to IFRS 7.6. the financial instruments are as follows:

	Continuously stated purchase costs 30.06.2013	Fair value 30.06.2013	T O T A L 30.06.2013
Financial assets	94.288	0	94.288
<i>Previous year</i>	94.288	0	94.288
Long term accounts receivables	93.609	0	93.609*
<i>Previous year</i>	133.283	0	133.283
Receivables re: deliveries and service	4.675.707	0	4.675.707
<i>Previous year</i>	4.767.201	0	4.767.201
Other assets	83.823	0	83.823
<i>Previous year</i>	69.857	0	69.857
Payments and/or similars	7.236.838	0	7.236.838
<i>Previous year</i>	8.694.827	0	8.694.827
<i>VJ</i>			
T o t a l	12.184.265	0	12.184.265
<i>Previous year</i>			
<i>VJ</i>	13.759.456	0	13.759.456

As per par. „other assets“ of TEUR 123 (prev.year TEUR 109) in the balance sheet, the amount of TEUR 39 (prev.year TEUR 39) is not stated as financial instrument.

As per IFRS 7.8, the fair value is accounted towards book value (in €).

	Evaluation category IAS 39	Book value 30.06.2013	Fair value 30.06.2013	T o t a l 30.06.2013
Financial assets	available for sale	94.288	94.288	94.288
<i>Previous year</i>	AfS	94.288	94.288	94.288
Long-term receivables	loans & receivables	93.609	93.609	93.609
<i>Previous year</i>	LaR	133.283	133.283	133.283
Receivables re: deliveries /service	loan & receivables	4.675.707	4.675.707	4.675.707
<i>Previous year</i>	LaR	4.767.201	4.767.201	4.767.201
Other assets	loan & receivables	83.823	83.823	83.823
<i>Previous year</i>	LaR	69.857	69.857	69.857
Cash-on-hand and equivilents	loan & receivables	7.236.838	7.236.838	7.236.838
<i>Previous year</i>	LaR	8.694.827	8.694.827	8.694.827
T O T A L		12.184.265	12.184.265	12.184.265
<i>Previous year</i>		13.759.456	13.759.456	13.759.456

All other figures are evaluated at purchase costs. Evaluation is in accordance with IFRS 7.27 and at exchange value at balance day.

Equity and Liabilities (in €) are as follows:

	Continuously stated Purchase costs 30.06.2013	Fair value 30.06.2013	T o t a l 30.06.2013
Receivables re: deliveries /service <i>Previous year</i>	2.104.292 2.437.789	0 0	2.104.292 2.437.789
Other receivables <i>Previous year</i>	532.814 325.628	0 0	532.814 325.628
T o t a l <i>Previous year</i>	2.637.106 2.763.417	0 0	2.637.106 2.763.417

In par. „other assets“ of TEUR 956 (prev.year TEUR 821) mentioned in balance sheet, an amount of TEUR 423 (prev.year TEUR 495) “payments for employees” is not stated as financial instrument. All figures are evaluated at purchase costs.

There are no changes when comparing book value to fair value

	Evaluation category IAS 39	Book value 30.06.2013	Fair value 30.06.2013	T o t a l 30.06.2013
Liabilities re: deliveries/service <i>Previous year</i>	FLAC*	2.104.292 2.437.789	2.104.292 2.437.789	2.104.292 2.437.789
Other liabilities <i>Previous year</i>	FLAC	532.814 325.628	532.814 325.628	532.814 325.628
T o t a l <i>Previous year</i>		2.637.106 2.763.417	2.637.106 2.763.417	2.637.106 2.763.417

*financial liabilities and amortised costs

Influence on „income statement“ as per IFRS 7.20 is as follows:

In €	Addition 2012/2013	Value correction 2012/2013	Depreciation 2012/2013
Financial Assets <i>Previous year</i>	0 0	0 0	0 0
Long-term receivables <i>Previous year</i>	0 0	0 0	0 0
Receivables re: deliveries and service <i>Previous year</i>		-14.000 -90.820	
Other assets <i>Previous year</i>	0 0	0 0	0 0
Cash-on-hand and/or equivalents <i>Previous year</i>	0 0	0 0	0 0
T o t a l <i>Previous year</i>	0 0	-14.000 -90.820	0 0

