Report for the 3rd Quarter 2015

Interim Report as of September 30, 2015
(unaudited)

SINGULUS

Interim Report Q3 2015

Business Trends and Situation of the SINGULUS TECHNOLOGIES Group

On October 07, 2015 the SINGULUS TECHNOLOGIES AG reported through an ad-hoc release pursuant to Art. 15 WpHG that the former forecast for the full-year 2015 could not be upheld. The key financial figures of the current business year are mainly impacted by the once again weak course of business in the Optical Disc division. Although talks with key customers in the segment Optical Disc have not been concluded, the Executive Board no longer thinks that it is probable for new orders for the BLULINE II to be received in the current year. In its forecast for the business year 2015 SINGULUS TECHNOLOGIES had projected to achieve stable order intake and sales in the core segments Optical Disc and Solar. However, the two segments Solar and Optical Disc have shown contrasting trends in the first nine months. The lack of expected orders for Blu-ray production machines impact sales similar to the previous year and in particular also weighs heavily on the earnings. In the Solar division, sales were increased compared with the previous year.

SINGULUS TECHNOLOGIES had reported the preliminary key figures for the first nine months of 2015 on October 27, 2015 through an ad-hoc release pursuant to Art. 15 WpHG. During the first nine months of the current business year the company recorded sales of € 57.7 million and is thus slightly above the level of the prior-year period in the amount of € 52.8 million. Sales in the 3rd quarter came to € 28.5 million (previous year: € 22.7 million).

The loss on an operating basis (EBIT) amounts to € -13.9 million for the first nine months of the current business year (previous year: € -38.7 million). During the first nine months of the business year 2015 the order intake of € 84.4 million (previous year: € 48.4 million) was substantially above the comparable figures one year ago. In the quarter under review the order intake came to € 11.3 million (previous year: € 23.2 million). The order backlog as per September 30, 2015 amounted to € 40.7 million and was thus above the comparable level as of September 30, 2014 (€ 15.9 million).

The cash flow in the first nine months was negative. The available liquid funds of € 35.8 million as of December 31, 2014 declined by € 19.2 million to € 16.6 million as of the end of the third quarter.

On July 21, 2015 the SINGULUS TECHNOLOGIES AG concluded a merger agreement with the SINGULUS STANGL SOLAR GmbH. The merger has become effective as of October 8, 2015 with the entry into the trade register of SINGULUS TECHNOLOGIES. Accordingly, the former SINGULUS STANGL SOLAR GmbH will be a part of the SINGULUS TECHNOLOGIES AG as a branch office in Fürstenfeldbruck. The sites at Kahl am Main and in Fürstenfeldbruck will grow even closer together with the merger and strengthen the productivity of the SINGULUS TECHNOLOGIES Group.

Optical Disc – market for Blu-ray Disc production machines disappoints

In its most recent forecast as of August 2015 the British market research institute Futuresource projects that the market for Blu-ray Discs will only expand by 1 % this year. This corresponds to insights gained from discussions with our key customers, according to which the disc manufacturers will refrain from new investments into production equipment in the current year. The discussions about the new production technology for the upcoming disc generation, the Ultra-HD Blu-ray Disc with a storage volume of up to 100 GB, do not foreshadow any substantial progress at the

Big inline vacuum coating machine for CIGS solar modules

moment so far. The introduction of new, required players is scheduled for 2016. Only after that, decisions with respect to significant investments into our new production machines BLULINE III for the manufacturing of discs with 100 GB storage volume is expected.

The replacement part and service activities in the Optical Disc segment continue to be stable with sales in the double-digit million range.

Solar division – market trend with positive outlook

On October 12, 2015 the market research institute HIS reported that photovoltaics demand is set to increase by 33 percent compared with the prior year. This would be the largest rise since 2011. In the coming year the level of 300 gigawatt of globally installed photovoltaic output could be exceeded.
In its report IHS projects that the newly installed photovoltaics output for this year will rise to 59 gigawatt.

IHS lifted the forecast for 2016 by more than two gigawatt to currently 65 gigawatt. Even if the growth rate should slightly slow down again in 2016, additions of 65 gigawatt are still expected. Besides the US and China, India and other Asian markets will continue to grow as reasoned by IHS in its upbeat outlook. For 2017 the analysts forecast a slight decline in global additions, which is then once again set to increase in 2018 and 2019 to more than 70 gigawatt newly installed output.

Inline system for wet-chemical processes in solar technology

As a result of the steadily growing solar market, an increase in capital expenditure for production equipment is anticipated.

SINGULUS TECHNOLOGIES has developed and introduced to the market numerous new products in the Solar division in the past couple of years. In the past couple of months, our new SILEX II machine for new high-performance solar cells was particularly successful.

