



# Geratherm®

*SOLUTIONS FOR A  
HEALTHY WORLD*

Quarterly Statement **Q1/2017**

# GERATHERM

## AT A GLANCE

Facts and Figures	January- March 2017	January- March 2016	Change %
<b>Sales revenues</b>	<b>6,189 kEUR</b>	<b>5,428 kEUR</b>	<b>14.0 %</b>
of which export share	5,098 kEUR	4,626 kEUR	10.2 %
Export ratio	82 %	85 %	-3.5 %
Gross result (EBITDA)	1,296 kEUR	724 kEUR	79.0 %
<b>EBITDA margin</b>	<b>20.9 %</b>	<b>13.3 %</b>	<b>57.1 %</b>
Amortisation and depreciation	-292 kEUR	-280 kEUR	4.2 %
<b>Operating result (EBIT)</b>	<b>1,004 kEUR</b>	<b>444 kEUR</b>	<b>&gt;100.0 %</b>
<b>EBIT margin</b>	<b>16.2 %</b>	<b>8.2 %</b>	<b>97.6 %</b>
Financial results	-114 kEUR	-93 kEUR	23.7 %
Result of ordinary activities	890 kEUR	351 kEUR	>100.0 %
<b>Net earnings of the parent company's shareholders in the period concerned</b>	<b>621 kEUR</b>	<b>237 kEUR</b>	<b>&gt;100.0 %</b>
Long-term assets	4,499 kEUR	5,043 kEUR	-10.8 %
Short-term assets	24,427 kEUR	24,926 kEUR	-2.0 %
Balance sheet total	28,926 kEUR	29,969 kEUR	-3.5 %
Equity capital	21,878 kEUR	22,174 kEUR	-1.3 %
Return on equity	11.4 %	4.3 %	>100.0 %
Equity ratio	75.6 %	74.0 %	2.2 %
Cash, cash equivalents and securities	12,331 kEUR	14,148 kEUR	-12.8 %
<b>Earnings per share according to IFRS (EPS)*</b>	<b>EUR 0.13</b>	<b>EUR 0.05</b>	<b>160.0 %</b>
<b>Earnings per share according to DVFA*</b>	<b>EUR 0.13</b>	<b>EUR 0.05</b>	<b>160.0 %</b>
Number of employees at end of period	198	194	2.1 %
Total shares issued	4,949,999	4,949,999	0.0 %
* based on total shares issued	4,949,999	4,949,999	0.0 %

## Business Performance from January 1 to March 31, 2017

- Sales revenues EUR 6.2 million +14.0 %
- Gross result for Q1 of the year (EBITDA) EUR 1.296 million +79.0 %
- Operating result (EBIT) EUR 1.004 million (2016: 444 kEUR)
- Results from ordinary activities 890 kEUR (2016: 351 kEUR)
- Earnings after taxes (EAT) 621 kEUR (2016: 237 kEUR)
- Earnings per share EUR 0.13 (2016: EUR 0.05)
- Eckenstein-Geigy-Stiftung, Basel, acquires 9.1 % of apoplex medical

### **Dear Shareholders and Parties Interested in Geratherm Medical,**

Geratherm Medical was able to report a strong business performance during the first quarter of 2017. The sales volume increased by +14.0 % compared to the same period last year. Profits exhibited a significantly stronger growth.

After having to offset a strong increase in costs over the course of the last year, including investments in new employees in almost all segments, we managed to generate an adequate performance on the basis of the increased capacities during the first quarter of 2017. The operating result was considerable higher than the level attained last year. The gross margin of the total operating revenue was 68.9 % (2016: 62.5 %).

The EBITDA margin increased to 20.9 % (2016: 13.3 %). The operating result (EBIT) was EUR 1.004 million during the first quarter of 2017 (2016: 444 kEUR). The financial result was -114 kEUR (2016: -93 kEUR). The result from ordinary business activities amounted to 890 kEUR (2016: 351 kEUR). The shareholders' result after taxes was 621 kEUR for the first quarter (2016: 237 kEUR) or EUR 0.13 per share (2016: EUR 0.05).

