Report for the 3rd Quarter 2016

Interim Report as of September 30, 2016
(unaudited)

SINGULUS

Interim Report Q3 2016

Business Trends and Situation of the SINGULUS TECHNOLOGIES Group

- → *High order intake and order backlog*
- → *Sales at low level in the period under review*
- → *Positive cash flow*
- → *Restructuring income results in positive net profit*
- → *Bond restructuring and cash capital increase successfully concluded*

In the course of the business year 2016 SINGULUS TECHNOLOGIES was able to conclude a major order with the Chinese state-owned enterprise China National Building Materials (CNBM). This includes three contracts each for two subsidiaries of the Group for the delivery of machines for the set-up of two independent production sites for the manufacturing of CIGS solar modules. The order volume for the two production sites combined totals approximately € 110.0 million.

Due to the delay in the order placement and the resulting delayed project start, the financial key figures of the interim report of the SINGULUS TECHNOLOGIES AG as of September 30, 2016 were strongly impacted. In the 3rd quarter, SINGULUS TECHNOLOGIES received the first prepayments for the three delivery contracts for the first of the two production sites.

During the first nine months of the current business year the company recorded sales of € 36.7 million, which is thus below the level of the prior-year period in the amount of € 57.7 million. Sales in the 3rd quarter came to € 12.1 million (previous year: € 28.5 million). The loss on an operating basis (EBIT) amounts to € -14.7 million for the first nine months of the current business year (previous year: € -13.9 million).

During the first nine months of the business year 2016 the order intake of € 144.1 million (previous year: € 84.4 million) was substantially above the comparable figures one year ago. In the quarter under review the order intake came to € 12.6 million (previous year: € 11.3 million).

As of September 30, 2016, the order backlog amounted to € 134.0 million and is thus also considerably above the prior-year level as of September 30, 2015 amounting to € 40.7 million.

In connection with the bond restructuring a restructuring income in the amount of € 41.2 million was realized in June 2016. The income was reported as financial income. From this a financial result of € 38.4 million was recognized.

The cash flow in the first nine months was positive. The available liquid funds increased to € 27.5 million as of the end of the 3rd quarter.

Successful implementation of the resolved bond restructuring

In the past couple of weeks, SINGULUS TECHNOLOGIES has concluded the restructuring of the corporate bond due in 2017. All of the resolutions passed by the second bondholder meeting and the Extraordinary General Meeting were successfully implemented by the company.

The second bondholder meeting of the SINGULUS TECHNOLOGIES AG with respect to the € 60.0 million 7.75 % bearer bond 2012/2017 ISIN: DE000A1MASJ4 / WKN: A1MASJ (hereafter the "old SINGULUS bond") had resolved the restructuring of the old SINGULUS bond on February 15, 2016. This was also approved by the Extraordinary General Meeting on February 16, 2016. The resolution of the Extraordinary General meeting to reduce the nominal capital was effected on June 6, 2016 and the conversion of the listing of the shares of SINGULUS TECHNOLOGIES was implemented with a ratio of 160 : 1 at the Frankfurt Stock Exchange.

Amongst others, the creditors of the old SINGULUS bond in the course of the second bondholder meeting resolved to transfer the notes of the old SINGULUS bond held by them to a clearing company and in return receive for each note of the old SINGULUS bond with a nominal value of € 1,000 each (in addition to accrued interest) a purchase right for new shares of the SINGULUS TECHNOLOGIES AG and a purchase right for new, secured bonds with an overall volume of € 12.0 million, which were issued by the SINGULUS TECHNOLOGIES AG.

The exchange of the notes of the old SINGULUS bond into purchase rights was effected on June 23, 2016. On June 28, 2016 the purchase offer for the free-of-charge subscription of new shares and new bonds with respect to the bonds with WKN A1MASJ / ISIN DE000A1MASJ4 were published.

The subscription offer provided that the bondholders of the old SINGULUS bond would receive free of charge for each old SINGULUS bond with a nominal value of € 1,000 each (including all ancillary claims) 96 new shares and two new bonds with a nominal value of € 100 each.

