Q1 2011

Report for the 1st Quarter 2011

Key figures

EUR million	01/01-03/31/2011	01/01-03/31/2010
Consolidated revenues	150.2	266.9
Earnings before interest, taxes, depreciation and amortization (EBITDA)	20.6	24.0
Earnings before interest and taxes (EBIT)	13.5	6.8
Consolidated profit	8.4	1.4
Free cash flow	2.1	-12.6
Earnings per share (diluted, EUR)	0.17	0.05

EUR million	03/31/2011	12/31/2010
Total assets	310.3	345.6
Shareholders' equity	42.1	35.0
Equity ratio (%)	13.6	10.1

Information on the Gigaset share

The Gigaset share	
WKN	515600
ISIN	DE0005156004
Stock market code	AQU
Reuters Xetra code	AQUG.DE
Bloomberg Xetra code	AQU GY
Stock type	No-par bearer shares
Share price indices	Prime Standard, TecDAX
Number of shares in issue on March 31, 2011	39,666,670
Capital stock on March 31, 2011	39,666,670
Closing price on March 31, 2011 (EUR)	4.23
52-week high (EUR)*	4.81
52-week low (EUR)*	0.90

* at the reporting date

The business model of Gigaset AG

The business model of Gigaset AG calls for the company to concentrate on the telecommunications industry and accessories. Gigaset AG is the parent company of Gigaset Communications GmbH and hence one of the world's leading manufacturers of cordless phones and market leader for DECT phones in Europe.

Focus on the core business of Gigaset Communications GmbH

Gigaset Communications GmbH is the European market, technology and price leader in DECT telephony. DECT stands for Digital Enhanced Cordless Telecommunications, the most successful telecommunications standard in the world. More than 100 million terminals are sold on the average every year. Gigaset enjoys a brand awareness level of over 90% in Germany, where it is a premium vendor with revenues of around EUR 500 million. The Company ranks second in the world in its industry, employing 1,600 people in over 70 countries. All of its proprietary products are manufactured in the highly automated Bocholt plant, which has won several awards.

The turnaround and the huge potential of the company had already become apparent in 2009. The ambitious annual targets published for both revenues and profits had even been exceeded by the end of fiscal 2010.

The aim is to continue this trend and growth moving forward by

- entering the business customer segment with the Gigaset pro brand,
- penetrating growth markets such as Russia, Poland and Turkey,
- rolling out innovative new products such as new user interfaces, operating concepts and new accessories
- entering into new partnerships, and
- making complementary acquisitions.

The necessary groundwork for making further acquisitions was completed when the shareholders approved a new authorized capital increase at the extraordinary shareholders' meeting on December 20, 2010. Continuing to implement the ongoing restructuring program and to apply strict cost control is intended to boost profitability.

Background

At the extraordinary shareholders' meeting on December 20, 2010, the shareholders of Gigaset AG voted by a large majority to reject the existing business model of ARQUES Industries AG as an equity investment company concentrating on the acquisition and restructuring of companies in situations of transition. This realignment was reflected by changing the company name to Gigaset AG and almost simultaneously relocating the head office of the holding company to the Gigaset facilities. The portfolio of subsidiaries was streamlined when the change of strategy was implemented, which made it possible to almost complete eliminate the financial liabilities across the corporate group.

Combined Management Report at March 31, 2011

General economic climate and industry environment

General economic climate

According to the International Monetary Fund (IMF), the indications of the global economy continuing to develop positively are good after the first quarter of 2011. For 2011 as a whole, the IMF is forecasting that global output will increase 4.5%. Whereas the established industrialized nations are likely to expand around 2.4% this year, the growth projection for emerging markets totals 6.5%.

The unequal pace of growth between industrialized nations and emerging markets is likely to persist for the time being. Output remains below capacity in the established economies. With a few exceptions, including Germany, unemployment is still high and is likely to remain so for some time to come. The housing market in the United States remains in the doldrums and the crisis has led to a worsening of the public finances in all industrialized nations, with the countries on the EU's periphery the worst affected. The IMF forecasts growth of 2.8% in the United States in 2011. For the euro area, the forecast is 1.8% and for the UK 1.7%. The projection for Japan has already been corrected downward by 0.2% since the start of the year and now stands at 1.4%.

By contrast, the crisis has not left any deeper marks in the emerging markets. Exports have recovered and sustained declines in international demand have been offset by greater domestic consumption. The IMF's forecast for growth in China in 2011 currently stands at 9.6%. Economic output in India is forecast to rise 8.2%, while Russia is expected to expand 4.8%.

Situation in the telecommunications industry

The market for cordless phones is traditionally stable. In 2010, the global market volume totaled around EUR 2.6 billion. The vast majority of the devices marketed by Gigaset Communications GmbH operate with the DECT standard (Digital Enhanced Cordless Telephony), which accounts for 81% of the global market. In Gigaset's core market of Europe, the market penetration for DECT amounts to almost 100%.

The global market for cordless phones is dominated by a few major players, one of which is Gigaset. Merely smaller, regional companies act as additional competitors in individual countries. Gigaset has firmly established itself as a vendor in the high margin, middle and high-end segment. The market for DECT cordless phones around the world is expected to expand in 2011.

GIGASET AG – Interim financial statements

Assets, financial position and earnings

The change of business model carried out last year to concentrate on the telecommunications industry again led to a further streamlining of the portfolio of subsidiaries in the first quarter. The corporate group disposed of the Carl Froh Group and the Oxxynova Group (all in the Other segment) during the first quarter. Furthermore, the SM Electronics Group was acquired with a view to reinforcing the core business and exploiting strategic synergy effects.

Besides the Gigaset Group, the corporate portfolio at the reporting date comprised the van Netten Group (Other segment), which is still held for sale, and the newly acquired SM Electronics Group. The clear success achieved in restructuring the company was apparent in both the core Gigaset segment and the other segments in terms of positive results in the first quarter.

1. Assets

The **total assets** of the Gigaset Group amounted to around EUR 310.3 million at March 31, 2011, which is approximately 10% less than at December 31, 2010. This can be attributed primarily to the further streamlining of the portfolio and the associated deconsolidations.

Non-current assets remained practically unchanged compared with December 31, 2010 at EUR 90.5 million. The non-current assets of the van Netten Group totaling EUR 12.5 million are classified as held for sale and shown separately.

Current assets totaled EUR 219.8 million, of which EUR 19.0 million relates to assets held for sale. Current assets account for 70.8% of total assets.

Total debt amounted to EUR 268.2 million, of which 85.0% are payable within one year. Following on from major deleveraging last year, total consolidated debt fell a further EUR 42.3 million in the first quarter.