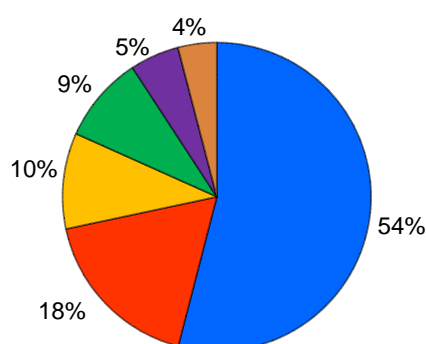
## Facts and figures (in kEUR)

	I/17	IV/16	III/16	II/16	I/16
Sales	6,189	5,059	5,023	5,899	5,428
EBITDA margin	20.9 %	19.6 %	12.1 %	23.5 %	13.3 %
EBIT	1,004	680	311	1,104	444
EPS (EUR)	0.13	0.18	0.07	0.15	0.05
Cash flow	1,290	656	600	1,184	756

## Sales development

Geratherm reported a considerable sales growth in all regions, except for the Middle East. The regions that exhibited the most dynamic development in sales during the first quarter were the USA (+57.1 %) and South America (+53.6 %). Sales on the important European market increased by +9.5 %. Even on the German market, we managed to record a significant increase in sales of +36.0 %. The sales in Other countries rose by +2.0 %. All in all, 82.4 % (2016: 85.2 %) of Geratherm products were exported.

## Sales by regions 01/01 - 31/03/2017

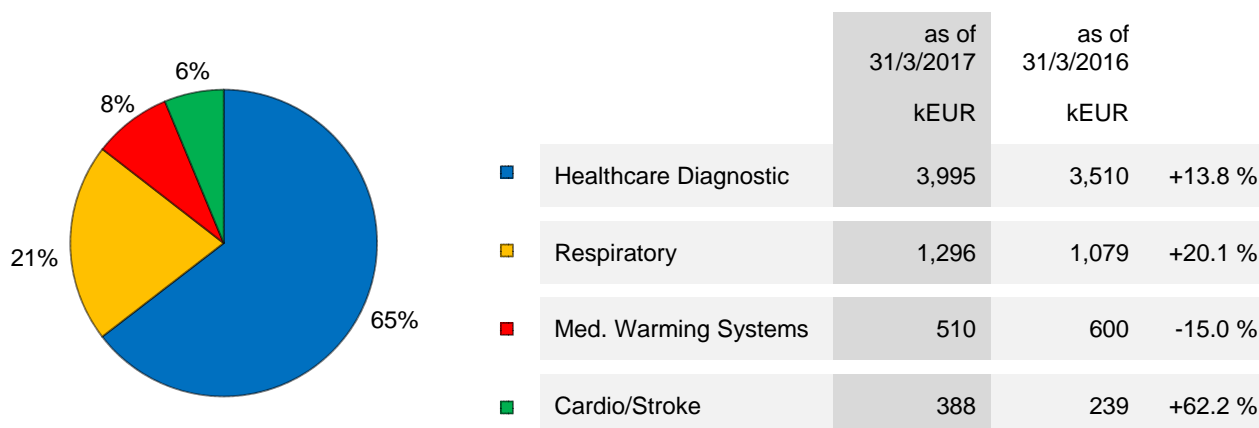


	as of 31/3/2017 kEUR	as of 31/3/2016 kEUR	
Europe	3,344	3,054	+9.5 %
Germany	1,091	802	+36.0 %
South America	622	405	+53.6 %
Other countries	562	551	+2.0 %
USA	319	203	+57.1 %
Middle East	251	413	-39.2 %

In particular, the growth in sales in the Cardio/Stroke and Respiratory segments, which reported an above-average sales trend, contributed to the considerable growth in sales.

The Healthcare Diagnostic segment, which primarily distributes clinical thermometers, blood pressure monitors and women's healthcare products internationally to pharmacies and drugstores, reported a +13.8 % jump in sales. We experienced a strong demand for our gallium-filling clinical thermometers (+21.2 %) and digital clinical thermometer (+17.0 %). The sales of blood pressure monitors increased by 6.7 %. The Healthcare Diagnostic segment accounted for 64.6 % of the overall sales generated by the Geratherm Group (2016: 64.7 %).

