Report for the 3rd Quarter 2014

Interim Report as of September 30, 2014
(unaudited)

SINGULUS

Interim Report Q3 2014

→ Key figures below prior-year levels
→ One-off measures weigh on financial results
→ Sustained difficult business situation, course of business in 2015 dependent on success in Solar segment and stable Blu-ray activities
→ Success in wet-chemical area encouraging
→ Sufficient liquidity for ongoing business operations

The financial key figures of the first nine months of 2014 of the SINGULUS TECHNOLOGIES AG (SINGULUS TECHNOLOGIES) are significantly below forecasts. In the period under review the company posted on operating result (EBIT) before extraordinary charges of € -18.3 million (prior-year period: € 1.4 million). Including one-off charges an EBIT in the amount of € -38.7 million was incurred in the period under review.

In an ad-hoc release pursuant to Art. 15 WpHG on November 5, 2014 the SINGULUS TECHNOLOGIES AG reported preliminary, unaudited financial results for the nine months of the business year 2014 as well as a range for the expected total loss for the entire business year 2014. With the publication of the report for the 1st half of 2014 the company had already announced that the key financial figures will be weaker than in the previous year due to the subdued order environment for Blu-ray Disc production machines. In an ad-hoc release pursuant to § 15 WpHG on September 18, 2014 SINGULUS TECHNOLOGIES adjusted the annual forecast for the full-year 2014 and announced that the company's Executive Board expected the losses of the 1st half-year 2014 to still expand and therefore result in a significantly negative results for the full-year 2014.

The financial key figures of SINGULUS TECHNOLOGIES for the first nine months of 2014 as well as the projections for the full-year are negatively impacted by the weak course of business in the Optical Disc segment and further delays in agreement conclusions in the Solar division.

For the Optical Disc division, in the course of the annual budgeting for 2014, the Executive Board had already projected lower sales and earnings contributions than in the business year 2013. Following talks with major Optical Disc customers in the third quarter SINGULUS TECHNOLOGIES had to realize that the current year will fall short of expectations since no major investments for Blu-ray Disc production equipment will materialize. This decline in volume sales of Blu-ray Disc production machines was not foreseeable in the planning stage and strongly weighs on the company in the second half of 2014.

However, to make matters worse SINGULUS TECHNOLOGIES had to concede that in the current business year several projects in the Solar segment could not be realized as planned. Several orders for the wet-chemical division were already successfully concluded in the current year. Nevertheless, the project and realization stages of major investment plans in the Solar division take considerably more time than originally anticipated in the budgets.

During the first nine months of the current business year SINGULUS TECHNOLOGIES recorded sales of € 52.8 million only and is thus significantly below the level of the prior-year period in the amount of € 93.1 million. Sales in the 3rd quarter came to € 22.7 million (previous year: € 43.9 million).

Due to the changes in the Optical Disc segment and the still challenging situation in all of the other segments, SINGULUS TECHNOLOGIES implemented a series of measures, which will have an additional adverse impact on the financial key figures. SINGULUS TECHNOLOGIES will continue to adjust to the changed business and market conditions. The Executive Board has resolved comprehensive measures owing to the business situation. In this context, the review of all balance sheet items in terms of impairments resulted in write-offs on the goodwill in the Solar division by € 15.0 million. For the Optical Disc segment the customer base resulting from the acquisition of the Blu-ray

Semicon West/Intersolar North America, July 2014

activities of the Oerlikon Balzers AG in the business year 2008 was reevaluated and completely written off by € 4.9 million. These balance sheet adjustments do not affect the liquidity of the company and do not result in cash outflows, either.

The sustained difficult business situation leads to the resolution of extensive restructuring programs for the company. Savings for cost of materials and personnel expenditures are planned. The one-off restructuring charges are around € 3.5 million and were incurred in the quarter under review as well as to a large extent in the fourth quarter.

Due to the considerable decline in business volume in the Optical Disc segment, the loss on an operating level (EBIT) before extraordinary charges increased materially and amounted to € 18.3 million in the first nine months of the current business year compared with € 1.4 million incurred in the first nine months of 2013. In addition, extraordinary charges in the amount of € 20.4 million were recognized. In the period under review the EBITDA totaled € -14.8 million (previous year: € 5.8 million).

SINGULUS TECHNOLOGIES does not have liabilities owed to banks and already completely repaid all of these bank liabilities in 2011. In 2012, SINGULUS TECHNOLOGIES put the company's financing on a long-term foundation with the issuance of a corporate bond in the amount of € 60 million. The corporate bond is due in March 2017.

SINGULUS TECHNOLOGIES has sufficient liquidity at present to finance the current business operations as well as potential new orders. Nevertheless, major orders in the Solar segment could require additional financial commitments subject to product-specific needs. As of the reporting date the liquid funds amounted to € 22.9 million. Accordingly, the net debt (including short-term pledged funds) amounted to € 29.9 million as of September 30, 2014. The company is working on forfaiting accounts receivable in the Optical Disc segments of more than € 20 million from prior years in order to significantly increase the liquid funds in the next months.

Optical Disc segment

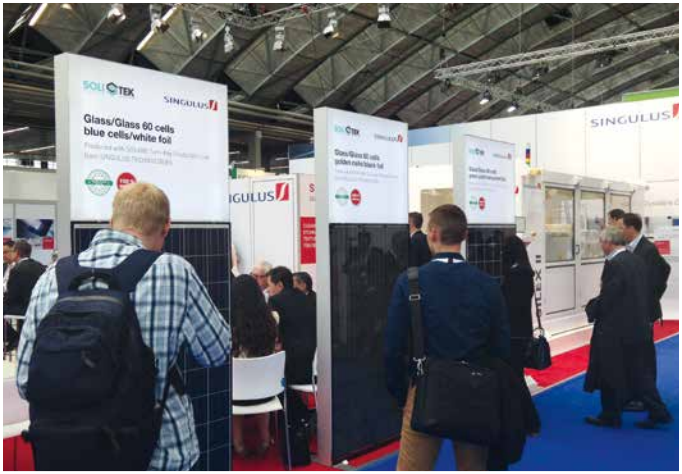
All financial key figures for this segment are substantially below forecasts. The anticipated results for 2014 were not achieved. The reason is a sharp decline in order intake for Blu-ray Disc production machines of the BLULINE II type.