The risk for drop-out of certain items is as follows (in €):

		T o t a l 30.06.2013	Drop-out risk 30.06.2013
Financial assets	100%	94.288	94.288
<i>Previous year</i>	100%	<i>94.288</i>	<i>94.288</i>
Long-term receivables	30%	93.609	27.843
<i>Previous year</i>	40%	<i>133.283</i>	<i>52.815</i>
Receivables re: deliveries / service....	20%	4.675.707	935.141
<i>Previous year</i>	20 %	<i>4.767.201</i>	<i>953.440</i>
Other assets	100%	123.309	123.309
<i>Previous year</i>	100%	<i>109.341</i>	<i>109.341</i>
Payment means and equivalents		7.236.838	0
<i>Previous year</i>	0 %	<i>8.694.827</i>	<i>0</i>
T o t a l		12.223.751	1.180.581
<i>Previous year</i>		<i>13.798.940</i>	<i>1.209.884</i>

Drop-out risk for payments and/or equivalent is not relevant, as our business partners are of best reputation as concerns monetary and capital aspects.

Drop-out risk of corporate tax credit amounting to EUR 65.765,69 (prev.year EUR 80.468,04) included in long-term liabilities does not exist. Therefore, drop-out risk reduces from 40% last year to now 30%.

A liquidity risk as per IFRS 7.39 for “*Liabilities re: deliveries and service*” does not exit, since payments/liabilities have already been covered at balance day. Other liabilities are also been paid at most at balance day.

Both the drop-out risk as well as liquidity risk could endanger operative business, yet there is no danger as to the company’s existence.

16) Reserves

Reserves within the group as per 30.06.2013 are as follows:

	Balance 01.07.2012	Consumption 2012/2013	Dissolution 2012/2013	Addition 2012/2013	Balance 30.06.2013
Other Accruals					
- longterm	265.557	0	63.768	1.150	202.939
- shortterm	756.581	161.000	470.610	30.474	155.445
<i>re: warranties incl.</i>	<i>951.088</i>	<i>150.000</i>	<i>534.378</i>	<i>20.624</i>	<i>287.334</i>
	1.022.138	161.000	534.378	31.624	358.384

Other accruals were listed according to IAS 37 in consideration of all foreseeable liabilities with their scheduled maturity. Deduction of interests was made accordingly.

The long-term liabilities comprise reserves (years 2 – 10) for the legal responsibility to keep safe the company’s records as well as the liabilities for warrenty.

Other liabilities are short-term (less than 1 year). Refunds are not expected.

Short-term liabilities mainly are accruals resulting from guarantee and personnel, which are likely to be paid in amount and at due date. Basis as to evaluation of these assets are figures made from experience during past years.

17) Liabilities

Liabilities as per 30.06.2013 are as follows:

	Group (in €) 30.06.2012	Group (in €) 30.06.2013
Liabilities from deliveries/service	2.437.789	2.104.292
Tax liabilities	1.263.886	407.382
Others	820.620	955.791
TOTAL liabilities	4.522.295	3.467.465

Evaluation of the liabilities was made at payment amounts.

The tax liabilities of the current BY amount to TEUR 404 (prev.year TEUR 701) which are splitted into tax on earnings TEUR 182 (prev.year TEUR 457), sales tax TEUR 159 (prev.year TEUR 180) and income tax TEUR 63 (prev.year TEUR 94); TEUR 3 (prev.year TEUR 561) apply to profit tax payments due from previous years.

Among other liabilities are so-called limited accruals amounting to TEUR 625 (prev.year TEUR 719), which according to HGB are "reserves" but according to IFRS are liabilities. In general, these are liabilities against personnel (TEUR 423; prev.year TEUR 495) as well as year's end costs TEUR 165 (prev.year TEUR 167).

Liabilities of more than 5 years are not listed. All liabilities have a maturity of less than 1 year.

18) Passive Deferred Taxes

The defining of deferred taxes is done according to the "temporary-concept" of IAS 12 as regards balancing differences and evaluation differences as well as consolidation measures of the related balance and figures according to IFRS. For calculation of deferred tax, legal valid rates were used valid at terms of realisation at balance day.

Calculation of passive deferred taxes is based upon the average company income tax (church tax, social fee and trade income tax) of 29 % (prev.year 29%). Calculating deferred tax on profits of Altrac AG (CH), an income tax rate of 25% was taken into account.