Within the subscription period from June 29, 2016 until July 13, 2016, the former bondholders exercised the overall existing purchase rights to the following extent:

- → Exercised share purchase rights: 4,725,408 shares, corresponding to 82.04 %
- → Exercised bond purchase rights: € 9,858,200.00 nominal value, corresponding to 82.15 %

If the former bondholders had refrained from exercising the free-of-charge purchase rights or had not exercised them within the time limit, they remained in the account of the respective bondholders and were subsequently sold by ODDO SEYDLER BANK AG. The bondholders were subsequently paid a corresponding cash settlement amount.

Overall, 1,034,592 liquidation shares and 21,418 liquidation bonds with a fixed purchase price of € 3.25 per liquidation share and € 71.25 per liquidation bond were allocated and sold pursuant to the terms of the acquisition offer. The net sales proceeds less liquidation expenses were distributed to the former bondholders of the old SINGULUS bond, who did not exercise their respective acquisition rights, as share and bond cash compensation, as follows:

- → share cash compensation: € 312.00 per share acquisition right that was not exercised (corresponds to 96 new shares)
- → bond cash compensation: € 142.50 per non-exercised bond acquisition right (corresponds to two new bonds with a nominal value of € 100.00 each)

The admission of the new shares (WKN A1681X / ISIN DE000A1681X5) from the exchange capital increase to the Regulated Market at the Frankfurt Stock Exchange (Prime Standard) and the admission of the new bonds (WKN A2AA5H / ISIN DE000A2AA5H5) to the Quotation Board of the Frankfurt Stock Exchange became effective on July 20, 2016.

The first quotation of the new shares took place on July 21, 2016, the new bonds were traded for the first time on July 22, 2016.

As a last step of the financial restructuring, SINGULUS TECHNOLOGIES has issued 2,021,938 new shares for a subscription price of € 3.25 per new share in the course of the subscription right capital increase. All shareholders were offered subscription rights with a ratio of 3 : 1, i.e. for three existing shares one new share of the company could be subscribed via the respective depository bank during a period from September 22, 2016 until October 5, 2016 including. In addition, the existing shareholders had the right of oversubscription.

All of the offered shares were subscribed through the execution of subscription rights and the oversubscription of subscription right holders. The entry of the implementation of the capital increase into the commercial register was effected on October 7, 2016. The gross proceeds from the capital increase amounted to € 6.6 million. Accordingly, the nominal capital of the company of € 6,065,814 divided into 6,065,814 common bearer shares with a nominal value of 1.00 each was thus increased by an amount of € 2,021,938 to € 8,087,752.

Solar segment

Currently, the biggest national markets for solar cells are China, Japan, the US as well as India. The apparent regional diversification of the market will progress further. According to VDMA, investments are made in particular for production technologies for more efficient cells. Together with German research institutes highly efficient technologies such as PERC, heterojunction and bifacial cell concepts are developed in the crystalline area.

In China, additional factory lines are built for thin-film solar modules on the basis of CIGS technologies. For further developed generations of CISARIS selenization machines for the use in a CIGS solar module factory in China, SINGULUS TECHNOLOGIES had already concluded legally binding contracts in the course of the photovoltaics trade fair SNEC in Shanghai, China, in May 2016 for the delivery of machines for the production of CIGS solar modules with two subsidiaries of the Chinese state-owned enterprise China National Building Materials (CNBM). The total order volume for SINGULUS TECHNOLOGIES is approximately € 110 million overall. The machines will be build at two different factory sites and serve as a first expansion step for the set-up of the respective factories with an output volume of around 150 MW each.

The planned final output volume of each factory will amount to around 300 MW each in the end. This goal is targeted by the customer in a subsequent, second expansion step for the respective factory sites. The first prepayment for this major project was received by SINGULUS TECHNOLOGIES in the third quarter.

SILEX II – Wet-chemical process system for high performance solar cells

For the market of machines for the production of crystalline, high-performance cells, e.g. heterojunction solar cells, the company has reached a leading market position with its in 2014 further developed etching and cleaning machine SILEX II and plans to further expand the market position.

In June 2016 SINGULUS TECHNOLOGIES received orders from one of the largest Russian photovoltaics manufacturers, Hevel LLC, Novocheborsarsk, Russia (Hevel), for the delivery of production machines for high-performance solar cells (heterojunction). The signed contracts relate to pressing machines of the SILEX II type as well as other supply units required for the cell manufacturing. The ordered machines were already delivered in the past couple of weeks.