The global production volume of Blu-ray Discs is heavily impacted by the publication of successful Hollywood movies (blockbusters). If fewer blockbusters are released for the movie theaters, this results in lower demand for physical media. According to statements of the German Association of Audiovisual Media, in Germany the good summer weather, the Soccer World Cup and last but not least the relatively small number of successful movie releases led to a weak video market in the first half of 2014. Furthermore, streaming services, such as for example Netflix, will have a long-term impact on the market development of physical media.

The use of such services requires sufficiently fast internet connections, however, which are not in place in many parts of the world.

Likely, the worldwide penetration of Blu-ray Discs will continue to grow. Market research institutes project a positive trend for the Blu-ray Disc with movie content for the next year. Gaming consoles with Blu-ray Disc drives were quite successful. According to Futuresource, the Xbox One was already sold more than 7 million times. The PlayStation PS 4 was even sold 16.4 million times. The sales of Blu-ray Discs with game content is significantly boosted by this. In addition to their function as a gaming console, these devices are also used as players for high-quality movies on Blu-ray Disc.

Just before the IFA in September 2014, the Blu-ray Disc Association (BDA) presented an updated schedule for a new Blu-ray format. The first Blu-rays with 4K-movies are scheduled to be available on time for the Christmas season 2015. The new Blu-ray standard is intended to enable 4K-content on discs with a storage capacity of up to 100 GB. SINGULUS TECHNOLOGIES is the globally leading supplier for Blu-ray Disc production equipment and thus expects to hold first projects talks about the new BLULINE III production machine for 100 GB Blu-ray Discs in 2015.



Solar trade fair EU PVSEC Amsterdam, September 2014

Solar segment

In the current year SINGULUS TECHNOLOGIES had to realize that the increase in capital spending for production equipment is significantly slower than projected because the project and realization stages of new investments in the PV sector take significantly more time. Thus, the delay in the recognition of new Solar order intake impacts the annual forecast negatively as well. This trend affects the entire market and therefore also all comparable market participants.

Generally, all major forecasts for the solar market are still favorable and project growth. On October 6, 2014, analysts at NPD Solarbuzz reported, that up to 50 gigawatt is globally expected for newly installed output this year. According to NPD Solarbuzz's assessment the global photovoltaics expansion should reach a record level of around 19.5 gigawatt in the fourth quarter 2014. Consequently, the overall installed photovoltaics output could amount to nearly 200 gigawatt as stipulated by the analysts in their report.

In China, an increase of seven gigawatt is expected for the last quarter of the current calendar year. This means a doubling compared with the previous quarter and still ten percent more than in the fourth quarter 2013. Japan and the US will presumably also add several gigawatt photovoltaic output by the end of the year. NPD Solarbuzz projects that in these three markets alone, 70 % of the total demand will originate in the fourth quarter.

SILEX II – new modular process system for the handling of solar cells

The International Energy Agency (IEA) confirms the long-term growth forecasts. In the course of the professional trade fair EU PVSEC 2014 the IEA presented its Renewable Market Report. Accordingly, the global electricity supply by photovoltaics should reach two percent before 2019. In its current roadmap the IEA forecasts also that in the long-term until 2050 up to 16 % of the electricity supply will be generated by photovoltaics. In its roadmap from 2010 the IEA had only forecast 11 %. The cumulated installed PV capacity is set to grow to more than 4,600 GW by 2050 and generate about 6,300 TWh of electricity.

If the growth projected by the research institutes will materialize, we expect the capital spending for cell production equipment to continue to develop favorably again and SINGULUS TECHNOLOGIES to benefit correspondingly.

In the Solar segment SINGULUS TECHNOLOGIES has evolved into a renowned supplier for new machine concepts and production processes for crystalline and thin-film solar cells and sees good opportunities for a favorable trend of this segment in a once again growing market.

Semiconductor segment

In the Semiconductor segment the order intake up to now is in-line with expectations. Additional order intake for MRAM production machines of the TIMARIS III type are still expected shortly.

In the Semiconductor segment SINGULUS TECHNOLOGIES continues to focus its activities on the vacuum coating of wafers with ultra thin layers for the production of MRAM memory, thin-film write/read heads and other semiconductor applications. Potential customers in this industry are targeted with the machine platforms TIMARIS II and III as well as the development machine ROTARIS.

ROTARIS – Compact vacuum coating system for the semiconductor industry

Key financial figures

Order intake and order backlog

During the first nine months of the business year 2014 the order intake of € 48.4 million (previous year: € 82.6 million) was substantially below the comparable figures one year ago. In the quarter under review the order intake came to € 23.2 million (previous year: € 33.8 million). The order backlog as per September 30, 2014 amounted to € 15.9 million and was thus below the comparable level as of September 30, 2013 (€ 29.6 million).

Sales

Sales in the first nine months of the business year 2014 amounting to € 52.8 million were substantially below the prior-year level of € 93.1 million. This decline is mainly due to decreasing sales in the Optical Disc segments (by € 35.2 million to € 34.2 million). In the Solar and Semiconductor divisions sales also declined. Specifically, in the Solar segment sales in the amount of € 12.8 million were realized (previous year: € 15.1 million). Within the Semiconductor division sales amounted to € 5.8 million (previous year: € 8.6 million). Sales of € 22.7 million in the 3rd quarter 2014 (previous year: € 43.9 million) were thus lower than the prior-year level. Sales are split into € 15.5 million in the Optical Disc segment (previous year: € 36.4 million), Solar at € 5.0 million (previous year: 5.9 million) and Semiconductor at € 2.2 million (previous year: € 1.6 million).

For the first nine months of the business year 2014 the percentage regional breakdown of sales was as follows: Europe 34.2 % (previous year: 35.8 %), North and South America 43.4 % (previous year: 45.7 %), Asia 20.3 % (previous year: 9.3 %), Africa and Australia 2.1 % (previous year: 9.2 %). The percentage regional breakdown of sales for the 3rd quarter 2014 was as follows: Europe 37.0 % (previous year: 47.8 %), North and South America 48.5 % (previous year: 43.5 %), Asia 13.2 % (previous year: 1.9 %), Africa and Australia 1.3 % (previous year: 6.8 %).