#### Sales by segments 01/01 - 31/03/2017



The Respiratory segment, in which we offer products for testing pulmonary function, also reported a healthy +20.1 % growth. The sales growth was supported by first-time sales on the Chinese market and a good sales performance on the South American market.

Segment sales in the Medical Warming Systems business unit was weaker again for the first three months and posted a 15.0 % drop. Besides Geratherm's good overall situation, this segment's development currently does not meet our expectations. That is due to the new regulatory requirements placed on Medical Warming Systems, which currently prevent the delivery of Geratherm's warming systems. The sales posted by LMT Lübeck, which were integrated in this segment, were not able to offset the decrease.

The Cardio/Stroke segment managed to continue its growth course, recording a 62.2 % increase. We are confident that the apoplex technology will be used in more than 100 clinics in Germany in a reasonable period. We will step up our international expansion efforts over the next two years. In this context, we are happy to announce that we were able to gain the Basel-based Eckenstein-Geigy-Stiftung as a new co-partner of apoplex medical on 13 April 2017. The Swiss Eckenstein-Geigy-Stiftung (foundation) assumed 9.1 % of the shares by way of a capital increase in the amount of EUR 2 million and shall noticeably expand the necessary network of contacts in addition to bolstering the company's capital.

### Earnings situation

The earnings level increased considerably during the first quarter. With an EBITDA margin of 20.9 % and an EBIT margin of 16.2 % we are currently well above our target margins. We assume that we will be able to maintain this level even over the next few months.

The gross margin of the overall performance amounted for the first three months to 68.9 % (2016: 62.5 %). The increasing sales posted by apoplex had a positive effect here, which due to the large software share has a relatively low material share and thus has a positive impact of the Group's gross profit margin.

The gross profit (EBITDA) was EUR 1.296 million (2016: 724 kEUR). The write-offs increased slightly to 292 kEUR (2016: 280 kEUR).

The operating result (EBIT) was EUR 1.004 million (2016: 444 kEUR). Of the financial result in the amount of -114 kEUR, the interest charges of the Geratherm do Brasil subsidiary accounted for 106 kEUR. The result from ordinary business activities for the first three months amounted to 890 kEUR (2016: 351 kEUR).

Income taxes amounted to 230 kEUR (2016: 108 kEUR). A surplus of 659 kEUR (2016: 243 kEUR) was reported as the consolidated earnings for the first three months.



The net result generated for shareholders of the parent company amounted to 621 kEUR (2016: 237 kEUR) for the first three months of the current business year. The result per share for the first quarter was EUR 0.13 (2016: EUR 0.05).

### **Net assets and financial situation**

Geratherm Medical enjoys a favourable asset situation. The balance sheet total of EUR 28.9 million is essentially formed by equity capital in the amount of EUR 21.9 million. The equity-to-assets ratio as of the reporting date was 75.6 % (2016: 74.0 %). The return on equity amounted to 11.4 % (2016: 4.3 %).

As of 31 March 2017 the company had cash, cash equivalents and securities in the amount of EUR 12.3 million (2016: EUR 14.1 million). Thus, the company has a healthy financial position, particularly in light of the planned growth in sales and possible acquisitions.

The long-term assets amounted to EUR 4.5 million (2016: EUR 4.8 million). Major shifts in the development of long-term assets were not noted. The short-term assets in the amount of EUR 24.4 million increased slightly by +3.3 %. Inventory volumes decreased by -3.1 %. The accounts receivable and other assets increased by +19.0 % to EUR 4.6 million in light of the higher sales. The cash and cash equivalents available as at 31 March 2017 amounted to EUR 8.9 million (2016: EUR 9.5 million).

The gross cash flow for the first three months amounted to EUR 1.290 million (2016: 756 kEUR). The cash flow from business operations was 9 kEUR (2016: 202 kEUR). The cash flow from investments amounted to -351 kEUR (2016: -954 kEUR).

### **Research and development**

Our research and development activities focused primarily on Warming Systems, Respiratory and apoplex.