We have a leading position in the market for production machines for CIGS thin-film solar cells and offer machines for all key production steps.

The orders for CIGS production equipment in the first quarter of 2015 have shown that we are on the right track. Here, the company expects additional, significant orders in the future.

Semiconductor

The business activities in the Semiconductor division continue to be quiet. SINGULUS TECHNOLOGIES works on cooperations with renowned semiconductor manufacturers for MRAM as well as on new applications for vacuum coating technology in the semiconductor industry. Amongst others, the application areas are research of magneto-electric materials, which are of utmost importance for MRAM memory and sensor technology.

Positioning on new markets

SINGULUS TECHNOLOGIES strengthens its competencies in the work areas of vacuum thin-film technology, plasma technology, wet-chemical processing as well as thermal processing technologies.

The first, fully-automated coating line for plastic parts under the product name DECOLINE II was completed, tested by the customers and will be delivered in the coming weeks. Project talks with other interested parties are promising. SINGULUS TECHNOLOGIES works with potential customers on additional applications such as wet-chemical treatments as well as the enhancement of surfaces in the area of display technology through vacuum coating.

Complete production line for surface coating of 3D products

Key financial figures

Order intake and order backlog

During the first nine months of the business year 2015 the order intake of € 84.4 million (previous year: € 48.4 million) was substantially above the comparable figures one year ago. In the quarter under review the order intake came to € 11.3 million (previous year: € 23.2 million). The order backlog amounted to € 40.7 million as of September 30, 2015 (September 30, 2014: € 15.9 million).

Sales and earnings

Sales in the first nine months of the business year 2015 of € 57.7 million slightly exceeded the prior-year level of € 52.8 million. The reason for this is a significant increase in the Solar division (€ +21.4 million). In contrast, the sales in the Optical Disc (€ -12.5 million) and Semiconductor (€ -4.0 million) divisions declined. Sales in the 3rd quarter 2015 were € 5.8 million above the prior-year level and amounted to € 28.5 million, mainly due to sharply increasing sales in the Solar division (€ +14.5 million). Sales in the segments Optical Disc (€ -7.0 million) and Semiconductor (€ -1.7 million) in the quarter under review still remained below the prior-year level. Sales in the nine months are split into € 21.7 million in the Optical Disc segment (previous year: € 34.2 million), Solar at € 34.2 million (previous year: 12.8 million) and Semiconductor at € 1.8 million (previous year: € 5.8 million). In the quarter under review sales are split into € 8.5 million in the Optical Disc segment (previous year: € 15.5 million), Solar at € 19.5 million (previous year: 5.0 million) and Semiconductor at € 0.5 million (previous year: € 2.2 million). For the first nine months of 2015 the percentage regional breakdown of sales was as follows: North and South America 54.2 % (previous year: 43.4 %), Europe 16.5 % (previous year: 34.2 %), Asia 27.6 % (previous year: 20.3 %) as well as Africa and Australia 1.7 % (previous year: 2.1 %). The percentage regional breakdown of sales for the 3rd quarter 2015 was as follows: North and South America 54.6 % (previous year: 48.5 %), Europe 13.4 % (previous year: 37.0 %), Asia 30.2 % (previous year: 13.2 %) as well as Africa and Australia 1.8 % (previous year: 1.3 %).

In the first nine months of the business year 2015 SINGULUS TECHNOLOGIES was able to slightly improve the gross margin to a level of 17.9 % (previous year: 15.8 %). A slight increase in the utilization rate, cost savings as well as the product mix contributed to this improvement. The gross profit margin in the 3rd quarter 2015 stood at 16.4 % (previous year: 14.7 %). The operating expenses in the amount of € 24.1 million for the first nine months were slightly below the prior-year level (€ 26.6 million, adjusted for impairment and restructuring charges). This development is mainly due to lower expenses in the departments marketing & sales and customer services (€ 9.0 million) because of the restructuring programs implemented last year (€ -2.0 million). In addition, the expenses for research and development amounted to € 7.0 million compared with the prior-year level of € 9.1 million. In contrast, general and administrative expenditure rose to € 8.8 million (previous year: € 6.9 million). This increase is mainly due to higher legal and consulting expenses in connection with the refinancing of the bond and the streamlining of the Group's structure. In the quarter under review the expenses for research and development amounted to € 2.8 million (previous year: € 3.8 million), for sales & marketing and customer services to € 3.0 million (previous year: € 3.8 million) and general & administrative expenses to € 3.3 million (previous year: € 1.8 million). In the first nine months of 2015 earnings before interest and taxes (EBIT) came to € -13.9 million (previous year: € -38.7 million). After adjusting for impairment and restructuring charges a prior-year level of € -18.3 million results. The EBIT in the quarter under review was also negative at € -4.1 million (previous year: € -5.8 million, adjusted for impairment and restructuring charges). In detail, the breakdown of sales and the operating result are split between the segments as follows:

Segment Reporting as of January 1 to September 30, 2015 and 2014

	Segment Optical Disc		Segment Solar		Segment Semiconductor		SINGULUS TECHNOLOGIES Group	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	[million €]	[million €]	**[million €]**	[million €]	**[million €]**	[million €]	**[million €]**	[million €]
01/01–09/30								
Sales (gross)	**21.7**	34.2	**34.2**	12.8	**1.8**	5.8	**57.7**	52.8
Sales deduction and individual selling expenses	**-0.6**	-0.3	**0.0**	-0.1	**-0.1**	0.0	**-0.7**	-0.4
Sales (net)	**21.1**	33.9	**34.2**	12.7	**1.7**	5.8	**57.0**	52.4
Restructuring charges/impairments	**0.0**	-5.4	**0.0**	-15.0	**0.0**	0.0	**0.0**	-20.4
Write-offs and amortization	**-1.4**	-6.6	**-1.5**	-16.8	**-0.5**	-0.5	**-3.4**	-23.9
Operating result (EBIT)	**-7.7**	-9.1	**-3.5**	-26.8	**-2.7**	-2.8	**-13.9**	-38.7
Financial result							**-3.5**	-2.6
Earnings before taxes							**-17.4**	-41.3
3rd Quarter								
Sales (gross)	**8.5**	15.5	**19.5**	5.0	**0.5**	2.2	**28.5**	22.7
Sales deduction and individual selling expenses	**-0.4**	-0.1	**0.0**	-0.1	**-0.1**	0.0	**-0.5**	-0.2
Sales (net)	**8.1**	15.4	**19.5**	4.9	**0.4**	2.2	**28.0**	22.5
Restructuring charges/impairments	**0.0**	-5.4	**0.0**	-15.0	**0.0**	0.0	**0.0**	-20.4
Write-offs and amortization	**-1.0**	-5.4	**-0.5**	-15.7	**-0.1**	-0.2	**-1.6**	-21.3
Operating result (EBIT)	**-4.8**	-5.2	**1.4**	-20.3	**-0.7**	-0.7	**-4.1**	-26.2
Financial result							**-1.1**	-0.8
Earnings before taxes							**-5.2**	-27.0

Balance sheet and liquidity

As of the balance sheet date, the short-term assets came to € 84.5 million, below the level of the end of 2014 (previous year: € 98.5 million). This is mainly caused by a reduction in liquid funds. They amounted to € 16.6 million (previous year: € 35.8 million) as of the balance sheet date. In contrast, the other receivables and other assets increased by € 3.6 million to € 12.0 million. This is mainly due to the increase in restricted financial assets by € 1.7 million as well as prepayments received for current production orders by € 1.8 million. Both items are reported within the balance sheet line "Other receivables and other assets". The restricted financial assets include deposited cash, which serves as security for guarantees for prepayments received.

The long-term assets in the amount of € 28.7 million are below the level of € 31.7 million as of December 31, 2014. The change predominantly stems from the reduction of long-term borrowings by € 2.0 million and accounts payable with a term exceeding twelve months by € 1.9 million. The capitalized development expenses showed a contrasting trend. They increased by € 1.8 million to € 7.9 million.

The short-term debt of € 36.9 million is around the prior-year level (previous year: € 36.4 million). Mainly in connection with the bond buy-backs the long-term debt declined slightly by € 1.4 million and stood at € 72.3 million.

Shareholders' equity

Due to the continuing losses the shareholders' equity in the Group declined by € 16.1 million in the quarter under review and stood at € 4.0 million as of September 30, 2015 (previous year: € 20.1 million). Equity in the amount of € 3.2 million is attributable to the shareholders of the parent company and € 0.8 million to minorities. Effective September 30, 2015 the capital reserve in the amount of € 75.2 million was dissolved and offset against other retained earnings.

The equity ratio amounts to 3.5 % which is substantially lower than at the end of the business year 2014 (previous year: 15.4 %).

Cash flow

The operating cash flow in the Group was negative and amounted to € -8.7 million in the first nine months of the reporting period (previous year: € -24.1 million). The cash flow from investing activities came to € -4.3 million (previous year: € 9.1 million) and was characterized by capital spending for development activities. The cash flow from financing activities amounted to € -6.6 million in the period under review (previous year: € -3.7 million) and mainly resulted from the payment of interest for the corporate bond (€ -4.3 million) as well as the changes in restricted funds (€ -1.7 million) as deposits for guarantees. Overall, the amount of cash and cash equivalents declined by € 19.2 million in the first nine months of 2015 to currently € 16.6 million.