Gross margin

In the first nine months of the business year 2014 SINGULUS TECHNOLOGIES achieved a gross margin in the amount of 15.8 % (previous year: 25.9 %). The gross profit margin in the 3rd quarter 2014 stood at 14.7 % (previous year: 32.4 %). The decline in the gross margin is mainly due to decreasing volume sales of Blu-ray Disc production machines compared with the previous year.

Operating expenses

The operating expenses come to € 29.5 million in the 3rd quarter of the business year 2014 (previous year: € 6.2 million). This includes extraordinary charges in the amount of € 20.4 million.

Specifically, general and administrative expenditure amounted to € 3.8 million in the year under review (previous year: € 2.0 million). The increased expenses were mainly incurred in connection with development efforts for production solutions in the area of PERC solar cells. The expenses for marketing & sales and customer service amounted to € 3.8 million (previous year: € 3.4 million) and € 1.8 million (previous year: € 2.8 million) for general, administrative expenses. The reduction of the expenses for general administration results mainly from the resolution of liabilities due to the reduced business activity in the amount of € 0.7 million. In addition, impairment and restructuring charges in the amount of € 20.4 million were recognized in the quarter under review. These include the revaluation of the goodwill in Solar of € 15.0 million as well as € 4.9 million of complete write-offs on the customer base resulting from the acquisition of the Blu-ray Disc activities of the Oerlikon Balzers AG in the business year 2008.

During the first nine months of the year under review the operating expenses totaled € 47.0 million (previous year: € 22.5 million). This includes expenses for research and development at € 9.1 million (previous year: € 5.6 million), sales and marketing and customer service at € 11.0 million (previous year: € 11.1 million), general administrative expenses at € 6.9 million (previous year: € 8.2 million) as well as impairment and restructuring charges at € 20.4 million. With respect to the increased expenses in the first nine months for research and development activities, the decreased expenses for general & administrative expenses as well as impairment and restructuring charges, please refer to the comments regarding the third quarter.

Earnings

The earnings before interest and taxes (EBIT) before the consideration of extraordinary charges in the first nine months of 2014 were negative at € -18.3 million (previous year: € +1.4 million). Taking into account the extraordinary items a negative EBIT in the amount of € 38.7 million resulted. In the quarter under review the EBIT before one-time charges amounted to € 5.8 million (previous year: € +7.9 million). Including the extraordinary expenses SINGULUS TECHNOLOGIES posted a negative EBIT totaling € -26.2 million in the 3rd quarter.

In detail, the break-down of sales and the operating result are split between the segments as follows:

Balance sheet and liquidity

The long-term assets in the amount of € 37.9 million are below the level as of December 31, 2013 (previous year: € 70.3 million). This decline mainly results from extraordinary write-offs of goodwill in the Solar segment in the amount of € 15.0 million. Furthermore, the accounts receivable due in more than twelve months dropped by € 8.8 million compared with the previous year. Intangible assets decreased by € 6.3 million.

Segment Reporting

	Segment Optical Disc		Segment Solar		Segment Semiconductor		SINGULUS TECHNOLOGIES Group	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013
	[million €]	[million €]	**[million €]**	[million €]	**[million €]**	[million €]	**[million €]**	[million €]
01/01–09/30								
Sales (gross)	**34.2**	69.4	**12.8**	15.1	**5.8**	8.6	**52.8**	93.1
Sales deduction and individual selling expenses	**-0.3**	-0.6	**-0.1**	0.0	**0.0**	-0.1	**-0.4**	-0.7
Sales (net)	**33.9**	**68.8**	**12.7**	**15.1**	**5.8**	**8.5**	**52.4**	**92.4**
restructuring expenditures/impairment	**-5.4**	0.0	**-15.0**	0.0	**0.0**	0.0	**-20.4**	0.0
Write-offs and amortization	**-6.6**	-2.2	**-16.8**	-1.7	**-0.5**	-0.5	**-23.9**	-4.4
Operating result (EBIT)	**-9.1**	**13.2**	**-26.8**	**-9.0**	**-2.8**	**-2.8**	**-38.7**	**1.4**
Financial result							**-2.6**	-2.5
Earnings before taxes							**-41.3**	-1.1
3rd Quarter								
Sales (gross)	**15.5**	36.4	**5.0**	5.9	**2.2**	1.6	**22.7**	43.9
Sales deduction and individual selling expenses	**-0.1**	-0.3	**-0.1**	0.0	**0.0**	-0.1	**-0.2**	-0.4
Sales (net)	**15.4**	**36.1**	**4.9**	**5.9**	**2.2**	**1.5**	**22.5**	**43.5**
restructuring expenditures/impairment	**-5.4**	0.0	**-15.0**	0.0	**0.0**	0.0	**-20.4**	0.0
Write-offs and amortization	**-5.4**	-0.7	**-15.7**	-0.6	**-0.2**	-0.2	**-21.3**	-1.5
Operating result (EBIT)	**-5.2**	**12.5**	**-20.3**	**-3.4**	**-0.7**	**-1.2**	**-26.2**	**7.9**
Financial result							**-0.8**	-0.8
Earnings before taxes							**-27.0**	7.1

This decline is mainly caused in connection with write-offs on the customer base from the acquisition of the Blu-ray Disc activities of the Oerlikon Balzers AG.

Current assets declined by € 23.1 million to € 101.0 million during the period under review. The main reason is a decline in liquid funds by € 28.1 million to € 22.9 million due to the weak business activities. In addition, the increase in inventories by € 10.2 million resulted in a decline in liquid funds. Furthermore, in March 2014 the payment of the interest for the bond amounting to € 4.4 million was due. In addition, other receivables and assets declined to € 10.8 million (previous year: € 16.2 million) mainly due to the transfer of a customer payment of € 5.4 million to already forfeited receivables.