Financial liabilities now total just EUR 3.5 million after EUR 4.7 million at December 31, 2010. They are all payable within one year.

The **shareholders' equity** of the Gigaset Group amounted to approximately EUR 42.1 million at March 31, 2011. This gives rise to an equity ratio of 13.6%, which is almost 3.5% higher than last year.

2. Financial position

Cash flow

EUR million	Q1 2011	Q1 2010
Cash flow from operating activities	2.9	-13.9
Cash flow from investing activities	-0.8	1.3
Free cash flow	2.1	-12.6
Cash flow from financing activities	-1.1	0.8

The Gigaset Group generated a **cash inflow** of EUR 2.9 million **from operating activities** in the first quarter of 2011 (compared with a net cash outflow of EUR 13.9 million in the equivalent period of last year). Above all the successful business activities of the core Gigaset segment had an impact on the cash inflow in the first quarter. The cash flow was depressed by non-recurring payments relating to personnel restructuring measures in Germany. The **net cash outflow from investing activities** amounted to EUR 0.8 million (Q1 2010: cash inflow of EUR 1.3 million). Alongside capital spending on non-current assets, this primarily reflects non-recurring effects arising from changes in the portfolio.

This means that the **free cash flow** amounted to a positive EUR 2.1 million compared with a negative EUR 12.6 million in the equivalent period last year.

The **net cash outflow from financing activities** amounted to EUR 1.1 million (Q1 2010: cash inflow of EUR 0.8 million) as a result of the repayment of current liabilities.

The cash and cash equivalents totaled around EUR 39.8 million at March 31, 2011 after EUR 36.6 million at December 31, 2010.

3. Earnings

Revenues

The Gigaset Group generated **revenues** of EUR 150.2 million in the quarter under review. EUR 31.6 million of the total is attributable to discontinued and deconsolidated operations. The revenues of the continuing operations stem almost exclusively from the core Gigaset segment and are subject to the habitual seasonal fluctuations in the consumer business. The first quarter of 2011 almost managed to match the unusually strong equivalent quarter last year.

The following table shows the breakdown of revenues:

Revenues in EUR million	Q1 2011	Q1 2010	Change
Europe	100.7	108.6	-7.3%
Americas	9.7	8.7	11.5%
Asia-Pacific / Middle East	8.2	8.0	2.5%
Total Gigaset	118.6	125.3	-5.3%
Holding	0.0	0.0	0.0%
Other	31.6	141.6	-77.7%
Continuing operations	118.6	125.3	-5.3%
Discontinued operations	31.6	141.6	-77.7%
Total	**150.2**	**266.9**	**-43.7%**

Other operating income amounted to EUR 16.5 million, which is EUR 4.5 million higher than in the equivalent period last year. The main items in this total are exchange rate gains of EUR 6.5 million and income of EUR 5.3 million from the reversal of provisions and write-downs and the derecognition of liabilities. Income from the reversal of negative goodwill totaled EUR 3.3 million.

The **cost of materials** (raw materials, supplies, merchandise and purchased services) amounted to EUR 80.5 million, which is almost half the total recorded at this point last year. The material usage rate has fallen from 58.0% to 53.6%.

Personnel expenses (wages, salaries, social security and pension expenses) totaled EUR 32.3 million, which is 46.0% below the figure of EUR 59.9 million reported for the equivalent period last year.

Other operating expenses amounted to EUR 36.6 million in the reporting period. This total notably includes general administration expenses, shipping and freight expenses, consulting and marketing expenses, rental expense and foreign exchange losses (EUR 5.9 million).

The **EBITDA** for the first quarter of 2011 totaled EUR 20.6 million, after EUR 24.0 million in 2010.

The following table shows the breakdown of EBITDA:

EBITDA in EUR million	Q1 2011	Q1 2010	Change
Europe	16.2	16.4	-1.2%
Americas	0.4	-0.2	300.0%
Asia-Pacific / Middle East	1.0	1.6	-37.5%
Total Gigaset	17.6	17.8	-1.1%
Holding	-0.9	-0.5	-80.0%
Other	3.9	6.7	-41.8%
Continuing operations	16.7	17.3	-3.5%
Discontinued operations	3.9	6.7	-41.8%
Total	**20.6**	**24.0**	**-14.2%**

Depreciation amounted to EUR 7.3 million, almost all of which relates to the continuing operations. **Impairments** reflect the write-ups of EUR 0.2 million required by the development of the discontinued operations in the first quarter of 2011. They relate exclusively to the discontinued operations.

The following table shows the breakdown of EBIT:

EBIT in EUR million	Q1 2011	Q1 2010	Change
Europe	8.9	7.5	18.7%
Americas	0.4	-0.2	300.0%
Asia-Pacific / Middle East	1.0	1.6	-37.5%
Total Gigaset	10.3	8.9	15.7%
Holding	-0.9	-0.5	-80.0%
Other	4.1	-1.5	373.3%
Continuing operations	9.4	8.3	213.3%
Discontinued operations	4.1	-1.5	173.3%
Total	**13.5**	**6.8**	**98.5%**

The **net financial expense** of EUR 1.6 million is EUR 0.6 million better than in the equivalent period last year. This results mainly from the strict reduction in debt by the Group.

The **consolidated net profit** for the year after minority interests totaled EUR 8.4 million after EUR 1.4 million in the equivalent period of 2010. This is a clear indication of the successful realignment of the corporate group.

This gives rise to **earnings per share** of EUR 0.21 (basic; Q1 2010: EUR 0.05) or EUR 0.17 (diluted; Q1 2010: EUR 0.05).

Group subsidiaries

Gigaset Communications GmbH

Underlying conditions

The first quarter of 2011 was characterized by countervailing trends in the market for cordless phones. Market growth in a series of countries in the core market of Europe, where Gigaset generates most of its revenues, was set against restrained purchasing patterns by customers in other countries. In terms of revenues, markets like Germany, Switzerland, Russia, Poland and Turkey expanded slightly in January and February, whereas other sales markets including France, Italy, Spain, the UK and the Netherlands shrank. As a classical producer of consumer electronics, Gigaset was not able to fully escape the general economic and market developments or the related effects on consumer demand.

Changed patterns of consumer behavior could be clearly observed in various countries around the world compared with the equivalent period last year. Restraint was evident in some markets served by Gigaset, such as the UK, southern Europe and the Middle East. The difficult underlying economic conditions were offset by consistent measures taken on the cost side by Gigaset Communications. With processes geared for sustainable profitability, the Company succeeded in countering the difficult prevailing conditions and protecting its high profit margins.