Tax latences due to evaluation differences are as follows:

in TEuro	30.06.2012		30.06.2013	
	active deferred taxes	passive deferred taxes	active deferred taxes	passive deferred taxes
Tangible assets (GWG)	2	0	24	0
Financial assets	1	0	1	0
Stocks /inventories	0	127	0	133
Receivables	0	36	0	46
Other assets	2	0	0	0
Reserves	0	206	0	163
Liabilities	0	1	0	1
	5	370	25	344
Netting	-5	-5	-25	-25
	0	365	0	319

The discounting of active and passive deferred taxes is made according to IAS 12.71.

As per 30.06.2013, there is a non-used taxable loss figure of TEUR 0 (prev.year TEUR 0) resulting from corporate tax including social fee and TEUR 74 (prev.year TEUR 20) from business tax. Losses are on behalf of subsidiaries Autronic GmbH (prev.year Rotec GmbH).

There are no latent taxes these next years; a positive income to be taxed may probably not be expected for about 5 years. Non-active latent taxes are TEUR 10 (prev. year TEUR 3).

19) Other Financial Liabilities

At balance day, there are rental liabilities with the following terms:

- Up to 1 year	TEUR	353	(TEUR	245)
- 1 to 5 years	TEUR	493	(TEUR	613)
- more than 5 years	TEUR	0	(TEUR	0)
T O T A L	TEUR	846	(TEUR	858)

FORTEC's share of the total liabilities is TEUR 151 (prev.year TEUR 85) as well as Autronic's GmbH of TEUR 613 (prev.year TEUR 773).

Explanatory Information as to "Consolidated Income Statement"

20) Sales Revenue

The sales revenue is calculated minus sales diminution and price reductions such as rebates, discounts, etc as well as reimbursements and returns. In general, the group's figure is as per IAS 18 and based on executed delivery and/or service rendered, if price is agreed and determined, the realisation of the corresponding liabilities is fixed.

The group' turnover amounts to TEUR 44.540 (prev.year TEUR 47.791) and breaks down to geographical segments as follows:

Sales revenue of group	Data Visualisation TEUR	Power Supplies TEUR	TOTAL TEUR
Germany <i>previous year Germany</i>	14.290 15.560	19.141 20.970	33.431 36.530
International <i>previous year International</i>	4.273 3.934	6.836 7.327	11.109 7.327
TOTAL <i>previous year total</i>	18.563 19.494	25.977 28.297	44.540 47.791

Group internal revenues were eliminated in line with consolidation

21) Changes in Stock of Unfinished/Finished Goods

These are decreases in stock of unfinished/finished goods of Blum Stromversorgungen GmbH of TEUR 250 (TEUR 114) and of Autronic Steuer- und Regeltechnik GmbH of TEUR 99 (prev.year TEUR -255) as well as the increases of Rotec technology GmbH amounting to TEUR 338 (prev.year TEUR 43).

22) Other Company Revenues

Other company revenues are as follows:

	Group (in €)	Group (in €)
	2011/2012	2012/2013
Other regular revenues	89.381	0
Reduction value correction	84.450	14.000
Release of accruals	151.707	534.378
Other revenues in line with ordinary business activity	839.465	681.092
TOTAL other company revenues	1.165.003	1.229.470

In general, other regular revenues are benefits to employees amounting to TEUR 82 (prev.year TEUR 88) as well as revenues recorded from exchange rate differences of TEUR 331 (prev.year TEUR 446).

23) Material Purchases

Material purchases amounting to TEUR 1.851 within the group were eliminated.