The short-term debt declined by € 14.4 million to € 33.6 million compared with the level at the end of 2013. Specifically, the other liabilities declined analogue to the other receivables due to the transfer of a customer payment described above (€ 5.4 million) to € 13.0 million. The received prepayments dropped by € 2.7 million as a result of the subdued business activities. Accounts payable declined by € 2.0 million. The short-term financial liabilities from the issuance of the corporate bond declined by € 1.3 million (previous year: € 3.6 million). This is in connection with the payment of the coupon as of March 23, 2014 in the amount of € 4.4 million.

The short-term liabilities remained at previous year's level at € 72.4 million.

Shareholders' equity

The shareholders' equity in the Group declined by € 40.9 million in the quarter under review and stood at € 32.9 million as of September 30, 2014 (previous year: € 72.0 million). Equity in the amount of € 32.0 million is attributable to the shareholders of the parent company and € 0.9 million to minorities. The equity ratio decline and stood at 23.7 % (previous year: 38.0 %).

Cash flow

The operating cash flow was impacted by the weak business activities and the build-up of inventories by € 10.0 million. In contrast, accounts receivable declined by € 9.1 million. In total, a negative operating cash flow in the amount of € -24.1 million resulted. This was € 19.6 million below the prior-year's level of € -4.5 million. The cash flow from investing activities came to € 9.1 million (previous year: € -3.9 million). Within the cash flow from investing activities term deposits maturing in more than three months are reported. These term deposits declined by € 10.0 million in the period under review. The cash flow from financing activities in the first nine months of the business year amounted to € -3.7 million (previous year: € -1.3 million) and mainly resulted from the payment of interest for the corporate bond in the amount of € 4.4 million. Due to the decline in term deposits with a term of more than three months by € 10.0 million, a different report of the changes in cash and cash equivalents in the cash flow statements of € -18.1 million and the liquid funds in the balance sheet of € -28.1 million results.

Risk Report

On July 18, 2014, the special purpose company Alster & Elbe Inkasso GmbH, Hamburg, filed an action for declaratory judgment against the SINGULUS TECHNOLOGIES AG and five other defendants with a volume of € 750 million in connection with business activities between the STEAG Hamatech AG and the meanwhile insolvent ODS Group, Dassow, dating from the years 2002 and 2003. After its acquisition in 2005 the STEAG Hamatech AG was merged to the SINGULUS TECHNOLOGIES AG in 2009. According to our current assessment together with our legal advisors we assume that the alleged claims have become time-barred and are without merit. The SINGULUS TECHNOLOGIES AG will defend the claims and reserves the right to appropriate countermeasures.

In addition to this, there have not been any further risks in the first nine months of the business year 2014 compared to the depiction in the Annual Report for the year 2013. However, the evaluation of risks, in particular the market risks in the segments Solar and Optical Disc have resulted in extraordinary charges in the amount of € 19.9 million. A lack of revived business activities in 2015 and a connected further burden on the liquidity would negatively impact the financial risk for the company.

Development of costs and prices

From our point of view on the basis of lower volume sales, the sales prices developed as planned during the first nine months of the business year. Material and personnel expenses also developed according to our budgets. However, the price situation in the Solar segment strongly depends on the future developments of demand in this market.

Events after the Balance Sheet Date

Due to the current business situation further restructuring programs were resolved and communicated within the group of companies. In particular the Optical Disc activities will be reorganized and considerably streamlined. In this connection, mainly the global sales & marketing as well as service organization will be adjusted to the markets' requirements. This will results in additional restructuring charges in the amount of € 3.0 million in the fourth quarter. These measure will presumably lead to savings in the amount of around € 4 million p.a..

Research and development

In the first nine months of the business year 2014 the expenditures for developments amounted to € 8.1 million (previous year: € 5.7 million). The expenditures for development activities came to € 3.5 million (previous year: € 2.0 million) in the quarter under review. The increased expenditures were mainly incurred in connection with development efforts for production solutions in the area of PERC solar cells.

Employees

The headcount within the SINGULUS TECHNOLOGIES Group of 359 employees is slightly below the level of the end of the business year 2013 (December 31, 2013: 362).

The SINGULUS TECHNOLOGIES stock

The SINGULUS TECHNOLOGIES shares were already under pressure after the half-year report 2014 and traded lower after the ad-hoc releases pursuant to Art. 15 WpHG on September 18 and November 5, 2014. As of November 12, 2014 the closing price for the share stood at € 0,75.

The SINGULUS TECHNOLOGIES corporate bond

The corporate bond of the SINGULUS TECHNOLOGIES AG has an annual coupon of 7.75 %, a term to maturity of five years due for repayment on March 22, 2017.

On December 11, 2012 the Executive Board of the SINGULUS TECHNOLOGIES AG resolved a bond buyback program. The buyback program for the bonds issued on March 23, 2012 was extended until December 31, 2014. The total volume of a maximum of € 5.0 million henceforth still remains. The other conditions of the program remain unchanged. Up to now the company bought bonds with a nominal value of around € 2.8 million.

SINGULUS TECHNOLOGIES will actively continue the buyback program for the corporate bond on the exchange pursuant to legal provisions.

Outlook, risks and opportunities

In its forecast for the business year 2014 SINGULUS TECHNOLOGIES assumed a slight increase in sales as well as in operating earnings (EBIT). A negative result was projected pursuant to IFRS.

The respective development in the three segments formed the foundation for this forecast. The lack of orders for Blu-ray Disc production machines and the delays in the Solar division result in a shortfall of the forecast for 2014. With an expected weak 4th quarter the described extraordinary charges in the amount of € 3.0 million will additionally weigh on the results. For the full business year the company thus projects on operating loss (EBIT) before extraordinary charges in a range of € -26.0 to € -29.0 million. Including extraordinary charges the operating result (EBIT) for the full-year is expected to be in a range of € -49.0 to € -52.0 million. The net results for the full-year including taxes and the financial result will be in a range of € -53.0 to € -56.0 million.