## Staff

The Geratherm Group had a staff of 198 persons in total as of 31 March 2017 (2016: 194) with 177 employees in Germany.

## Outlook

We anticipate for the 2<sup>nd</sup> quarter that the Geratherm Group will continue to develop favourably. The new product areas push Geratherm to a new level of profitability and higher sales. The measures necessary for boosting productivity at the location in Thuringia have been taken.

This year's annual general meeting will take place on Tuesday, 6 June 2017, at 1:30 PM in the "Grandhotel Hessischer Hof", in Frankfurt am Main. We are looking forward to maintaining dialog with our shareholders.

Geschwenda, May 2017



Dr. Gert Frank  
Chief Executive Officer



## Consolidated profit and loss statement from 1 January 2017 to 31 March 2017

	January- March 2017 EUR	January- March 2016 EUR	Change
Sales revenues	6,188,707	5,427,913	14.0%
Change in inventory of finished products and work in process	-292,902	-5,660	>100.0%
Other capitalised own work	36,403	24,886	46.3%
Other operating income	128,253	200,774	-36.1%
	6,060,461	5,647,913	7.3%
Cost of materials			
Cost of raw materials, consumables and goods for resale	-1,614,436	-1,790,998	-9.9%
Costs of purchased services	-271,709	-326,164	-16.7%
	-1,886,145	-2,117,162	-10.9%
<b>Gross profit or loss</b>	<b>4,174,316</b>	<b>3,530,751</b>	<b>18.2%</b>
Personnel expenses			
Wages and salaries	-1,281,096	-1,188,989	7.7%
Social security, pension and other benefits	-292,377	-258,185	13.2%
	-1,573,473	-1,447,174	8.7%
Amortization of intangible assets and depreciation of tangible assets	-291,623	-279,916	4.2%
Other operating expenses	-1,305,383	-1,360,034	-4.0%
<b>Operating results</b>	<b>1,003,837</b>	<b>443,627</b>	<b>&gt;100.0%</b>
Dividend income	0	0	-
Income from securities trading	0	0	-
Amounts written off for securities	0	0	-
Securities-related expenses	-1,585	-1,639	-3.3%
Other interest and similar income	2,111	1,127	87.3%
Interests and similar expenses	-115,006	-92,043	24.9%
<b>Financial results</b>	<b>-114,480</b>	<b>-92,555</b>	<b>23.7%</b>
<b>Result of ordinary activities</b>	<b>889,357</b>	<b>351,072</b>	<b>&gt;100.0%</b>
Income taxes	-230,025	-108,218	>100.0%
<b>Consolidated profit for the year</b>	<b>659,332</b>	<b>242,854</b>	<b>&gt;100.0%</b>
Net earnings of non-controlling shareholders in the period concerned	38,494	6,223	>100.0%
<b>Net earnings of the parent company's shareholders in the period concerned</b>	<b>620,838</b>	<b>236,631</b>	<b>&gt;100.0%</b>
<b>Gross result (EBITDA) for the first quarter</b>	<b>1,295,460</b>	<b>723,543</b>	<b>79.0%</b>
<b>Earnings per share (undiluted)</b>	<b>0.13</b>	<b>0.05</b>	<b>&gt;100.0%</b>