At the end of August SINGULUS TECHNOLOGIES signed an agreement for the cooperation with the Chinese companies Golden Concord Holdings Limited (GCL) and China Intellectual Electric Power Technology Co., Ltd. (CIE). GCL is one of the worldwide largest companies in the Solar sector. CIE is focused on the development of highly efficient heterojunction (HJT) solar cells. The goal of the cooperation is the development of highly efficient heterojunction solar cells. CIE's and GCL's task is to further develop the process technology and to produce the cells. SINGULUS TECHNOLOGIES is responsible for the further development and optimization as well as the construction and delivery of relevant production machines for the manufacturing of HJT solar cells. Accordingly, the three partners address the increasing demand for heterojunction solar cells.

Optical Disc Segment

The stagnating production volumes for Optical Disc do not suggest any orders for new Blu-ray Disc production machines in the current business year 2016. The hesitant introduction of the new Blu-ray Disc format "Ultra HD Blu-ray"

Wet-chemical process system for semiconductor applications

in the current business year does not provide stimulus for additional investments. Although the first Blu-ray Discs with 4K movies were released in April 2016 and nearly all of the Hollywood studios have started the distribution of movies, there is still a lack of adequate players at attractive market prices for the mass market. SINGULUS TECHNOLOGIES is currently not seeing any willingness on the customer side to invest into the new machine technology BLULINE III.

Semiconductor Segment

In August, SINGULUS TECHNOLOGIES received the order for various process modules for applications in the semiconductor technology. Amongst others, this includes coating machines, which are equipped with up to twelve cathodes and which achieve a vacuum of less than 10^{-8} Torr. The chip manufacturer is already operating an ultra-high vacuum coating machine of the TIMARIS type made by SINGULUS TECHNOLOGIES and significantly expands its investment in this application area.

In addition to the MRAM technology, SINGULUS TECHNOLOGIES also focuses on other potential applications for magnetic sensors and inductors with its vacuum coating machines TIMARIS and ROTARIS.

Positioning on new markets

SINGULUS TECHNOLOGIES has developed a coating process for antibacterial functional layers. Permanently antibacterial surfaces are of utmost importance especially for health care facilities such as for example hospitals and nursing homes. The surfaces of for example door knobs, elevator buttons, light switches and so on, bear substantial transmission risks for bacteria and fungal cultures. Accordingly, it would be reasonable in hospitals to treat surfaces of respective parts, which are frequently contacted by different persons, with a permanently antibacterial layer. In order to apply these functional layers in a vacuum, a fully-automated production machine with the product name DECOLINE II is well equipped with the respective output. The basis of such a production line is the inline vacuum coating machine, the so-called POLYCOATER Metallizer, which operates according to the principles of cathode sputtering.

The antibacterial coating system was analyzed and certified by the Hohenstein Institute in April 2016.

SINGULUS TECHNOLOGIES works on additional applications in the work areas of vacuum thin-film technology, plasma technology, wet-chemical processing as well as thermal processing technologies. This includes renewable energies, the entire area of entertainment, ever increasing mobility, semiconductor technologies as well as consumer goods of any kind.

Key financial figures

Order intake and order backlog

During the first nine months of the business year 2016 the order intake of € 144.1 million (previous year: € 84.4 million) was substantially above the comparable figures one year ago. In the quarter under review the order intake came to € 12.6 million (previous year: € 11.3 million). The order backlog amounted to € 134.0 million as of September 30, 2016 (September 30, 2015: € 40.7 million).

Sales and earnings

Sales in the first nine months of the business year 2016 of € 36.7 million did not reach the prior-year level of € 57.7 million. The reason for this is a decline in the Solar division (€ -16.2 million) and Optical Disc (€ -6.0 million). The Semiconductor segment showed a slightly contrasting trend (€ +1.2 million). The company has only started to work off the received major order in the current quarter. First revenues will presumably be realized in the fourth quarter. Sales in the third quarter 2016 amounted to € 12.1 million and were thus below the prior-year level (previous year: € 28.5 million). This is mainly due to declining sales in the segments Solar (€ -14.2 million) and Optical Disc (€ -2.5 million).