The challenge for SINGULUS TECHNOLOGIES will now be to achieve stable order intakes and sales in core segments. At the same time new work areas should be built up and successfully implemented. After the sharp decline in business activities in the Optical Disc segment and the considerable delays for solar projects, in the coming year the favorable conclusion of these solar projects as well as stable operation in the Optical Disc segment will be of particular importance for the company.

The structural changes within the company are under way and due to the complexity of the requirements very challenging with far-reaching adjustments. SINGULUS TECHNOLOGIES is further progressing towards a technology company focused on vacuum coating and production processes. In particular the vacuum coating technology is an interesting technology enabling new opportunities.

In the past couple of years, SINGULUS TECHNOLOGIES has continuously expanded the technologic know-how on the basis of the core competencies nano- and vacuum-coating as well as thermal and wet-chemical process technology. In the near future innovative products should open new markets. Several required products were developed for this or are in a test stage and the company is currently starting their gradual market launch.

The Executive Board and the entire staff are aware of the difficult situation of the company and are working with a high level of commitment and dedication on the successful realization of the company’s goals.

Yours sincerely,

The Executive Board of the
SINGULUS TECHNOLOGIES AG

Balance Sheet

as of September 30, 2014 and December 31, 2013

ASSETS

	Sept. 30, 2014 [million €]	Dec. 31, 2013 [million €]
Liquid funds	**22.9**	51.0
Trade receivables	**23.6**	23.7
Receivables from contract work	**3.3**	2.7
Borrowings	**2.1**	2.4
Other receivables and other assets	**10.8**	16.2
Total receivables and other assets	**39.8**	45.0
Raw materials, consumables and supplies	**13.4**	14.4
Work in process	**24.9**	13.7
Total inventories	**38.3**	28.1
Total current assets	**101.0**	124.1
Trade receivables	**11.6**	20.4
Borrowings	**3.2**	3.7
Property, plant and equipment	**6.7**	7.5
Capitalized development costs	**5.4**	6.4
Goodwill	**6.7**	21.7
Other intangible assets	**1.6**	7.9
Deferred tax assets	**2.7**	2.7
Total non-current assets	**37.9**	70.3
Total assets	**138.9**	194.4

EQUITY AND LIABILITIES

	Sept. 30, 2014 [million €]	Dec. 31, 2013 [million €]
Trade payables	**6.3**	8.3
Prepayments received	**4.6**	7.3
Liabilities from construction contracts	**0.5**	0.6
Current financing liabilities from the issuance of bonds	**2.3**	3.6
Other current liabilities	**13.0**	20.7
Provisions for restructuring measures	**2.5**	2.4
Provisions for taxes	**1.0**	0.7
Other provisions	**3.4**	4.4
Total current liabilities	**33.6**	48.0
Non-current financing liabilities from the issuance of bonds	**56.4**	56.3
Provisions for restructuring measures	**6.0**	6.4
Pension provisions	**10.0**	9.9
Total non-current liabilities	**72.4**	72.6
Total liabilities	**106.0**	120.6
Subscribed capital	**48.9**	48.9
Capital reserves	**77.2**	77.2
Reserves	**2.5**	1.7
Retained earnings	**-96.6**	-54.9
Equity attributable to owners of the parent	**32.0**	72.9
Non-controlling interests	**0.9**	0.9
Total equity	**32.9**	73.8
Total equity and liabilities	**138.9**	194.4

Income Statement

from January 1 to September 30, 2014 and 2013

	3rd Quarter				01/01 - 09/30			
	2014		2013		2014		2013	
	[million €]	[in %]	[million €]	[in %]	[million €]	[in %]	[million €]	[in %]
Revenue (gross)	**22.7**	**100.9**	43.9	100.9	**52.8**	**100.8**	93.1	100.8
Sales deductions and direct selling costs	**-0.2**	**-0.9**	-0.4	-0.9	**-0.4**	**-0.8**	-0.7	-0.8
Revenue (net)	**22.5**	**100.0**	43.5	100.0	**52.4**	**100.0**	92.4	100.0
Cost of sales	**-19.2**	**-85.3**	-29.4	-67.6	**-44.1**	**-84.2**	-68.5	-74.1
Gross profit on sales	**3.3**	**14.7**	14.1	32.4	**8.3**	**15.8**	23.9	25.9
Research and development	**-3.8**	**-16.9**	-2.0	-4.6	**-9.1**	**-17.4**	-5.6	-6.1
Sales and customer service	**-3.8**	**-16.9**	-3.4	-7.8	**-11.0**	**-21.0**	-11.1	-12.0
General administration	**-1.8**	**-8.0**	-2.8	-6.4	**-6.9**	**-13.2**	-8.2	-8.9
Other operating expenses	**-0.5**	**-2.2**	-0.3	-0.7	**-1.6**	**-3.1**	-1.0	-1.1
Other operating income	**0.8**	**3.6**	2.3	5.3	**2.0**	**3.8**	3.4	3.7
Impairment and restructuring expenditures	**-20.4**	**-90.7**	0.0	0.0	**-20.4**	**-38.9**	0.0	0.0
Total operating expenses	**-29.5**	**-131.1**	-6.2	-14.3	**-47.0**	**-89.7**	-22.5	-24.4
Operating result (EBIT)	**-26.2**	**-116.4**	7.9	18.2	**-38.7**	**-73.9**	1.4	1.5
Finance income	**0.8**	**3.6**	0.5	1.1	**1.7**	**3.2**	1.7	1.8
Finance costs	**-1.6**	**-7.1**	-1.3	-3.0	**-4.3**	**-8.2**	-4.2	-4.5
EBT	**-27.0**	**-120.0**	7.1	16.3	**-41.3**	**-78.8**	-1.1	-1.2
Tax income	**-0.4**	**-1.8**	-0.7	-1.6	**-0.4**	**-0.8**	-1.1	-1.2
Profit or loss for the period	**-27.4**	**-121.8**	6.4	14.7	**-41.7**	**-79.6**	-2.2	-2.4
Thereof attributable to:								
Owners of the parent	**-27.4**		6.5		**-41.7**		-2.0	
Non-controlling interests	**0.0**		-0.1		**0.0**		-0.2	