Whereas market prices declined somewhat in Europe year-on-year, Gigaset kept its prices stable. The European market leader maintained its premium position with a much higher average sales price than its competitors, while the prices charged by competitors fell again compared with the start of 2010.

Gigaset – the European market leader

The core company of the Group, Gigaset Communications GmbH, is renowned for future-looking products in the fixed-line telephony segment. Based in Munich and with its main production facility in Bocholt, Germany, the Company is one of the biggest manufacturers of cordless phones in the world and Europe's clear market leader for DECT telephones, holding down around one-third of the market (by revenues). DECT stands for Digital Enhanced Cordless Telephony, the most widespread and successful technical standard for cordless telephony in the world today. The Gigaset portfolio comprises fixed-line telephones, voice-over-IP models and also IP system telephones for professional use in small and medium-sized enterprises. The Company employs some 1,600 people and sells its products in around 70 countries around the world. The Company's main production facility is in Bocholt, Germany, where the Gigaset products are manufactured to the very highest quality and environmental standards.

Company situation, business developments

The core company of Gigaset AG sharply increased its profitability. A globally active company with the structures of a medium-sized enterprise, Gigaset Communications GmbH is in a good position to exploit the markets it serves. This consistent realignment resulted in the desired impact on earnings, which could be expanded at a high level during the reporting period. The EBIT amounted to around EUR 8.7 million, which is the same level as in the equivalent period of the extremely strong fiscal year in 2010. Gigaset expects strict cost management to continue yielding positive contributions to earnings.

Gigaset Communications has defended its leading position in the European market for cordless phones with a market share of around one-third. The Company's development in the first quarter of 2011 is characterized by a large improvement in performance with good quality margins. Gigaset succeeded in maintaining its profitability at the same level as in the equivalent period last year with a slight decline in revenues due to current market conditions. The results of the restructuring program that was initiated in 2010 were evident in the form of much lower personnel expenses.

The Company's premium strategy of selling high quality products "Made in Germany" at higher prices on the market yielded the desired success. The price differential over the competition has widened further: the average sales price for Gigaset products is more than ten euros above the average for the industry as a whole. If the Gigaset products are removed from the equation, the European market leader generates a price difference of a massive 35% over its competitors across its portfolio.

Driven by durable demand overall, Gigaset Communications exceeded the milestone of 150 million telephones manufactured in the main Bocholt plant in the first quarter of 2011. The ultra-modern, automated production facility, which has already been named "Factory of the Year" on several occasions, now boasts annual capacity of up to 16 million units. The Company has been able to constantly expand its market position on the back of the quality products manufactured in Germany: a Gigaset can be found in one home in every two in Germany and one in every four in Europe.

The market leader in the European DECT market for end customers, Gigaset Communications has expanded its strong position in the telecommunication sector and rolled out a product line for small and medium-sized enterprises (SMEs) in the first quarter. In launching a new product line called Gigaset pro, Gigaset Communications markets a portfolio that covers private customers, small offices and home offices (SOHOs) and now also the market for small and medium-sized enterprises. Thus the Company is now applying the many years of experience it has gained in the private customer segment for the benefit of customers in the promising growth market for professional IP telephone systems. Studies predict that this market segment will enjoy annual growth rates of up to 15% through 2014. Gigaset intends to turn this segment into a second pillar that will contribute a significant proportion of revenues in the future.

The warm welcome from business customers in various European countries just a few weeks after the launch is indicative of persistently strong interest in Gigaset pro. With its eye-catching stand at CeBIT, the world's biggest IT trade fair, in Hanover at the beginning of March, Gigaset also enhanced the springboard for marketing and distributing the new product line. Hundreds of sales partners have now registered interest in Gigaset pro in Germany alone.

All new products now appear in the new corporate product design, which underscores the Company's claim to premium quality in harmony with the new corporate identity of Gigaset Communications. The foundation for the brand identity is laid by a first-class portfolio featuring innovative technologies, authentic materials and a readily identifiable design – developed and produced in Germany to the very highest quality and environmental standards.

Outlook

The global market for cordless phones is experiencing slow growth in terms of volume (2% in 2010 2%, source: MZA). The main drivers are eastern Europe, South America and the Middle East. The US market is contracting. Gigaset has responded to this trend by strengthening its presence in Latin America in general and in Mexico in particular.

Competition in the core market of Europe is set to intensify. With price levels remaining stable overall, market consolidation is set to persist. Already today, the three biggest competitors, led by Gigaset, handle well over two-thirds of the overall market and have succeeded in expanding their respective shares to the detriment of "B" brands, low-cost brands and local vendors.

Gigaset as market leader has given itself an outstanding position in this marketplace and will leverage its strengths in its future product and offering strategy. As a premium brand, Gigaset can achieve much higher average sales prices than the competition and is exploiting this clear brand profile to force out "B" and cheap brands. In particular, the high quality of the products made in Germany and the logistical proximity to the core markets with short delivery times secure Gigaset clear advantages over its competitors, almost all of which manufacture their products outside of Europe.

Targeted growth is to be achieved by focusing heavily on innovation. While the technical developments from the Gigaset stable already represented a benchmark for the entire industry in the past, Gigaset is planning to unveil further new products in its core Cordless Voice business this year and next.

The innovations and new products are built around the proven Gigaset specialties of ecology, design and quality. A world exclusive was unveiled in April in the form of the Gigaset L410 Hands-free Clip that allows full freedom of movement while leaving the user's hands free while making a call. The roll-out of a further innovation in the premium segment is scheduled for late summer.

What are known as eco-functions are increasingly considered crucial purchase criteria in the market for cordless phones. Low radiation telephones now account for well over 50% of the European market. Gigaset is considered a pioneer in this technology and has equipped its complete portfolio with these eco-functions. The base station in new-generation Gigaset models shuts down transmission when it goes into standby mode.

With its clear commitment to the profitable core business involving voice products (cordless phones, voice-over-IP and fixed-line phones), Gigaset is pressing ahead with its activities in the segment covering professional applications for small and medium-sized enterprises. Building on strong growth rates for these activities involving IP telephone systems, Gigaset intends to turn this segment into a second pillar of its business. The Gigaset pro segment will contribute a significant proportion of revenues in the future.

When changing over the brand, Gigaset Communications will successively migrate the brand strategy from Siemens Gigaset to Gigaset in accordance with its multi-stage strategic plan. Gigaset will stop using the Siemens brand completely after September 30.

SM Electronic

Based in Stapelfeld near Hamburg, SM Electronic is a fast-growing company that distributes satellite and antenna receivers (digital TV) under the Skymaster brand as well as electronic accessories for audio, video, telecommunications, home entertainment and multimedia applications.