Risk Report

The sales market risk for the segments Solar and Optical Disc as well as the liquidity risk are still deemed to be the most essential risks within the group. With respect to the assessment of these risks, there were no changes in the course of the first nine months of the business year 2015. The market risk in the two segments Solar and Optical Disc are still assessed with a relevance level of 4 and a medium probability of occurrence. Accordingly, this risk within the two core segments is still viewed as being material and can result in a negative impact on the entire group of companies and reduce the company's value substantially. Within the Optical Disc segment the market risk has materialized in the business year 2015.
The demand for Blu-ray Disc production machines substantially fell short of expectations. This resulted in a considerable negative impact on the equity of the company. If the demand does not recover in 2016, this will have material impact on the asset, financing and earnings situation of the company.

The liquidity risk also remains assessed with a relevance level of 4 and a medium probability of occurrence. The liquidity within the group of companies was further reduced by the weak operating business activities in the business year 2015, in particular in the Optical Disc segment. In the further course, a lack of recovery in business activities in the business year 2016 would have a significant impact on the liquidity reserves. Moreover, a lack of recovery in the business activities would jeopardize the refinancing of the corporate bond maturing in March 2017 and as a result the continuation of the company.

Development of costs and prices

From our point of view 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.

Research and development

In the course of the repositioning and the focus on new application areas, development activities are of high importance. At € 8.7 million the expenditures for developments in the first nine months of the current business year were slightly above the prior-year level (previous year: € 8.1 million).
The expenditures for development activities came to € 3.1 million (previous year: € 3.5 million) in the quarter under review.

Employees

The number of employees in the SINGULUS TECHNOLOGIES Group decreased from 352 salaried employees as of December 31, 2014 to 343 employees as of September 30, 2015.

The SINGULUS TECHNOLOGIES stock

The shares of SINGULUS TECHNOLOGIES have come under pressure in spring 2015 due to the announcement of balance sheet restructurings and a reorganization of the capital structure, and have not recovered so far. Impacted by the discussions with respect to measures around the bondholder meetings on October 8 and 29, the share price remained weak. The share price stood at € 0.54 on November 16, 2015.

The SINGULUS TECHNOLOGIES corporate bond

The corporate bond of the SINGULUS TECHNOLOGIES AG with a volume of € 60.0 million and a coupon of 7.75 % has an original term to maturity of five year and is due in March 2017. The price for the corporate bond was influenced negatively by the announce of the restructuring measures for the balance sheet. On November 16, 2015 the bond traded at 19.10 %.

In October 2015 the SINGULUS TECHNOLOGIES AG proposed to the bondholders the appointment and special authorization of a joint representative for all bondholders as well as the temporary waiver of potential cancellation rights until December 31, 2016. With a joint representative a central contact point for the bondholders should be created, who safeguards the flow of information and which promotes the coordination of bondholders in order to substantially facilitate the conduct of negotiations and the process of coordination of planning towards a restructuring concept for the bond considering the interests of all stakeholders. The temporary limitation of the cancellation right was proposed to safeguard legal certainty in the further course of the planned process.

The first bondholder meeting of the SINGULUS TECHNOLOGIES AG was held on October 8, 2015 upon invitation by the company. The required quorum of 50 % of the outstanding bonds (Art. 15 Para. 3 Sent. 1 SchVG) was not satisfied during the first meeting. Decision-making was thus not possible in view of a lack of quorum.

As a consequence, the SINGULUS TECHNOLOGIES AG invited the bondholders to a second bondholder meeting on October 29, 2015 with identical agenda items.

Upon proposal by the company, the second bondholder meeting appointed the One Square Advisory Services GmbH under the direction of Mr. Frank Günther as a joint representative for all bondholders. Apart from this resolution to agenda item 3 (with a slight amendment compared to the resolution proposal by the company published in the Federal Gazette on October 9, 2015), in addition the resolution proposals of the company with respect to agenda items 7 and 8 of the agenda published in the Federal Gazette on October 9, 2015 were approved with the required majority.

The quorum of 25 % of the outstanding bonds required for the special authorization of the joint representative and for the temporary waiver of potential cancellation rights were not achieved in the second bond-holder meeting, so that no resolution could be passed with respect to the agenda items 4,5 and 6 of the agenda published in the Federal Gazette on October 9, 2015.