	[in €]		[in €]		[in €]		[in €]	
Basic earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	**-0.56**		0.13		**-0.85**		-0.04	
Diluted earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	**-0.56**		0.13		**-0.85**		-0.04	
Basic number of shares, pieces	**48,930,314**		48,930,314		**48,930,314**		48,930,314	
Diluted number of shares, pieces	**48,930,314**		48,930,314		**48,930,314**		48,930,314	

Statement of Comprehensive Income

from January 1 to September 30, 2014 and 2013

	3rd Quarter		01/01–09/30	
	2014	2013	**2014**	2013
	[million €]	[million €]	**[million €]**	[million €]
Profit or loss for the period	**-27.4**	6.4	**-41.7**	-2.2
Items that may be reclassified to profit and loss:				
Exchange differences in the fiscal year	**0.7**	-0.3	**0.8**	-0.3
Total income and expense recognized directly in other comprehensive income	**0.7**	-0.3	**0.8**	-0.3
Total comprehensive income	**-26.7**	6.1	**-40.9**	-2.5
Thereof attributable to:				
Owners of the parent	**-26.7**	6.2	**-40.9**	-2.3
Non-controlling interests	**0.0**	-0.1	**0.0**	-0.2

Statement of Changes in Equity

as of September 30, 2014 and 2013

	Equity attributable to owners						Non-controlling interests	Equity
			Reserves	Loss carryforward				
	Subscribed capital [million €]	**Capital reserves [million €]**	**Currency translation reserves [million €]**	**Actuarial gains and losses from pension commitments [million €]**	**Other revenue reserves [million €]**	**Total [million €]**		
As of January 1, 2013	**48.9**	**77.2**	**2.2**	**-1.9**	**-52.9**	**73.5**	**1.0**	**74.5**
Profit or loss for the period	0.0	0.0	0.0	0.0	-2.0	-2.0	-0.2	-2.2
Other comprehensive income	**0.0**	**0.0**	**-0.3**	**0.0**	**0.0**	**-0.3**	**0.0**	**-0.3**
Total comprehensive income	**0.0**	**0.0**	**-0.3**	**0.0**	**-2.0**	**-2.3**	**-0.2**	**-2.5**
As of September 30, 2013	**48.9**	**77.2**	**1.9**	**-1.9**	**-54.9**	**71.2**	**0.8**	**72.0**
As of January 1, 2014	**48.9**	**77.2**	**1.7**	**-1.4**	**-53.5**	**72.9**	**0.9**	**73.8**
Profit or loss for the period	0.0	0.0	0.0	0.0	-41.7	-41.7	0.0	-41.7
Other comprehensive income	**0.0**	**0.0**	**0.8**	**0.0**	**0.0**	**0.8**	**0.0**	**0.8**
Total comprehensive income	**0.0**	**0.0**	**0.8**	**0.0**	**-41.7**	**-40.9**	**0.0**	**-40.9**
As of September 30, 2014	**48.9**	**77.2**	**2.5**	**-1.4**	**-95.2**	**32.0**	**0.9**	**32.9**

Statement of Cash Flows

from January 1 to September 30, 2014 and 2013

	01/01 - 09/30/2014 [million €]		01/01 - 09/30/2013 [million €]	
Cash flows from operating activities				
Profit or loss for the period		**-41.7**		-2.2
Adjustment to reconcile profit or loss for the period to net cash flow				
Amortization, depreciation and impairment of non-current assets	**23.9**		4.4	
Allocation to pension provisions	**0.1**		0.1	
Other non-cash expenses/income	**-0.8**		-2.2	
Net interest income	**2.6**		2.5	
Net tax expense	**0.4**		1.1	
Change in trade receivables	**9.1**		-13.5	
Change in construction contracts	**-0.7**		-8.3	
Change in other receivables and other assets	**-0.6**		1.8	
Change in inventories	**-10.0**		14.2	
Change in trade payables	**-2.0**		-2.2	
Change in other liabilities	**-1.7**		0.5	
Change in prepayments	**-2.6**		2.5	
Change in loans	**0.6**		-2.1	
Change in provisions from restructuring measures	**-0.4**		-1.6	
Change in further provisions	**-1.2**		0.0	
Interest paid	**-0.2**		-0.3	
Interest received	**1.3**		1.7	
Income tax paid	**-0.2**		-0.9	
		17.6		-2.3
Net cash from/used in operating activities		**-24.1**		-4.5

	01/01 - 09/30/2014 [million €]		01/01 - 09/30/2013 [million €]	
Cash flows from investing activities				
Cash paid for investments in development projects	-0.6		-2.1	
Cash paid for investments in other intangible assets and property, plant and equipment	-0.3		-0.8	
Change in time deposits (with terms longer than 3 months)	10.0		-1.0	
Net cash from/used in investing activities		9.1		-3.9
Cash flows from financing activities				
Bond interest payments	-4.4		-4.7	
Cash used to redeem bonds	-0.1		-2.3	
Cash used to pay down loans	0.0		-1.9	
Cash received/used on financial assets subject to restrictions on disposal	0.8		7.6	
Net cash from/used in financing activities		-3.7		-1.3
Increase/decrease in cash and cash equivalents		-18.7		-9.7
Effect of exchange rate changes		0.6		-0.2
Cash and cash equivalents at the beginning of the reporting period		35.0		40.9
Cash and cash equivalents at the end of the reporting period		16.9		31.0
Time deposits with terms longer than 3 months		6.0		16.0
Liquid funds at the end of the reporting period		22.9		47.0

Notes to the interim financial statements

The SINGULUS TECHNOLOGIES Aktiengesellschaft (hereinafter also "SINGULUS TECHNOLOGIES AG" or the "Company") is an exchange-listed stock corporation domiciled in Germany. The consolidated financial accounts presented for the interim reporting of the SINGULUS TECHNOLOGIES AG and its subsidiaries (the "Group") for the first nine months of the business year 2014 were approved for publication by decision of the Executive Board as of November 12, 2014. The consolidated financial accounts were drawn up in Euro (EUR/€). If not stated otherwise, all figures are in millions of Euro (million €). Due to statements in million € differences in rounding may occur.