24) Personnel

Expenses for personnel (in €) are as follows:

	2011 /2012	2012 /2013
Salaries and wages	4.713.966	4.601.027
Social costs and contributions to retirement	906.794	801.215
TOTAL Costs Personnel	5.620.760	5.402.242

25) Depreciation

Depreciation in business year is as follows:

	G r o u p (in €) 2011/2012	G r o u p (in €) 2012/2013
Intangible assets	73.310	25.545
Tangible assets and low-value items	232.888	203.196
T O T A L depreciation	306.198	228.741

26) Other Company Costs and Expenses

Other company costs and expenses (in €) are as follows:

	Group 2011/2012	Group 2012/2013
Office rentals	574.533	568.744
Insurances, contributions	127.195	145.226
Repairs, maintenance	83.948	81.483
Vehicles	144.662	125.132
Advertising/ travel expenses	688.537	946.184
Expenses for delivery	321.517	266.211
Misc. company costs/expenses	961.573	900.151
Loss re: asset retirements	82.442	3.097
Loss UV and value corrections	131.670	19.453
Other expenses in line with Normal business	501.643	357.283
Total other company costs/expenses	3.617.721	3.412.965

The costs of “goods sold” include warranty reserves/provisions of TEUR 20 (prev.year TEUR 109).

As concerns “other expenses in line with ordinary business activities” there are differences in currency exchange rates amounting to TEUR 345 (prev.year TEUR 501)

which are calculated based on payments made during relevant business year.

27) Interest

Interest is recorded from interest returns of TEUR 57 (prev.year TEUR 128) as well as interest expenses of TEUR 6 (prev.year TEUR 4).

28) Taxes on Income and Revenue

The group's report record corporate income tax, social fee and trade income tax as well as income tax according to Swiss law of obligations taken into consideration the tax rates valid at balance day.

Tax on profit in the group is 27.5 % (prev.year 25.6%) and comprises incorporate and business/trade tax.

The tax figures are as follows (in TEUR):

	Group (in €) 2011/2012	Group (in €) 2012/2013
<u>Tax paid and/or owed</u>		
Germany	686	662
Switzerland	32	43
	718	705
<u>Deferred Tax</u>		
from time differences	46	-38
from loss revenues	2	0
	48	-38
Income Tax	766	667

FORTEC group's actual tax expense of TEUR 667 (prev.year TEUR 766) is TEUR 56 less than the theoretical tax expense resulting from an average tax rate to the group's result before tax.

Taken into consideration the theoretical expected tax expense compared to the actual tax expense recorded in the "consolidation income statement", the figures are as follows: (in TEUR):

	Group 2011 / 2012	Group 2012 / 2013
Tax result before profit	2.994	2.425
Income tax incl. trade tax	29,8%	29,8%
Expected income tax expense at equal tax burden	892	723
Raise/Reduction of income tax expense by:		
low tax expense foreign countries	-17	-21
Use of non-balanced losses	0	0
non deductible company expenses	9	6
tax-free income (amortisation profits)	-36	-1
tax payments prev. year	-55	0
Depreciation re: investments	-8	-31
Trade tax (add-ons / deductions)	0	0
other discrepancies	2	1
Effective tax rate percentage	-21	-21
	766	667
	25.6%	27.5%

(Notional profit tax rate is 29.8 % re: exclusive German subsidiaries).

29) Segmental Report

The company's range covers data visualisation and power supplies. Therefore, it is necessary to explain figures by report segments according to IFRS 8 as per 30th June 2013.

	Daten- visualisation	Power supplies	T O T A L
	TEuro	TEuro	TEuro
Turnover	18.563	25.977	44.540
<i>previous year</i>	19.494	28.297	47.791
Regular depreciation *	61	168	229
<i>previous year</i>	107	199	306
Company result (EBIT)	754	1.620	2.374
<i>previous year</i>	681	2.189	2.870
Financial result	18	33	51
<i>previous year</i>	62	62	124
Tax on profit *	217	450	667
<i>previous year</i>	184	582	766
Annual result	555	1.203	1.758
<i>previous year</i>	559	1.669	2.228
Assets *	10.281	15.845	26.126
national	9.433	13.319	22.752
<i>previous year</i>	10.594	13.593	24.187
international	848	2.526	3.374
<i>previous year</i>	926	2.628	3.554
Debts *	1.386	2.759	4.145
<i>previous year</i>	2.039	3.871	5.910
Investments *	67	121	188
<i>previous year</i>	62	149	211

* assessment after gross earning

The assessment (evaluation) principles and/or financial accounting principles for these segments conform to those of the company respectively the group.

The financial result consists of financial profit of TEUR 57 (prev.year TEUR 128) and financial expenses of TEUR 6 (prev.year TEUR 4). The issue of a segment report on the financial assets and expenses because of reasons of essence was omitted.