Alongside the established Skymaster brand that has been sold by specialist retailers, supermarkets and home-improvement stores for 20 years, the company also develops and distributes TV receivers and multimedia and telecommunications accessories. In Germany, SM Electronic performs product development, design and software programming as well as quality management. Quality and timely delivery are ensured by the company's own office in Hong Kong.

Industry analysis

According to the European Information Technology Observation industry association (EITO), the revenues generated by consumer electronics products (CE) grew year-on-year. According to BITKOM, the German market for digital consumer electronics will perform very well by European standards in 2011.

Company situation, business development and development measures

Despite the success of initial restructuring measures, SM Electronic failed to reduce its losses year-on-year. Revenues were less than last year after streamlining the product portfolio, terminating loss-making customer contracts and taking account of the economic situation. The company is undergoing a period of restructuring and implementing aimed at producing a sustainable, profitable increase in revenues while simultaneously reducing operating costs and revealing further synergy effects.

Outlook

With its access to Asian suppliers and its facilities in Hamburg and Asia, SM Electronic provides huge strategic synergy potential for Gigaset Communications. Its outstanding access to the Asian market makes SM Electronic the ideal complement to the logistics and procurement network of Gigaset Communications.

SM Electronic's facility in Hamburg in particular opens up a new strategic dimension in supply chain management for Gigaset Communications. SM Electronic expects to be able to leverage the synergy effects in full in 2011. Besides tapping the Asian market for Gigaset Communications and providing shared access to the Hong Kong office, two other important points are key for future collaboration between the two companies: Joining up Skymaster and Gigaset will enable common point-of-sale marketing teams to be deployed for both companies, allowing product presentation to be better coordinated and optimized in retail outlets.

In completing the acquisition, moreover, Gigaset AG is bringing together under a single roof the excellent department for research, product design and development at Gigaset Communications GmbH and the established brands in the field of telecommunications with over 20 years of experience boasted by SM Electronic in the field of multimedia. Gigaset AG is gaining a powerful center of competence for wireless and multimedia technology with expertise that is perfectly geared to the future growth segments in the telecommunications and multimedia market.

van Netten

van Netten is a manufacturer of innovative, high-quality candies. Its principal customers are various retail companies in Germany and abroad. All products are manufactured at the production plant in Dortmund.

van Netten will almost certainly be sold during the second quarter of 2011.

Report on opportunities and risks

The future performance of the Gigaset Group and its subsidiaries is subject to entrepreneurial opportunities and risks. The company's risk policy consists in leveraging available opportunities and using appropriate instruments to limit the associated risk.

The opportunities and risk profile of Gigaset has not changed from the situation discussed in the Combined Management Report for 2010. Please refer to the 2010 Annual Report of Gigaset AG for more detailed information on the opportunities and risks of the Gigaset business model, Gigaset AG, the Gigaset Group companies and economic and market –related opportunities and risks.

Significant events after the reporting date

No significant events occurred after the reporting date.

Outlook for the Gigaset Group

Expected revenues and earnings: operating profit targeted for 2011

Given the operating performance of our subsidiaries to date, we expect to record an EBITDA of at least EUR 57 million in fiscal 2011.

Expected development of financial position, investments and liquidity

The Gigaset Group is largely free of financial liabilities. Investments can be funded using internal resources. We expect to generate a positive free cash flow over the year as whole.

Overall view of the Executive Board regarding the likely development of the company

The Executive Board of Gigaset AG shares the view of the economic experts that the global economy will continue to perform strongly. This will make it possible for us to tangibly increase our earnings and also improve the quality of our balance sheet. On this basis, the Executive Board assumes that the consolidated net income will develop well in 2011. The Executive Board expects the path of profitable growth to continue through 2011 and beyond.

Munich, May 9, 2011

Gigaset AG

The Executive Board

Consolidated Financial Statements at March 31, 2011

Consolidated Income Statement for the period from January 1 to March 31, 2011

EUR'000
Revenues
Change in inventories of finished and unfinished goods
Other internal production capitalized
Other operating income
Purchased goods and services
Personnel expenses
Other operating expenses
EBITDA
Depreciation and amortization
Impairment losses
EBIT
Income/expenses from non-current financial assets accounted for by the equity method
Other interest and similar income
Interest and similar expenses
Net financial expenses
Income from ordinary activities
Income taxes
Consolidated profit for the year
Share of consolidated profit attributable to non-controlling interests
Share of consolidated profit attributable to shareholders of Gigaset AG
Earnings per common share
- Basic earnings per share, in EUR
- Diluted earnings per share, in EUR

Statement of Comprehensive Income for the Period from January 1 to March 31, 2011

EUR'000
Consolidated profit for the year
Currency translation differences
Total changes not recognized in the income statement
Total comprehensive income and expenses
thereof attributable to non-controlling interests
thereof attributable to shareholders of Gigaset AG

	01/01 – 03/31/2011 Continuing operations	Discontinued operations	Total	01/01 – 03/31/2010 Continuing operations	Discontinued operations	Total
	118,610	31,566	150,176	125,319	141,582	266,901
	572	-1,224	-652	818	4,257	5,075
	4,019	0	4,019	4,978	130	5,108
	13,181	3,367	16,548	8,107	3,892	11,999
	-58,774	-21,731	-80,505	-62,288	-95,139	-157,427
	-28,571	-3,757	-32,328	-32,836	-27,022	-59,858
	-32,352	-4,280	-36,632	-26,732	-21,027	-47,759
	16,685	**3,941**	**20,626**	**17,366**	**6,673**	**24,039**
	-7,340	-1	-7,341	-8,989	-5,285	-14,274
	0	184	184	0	-2,918	-2,918
	9,345	**4,124**	**13,469**	**8,377**	**-1,530**	**6,847**
	0	0	0	0	114	114
	70	5	75	390	29	419
	-1,600	-117	-1,717	-1,685	-1,052	-2,737
	-1,530	**-112**	**-1,642**	**-1,295**	**-909**	**-2,204**
	7,815	4,012	11,827	7,082	-2,439	4,643
	-3,236	-8	-3,244	-2,745	-866	-3,611
	4,579	**4,004**	**8,583**	**4,337**	**-3,305**	**1,032**
	0	142	142	-7	-370	-377
	4,579	3,862	8,441	4,344	-2,935	1,409
	0.11	0.10	0.21	0.16	-0.11	0.05
	0.10	0.07	0.17	0.16	-0.11	0.05