Accounting and valuation principles

The preparation of the abbreviated consolidated interim results for the period from January 1 to September 30, 2014 was made pursuant to IAS 34 "Interim Financial Reporting". The abbreviated consolidated interim results do not include all of the notes and information required for the reporting for the full business year and should be read in conjunction with the consolidated financial accounts as of December 31, 2013. The interim report was neither audited nor reviewed by auditors. The preparation of the interim results pursuant to IAS 34 requires estimates and assumptions by the management, affecting the level of the reported assets, liabilities, income, expenses as well as contingent liabilities. These assumptions and estimates mainly affect the Group-consistent determination of useful life expectancy, the write-offs of assets, the valuation of provisions, the recoverability of receivables, the determination of realizable terminal values in the area of inventories as well as the realizability of future tax relieves. The actual values can differ from the assumptions and estimates made on a case by case basis. Changes are recognized affecting earnings at the time of the knowledge gained. The accounting and valuation methods applied in the consolidated accounts for the interim reporting correspond to those applied for the most recent consolidated financial report as of the end of the business year 2013. For a detailed description of the accounting principles please refer to the notes of the consolidated financial statements of our Annual Report 2013.

Scope of consolidation

In addition to the SINGULUS TECHNOLOGIES AG the consolidated financial statements include all companies, which are legally or factually controlled by the company. In the interim report as of September 30, 2014, in addition to the SINGULUS TECHNOLOGIES AG three domestic and twelve foreign subsidiaries were included. No companies have been added or deleted from the scope of consolidation in the current business year.

Accounts receivable and production receivables

The accounts receivable as of September 30, 2014 are split as follows:

	Sept. 30, 2014	Dec. 31, 2013
	in million €	in million €
Accounts receivable – short-term	**26.0**	26.4
Receivables from production orders	**3.3**	2.7
Accounts receivable – long-term	**11.6**	20.4
less write-offs	**-2.4**	-2.7
	38.5	46.8

Intangible Assets

Capitalized development expenses, goodwill, customer bases as well as concessions, intellectual property rights and other intangibles are included under intangible assets. The remaining customer base resulting from the acquisition of Blu-ray Disc activities of Oerlikon Balzers AG in the fiscal year 2008 has been revalued and as a result was written off completely by € 4.9 million. As of September 30, 2014, the capitalized development expenses amounted to € 5.4 million (December 31, 2013: € 6.4 million). In the first nine months of 2014 the investments in developments totaled € 0.6 million (previous year: € 2.1 million). In the same period scheduled write-offs and amortization amountedto € 1.6 million (previous year: € 1.5 million). In the quarter under review development expenses amounted to € 0.2 million (previous year: € 0.6 million), the scheduled amortization for the respective period amounted to € 0.6 million (previous year: € 0.5 million).

Property, plant & equipment

In the first three months of the business year 2014 € 0.3 million were invested in property, plant & equipment (previous year: € 0.5 million). Most of the spending was used for replacement investments. During the same period scheduled depreciation amounted to € 1.1 million (previous year: € 1.2 million). In the quarter under review scheduled depreciation amounted to € 0.4 million (previous year: € 0.4 million).

Contingent liabilities and other financial obligations

The contingent liabilities and other financial obligations not included in the consolidated accounts as of September 30, 2014 amount to € 30.3 million (December 31, 2013: € 34.0 million) and mainly include rent and leasing obligations (€ 25.1 million), guarantees for prepayments received (€ 4.2 million) as well as guarantees (€ 0.4 million). Management does not have knowledge about facts that could have a materially adverse impact on the business operations, the financial situation or the business results of the company.

Geographical breakdown of sales

Geographical information 01/01–09/30/2014	Germany	Rest of Europe	North & South America	Asia	Africa & Australia
	in million €	in million €	in million €	in million €	in million €
Sales by country of origin	33.8	2.1	11.6	5.3	0.0
by country of destination	8.3	9.8	22.9	10.7	1.1

Geographical information 01/01–09/30/2013	Germany	Rest of Europe	North & South America	Asia	Africa & Australia
	in million €	in million €	in million €	in million €	in million €
Sales by country of origin	71.2	5.6	14.0	2.3	0.0
by country of destination	10.1	23.3	42.4	8.7	8.6

Sales reductions and individual selling expenses

The sales reductions include cash discounts granted. The individual selling expenses are mainly composed of expenses for packaging, freight and commissions.

Research and development expenses

In addition to the research and non-capitalized development expenses, the research and development expenses for the 3rd quarter 2014 also include scheduled amortization of capitalized developments expenses.

General administrative expenses

The administrative expenses include the expenses for the management, personnel expenses, the finance and accounting departments as well as the corresponding expenses for rent and company cars. Furthermore, they include the ongoing IT expenses, legal and consulting fees, expenses for investor relations activities, the Annual General Meeting and the annual financial statements.

Financial income and financing expenses

The interest income/expenses are composed as follows:

	01/01–09/30	
	2014	2013
	in million €	in million €
Interest income from long-term customer claims	**1.2**	0.9
Interest income from time deposits/ sight deposits	**0.1**	0.3
Interest income from loans	**0.2**	0.0
Gains from bond repurchase	**0.1**	0.5
Other interest income	**0.1**	0.0
Financing expenses from issuance of bond	**-3.8**	-3.8
Other financing expenses	**-0.5**	-0.4
	-2.6	-2.5

Financial instruments

Attributable time value

The following table displays the book values and the corresponding time values of all financial instruments included in the consolidated financial statement by class:

	Valuation category	Book value Sept. 30, 2014 in million €	Book value Dec. 31, 2013 in million €	Attributable time value Sept. 30, 2014 in million €	Attributable time value Dec. 31, 2013 in million €
Financial assets					
Cash and cash equivalents **	L&R	**22.9**	51.0	**22.9**	51.0
Borrowings **	L&R	**5.3**	6.1	**5.3**	6.1
Other assets **	L&R	**5.9**	12.2	**5.9**	12.2
Derivatives					
Hedging derivatives **	HD	**0.0**	0.1	**0.0**	0.1
Accounts receivable **	L&R	**35.2**	44.1	**35.2**	44.1
Receivables from production orders **	L&R	**3.3**	2.7	**3.3**	2.7
Financial liabilities					
Corporate bond *	FLAC	**58.7**	59.9	**35.1**	56.7
Accounts payable **	FLAC	**6.3**	8.3	**6.3**	8.3
Total	L&R	**72.6**	116.1	**72.6**	116.1
Total	FLAC	**65.0**	68.2	**41.4**	65.0
Total	HD	**0.0**	0.1	**0.0**	0.1

* The valuation at attributable time value was accounted for as Level 1 attributable time value, based on the input factors of the applied valuation procedures.
** The valuations at attributable time value were accounted for as Level 2 attributable time value, based on the input factors of the applied valuation procedures.

