

Consolidated Statement of Profit or Loss (in million Euro)

Unaudited, consolidated figures following IFRS accounting policies.

	Q3 2017	Q3 2018	9M 2017	9M 2018
Revenue	593	539	1,803	1,647
Cost of sales	(397)	(368)	(1,202)	(1,118)
Gross profit	196	171	601	529
Selling expenses	(81)	(79)	(255)	(240)
Research & Development expenses	(35)	(32)	(109)	(105)
Administrative expenses	(40)	(42)	(126)	(128)
Net impairment loss on trade and other receivables, including contract assets	(2)	(2)	(1)	(3)
Other operating income	17	12	49	46
Other operating expenses	(24)	(21)	(60)	(46)
Results from operating activities	31	6	99	53
Interest income (expense) - net	(2)	(3)	(5)	(5)
Interest income	-	-	1	1
Interest expense	(2)	(3)	(6)	(7)
Other finance income (expense) - net	(6)	(8)	(23)	(26)
Other finance income	4	(1)	9	2
Other finance expense	(10)	(7)	(32)	(27)
Net finance costs	(8)	(11)	(28)	(31)
Share of result of equity accounted investees – net of income tax	-	(1)	-	(1)
Profit (loss) before income taxes	23	(5)	71	21
Income tax expense	(9)	-	(22)	(13)
Profit (loss) for the period	14	(5)	49	8
Profit (loss) attributable to:				
Owners of the Company	12	(5)	44	4
Non-controlling interests	2	1	5	4
Results from operating activities	31	6	99	53
Restructuring and non-recurring items	(9)	(15)	(14)	(28)
Recurring EBIT	40	21	113	81
Earnings per share (Euro)	0.07	(0.04)	0.26	0.02

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

Consolidated Statements of Comprehensive Income for the nine months ending September 2017 / September 2018 (in million Euro)

Unaudited, consolidated figures following IFRS accounting policies

	9M 2017	9M 2018
Profit / (loss) for the period	49	8
Other Comprehensive Income, net of tax		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences:	(35)	(1)
Exchange differences on translation of foreign operations	(35)	(1)
Exchange differences on disposal of foreign operations reclassified to profit or loss	-	-
Exchange differences on net investment hedge	-	-
Income tax on exchange differences on net investment hedge	-	-
Cash flow hedges:	4	(14)
Effective portion of changes in fair value of cash flow hedges	21	(8)
Changes in the fair value of cash flow hedges reclassified to profit or loss	(4)	(5)
Adjustments for amounts transferred to initial carrying amount of hedged items	(10)	(5)
Income taxes	(3)	4
Items that will not be reclassified subsequently to profit and loss:	-	(2)
Equity investments at fair value through OCI – change in fair value ¹	-	(1)
Remeasurements of the net defined benefit liability	-	-
Income tax on remeasurements on the net defined benefit liability	-	(1)
Total other Comprehensive Income for the period, net of tax	(31)	(17)
Total Comprehensive Income for the period attributable to:	18	(9)
Owners of the Company	15	(13)
Non-controlling interests	3	4

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

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

Unaudited, consolidated figures following IFRS accounting policies

	Q3 2017	Q3 2018
Profit / (loss) for the period	14	(5)
Other Comprehensive Income, net of tax		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences:	(10)	-
Exchange differences on translation of foreign operations	(10)	-
Exchange differences on disposal of foreign operations reclassified to profit or loss	-	-
Exchange differences on net investment hedge	-	-
Income tax on exchange differences on net investment hedge	-	-
Cash flow hedges:	(4)	(3)
Effective portion of changes in fair value of cash flow hedges	1	(3)
Changes in the fair value of cash flow hedges reclassified to profit or loss	(4)	-
Adjustments for amounts transferred to initial carrying amount of hedged items	(3)	-
Income taxes	2	-
Items that will not be reclassified subsequently to profit and loss:	-	-
Equity investments at fair value through OCI – change in fair value ¹	-	-
Remeasurements of the net defined benefit liability	-	-
Income tax on remeasurements on the net defined benefit liability	-	-
Total other Comprehensive Income for the period, net of tax	(14)	(3)
Total Comprehensive Income for the period attributable to:	-	-
Owners of the Company	(1)	(8)
Non-controlling interests	1	-

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

Consolidated Statement of Financial Position (in million Euro)

Unaudited, consolidated figures following IFRS accounting policies.