The Executive Board will discuss the restructuring concept of the bond with the designated joint representative in the coming weeks. The Executive Board still pursues the implementation of a debt-equity swap. The proposals will be presented to the bondholders in the course of an additional bondholder meeting and afterwards to the shareholders at an extraordinary general meeting. Accordingly, the Executive Board will not make use of the authorization of a capital reduction approved during the ordinary general meeting in June, but will rather put up for vote capital measures to the shareholders in connection with the debt-equity swap.

Outlook for the business year 2015

Reaching the financial full-year goals for 2015 materially depended on the development of volume sales in the segments Solar and Optical Disc in the current year. However, the two segments Solar and Optical Disc have diverged significantly in the current business year so far.

The talks with key customers in the Optical Disc segment with respect to Blu-ray Disc machines were disappointing. The discussions about the new production technology for the upcoming disc generation, the Ultra-HD Blu-ray Disc with a storage volume of up to 100 GB, do not foreshadow any substantial progress at the moment, either.

The lack of expected new orders for Blu-ray impacts the sales and in particular the earnings expectations considerably. In the Solar division, sales were increased compared with the previous year. The Group's forecast for the current business year cannot be maintained.

For the current business year SINGULUS TECHNOLOGIES expects sales above the previous year. The EBIT at the end of the business year will be significantly negative and slightly improved compared with the previous year.

The approval of our shareholders to the authorizations proposed during the Annual General Meeting was important and facilitates the restructuring of our capital structure. Discussions will be held with the designated joint representative with respect to the reorganization of the capital structure. The Executive Board will report on the respective results in a timely manner.

Yours sincerely,

The Executive Board

SINGULUS TECHNOLOGIES AG

SINGULUS TECHNOLOGIES Group
Balance Sheet
from September 30, 2015 to December 31, 2014

ASSETS

	Sept. 30, 2015	Dec. 31, 2014
	[million €]	[million €]
Liquid funds	**16.6**	35.8
Trade receivables	**10.7**	11.4
Receivables from construction contracts	**5.0**	1.7
Borrowings	**0.5**	3.2
Other receivables and other assets	**12.0**	8.4
Total receivables and other assets	**28.2**	24.7
Raw materials, consumables and supplies	**10.6**	11.8
Work in process	**29.1**	26.2
Total inventories	**39.7**	38.0
Total current assets	**84.5**	98.5
Trade receivables	**4.8**	6.7
Borrowings	**0.0**	2.0
Property, plant and equipment	**5.7**	6.3
Capitalized development costs	**7.9**	6.1
Goodwill	**6.7**	6.7
Other intangible assets	**1.3**	1.7
Deferred tax assets	**2.3**	2.2
Total non-current assets	**28.7**	31.7
Total assets	**113.2**	130.2

EQUITY AND LIABILITIES

	Sept. 30, 2015 [million €]	Dec. 31, 2014 [million €]
Trade payables	**10.4**	7.3
Prepayments received	**6.0**	4.7
Liabilities from construction contracts	**2.1**	1.2
Financing liabilities from the issuance of bonds	**2.2**	3.4
Other current liabilities	**13.0**	13.5
Provisions for restructuring measures	**1.9**	2.9
Provisions for taxes	**0.1**	0.5
Other provisions	**1.2**	2.9
Total current liabilities	**36.9**	36.4
Financing liabilities from the issuance of bonds	**54.3**	55.3
Provisions for restructuring measures	**5.5**	6.0
Pension provisions	**12.5**	12.4
Total non-current liabilities	**72.3**	73.7
Total liabilities	**109.2**	110.1
Subscribed capital	**48.9**	48.9
Capital reserves	**2.0**	77.2
Reserves	**4.1**	2.5
Retained earnings	**-51.8**	-109.4
Equity attributable to owners of the parent	**3.2**	19.2
Non-controlling interests	**0.8**	0.9
Total equity	**4.0**	20.1
Total equity and liabilities	**113.2**	130.2

SINGULUS TECHNOLOGIES Group
Income Statement
from January 1 to September 30, 2015 and 2014