30) Currency Exchange Rates

A total of TEUR -64 (prev.year TEUR 7) of differences in exchange/conversion rate within the company capital is listed as follows:

Balance per 01.07.2011	1.135.052
Addition 2011/2012	7.197
Balance per 01.07.2012	1.142.249
Addition 2012/2013	-130.925
Balance per 30.06.2013	1.011.324

Mainly figures result from currency exchanges of goodwill and capital of Altrac AG at balance day. Income statement shows TEUR -14 (prev.year TEUR -55) as currency conversion differences.

31) Comments to “Consolidated Cash-Flow Statement”

The consolidated cash flow statement is issued according to the indirect method and separates into cash-flow operative business, investments and financial business.

Financial means (liquid) are cash-on-hand and bank accounts - details see no. 12. The financial means depend on no restrictions as to their disposition; at any time during BY, these financial means could be disposed of.

Cash flow operative business amounts to TEUR 213 (prev. year TEUR 2.802) and includes interest receipts of TEUR 57 (prev.year TEUR 128) and interest payments of TEUR 6 (prev.year TEUR 4).

Cash flow operative business also lists payments of income tax of TEUR 1.676 (prev.year TEUR 310).

32) Supervisory Board

Members of the supervisory board in BY are.

Michael Höfer (deputy board manager), Steingarden, Portfolio Manager
Werner Heyer (representative), Neunkirchen-Seelscheid, Engineer
Volker Gräbner (representative employees), Hamburg

In current fiscal year, the total revenues of the supervisory board members amount to TEUR 22.5 (prev. year TEUR 22.5).

Delegate board director Höfer is also member of the following committees:

Value-Holdings AG, Augsburg
Deutsche Fallen Angels AG, Gersthofen
Karwendelbach AG, Mittenwald

33) Business with other Persons

The board manager's wife, Mrs Maria Fischer is working as lawyer for the company and representing it in juridical cases as well as out of court. Mrs Fischer balances her accounts according to RVG. During BY 2012/13 TEUR 3 (prev.year TEUR 3) were paid to Mrs Fischer and recorded accordingly in balance sheet.

34) Benefits to Persons in Management Key-Positions

For the managing director of the national subsidiaries and the board manager of FORTEC AG as well as the administration board members of Altrac AG, Switzerland, expenses are as follows:

	2011/2012	2012/2013
	in TEUR	in TEUR
Short-term payments to employees	786	890
Expenses to be paid after termination of employees' contracts	0	0
other long-term liabilities	0	0
Expenses in line with termination of employees' contracts	0	0
Benefits based on share	0	0
	786	890

Total benefits for board members of FORTEC AG amount to TEUR 406, inclusive TEUR 61 for success-dependant payments.

An individual listing of the benefits to persons in key-positions of the management is not required according to the decision of the annual general meeting on 15.12.2011: detailed listing may be omitted as per § 314 Abs. 1 Nr. 6a) Satz 5 – 9HGB as well as § 285 S. 1 Nr. 9 a) Satz 5-9 HGB for the period of 5 years thereon (§314 Abs. 2 S. 2 i.V.m. § 286 Abs. 5 HGB)

35) Auditor's Fee

For services rendered for group's annual report by CAPMA GmbH auditing company, Koblenz, the following payments for BY 2012/2013 were made:

	2011/2012	2012/2013
	in TEUR	in TEUR
Audits of annual financial statement	55	52
General expenses tax consultant	0	0
other expenses	0	10
	55	62

The expenses for the annual audit include the fees for the group's annual report as well as those of FORTEC Elektronik AG and its national subsidiaries.

36) Miscellaneous

At balance day, there are group leasing obligations of only minor economic importance.

During BY FORTEC Elektronik AG employed an average of 38 persons (prev.year 39) including 2 temporary helps (prev.year 1). The group employs an average of 113 persons (prev.year 112).

For BY 2012/13 and at day of balance the board of managers are as follows:

Dieter Fischer	CEO and director of managers' board
Markus Bullinger	COO Data visualisation
Jörg Traum	COO Power supplies (distribution)

There were no changes between balance day of June 30, 2013 and the day when balance was published which need to be corrected as to any values or debts.

According to § 161 AktG, the board has made the required explanation to use the Corporate Governance Codex and reported to the auctioneers (via internet: www.fortecag.de) as per §285 No. 16 resp. 314(1) No. 8 HGB).