	01/01 – 03/31/2011 Continuing operations	Discontinued operations	Total	01/01 – 03/31/2010 Continuing operations	Discontinued operations	Total
	4,579	**4,004**	**8,583**	**4,337**	**-3,305**	**1,032**
	-1,269	0	-1,269	544	9	553
	-1,269	**0**	**-1,269**	**544**	**9**	**553**
	3,310	**4,004**	**7,314**	**4,881**	**-3,296**	**1,585**
	0	142	142	-7	-370	-377
	3,310	**3,862**	**7,172**	**4,888**	**-2,926**	**1,962**

Consolidated Statement of Financial Position at March 31, 2011

EUR'000	03/31/2011	12/31/2010
ASSETS		
Non-current assets		
Intangible assets	38,738	38,322
Property, plant and equipment	47,578	48,680
Deferred tax assets	4,185	3,985
Total non-current assets	90,501	90,987
Current assets		
Inventories	40,253	36,498
Trade receivables	78,253	83,355
Other assets	41,693	33,631
Current tax assets	792	1,495
Cash and cash equivalents	39,775	36,608
	200,766	191,587
Non-current assets held for sale	19,029	62,989
Total current assets	219,795	254,576
Total assets	**310,296**	**345,563**

Consolidated Statement of Financial Position at March 31, 2011

EUR'000	03/31/2011	12/31/2010
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	39,667	39,629
Additional paid-in capital	74,713	74,606
Retained earnings	20,290	20,290
Accumulated other comprehensive income	-92,404	-99,580
	42,266	34,945
Non-controlling interests	-173	95
Total equity	42,093	35,040
Non-current liabilities		
Convertible bonds	0	23,092
Pension obligations	8,785	8,188
Provisions	5,890	10,439
Liabilities under finance leases	0	8
Other liabilities	9,090	10,120
Deferred tax liabilities	16,580	14,142
Total non-current liabilities	40,345	65,989
Current liabilities		
Convertible bonds	23,711	0
Provisions	39,002	37,147
Financial liabilities	3,497	4,726
Liabilities under finance leases	47	50
Trade payables	91,824	89,798
Current tax liabilities	4,719	3,268
Other liabilities	48,609	45,072
	211,409	180,061
Liabilities related to assets held for sale	16,449	64,473
Total current liabilities	227,858	244,534
Total equity and liabilities	**310,296**	**345,563**

Consolidated Statement of Changes in Equity at March 31, 2011

EUR'000	
	January 1, 2010
1	Appropriation to retained earnings
2	Withdrawal from additional paid-in capital
3	Stock Option Plan
4	Changes in non-controlling interests
5	Other changes
6	Total transactions with shareholders
7	Consolidated profit Q1 2010
8	Non-controlling interests
9	Consolidated profit after non-controlling interests
10	Currency translation differences
11	Total changes not recognized in the income statement
12	Total net income (9+11)
13	Treasury shares
	March 31, 2010
	January 1, 2011
1	Appropriation to retained earnings
2	Withdrawal from additional paid-in capital
3	Stock option program
4	Changes in non-controlling interests
5	Other changes
6	Total transactions with shareholders
7	Consolidated profit Q1 2011
8	Non-controlling interests
9	Consolidated profit after non-controlling interests
10	Currency translation differences
11	Total changes not recognized in the income statement
12	Total net income (9+11)
13	Treasury shares
	March 31, 2011

	Subscribed capital	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income	Adjustment items for non-controlling interests	Consolidated equity
	26,402	**73,580**	**20,290**	**-1,920**	**3,109**	**121,461**
	0	**0**	**0**	**0**	**0**	**0**
	0	**0**	**0**	**0**	**0**	**0**
	0	0	0	11	0	11
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	**0**	**0**	**11**	**0**	**11**
	0	0	0	1,409	0	1,409
	0	0	0	0	-377	-377
	0	0	0	1,409	-377	-377
	0	0	0	553	0	553
	0	0	0	553	0	553
	0	**0**	**0**	**1,962**	**-377**	**1,585**
	0	**0**	**0**	**0**	**0**	**0**
	26,402	**73,580**	**20,290**	**53**	**2,732**	**123,057**
	39,629	**74,606**	**20,290**	**-99,580**	**95**	**35,040**
	0	**0**	**0**	**0**	**0**	**0**
	0	**0**	**0**	**0**	**0**	**0**
	0	0	0	4	0	4
	0	0	0	0	-410	-410
	0	0	0	0	0	0
	0	**0**	**0**	**4**	**-410**	**-406**
	0	0	0	8,441	0	8,441
	0	0	0	0	142	142
	0	0	0	8,441	142	8,583
	0	0	0	-1,269	0	-1,269
	0	0	0	-1,269	0	-1,269
	0	**0**	**0**	**7,172**	**142**	**7,314**
	38	**107**	**0**	**0**	**0**	**145**
	39,667	**74,713**	**20,290**	**-92,404**	**-173**	**42,093**

Consolidated Cash Flow Statement for the Period from January 1 to March 31, 2011

EUR'000	01/01 - 03/31/2011	01/01 - 03/31/2010
Earnings before taxes (EBT)	**11,827**	**4,643**
Reversal of negative goodwill	-3,326	0
Depreciation and amortization of property, plant and equipment and intangible assets	7,341	14,274
Impairment losses	-184	2,918
Increase (+)/decrease (-) in pension provisions	597	528
Gain (-)/loss (+) on the sale of non-current assets	-1	12
Gain (-)/loss (+) on deconsolidation	-2,580	0
Gain (-)/loss (+) on currency translation	-623	820
Issuance of stock options	4	11
At-equity valuation result	0	-114
Other non-cash income and expenses	-4,019	-5,127
Net interest income	1,642	2,318
Interest received	31	5
Interest paid	-225	-646
Income taxes paid	-212	-107
Increase (-)/ decrease (+) in inventories	13	-11,572
Increase (-)/ decrease (+) in trade receivables and other receivables	12,993	-27,193
Increase (+)/ decrease (-) in trade payables, other liabilities and other provisions	-17,734	3,836
Increase (+)/ decrease (-) in other balance sheet items	-2,650	1,460
Cash inflow (+)/ outflow (-) from operating activities (net cash flow)	**2,894**	**-13,934**
Payments for shares in companies	-650	0
Cash acquired with the acquisition of shares in companies	1,617	0
Cash transferred with the sale of shares in companies	-911	0
Proceeds from the sale of non-current assets	1	4,613
Payments for investments in non-current assets	-812	-3,284
Cash inflow (+)/ outflow (-) from investing activities	**-755**	**1,329**