## Consolidated balance sheet as of 31 March 2017

Assets	31 March 2017 EUR	31 December 2016 EUR	Change
<b>A. Long-term assets</b>			
<b>I. Intangible assets</b>			
1. Development costs	349,670	303,696	15.1%
2. Other intangible assets	210,439	246,343	-14.6%
3. Goodwill	75,750	75,750	0.0%
	635,859	625,789	1.6%
<b>II. Tangible assets</b>			
1. Land, land rights and buildings	1,183,973	1,202,108	-1.5%
2. Technical equipment and machinery	1,814,146	2,001,863	-9.4%
3. Other equipment, factory and office equipment	312,550	322,578	-3.1%
4. Construction in process	129,735	50,519	>100.0%
	3,440,404	3,577,068	-3.8%
<b>III. Other assets</b>	270,000	270,000	0.0%
<b>IV. Other long-term receivables</b>	152,869	275,659	-44.5%
<b>V. Deferred taxes</b>	0	0	-
	<b>4,499,132</b>	<b>4,748,516</b>	<b>-5.3%</b>
<b>B. Short-term assets</b>			
<b>I. Inventories</b>			
1. Raw materials and supplies	2,395,629	2,400,900	-0.2%
2. Unfinished goods	1,089,810	1,125,026	-3.1%
3. Finished goods and merchandise	4,033,922	4,234,564	-4.7%
	7,519,361	7,760,490	-3.1%
<b>II. Receivables and other assets</b>			
1. Trade receivables	4,090,303	3,288,213	24.4%
2. Tax receivables	147,288	161,560	-8.8%
3. Other assets	338,935	396,414	-14.5%
	4,576,526	3,846,187	19.0%
<b>III. Securities</b>	3,397,500	2,529,800	34.3%
<b>IV. Cash and cash equivalents</b>	8,933,023	9,517,644	-6.1%
	<b>24,426,410</b>	<b>23,654,121</b>	<b>3.3%</b>
	<b>28,925,542</b>	<b>28,402,637</b>	<b>1.8%</b>
<b>Equity and liabilities</b>			
<b>A. Equity capital</b>			
I. Subscribed capital	4,949,999	4,949,999	0.0%
II. Capital reserves	11,035,367	11,035,367	0.0%
III. Other reserves	6,568,284	5,275,788	24.5%
Assignable to the shareholders of the parent company	22,553,650	21,261,154	6.1%
Shareholders of minority interest	-675,621	-704,252	-4.1%
	<b>21,878,029</b>	<b>20,556,902</b>	<b>6.4%</b>
<b>B. Non-current liabilities</b>			
1. Liabilities to banks	1,067,481	1,051,766	1.5%
2. Accrued investment subsidies	343,620	365,745	-6.0%
3. Other long-term liabilities	977,337	1,051,829	-7.1%
	<b>2,388,438</b>	<b>2,469,340</b>	<b>-3.3%</b>
<b>C. Current debts</b>			
1. Liabilities to banks	1,228,907	1,375,182	-10.6%
2. Payments on accounts	245,605	337,245	-27.2%
3. Trade accounts payables	1,059,014	1,782,780	-40.6%
4. Tax liabilities	871,759	673,611	29.4%
5. Other short-term liabilities	1,201,118	1,154,905	4.0%
	<b>4,606,403</b>	<b>5,323,723</b>	<b>-13.5%</b>
<b>D. Deferred tax liabilities</b>	<b>52,672</b>	<b>52,672</b>	<b>0.0%</b>
	<b>28,925,542</b>	<b>28,402,637</b>	<b>1.8%</b>

## Consolidated statement of cash flows from 1 January to 31 March 2017

	January- March 2017 kEUR	January- March 2016 kEUR
Consolidated profit for the year	659	243
Other non-cash expenses	18	61
Dividend income	0	0
Interest earnings	-2	-1
Interest expenses	115	92
Decrease in deferred taxes	0	51
Income tax expenditure	230	57
Depreciation of fixed assets	292	280
Income from securities trading	0	0
Loss from securities trading	0	0
Amounts written off for securities	0	0
Amortisation of public grants and subsidies	-22	-27
Loss from disposal of fixed assets	0	0
<b>Gross cash flow</b>	<b>1,290</b>	<b>756</b>
Decrease/increase in inventories	241	-69
Increase in trade receivables and other assets	-608	-124
Decrease in current liabilities and other liabilities	-701	-100
Cash inflow from dividends	0	0
Cash inflow from interest	2	1
Cash outflow from interest	-115	-92
Cash outflow from taxes	-100	-170
<b>Cash flow from operations</b>	<b>9</b>	<b>202</b>
Cash outflow for investments in fixed assets	-165	-634
Cash inflow based on financial assets	0	0
Cash outflow based on financial assets	-186	-320
<b>Cash flow from investments</b>	<b>-351</b>	<b>-954</b>
Dividend payments	0	0
Cash inflow from taking out loan liabilities	60	73
Cash outflow for repayment of loan liabilities	-190	-133
De/increase in long-term liabilities	-74	10
<b>Cash flow from financing activities</b>	<b>-204</b>	<b>-50</b>
<b>Change in cash and cash equivalents</b>	<b>-546</b>	<b>-802</b>
<b>Cash and cash equivalents at beginning of fiscal year</b>	<b>9,518</b>	<b>9,683</b>
<b>Exchange rate difference</b>	<b>-39</b>	<b>-106</b>
<b>Cash and cash equivalents at end of fiscal year</b>	<b>8,933</b>	<b>8,775</b>