	31/12/2017	01/01/2018 ⁽¹⁾	30/09/2018
Goodwill	509	509	523
Intangible assets	80	80	91
Property, plant & equipment	190	190	187
Investments in associates	5	5	4
Other financial assets	11	11	10
Trade receivables	14	14	15
Receivables under finance leases	55	55	77
Other assets	6	6	5
Deferred tax assets	115	115	119
<u>Non-current assets</u>	985	985	1,032
Inventories	487	476	536
Trade receivables	503	419	394
Contract assets	-	105	122
Current income tax assets	63	63	67
Other tax receivable	23	23	41
Receivables under finance lease	30	30	18
Other receivables	14	14	11
Other assets	44	34	28
Derivative financial instruments	16	16	4
Cash and cash equivalents	68	68	95
Non-current assets held for sale	-	-	-
<u>Current assets</u>	1,248	1,248	1,317
<u>TOTAL ASSETS</u>	2,233	2,233	2,348

	31/12/2017	01/01/2018 ⁽¹⁾	30/09/2018
Share capital	187	187	187
Share premium	210	210	210
Retained earnings	878	878	882
Other reserves	(69)	(69)	(84)
Translation reserve	(8)	(8)	(10)
Remeasurement reserve (IAS19)	(923)	(923)	(924)
Equity attributable to owners of the company	275	275	261
Non-controlling interests	32	32	33
Total equity	307	307	294
Liabilities for post-employment and long-term termination benefit plans	1,149	1,149	1,102
Other employee benefits	13	13	15
Loans and borrowings	47	47	119
Provisions	5	5	7
Deferred tax liabilities	21	21	21
Trade payables 3 rd parties	4	3	2
Contract liabilities	-	1	1
Other liabilities	2	2	1
Non-current liabilities	1,241	1,241	1,269
Loans and borrowings	39	39	75
Provisions	66	49	43
Trade payables	220	220	239
Contract liabilities	128	145	173
Current income tax liabilities	53	53	44
Other tax liabilities	34	34	45
Other payables	12	13	10
Employee benefits	128	128	135
Other liabilities	3	2	14
Derivative financial instruments	2	2	6
Current liabilities	685	685	784
TOTAL EQUITY AND LIABILITIES	2,233	2,233	2,348

1) During 2018, the Group has consistently applied its accounting policies used in previous year, except for the presentation of the balance sheet that has changed resulting from the application of the new IFRS-standard 15 'Revenue from Contracts with Customers'. The Group has adopted IFRS 15 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application, i.e. January 1, 2018. As a result, the Group will not apply the requirements of IFRS 15 to the comparative period presented.

The new standard has introduced the concept of contract assets and contract liabilities. At December 31, 2017 these assets and liabilities were included in other captions of the balance sheet. At January 1, 2018 recognized not billed revenue amounting to 84 million Euro, previously comprised in trade receivables, has been reclassified to contract assets. Reclassifications from inventory to contract assets amounted to 11 million Euro and mainly comprised work in progress. The reclassification from other assets to contract assets amounted to 10 million Euro and related to contracts with a third party that provides supporting services enabling the Group to deliver maintenance services to the customers. On the liability side, contract liabilities at 1 January 2018 comprised 'Deferred revenue and advance payments received from customers' amounting to 128 million Euro, previously presented separately on the face of the balance sheet and bonuses and rebates related to goods and service purchased by customers during the period. The latter amounted to 17 million Euro and was previously presented as part of trade-related provisions.