EUR'000	01/01 - 03/31/2011	01/01 - 03/31/2010
Free cash flow	**2,139**	**-12,605**
Cash flows from the borrowing (+)/ repayment (-) of current financial liabilities	-1,275	1,283
Repayment of non-current financial liabilities	0	-220
Payments related to liabilities under finance leases	-11	-245
Sale of treasury shares	145	0
Cash inflow (+)/ outflow (-) from financing activities	**-1,141**	**818**
Net funds at beginning of period	30,448	62,229
Changes due to exchange rate differences	661	-1,140
Net funds at beginning of period, measured at prior-year exchange rate	29,787	63,369
Increase (-)/ decrease (+) in restricted cash	916	4,149
Change in cash and cash equivalents	998	-11,787
Net funds at end of period	**32,362**	**54,591**
Restricted cash	8,044	9,980
Cash and cash equivalents	**40,406**	**64,571**
Cash presented within the balance sheet item of „assets held for sale"	631	4,040
Cash and cash equivalents presented in the balance sheet	**39,775**	**60,531**

Notes to the Interim Financial Statements at March 31, 2011

General information on accounting and valuation methods

The consolidated financial statements of Gigaset AG at March 31, 2011, and the prior-year figures presented have been prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted and published by the International Accounting Standards Board (IASB) and the interpretations of the Standard Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC), as applicable in the EU, as well as the IFRS as a whole. Accordingly, the present unaudited interim financial report at March 31, 2011, which was not subjected to any review, was prepared in accordance with IAS 34. All the standards in effect and applicable up to March 31, 2011, have been observed. They help to provide a true and fair view of the financial position, liquidity, and financial performance of the Gigaset Group.

The explanations in the Notes to the 2010 Consolidated Financial Statements apply accordingly, particularly with regard to the significant accounting policies.

In addition, application of the following standards and interpretations revised and newly issued by the IASB was obligatory starting from fiscal 2011:

- Amendment to IFRS 1 (First-time Adoption of International Financial Reporting Standards)
- Amendment to IAS 24 (Related Party Disclosures)
- Amendment to IAS 32 (Financial Instruments: Presentation)
- Amendment to IFRIC 14 (IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction)
- Amendment to IFRIC 19 (Extinguishing Financial Liabilities with Equity Instruments)
- Collective Standard „Improvements to IFRS" (2010)

The amendment of IFRS 1 in the course of amending IFRS 7 exempts first-time adopters of IFRS from specific disclosures in the Notes that were introduced in IFRS 7. The amendment of IFRS 1 now also allows companies adopting IFRS for the first time to take advantage of the exemption from providing comparative figures for fair value measurements and for liquidity risk. IFRS 7 provides for these exemptions in cases in which the comparison periods end prior to December 31, 2009. This ensures that first-time adopters of IFRS will also benefit from the transitional rules for the application of the amended IFRS 7. The amendments to IFRS 1 and IFRS 7 are to be applied no later than at the beginning of the first fiscal year commencing after June 30, 2010. The amendments had no effect on the consolidated financial statements.

The amendments to IAS 24 were published in November 2009. The amendments for government-related entities did not result in any effects on the presentation of the financial information. Furthermore, the amendment to IAS 24 clarified the definition of a related company or related person. The amended standard enters into force for reporting periods beginning on or after January 1, 2011. Earlier application is permitted. The amendments had no effect on the consolidated financial statements.

Amendments to IAS 32 "Financial Instruments: Presentation" The amendments regulate the accounting at the issuer of preemptive rights, options, and warrants for the acquisition of a fixed number of equity instruments that are denominated in a different currency than the issuer's functional currency. In the past, such cases were carried as derivative liabilities. Such preemptive rights, which are issued proportionally to the existing shareholders of a company at a fixed currency amount, must be classified as equity. The currency that the exercise price is stated in is irrelevant. The amendments had no effect on the consolidated financial statements.

Amendment of IFRIC 14: "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". The amendment of IFRIC 14 is relevant in those rare cases in which a company is subject to minimum funding requirements and makes advance contribution payments in order to comply with these minimum funding requirements. The amendment permits companies to recognize the advantage from such an advance payment as an asset in these cases. Application of the amendments was first obligatory for fiscal years starting on or after January 1, 2011. The amendments had no effect on the consolidated financial statements.

IFRIC 19: "Extinguishing Financial Liabilities with Equity Instruments" IFRIC 19 explains the requirements of IFRS when a company partially or completely repays a financial liability by issuing shares or other equity instruments. The interpretation clarifies the fact that the equity instruments issued to a creditor to extinguish a financial liability are components of the "remuneration paid" within the meaning of IAS 39.41 and that the corresponding equity instruments must fundamentally be carried at fair value. If this fair value cannot be reliably determined, the equity instruments must be carried at the fair value of the repaid obligation and the difference between the carrying amount of the financial liability to be derecognized and the initial valuation rate of the issued equity instruments must be recorded in the income statement. Application of this interpretation was first obligatory for fiscal years starting on or after July 1, 2010. This interpretation does not apply in the Gigaset Group because no relevant circumstances exist.

The IASB publishes improvements to existing standards annually. These are generally minor changes. The Gigaset Group applied the amendments at January 1, 2011 (2010 improvement project). This did not result in any effects on the financial position, liquidity, or financial performance and the presentation of the financial information.

The obligatory application of amendments to standards or interpretations resulted in no significant effect on the financial position, liquidity, and financial performance of the Gigaset Group.

Application of the following revised and newly issued standards and interpretations already adopted by the IASB was not yet mandatory in fiscal 2010:

		Application mandatory from	Adopted by EU Commission
Standards			
IFRS 1	Strong hyperinflation and withdrawal of fixed times of initial application for first-time IFRS appliers	7/1/2011	No
IFRS 7	Disclosures - Transfer of financial assets	7/1/2011	No
IFRS 9	Financial instruments: Classification and impairment of financial assets	1/1/2013	No
IAS 12	Deferred taxes: Realization of underlying assets	1/1/2012	No
Interpretations			
-			

The effects of the first-time application of these revised or newly issued Standards and Interpretations cannot be reliably estimated at the present time.

1. Discontinued operations

In accordance with IFRS 5, non-current assets and disposal groups are presented separately in the statement of financial position as "held for sale" if they could be sold in their current condition and the sale is highly probable. Assets classified as "held for sale" are measured at fair value less costs to sell, if that amount is less than the carrying amount. Based on this classification, liabilities that are directly related to such assets are presented separately in the statement of financial position as liabilities "held for sale." A discontinued operation is a component of a company that has been disposed of or is classified as held for sale. The Carl Froh Group, the Oxxynova Group, the van Netten Group, and the discontinued operation "Home Media" are carried under the discontinued operations.