## Consolidated statement of change to the shareholders' equity as of 31 March 2017

	Subscribed capital	Capital reserve	Other reserves			Assignable to the shareholders of the parent company	Non-controlling interests	Equity capital
			Market assessment reserve	Currency conversion reserve	Accumulated earnings			
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
<b>As of 1 January 2016</b>	<b>4,949,999</b>	<b>11,035,367</b>	<b>865,252</b>	<b>116,856</b>	<b>5,540,983</b>	<b>22,508,457</b>	<b>-569,240</b>	<b>21,939,217</b>
Dividend paid to shareholders	0	0	0	0	0	0	0	0
<b>Transactions with shareholders and member partners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Consolidated earnings in period concerned	0	0	0	0	236,631	236,631	6,223	242,854
Unrealized profits and losses from revaluation of securities	0	0	37,435	0	0	37,435	0	37,435
Currency translation in the Group	0	0	0	-23,629	0	-23,629	-21,527	-45,156
<b>Total consolidated income</b>	<b>0</b>	<b>0</b>	<b>37,435</b>	<b>-23,629</b>	<b>236,631</b>	<b>250,437</b>	<b>-15,304</b>	<b>235,133</b>
<b>as of 31 March 2016</b>	<b>4,949,999</b>	<b>11,035,367</b>	<b>902,687</b>	<b>93,227</b>	<b>5,777,614</b>	<b>22,758,894</b>	<b>-584,544</b>	<b>22,174,350</b>
<b>as of 1 January 2017</b>	<b>4,949,999</b>	<b>11,035,367</b>	<b>52,504</b>	<b>-5,504</b>	<b>5,228,788</b>	<b>21,261,154</b>	<b>-704,252</b>	<b>20,556,902</b>
Dividend paid to shareholders	0	0	0	0	0	0	0	0
<b>Transactions with shareholders and member partners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Consolidated earnings in period concerned	0	0	0	0	620,838	620,838	38,494	659,332
Unrealized profits and losses from revaluation of securities	0	0	682,450	0	0	682,450	0	682,450
Currency translation in the Group	0	0	0	-10,792	0	-10,792	-9,863	-20,655
<b>Total consolidated income</b>	<b>0</b>	<b>0</b>	<b>682,450</b>	<b>-10,792</b>	<b>620,838</b>	<b>1,292,496</b>	<b>28,631</b>	<b>1,321,127</b>
<b>as of 31 March 2017</b>	<b>4,949,999</b>	<b>11,035,367</b>	<b>734,954</b>	<b>-16,296</b>	<b>5,849,626</b>	<b>22,553,650</b>	<b>-675,621</b>	<b>21,878,029</b>

## Consolidated statement of comprehensive income as per IFRS for the period from 1 January to 31 March 2017

	January - March 2017 EUR	January - March 2016 EUR
<b>Consolidated profit for the year</b>	<b>659,332</b>	<b>242,854</b>
Income and expenses directly recognised in equity, which are reclassified to profit or loss under specific conditions:		
Profits and losses from revaluation of securities	682,450	37,435
Difference resulting from currency translation	-20,655	-45,156
<b>Income and expenses directly included in equity capital</b>	<b>661,795</b>	<b>-7,721</b>
<b>Total consolidated income</b>	<b>1,321,127</b>	<b>235,133</b>
of which assignable to shareholders of minority interest	28,631	-15,304
of which assignable to shareholders of parent company	1,292,496	250,437