	3rd Quarter				01/01 - 09/30			
	2015		2014		2015		2014	
	[million €]	[in %]	[million €]	[in %]	[million €]	[in %]	[million €]	[in %]
Revenue (gross)	28.5	101.8	22.7	100.9	57.7	101.2	52.8	100.8
Sales deductions and direct selling costs	-0.5	-1.8	-0.2	-0.9	-0.7	-1.2	-0.4	-0.8
Revenue (net)	28.0	100.0	22.5	100.0	57.0	100.0	52.4	100.0
Cost of sales	-23.4	-83.6	-19.2	-85.3	-46.8	-82.1	-44.1	-84.2
Gross profit on sales	4.6	16.4	3.3	14.7	10.2	17.9	8.3	15.8
Research and development	-2.8	-10.0	-3.8	-16.9	-7.0	-12.3	-9.1	-17.4
Sales and customer service	-3.0	-10.7	-3.8	-16.9	-9.0	-15.8	-11.0	-21.0
General administration	-3.3	-11.8	-1.8	-8.0	-8.8	-15.4	-6.9	-13.2
Other operating expenses	0.4	1.4	-0.5	-2.2	-1.3	-2.3	-1.6	-3.1
Other operating income	0.0	0.0	0.8	3.6	2.0	3.5	2.0	3.8
Impairment and restructuring measures	0.0	0.0	-20.4	-90.7	0.0	0.0	-20.4	-38.9
Total operating expenses	-8.7	-31.1	-29.5	-131.1	-24.1	-42.3	-47.0	-89.7
Operating result (EBIT)	-4.1	-14.6	-26.2	-116.4	-13.9	-24.4	-38.7	-73.9
Finance income	0.2	0.7	0.8	3.6	1.3	2.3	1.7	3.2
Finance costs	-1.3	-4.6	-1.6	-7.1	-4.8	-8.4	-4.3	-8.2
EBT	-5.2	-18.6	-27.0	-120.0	-17.4	-30.5	-41.3	-78.8
Tax income	-0.2	-0.7	-0.4	-1.8	-0.3	-0.5	-0.4	-0.8
Profit or loss for the period	-5,4	-19.3	-27.4	-121.8	-17.7	-31.1	-41.7	-79.6
Thereof attributable to:								
Owners of the parent	-5.3		-27.4		-17.6		-41.7	
Non-controlling interests	-0.1		0.0		-0.1		0.0	
	[in €]		[in €]		[in €]		[in €]	
Basic earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	-0.11		-0.56		-0.36		-0.85	
Diluted earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	-0.11		-0.56		-0.36		-0.85	
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	

SINGULUS TECHNOLOGIES Group
Statement of Comprehensive Income
from January 1 to September 30, 2015 and 2014

	3rd Quarter		01/01 - 09/30	
	2015	2014	**2015**	2014
	[million €]	[million €]	**[million €]**	[million €]
Profit or loss for the period	**-5.4**	-27.4	**-17.7**	-41.7
Items that may be reclassified to profit and loss:				
Derivative financial instruments	**-0.1**	0.0	**0.4**	0.0
Exchange differences in the fiscal year	**0.2**	0.7	**1.2**	0.8
Total income and expense recognized directly in other comprehensive income	**0.1**	0.7	**1.6**	0.8
Total comprehensive income	**-5.3**	-26.7	**-16.1**	-40.9
Thereof attributable to:				
Owners of the parent	**-5.3**	-26.7	**-16.1**	-40.9
Non-controlling interests	**0.0**	0.0	**0.0**	0.0

SINGULUS TECHNOLOGIES Group
Statement of Changes in Equity
as of September 30, 2015 and 2014

	Equity attributable to owners							Noncon-trolling interests	Equity
	Subscribed capital	Capital reserves	Reserves		Loss carryforward		Total		
			Currency translation reserves	Hedge accounting reserves	Actuarial gains and losses from pension commitments	Other revenue reserves			
	[million €]	[million €]	[million €]	[million €]	[million €]	[million €]	[million €]	[million €]	[million €]
As of January 1, 2014	**48.9**	**77.2**	**1.7**	**0.0**	**-1.4**	**-53.5**	**72.9**	**0.9**	**73.8**
Profit or loss for the period	0.0	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**	**0.0**	**0.8**	**0.0**	**0.8**
Total comprehensive income	**0.0**	**0.0**	**0.8**	**0.0**	**0.0**	**-41.7**	**-40.9**	**0.0**	**-40.9**
As of September 30, 2014	**48.9**	**77.2**	**2.5**	**0.0**	**-1.4**	**-95.2**	**32.0**	**0.9**	**32.9**
As of January 1, 2015	**48.9**	**77.2**	**2.8**	**-0.3**	**-4.4**	**-105.0**	**19.2**	**0.9**	**20.1**
Profit or loss for the period	0.0	0.0	0.0	0.0	0.0	-17.6	-17.6	-0.1	-17.7
Other comprehensive income	**0.0**	**0.0**	**1.2**	**0.4**	**0.0**	**0.0**	**1.6**	**0.0**	**1.6**
Total comprehensive income	**0.0**	**0.0**	**1.2**	**0.4**	**0.0**	**-17.6**	**-16.0**	**-0.1**	**-16.1**
Offsetting	0.0	-75.2	0.0	0.0	0.0	75.2	0.0	0.0	0.0
As of September 30, 2015	**48.9**	**2.0**	**4.0**	**0.1**	**-4.4**	**-47.4**	**3.2**	**0.8**	**4.0**