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

	2017 YTD Restated ⁽¹⁾	2018 YTD	Q3 2017 Restated ⁽¹⁾	Q3 2018
Profit (loss) for the period	49	8	14	(5)
Income taxes	28	13	15	-
Share of results of associated companies	-	1	-	1
Net finance costs	22	31	2	11
Operating result	99	52	31	6
Depreciation, amortization and impairment losses	39	40	12	13
Other non-cash expenses	115	101	45	31
Change in inventories	(73)	(82)	(1)	(26)
Change in trade receivables	(6)	15	(6)	(18)
Change in contract assets	-	(17)	-	(1)
Change in trade working capital assets ⁽²⁾	(79)	(84)	(7)	(45)
Change in trade payables	10	21	(5)	17
Change in deferred revenue and advance payments	11	-	(16)	-
Change in contract liabilities	-	29	-	6
Changes in trade working capital liabilities ⁽²⁾	21	50	(21)	23
Changes in trade working capital	(58)	(34)	(28)	(22)
Cash out for employee benefits	(141)	(155)	(32)	(53)
Cash out for provisions	(11)	(19)	(1)	(4)
Changes in lease portfolio	2	(10)	-	(1)
Changes in other working capital	(14)	5	(2)	6
Cash settled operating derivatives	-	16	-	16
Cash generated from operating activities	31	(3)	25	(9)
Income taxes paid	(14)	(16)	(7)	(6)
Net cash from / (used in) operating activities	(17)	(19)	18	(15)
Capital expenditure	(29)	(31)	(11)	(10)
Proceeds from sale of intangible assets and PP&E	3	9	-	2
Acquisition of subsidiaries, net of cash acquired	(2)	(20)	-	(7)
Interests received	1	2	-	1
Dividends received	-	-	-	-
Net cash from / (used in) investing activities	(27)	(41)	(11)	(14)

	2017 YTD Restated ⁽¹⁾	2018 YTD	Q3 2017 Restated ⁽¹⁾	Q3 2018
Interests paid	(7)	(10)	(1)	(4)
Dividends paid to non-controlling interests	(10)	(3)	-	(3)
Interests and dividends paid	-	(13)	-	(7)
Changes in equity	-	-	-	-
Changes in borrowings	14	99	(3)	43
Proceeds / (payment) of derivatives	-	(1)	-	(8)
Other financing income / (costs) incurred	-	(2)	-	(1)
Other financial flows	(9)	-	3	-
Net cash from/ used in financing activities	(40)	83	(1)	28
Net increase / (decrease) in cash & cash equivalents	(50)	23	6	(1)
Cash & cash equivalents at the start of the period	127	67⁽³⁾	-	-
Net increase / (decrease) in cash & cash equivalents	(50)	23	6	(1)
Effect of exchange rate fluctuations on cash held	(3)	(5)	1	(1)
Cash & cash equivalents at the end of the period	74	85⁽³⁾	5	(2)

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

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

3) Net of bank overdraft previously included in proceeds / repayments of borrowings (December 31, 2017: 1 million Euro / September 30, 2018: 10 million Euro

Consolidated Statement of changes in Equity (in million Euro)

Unaudited, consolidated figures following IFRS accounting policies.

in million Euro	ATTRIBUTABLE TO OWNERS OF THE COMPANY									NON-CONTROLLING INTERESTS	TOTAL EQUITY
	Share capital	Share premium	Retained earnings	Reserve for own shares	Revaluation reserve	Hedging reserve	Remeasurements of the net defined benefit liability	Translation reserve	Total		
Balance at January 1, 2017	187	210	841	(82)	2	1	(976)	32	215	37	252
Comprehensive income for the period											
Profit (loss) for the period	-	-	44	-	-	-	-	-	44	5	49
Other comprehensive income, net of tax	-	-	-	-	-	4	-	(33)	(29)	(2)	(31)
Total comprehensive income for the period	-	-	44	-	-	4	-	(33)	15	3	18
Transactions with owners, recorded directly in equity											
Dividends	-	-	-	-	-	-	-	-	-	(10)	(10)
Total transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	(10)	(10)
Balance at September 30, 2017	187	210	885	(82)	2	5	(976)	(1)	230	30	260
Balance at January 1, 2018	187	210	878	(82)	3	10	(923)	(8)	275	32	307
Comprehensive income for the period											
Profit (loss) for the period	-	-	4	-	-	-	-	-	4	4	8
Other comprehensive income, net of tax	-	-	-	-	(1)	(14)	(1)	(1)	(17)	-	(17)
Total comprehensive income for the period	-	-	4	-	(1)	(14)	(1)	(1)	(13)	4	(9)
Transactions with owners, recorded directly in equity											
Dividends	-	-	-	-	-	-	-	-	-	(3)	(3)
Total transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	(3)	(3)
Balance at September 30, 2018	187	210	882	(82)	2	(4)	(924)	(10)	261	33	294