At December 31, 2010, the van Netten Group ("Other" segment) was classified as a discontinued operation due to its planned sale. Since the sale of the group had not yet been completed at March 31, 2011, the classification as a discontinued operation will be continued, and the assets and liabilities will be disclosed accordingly. The companies of the Carl Froh Group ("Other" segment) and the Oxxynova Group ("Other" segment) that were likewise included in this item were sold in the first quarter.

The assets and liabilities of the van Netten Group ("Other" segment) are disclosed in the statement of financial position at March 31, 2011 as held for sale and carried at the lower of carrying amount and fair value less costs to sell.

The income from the companies classified as discontinued operations are carried in the consolidated income statement under discontinued operations in all of the reporting timeframes presented.

The assets and liabilities of the discontinued operations at March 31, 2011 are presented in the table below:

EUR'000	Amount before reversal of impairment	Reversal of impairment as per IFRS 5	Amount after reversal of impairment
Assets			
Intangible assets	125	2	127
Property, plant and equipment	9,377	182	9,559
Deferred tax assets	2,820	0	2,820
Inventories	3,682	0	3,682
Current receivables and other assets	2,210	0	2,210
Cash and cash equivalents	631	0	631
Total	**18,845**	**184**	**19,029**
Liabilities			
Interest-bearing liabilities	7,221	0	7,221
Provisions	548	0	548
Other liabilities	5,860	0	5,860
Deferred tax liabilities	2,820	0	2,820
Total	**16,449**	**0**	**16,449**

As of December 31, 2010, the van Netten-Group was accounted for at the lower of fair value less cost to sell and carrying value in accordance with IFRS 5. This gave rise to the recognition of a impairment at December 31, 2010 to meet the lower fair value less cost to sell. At March 31, 2011, the fair value less cost to sell increased by EUR 184 thousand. In accordance with IFRS 5, this amount was recognised as a reversal of the prior impairment at March 31, 2011.

The cash and cash equivalents attributable to the discontinued operations are presented in the table below:

EUR'000	01/01 – 03/31/ 2011	01/01 – 03/31/ 2010
Cash inflow (+)/ outflow (-) from operating activities	250	-4,976
Cash inflow (+)/ outflow (-) from investing activities	-1,121	2,839
Cash inflow (+)/ outflow (-) from financing activities	-639	-902
Change in cash and cash equivalents	**-1,510**	**-3,039**

2. Changes in consolidation group

Notes on company purchases

In February 2011, Gigaset took over the shares in the SM Electronic Group held by management. With the shares already held by Gigaset, the Group now holds 100% of the shares in SME Holding GmbH, 100% of the shares in SM Electronic GmbH and their wholly-owned subsidiaries Skymaster Electronic HK Limited and Emanon GmbH.

On February 3, 2011, the companies were included in the consolidated financial statements of Gigaset AG and assigned to the "Gigaset" segment.

Their inclusion in the consolidated financial statements occurred based on preliminary accounting. Since allocation of the purchase price is time-consuming, the best available information at the time the statements were prepared was used.

The purchase price for the acquisition of SM Electronics Group was EUR 650 thousand, of which EUR 648 thousand is allocated to the acceptance of owner loans. In addition to the company shares, Gigaset also accepts the owner loans from the management with a nominal amount of about EUR 1,551 thousand. These payment flows and the acquired assets and liabilities, along with the recognition of already existing loan claims result in a negative difference from capital consolidation in the amount of EUR 3,326 thousand, which was collected with an effect on net income and recognized in the income statement under other operating income.

The earnings of SM Electronics Group from the acquisition date through March 31, 2011, amounted to EUR -1,788 thousand. This already includes the material startup and takeover losses as well as losses from restructuring. This does not include the other operating income arising from writing off the negative difference from capital consolidation. The operating revenues of SM Electronics Group from January 1, 2011, through the acquisition date were EUR 2,656 thousand, while the total revenue in the first quarter of 2011 was EUR 6,246 thousand. The contribution to the result from January 1, 2011, through the acquisition date was not calculated because the related result was irrelevant to the consolidation. Retroactive conversion at January 1, 2011, was not applied because the reorganization measures that were initiated mean that the calculated values of previous months would not be comparable to the figures after the reorganization and would thus lead to distorted results.

The acquired assets and liabilities of SM Electronics Group break down as follows:

EUR'000	Carrying value	Fair value
Non-current assets		
Intangible assets	333	333
Property, plant and equipment	759	759
Other assets	734	734
Deferred tax assets	0	0
Current assets		
Inventories	3,768	3,768
Trade receivables	6,506	6,506
Other assets	9,188	9,188
Cash and cash equivalents	1,617	1,617
Liabilities		
Provisions	-16,241	-16,241
Trade payables	-1,348	-1,348
Other liabilities	-14,524	-14,524
Deferred tax liabilities	0	-806
Total		**-10,015**

The acquired cash amounted to EUR 1,617 thousand, meaning that a total cash inflow in the amount of EUR 967 thousand occurred.

No operations were discontinued or sold in the context of the company acquisition.

It is practically impossible to provide the particulars under IFRS 3.70.

No further acquisitions occurred after March 31, 2011.

Notes on company sales

Due to the continued portfolio adjustment within the Gigaset Group, additional companies were sold in the first quarter.

Effective January 1, 2011, the Carl Froh Group (part of the "Other" segment), which was classified as a discontinued operation, was sold to the investment manager at a symbolic price. The assets sold amounted to EUR 21.8 million, of which EUR 0.3 million were cash and cash equivalents, while the liabilities amounted to EUR 21.8 million. The deconsolidation result amounts to EUR 0.0 million, factoring in consolidation effects as well as other expenditures in connection with the transaction.

At the end of February 2011, the Oxxynova Group (part of the "Other" segment), which was classified as a discontinued operation, was sold to an investor for a symbolic price. The assets sold amounted to EUR 27.2 million, of which EUR 0.6 million were cash and cash equivalents, while the liabilities amounted to EUR 49.5 million. The deconsolidation result amounts to EUR 2.6 million, factoring in consolidation effects as well as other expenditures in connection with the transaction, and is recognized under other operating income.

The sold assets and transferred liabilities are aggregated in the table below:

EUR'000	
Assets	
Intangible assets	1,394
Property, plant and equipment	15,994
Other assets	31,608
Total	**48,996**
Liabilities	
Provisions	20,192
Liabilities	51,137
Total	**71,329**

3. Segment reporting

Due to the reorientation of the Gigaset Group's business model at the end of 2010, the segment reporting was adjusted accordingly. The activities of Gigaset and the Holding are presented separately. Due to the information on the internal control of Gigaset that was included, the presentation of the Gigaset Group is additionally subdivided by geographical areas.