## Group segment report for the period from 1 January to 31 March 2017

Based on product groups	Healthcare Diagnostic Jan.-Mar. kEUR	Respiratory Jan.-Mar. kEUR	Medical Warming Systems Jan.-Mar. kEUR	Cardio/ Stroke Jan.-Mar. kEUR	Consolidation Jan.-Mar. kEUR	Reconciliation Jan.-Mar. kEUR	Total Jan.-Mar. kEUR
<b>2017</b>							
<b>Segment sales</b>	<b>4,537</b>	<b>1,152</b>	<b>562</b>	<b>388</b>	<b>-450</b>	<b>0</b>	<b>6,189</b>
<b>Operating results</b>	<b>850</b>	<b>16</b>	<b>-22</b>	<b>170</b>	<b>17</b>	<b>-27</b>	<b>1,004</b>
including:							
Amortisation of intangible assets and depreciation of tangible assets	223	13	29	12	-10	25	292
<b>Segment assets</b>	<b>10,695</b>	<b>1,733</b>	<b>3,074</b>	<b>1,070</b>	<b>0</b>	<b>12,354</b>	<b>28,926</b>
<b>Segment liabilities</b>	<b>5,587</b>	<b>282</b>	<b>600</b>	<b>526</b>	<b>0</b>	<b>0</b>	<b>6,995</b>

Based on product groups	Healthcare Diagnostic Jan.-Mar. kEUR	Respiratory Jan.-Mar. kEUR	Medical Warming Systems Jan.-Mar. kEUR	Cardio/ Stroke Jan.-Mar. kEUR	Consolidation Jan.-Mar. kEUR	Reconciliation Jan.-Mar. kEUR	Total Jan.-Mar. kEUR
<b>2016</b>							
<b>Segment sales</b>	<b>3,932</b>	<b>1,003</b>	<b>601</b>	<b>238</b>	<b>-346</b>	<b>0</b>	<b>5,428</b>
<b>Operating results</b>	<b>451</b>	<b>100</b>	<b>-138</b>	<b>33</b>	<b>-14</b>	<b>12</b>	<b>444</b>
including:							
Amortisation of intangible assets and depreciation of tangible assets	210	7	29	5	-5	34	280
<b>Segment assets</b>	<b>10,602</b>	<b>1,853</b>	<b>2,899</b>	<b>443</b>	<b>0</b>	<b>14,084</b>	<b>29,881</b>
<b>Segment debts</b>	<b>6,078</b>	<b>449</b>	<b>759</b>	<b>509</b>	<b>0</b>	<b>0</b>	<b>7,795</b>

By region	Europe	South America	Germany	Middle East	USA	Other	Total
2017	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR
<b>Sales revenues</b>	<b>3,344</b>	<b>658</b>	<b>1,505</b>	<b>251</b>	<b>319</b>	<b>562</b>	<b>6,639</b>
Elimination of intragroup sales	0	-36	-414	0	0	0	-450
<b>Sales revenues on third parties</b>	<b>3,344</b>	<b>622</b>	<b>1,091</b>	<b>251</b>	<b>319</b>	<b>562</b>	<b>6,189</b>
<b>Gross profit or loss</b>	<b>2,234</b>	<b>429</b>	<b>754</b>	<b>168</b>	<b>213</b>	<b>376</b>	<b>4,174</b>
<b>Operating results</b>	<b>553</b>	<b>76</b>	<b>187</b>	<b>42</b>	<b>53</b>	<b>93</b>	<b>1,004</b>
including:							
Amortisation of intangible assets and depreciation of tangible assets	172	3	58	13	17	29	292
Amortisation of public grants and subsidies	13	0	5	1	1	2	22
<b>Acquisition costs of fixed assets for the period</b>	<b>0</b>	<b>2</b>	<b>163</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>165</b>
<b>Segment assets</b>	<b>0</b>	<b>1,908</b>	<b>26,824</b>	<b>0</b>	<b>194</b>	<b>0</b>	<b>28,926</b>