The board of managers suggests a dividend in the total amount of EUR 1,477.471,50 (prev. year EUR 1,477.471,50). Distribution right is given to a total of 2.954.943 shares of 0.50 EUR each.

In BY 2012/13 one announcements as per §15 a WpHG (reportable purchase of bonds) was published.

Company subject to report	Day of report	Voting right at deadline	Percentage of reporting/ announcement
TRM Beteiligungs Gesellschaft	31.08.2012	31,41%	3%, 5% 10%15%, 20%, 25%,30%,
Scherzer Co KG	09.11.2012 10.01.2013	3,05 % 5,07 %	3 % 5 %
Scherzer Co KG	26.02.2013	2,82 %	5 % 3 %
AK Industriebeteiligung GmbH	29.08.2012	0,00 %	15%, 10% 5% 3 %
TAK Vermögensmanagement GmbH.	23.07.2012	0,00 %	3 %
RMK Vermögensmanagement GmbH	23.07.2012	0,00 %	3 %
MBK Vermögensmanagement GmbH.	23.07.2012	0,00 %	3 %

During this BY, one ad-hoc announcement was published on 22.08.2012 (in English and German) with reference to a take-over statement of the managers' board.

The TRM Beteiligungsgesellschaft announced on 28.09.2012 with reference to an annoucmtn as per § 23 Abs. 1 S.1 No. 3 WpÜG that she has 32.17% of FORTEC shares after end of the take-over dead-line.

37) Release for Publication

The annual business statement was issued October 15, 2013 and released by the board of directors.

Landsberg, October 15, 2013

FORTEC Elektronik AG

Dieter Fischer
CEO

Markus Bullinger
board member

Jörg Traum
board member

Auditors' Report

Based on the group's final balancing I herewith state to have issued to the company the following confirmation as per IDW PS 400:

„Bestätigungsvermerk des Abschlussprüfers

Wir haben den von der FORTEC Elektronik AG aufgestellten Konzernabschluss - bestehend aus Bilanz, Gewinn- und Verlustrechnung, Eigenkapitalveränderungsrechnung, Kapitalflussrechnung und Anhang - sowie den Konzernlagebericht für das Geschäftsjahr vom 1. Juli 2012 bis 30. Juni 2013 geprüft. Die Aufstellung von Konzernabschluss und Konzernlagebericht nach den IFRS, wie sie in der EU anzuwenden sind, und den ergänzend nach § 315 a Abs.1 HGB anzuwendenden handelsrechtlichen Vorschriften liegt in der Verantwortung des Vorstandes der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Konzernabschluss und den Konzernlagebericht abzugeben. Ergänzend wurden wir beauftragt zu beurteilen, ob der Konzernabschluss auch den IFRS insgesamt entspricht.

Wir haben unsere Konzernabschlussprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, dass Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Konzernabschluss unter Beachtung der anzuwendenden Rechnungslegungsvorschriften und durch den Konzernlagebericht vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld des Konzerns sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben im Konzernabschluss und Konzernlagebericht überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfasst die Beurteilung der Jahresabschlüsse der in den Konzernabschluss einbezogenen Unternehmen, der Abgrenzung des Konsolidierungskreises, der angewandten Bilanzierungs- und Konsolidierungsgrundsätze und der wesentlichen Einschätzungen der gesetzlichen Vertreter sowie die Würdigung der Gesamtdarstellung des Konzernabschlusses und des Konzernlageberichts. Wir sind der Auffassung, dass unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet. Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Beurteilung auf Grund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Konzernabschluss den IFRS, wie sie in der EU anzuwenden sind, und den ergänzend nach § 315 a Abs. 1 HGB anzuwendenden handelsrechtlichen Vorschriften sowie den IFRS insgesamt und vermittelt unter Beachtung dieser Regelungen ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage des Konzerns. Der Konzernlagebericht steht im Einklang mit dem Konzernabschluss, vermittelt insgesamt ein zutreffendes Bild von der Lage des Konzerns und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar.“

Mannheim, 20. Oktober 2013

METROPOL AUDIT GmbH
Wirtschaftsprüfungsgesellschaft
Gertrud K. Deffner
WirtschaftsprüferIN