Annotations to the abbreviations:
L&R: Loans and Receivables
FLAC: Financial Liabilities Measured at Amortised Cost
HD: Hedging Derivative

Cash and cash equivalents as well as accounts payable regularly have a short term to maturity. The balance sheet values are approximately the attributable time values. The same holds true for short-term accounts receivables and other assets. The attributable time values of long-term accounts receivable corresponds to the present values corresponding to the payments of the assets subject to the relevant interest rate parameters.

As a valuation price for the foreign exchange forwards concluded, for cash rates the ECB reference prices and for forward rates the relevant forward rate prices of the relevant commercial banks are used. The attributable time value of the exchange-listed bonds corresponds to the exchange price at the balance sheet date plus the book value of the accrued interest liabilities as of the balance sheet date.

Hierarchy of attributable time values

The Group applies the following hierarchy for the calculation and reporting of the corresponding time values of financial instruments as per valuation method:

Level 1: listed (unadjusted) prices on active markets for similar assets or liabilities,

Level 2: methods, in which all input parameters which have a material impact on the calculated attributable time value, can be observed directly or indirectly,

Level 3: methods, which use input parameters, which have a material impact on the calculated attributable time value and which are not based on observable market data.

Earnings per share

For the calculation of the undiluted earnings per share the earnings attributable to the bearers of the common shares of the parent company are divided by the weighted average number of shares in circulation during the period under review. For the calculation of the diluted earnings per share the earnings attributable to the bearers of the common shares of the parent company are divided by the weighted average number of common shares in circulation during the period under review in addition to the weighted average number of shares resulting from the conversion of all potential common shares with dilution effect into common shares. Dilution effects were neither recorded in the period under review nor in the same period one year ago. In the period from the balance sheet date until the drawing up of the consolidated financial statements there were no additional transactions of common shares or potential common shares.

Events after the Balance Sheet Date

With respect to events after the balance sheet date please refer to the information in the status report. There were no additional events with material impact after the balance sheet date.

Shareholdings of Board members

As of the balance sheet date, the members of the Executive and Supervisory Boards of the SINGULUS TECHNOLOGIES AG held the following number of shares, convertible bonds and stock options:

The Chairman of the Supervisory Board, Dr.-Ing. Leichnitz, held 39,344 shares of the company in total as of September 30, 2014.

Furthermore, at the end of the quarter under review members of the Executive Board had themselves purchased the following number of shares of the SINGULUS TECHNOLOGIES AG:

	Sept. 30, 2014
	shares
Dr.-Ing. Stefan Rinck	9,619
Markus Ehret	7,000
	16,619

After September 30, 2014, Dr.-Ing. Stefan Rinck acquired additional 10,000 shares of the company.

Affirmation of the Legal Representatives

"We assert to our best knowledge and belief that pursuant to the applicable accounting principles for the interim financial reporting the consolidated financial statements reflect the true situation of the asset, financial and earnings situation of the Group. The consolidated interim status report depicts the course of business including the financial results and the situation of the Group in a way reflecting the true situation and describing the material opportunities and risks of the foreseeable developments of the Group during the remainder of the business year."

Kahl am Main, September 2014

The Executive Board

At a glance –
Consolidated Key Figures 3rd Quarter 2012–2014

		2012	2013	2014
Revenue (gross)	million €	39.9	43.9	**22.7**
Order intake	million €	23.6	33.8	**23.2**
EBIT	million €	-41.8	7.9	**-26.2**
EBITDA	million €	-23.5	9.4	**-4.9**
Earnings before taxes	million €	-42.7	7.1	**-27.0**
Profit/loss for the period	million €	-41.5	6.4	**-27.4**
Research & development expenditures	million €	2.4	2.0	**3.5**

Consolidated Key Figures 9 Months 2012–2014

		2012	2013	2014
Revenue (gross)	million €	83.5	93.1	**52.8**
Order intake	million €	110.6	82.6	**48.4**
Order backlog (09/30)	million €	53.9	29.6	**15.9**
EBIT	million €	-54.2	1.4	**-38.7**
EBITDA	million €	-29.9	5.8	**-14.8**
Earnings before taxes	million €	-56.6	-1.1	**-41.3**
Profit/loss for the period	million €	-53.8	-2.2	**-41.7**
Operating cash flow	million €	-1.5	-4.5	**-24.1**
Shareholders' equity (09/30)	million €	85.2	72.0	**32.9**
Balance sheet total (09/30)	million €	215.0	187.2	**138.9**
Research & development expenditures	million €	6.2	5.7	**8.1**
Employees (09/30)		420	356	**359**
Weighted number of shares, basic	€	48,930,314	48,930,314	**48,930,314**
Earnings per share, basic	€	-1.10	-0.04	**-0.85**

Corporate Calendar
2014/15

November 13	Q3/2014 Report
November 24	German Equity Forum, Frankfurt/Main
March 31	Annual Press Conference, Analyst Conference
May 21	Q1/2015 Report
June 9	Annual Shareholders Meeting
August 12	Q2/2015 Report
November 18	Q3/2015 Report

Future-oriented statements and forecasts

This report contains future-oriented statements based on the current expectations, assessments and forecasts of the Executive Board as well as on the currently available information to them. Known as well as unknown risks, uncertainties and impacts could cause the actual results, the financial situation or the development to differ from the statements made in this report. We assume no obligation to update the future-oriented statements made in this report.

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