SINGULUS TECHNOLOGIES Group
Statement of Cash Flows
from January 1 to September 30, 2015 and 2014

	01/01 - 09/30/2015 [million €]		01/01 - 09/30/2014 [million €]	
Cash flows from operating activities				
Profit or loss for the period		**-17.7**		-41.7
Adjustment to reconcile profit or loss for the period to net cash flow				
Amortization, depreciation and impairment of non-current assets	**3.4**		23.9	
Addition to pension provisions	**0.1**		0.1	
Other non-cash expenses/income	**-1.1**		-0.8	
Net finance costs	**3.5**		2.6	
Net tax expense	**0.3**		0.4	
Change in trade receivables	**2.7**		9.1	
Change in construction contracts	**-2.4**		-0.7	
Change in other receivables and other assets	**-1.6**		-0.6	
Change in inventories	**-1.5**		-10.0	
Change in trade payables	**3.2**		-2.0	
Change in other liabilities	**1.1**		-1.7	
Change in prepayments	**1.3**		-2.6	
Change in loans	**4.2**		0.6	
Change in provisions from restructuring measures	**-1.6**		-0.4	
Change in further provisions	**-2.0**		-1.2	
Interest paid	**-0.6**		-0.2	
Interest received	**0.7**		1.3	
Income tax paid	**-0.7**	**9.0**	-0.2	17.6
Net cash from/used in operating activities		**-8.7**		-24.1

	01/01 - 09/30/2015 [million €]		01/01 - 09/30/2014 [million €]	
Cash flows from investing activities				
Cash paid for investments in development projects	-3.9		-0.6	
Cash paid for investments in other intangible assets and property, plant and equipment	-0.4		-0.3	
Change in time deposits (with terms longer than 3 months)	0.0		10.0	
Net cash from/used in investing activities		-4.3		9.1
Cash flows from financing activities				
Bond interest payments	-4.3		-4.4	
Payments for bonds repurchased	-0.6		-0.1	
Cash received/used on financial assets subject to restrictions on disposal	-1.7		0.8	
Net cash from/used in financing activities		-6.6		-3.7
Increase/decrease in cash and cash equivalents		-19.6		-18.7
Effect of exchange rate changes		0.4		0.6
Cash and cash equivalents at the beginning of the reporting period		35.8		35.0
Cash and cash equivalents at the end of the reporting period		16.6		16.9
Time deposits with terms longer than 3 months		0.0		6.0
Liquid funds at the end of the reporting period		16.6		22.9

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 2015 were approved for publication by decision of the Executive Board as of November 17, 2015.

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, 2015 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, 2014. 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 2014. For a detailed description of the accounting principles please refer to the notes of the consolidated financial statements of our Annual Report 2014.

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, 2015, 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.

Due to the merger of the SINGULUS STANGL SOLAR GmbH to the SINGULUS TECHNOLOGIES AG in the future only two domestic subsidiaries will be included in the consolidated financial statements. The merger has become effective in October 2015.

Accounts receivable and production receivables

The accounts receivable as of September 30, 2015 are split as follows:

	09/30/2015 in million €	12/31/2014 in million €
Accounts receivable – short-term	**12.1**	13.1
Receivables from production orders	**5.0**	1.7
Accounts receivable – long-term	**4.8**	6.7
Less write-offs	**-1.4**	-1.7
	20.5	19.8

Intangible assets

Capitalized development expenses, goodwill, customer bases as well as concessions, intellectual property rights and other intangibles are included under intangible assets. As of September 30, 2015, the capitalized development expenses amounted to € 7.9 million (December 31, 2014: € 6.1 million). In the first nine months of 2015 the investments in developments totaled € 3.9 million (previous year: € 0.6 million). In the same period scheduled write-offs and amortization amounted to € 1.3 million (previous year: € 1.6 million). The extraordinary write-offs on capitalized development expenses came to € 0.8 million.

In the quarter under review development expenses amounted to € 1.6 million (previous year: € 0.2 million), the scheduled amortization for the respective period amounted to € 0.4 million (previous year: € 0.6 million). The remaining customer base resulting from the acquisition of the Blu-ray Disc activities of the Oerlikon Balzers AG in the business year 2008 were already reevaluated in the 3rd quarter 2015 and completely written off by € 4.9 million in this course.

Property, plant & equipment

In the first three months of the business year 2015 € 0.3 million were invested in property, plant & equipment (previous year: € 0.3 million). Most of the spending was used for replacement investments. During the same period scheduled depreciation amounted to € 1.0 million (previous year: € 1.1 million). In the quarter under review scheduled depreciation amounted to € 0.4 million (previous year: € 0.4 million).