The geographical areas of Gigaset comprise the following areas:

- „Europe"
  The „Europe" geographical area comprises all operating activities of the Gigaset Group in the European countries, as well as the operating activities in Russia, since they are also managed by the European companies. Thus, this area comprises the operating activities in Germany, France, Great Britain, Italy, the Netherlands, Austria, Poland, Russia, Sweden, Switzerland, Spain and Turkey.
- „Americas"
  The „Americas" geographical area comprises the operating activities of the Gigaset Group in Canada, the U.S., Brazil, and Argentina.
- „Asia-Pacific/Middle East"
  The „Asia-Pacific/Middle East" geographical area comprises the operating activities in China and the United Arab Emirates.

Since all operations not belonging to the core activities were or are intended to be discontinued or sold, the affected groups are presented in the "Other" segment.

At March 31, 2011, the "Other" segment comprised the following companies: van Netten Group, Carl Froh Group (sold in the first quarter of 2011), Oxxynova Group (sold in the first quarter of 2011), and the "Home Media" operation (discontinued).

In the comparison period at March 31, 2011, the "Other" segment comprises the following companies: Carl Froh Group (formerly "Steel" segment), Wanfried Group (formerly "Print" segment), van Netten Group (formerly "Industrial Production" segment), Anvis Group (formerly "Automotive" segment), Fritz Berger Group (formerly "Retail" segment), Golf House Group (formerly "Retail" segment), SM Electronics Group (formerly "Retail" segment), Oxxynova Group (formerly "Specialty Chemistry" segment), the "Home Media" operation (formerly "Home Media" segment).

01/01 – 03/31/2011 EUR'000	Europe	Americas	Asian-Pacific/ Middle East
Revenues			
External revenues	100,709	9,742	8,159
Continuing operations	100,709	9,742	8,159
Discontinued operations	*0*	*0*	*0*
Internal revenues	0	0	0
Continuing operations	0	0	0
Discontinued operations	*0*	*0*	*0*
Total revenues	100,709	9,742	8,159
Continuing operations	100,709	9,742	8,159
Discontinued operations	*0*	*0*	*0*
Segment earnings/ EBITDA	16,197	387	1,047
Continuing operations	16,197	387	1,047
Discontinued operations	*0*	*0*	*0*
Depreciation and amortization	-7,326	-6	-7
Continuing operations	-7,326	-6	-7
Discontinued operations	*0*	*0*	*0*
Impairments	0	0	0
Continuing operations	0	0	0
Discontinued operations	*0*	*0*	*0*
Segment earnings/ EBIT	8,871	381	1,040
Continuing operations	8,871	381	1,040
Discontinued operations	*0*	*0*	*0*
Income from non-current financial assets accounted for by the equity method			
Net interest income/ expenses			
Profit before taxes			
Income tax expenses			
Profit before taxes			
Income tax expense			
Net profit			

Gigaset TOTAL	Holding	Others	Eliminations	Consolidated
118,610	**0**	**31,566**	**0**	**150,176**
118,610	0	0	0	118,610
0	*0*	*31,566*	*0*	*31,566*
0	**182**	**0**	**-182**	**0**
0	182	0	-182	0
0	*0*	*0*	*0*	*0*
118,610	**182**	**31,566**	**-182**	**150,176**
118,610	182	0	-182	118,610
0	*0*	*31,566*	*0*	*31,566*
17,631	**-946**	**3,941**	**0**	**20,626**
17,631	-946	0	0	16,685
0	*0*	*3,941*	*0*	*3,941*
-7,339	**-1**	**-1**	**0**	**-7,341**
-7,339	-1	0	0	-7,340
0	*0*	*-1*	*0*	*-1*
0	**0**	**184**	**0**	**184**
0	0	0	0	0
0	*0*	*184*	*0*	*184*
10,292	**-947**	**4,124**	**0**	**13,469**
10,292	-947	0	0	9,345
0	*0*	*4,124*	*0*	*4,124*
				0
				-1,642
				11,827
				-3,244
				8,583
				142
				8,441

01/01 – 03/31/2010 EUR'000	Europe	Americas	Asian-Pacific/ Middle East
Revenues			
External revenues	108,587	8,683	8,031
Continuing operations	108,587	8,683	8,031
Discontinued operations	*0*	*0*	*0*
Internal revenues	0	0	0
Continuing operations	0	0	0
Discontinued operations	*0*	*0*	*0*
Total revenues	108,587	8,683	8,031
Continuing operations	108,587	8,683	8,031
Discontinued operations	*0*	*0*	*0*
Segment earnings/ EBITDA	16,402	-203	1,606
Continuing operations	16,402	-203	1,606
Discontinued operations	*0*	*0*	*0*
Depreciation and amortization	-8,925	-17	-9
Continuing operations	-8,925	-17	-9
Discontinued operations	*0*	*0*	*0*
Impairments	0	0	0
Continuing operations	0	0	0
Discontinued operations	*0*	*0*	*0*
Segment earnings/ EBIT	7,477	-220	1,597
Continuing operations	7,477	-220	1,597
Discontinued operations	*0*	*0*	*0*
Income from non-current financial assets accounted for by the equity method			
Net interest income/ expenses			
Profit before taxes			
Income tax expenses			
Profit before taxes			
Income tax expense			
Net profit			

Gigaset TOTAL	Holding	Others	Eliminations	Consolidated
125,301	**18**	**141,582**	**0**	**266,901**
125,301	18	0	0	125,319
0	*0*	*141,582*	*0*	*141,582*
0	**450**	**0**	**-450**	**0**
0	450	0	-450	0
0	*0*	*0*	*0*	*0*
125,301	**468**	**141,582**	**-450**	**266,901**
125,301	468	0	-450	125,319
0	*0*	*141,582*	*0*	*141,582*
17,805	**-439**	**6,673**	**0**	**24,039**
17,805	-439	0	0	17,366
0	*0*	*6,673*	*0*	*6,673*
-8,951	**-38**	**-5,285**	**0**	**-14,274**
-8,951	-38	0	0	-8,989
0	*0*	*-5,285*	*0*	*-5,285*
0	**0**	**-2,918**	**0**	**-2,918**
0	0	0	0	0
0	*0*	*-2,918*	*0*	*-2,918*
8,854	**-477**	**-1,530**	**0**	**6,847**
8,854	-477	0	0	8,377
0	*0*	*-1,530*	*0*	*-1,530*
		0	0	114
				-2,318
				4,643
				-3,611
				1,032
				-377
				1,409

4. Significant events after the balance sheet date

The company has no knowledge of material events after the reporting date.

Munich, May 09, 2011

The Executive Board of Gigaset AG

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