By region	Europe	South America	Germany	Middle East	USA	Other	Total
2016	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR	Jan.-Mar. kEUR
<b>Sales revenues</b>	<b>3,054</b>	<b>406</b>	<b>1,148</b>	<b>413</b>	<b>203</b>	<b>551</b>	<b>5,775</b>
Elimination of intragroup sales	0	-1	-346	0	0	0	-347
<b>Sales revenues on third parties</b>	<b>3,054</b>	<b>405</b>	<b>802</b>	<b>413</b>	<b>203</b>	<b>551</b>	<b>5,428</b>
<b>Gross profit or loss</b>	<b>1,975</b>	<b>267</b>	<b>534</b>	<b>267</b>	<b>131</b>	<b>357</b>	<b>3,531</b>
<b>Operating results</b>	<b>238</b>	<b>50</b>	<b>65</b>	<b>32</b>	<b>16</b>	<b>43</b>	<b>444</b>
including:							
Amortisation and depreciation of fixed intangible and tangible assets	168	2	46	23	11	30	280
Amortisation of public grants and subsidies	17	0	4	2	1	3	27
<b>Acquisition costs of fixed assets for the period</b>	<b>0</b>	<b>3</b>	<b>406</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>409</b>
<b>Segment assets</b>	<b>0</b>	<b>1,521</b>	<b>28,292</b>	<b>0</b>	<b>68</b>	<b>0</b>	<b>29,881</b>

## Notes on Interim Consolidated Financial Statements for the Period from 1 January 2017 to 31 March 2017

### Accounting and Valuation Methods

The interim consolidated financial statements of Geratherm Medical AG were prepared for the three months of the 2017 business year in accordance with the rules of the International Financial Reporting Standards (IFRS) valid on the date of the financial statements and in consideration of the guidance provided by the International Financial Reporting Interpretations Committee (IFRIC), as is mandatory in the European Union.

The accounting, evaluation and consolidation principles were maintained, as shown in the Notes to Consolidated Financial Statements for 2016 Fiscal Year.

The valuation of assets and liabilities is based in part on estimates and/or assumptions about future developments. For instance, the statements on economic useful lives for long-term intangible and tangible assets are based on estimates and assumptions. In addition, the assessment of the recoverability of deferred taxation allocated to the losses carried forward, the long-term decline in value from the fair valuation of assets available for sale and the impairment tests of the cash-generating units and the assets is based on the corporate planning, which of course involves uncertainties such that the actual values may deviate from the made assumptions and estimates in individual cases. Estimates and the underlying assumptions are regularly checked and evaluated with regard to possible impact on accounting.

### Consolidated Group

No changes occurred in the consolidation group as at 31 March 2017:

Company	Share quota 31/3/2017	Share quota 31/12/2016
GME Rechte und Beteiligungen GmbH, Geschwenda, Deutschland	100.00 %	100.00 %
apoplex medical technologies GmbH, Pirmasens, Germany	58.76 %	58.76 %
Geratherm Respiratory GmbH, Bad Kissingen, Germany	65.27 %	65.27 %
Geratherm Medical do Brasil Ltda., Sao Paulo, Brazil	51.00 %	51.00 %
Sensor Systems GmbH, Steinbach Hallenberg, Germany	100.00 %	100.00 %
Capillary Solutions GmbH, Geschwenda, Germany	100.00 %	100.00 %
LMT Medical Systems GmbH, Lübeck, Germany <i>Subsidiary of LMT Lübeck</i> <i>LMT Medical Systems Inc., Ohio, USA</i>	66.67 %  100.00 %	66.67 %  100.00 %

### Equity capital

The development of the equity capital is shown in the consolidated statement of change to the shareholders' equity. The subscribed capital of Geratherm Medical AG amounts all in all to EUR 4,949,999 as at 31/3/2017 (2016: EUR 4,949,999) and is divided into 4,949,999 (2016: 4,949,999) share certificates issued to the bearers. The subscribed capital has been paid in full. As of the reporting date there were no own shares held by the company.



## COMPANY CALENDAR 2017

Annual general meeting in Frankfurt am Main,  
“Grandhotel Hessischer Hof”

6 June

Quarterly report Q1/2017

23 May ✓

Interim report on the first half of 2017

23 August

Quarterly report Q3/2017

23 November

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