Contingent liabilities and other financial obligations

As of September 30, 2015 the contingent liabilities and other financial obligations not included in the consolidated accounts amount to € 32.7 million (December 31, 2014: € 29.7 million) and mainly include rent and leasing obligations (€ 22.3 million) as well as guarantees for prepayments received (€ 10.1 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 – 09/30/2015	Germany	Remaining Europe	North and South America	Asia	Africa and Australia
	in million €	in million €	in million €	in million €	in million €
Sales by country of origin	42.2	1.2	12.1	2.2	0.0
by country of destination	4.1	5.4	31.3	15.9	1.0

Geographical information 01/01 – 09/30/2014	Germany	Remaining Europe	North and South America	Asia	Africa and 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

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 2015 also include scheduled and extraordinary 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 2015	01/01 – 09/30 2014
	in million €	in million €
Interest income from long-term customer receivables	**0.5**	1.2
Interest income from term/sight deposits	**0.1**	0.1
Interest income from loans	**0.0**	0.2
Gains from bond buyback	**0.7**	0.1
Other interest income	**0.0**	0.1
Financing expenses from the bond issuance	**-3.4**	-3.8
Other financing expenses	**-1.4**	-0.5
	-3.5	-2.6

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 09/30/2015 in million €	Book value 12/31/2014 in million €	Attributable time value 09/30/2015 in million €	Attributable time value 12/31/2014 in million €
Financial assets					
Cash and cash equivalents **	L&R	**16.6**	35.8	**16.6**	35.8
Borrowings **	L&R	**0.5**	5.2	**0.5**	5.2
Other assets **	L&R	**6.3**	4.6	**6.3**	4.6
Derivatives Hedging derivatives **	HD	**0.3**	0.0	**0.3**	0.0
Accounts receivable **	L&R	**15.5**	18.1	**15.5**	18.1
Receivables from production orders **	L&R	**5.0**	1.7	**5.0**	1.7
Financial liabilities					
Corporate bond *	FLAC	**56.5**	58.7	**13.2**	26.4
Derivatives Hedging **	HD	**0.1**	0.3	**0.1**	0.3
Accounts payable **	FLAC	**10.4**	7.3	**10.4**	7.3
Total	L&R	**43.9**	65.4	**43.9**	65.4
Total	FLAC	**66.9**	66.0	**23.6**	33.7
Total	HD	**0.2**	-0.3	**0.2**	-0.3

* 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 and establishment of the consolidated interim statements no additional common shares were issued.

Events after the Balance Sheet Date

With respect to events after the balance sheet date please refer to the information in the status report.

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, 2015. 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:

	09/30/2015
	shares
Dr.-Ing. Stefan Rinck	19,619
Markus Ehret	7,000
	26,619

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, November 2015

The Executive Board

At a glance –

Consolidated Key Figures 3rd Quarter 2013-2015

		2013	2014	2015
Revenue (gross)	million €	43.9	22.7	**28.5**
Order intake	million €	33.8	23.2	**11.3**
EBIT	million €	7.9	-26.2	**-4.1**
EBITDA	million €	9.4	-4.9	**-2.5**
Earnings before taxes	million €	7.1	-27.0	**-5.2**
Profit/loss for the period	million €	6.4	-27.4	**-5.4**
Research & development expenditures	million €	2.0	3.5	**3.1**

Consolidated Key Figures 9 Months 2013-2015

		2013	2014	2015
Revenue (gross)	million €	93.1	52.8	**57.7**
Order intake	million €	82.6	48.4	**84.4**
Order backlog (09/30)	million €	29.6	15.9	**40.7**
EBIT	million €	1.4	-38.7	**-13.9**
EBITDA	million €	5.8	-14.8	**-10.5**
Earnings before taxes	million €	-1.1	-41.3	**-17.4**
Profit/loss for the period	million €	-2.2	-41.7	**-17.7**
Operating cash flow	million €	-4.5	-24.1	**-8.7**
Shareholders' equity	million €	72.0	32.9	**4.0**
Balance sheet total	million €	187.2	138.9	**113.2**
Research & development expenditures	million €	5.7	8.1	**8.7**
Employees (09/30)		356	359	**343**
Weighted number of shares, basic		48,930,314	48,930,314	**48,930,314**
Earnings per share, basic	€	-0.04	-0.85	**-0.36**

Corporate Calendar

2015/16

November 18	Q3/2015 Report
November 23-25	German Equity Forum, Frankfurt/Main
March 24	Annual Press Conference, Analyst Conference
May 19	Q1/2016 Report
June 7	Annual Shareholders Meeting
August 18	Q2/2016 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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