Specifically, sales in the first nine months of 2016 are split into € 18.0 million in the Solar segment (previous year: € 34.2 million), Optical Disc at € 15.7 million (previous year: 21.7 million) and Semiconductor at € 3.0 million (previous year: € 1.8 million). In the quarter under review sales are split into € 5.3 million in the Solar segment (previous year: € 19.5 million), Optical Disc at € 6.0 million (previous year: 8.5 million) and Semiconductor at € 0.8 million (previous year: € 0.5 million).

For the first nine months of 2016 the percentage regional breakdown of sales was as follows: North and South America 49.0 % (previous year: 54.2 %), Europe 27.6 % (previous year: 16.5 %), Asia 19.6 % (previous year: 27.6 %) as well as Africa and Australia 3.8 % (previous year: 1.7 %). The percentage regional breakdown of sales for the 3rd quarter 2016 was as follows: North and South America 36.4 % (previous year: 54.6 %), Europe 33.0 % (previous year: 13.4 %), Asia 24.0 % (previous year: 30.2 %) as well as Africa and Australia 6.6 % (previous year: 1.8 %).

During the first nine months of 2016 the gross profit margin declined by 1.2 percentage points compared with the prior-year level and amounted to 16.7 % (previous year: 17.9 %). A declining utilization rate, in particular in the Solar division, contributed considerably to this trend. The gross profit margin in the 3rd quarter 2016 stood at 14.5 % (previous year: 16.4 %). The operating expenses in the first nine months of 2016 amounted to € 20.7 million and were below the comparable prior-year level of € 24.1 million. This decline is predominantly caused by lower general and administrative expenses (€ -1.0 million) as well as lower expenses for research and development (€ -1.3 million).

In the quarter under review the expenses for research and development amounted to € 1.9 million (previous year: € 2.8 million), for sales & marketing and customer services to € 3.1 million (previous year: € 3.0 million) and general & administrative expenses to € 1.9 million (previous year: € 2.3 million). The result from the restructuring mainly increased the expenses in connection with the corporate actions in October 2016.

In the first nine months of 2016 earnings before interest and taxes (EBIT) came to € -14.7 million (previous year: € -13.9 million). Excluding restructuring effects an EBIT in the amount of € -14.2 million (previous year: € -12.4 million) was realized. The EBIT in the quarter under review was also negative at € -5.4 million (previous year: € -4.1 million). Adjusted for restructuring effects, the EBIT amounted to € -4.9 million in the quarter under review (previous year: € -3.1 million). In connection with the bond restructuring a restructuring income in the amount of € 41.2 million was realized in June 2016. The income was reported within financial income. From this, a financial result for the nine-months figures of 2016 of € 38.4 million resulted. The net profit in the first nine months of 2016 stood at € 23.5 million (previous year: € -17.7 million).

POLYCOATER: vacuum coating machine for decorative and functional layers

Balance sheet and liquidity
As of the balance sheet date, the short-term assets came to € 72.5 million, around the level of the end of 2015 (previous year: € 71.1 million). Specifically, cash and cash equivalents increased in connection with the receipt of the first prepayment for the realized major order (€ +8.5 million). In contrast, receivables for production orders (€ -4.3 million) declined due to diminished business activities. In addition, the other receivables and other assets declined by € 2.4 million. This is mainly due to declining prepayments received for ongoing production orders (€ -1.9 million). This item is reported within the balance sheet line "Other receivables and other assets".

The long-term assets in the amount of € 18.7 million are around the level as of December 31, 2015 (previous year: € 21.0 million). This change mainly results from the decrease in long-term accounts receivable with a term of more than one year (€ -1.0 million).

The short-term debt rose by € 13.9 million to € 50.2 million compared with the level at the end of the business year 2015. This is mainly due to higher liabilities from production orders (€ + 23.2 million) in connection with the receipt of a first prepayment for the concluded major project.

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

Segment Reporting from January 1 to September 30, 2016 and 2015	Segment Optical Disc		Segment Solar		Segment Semiconductor		SINGULUS TECHNOLOGIES Group	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	million €	million €	**million €**	million €	**million €**	million €	**million €**	million €
9-month figures								
Sales (gross)	**15.7**	21.7	**18.0**	34.2	**3.0**	1.8	**36.7**	57.7
Sales deduction and individual selling expenses	**-0.7**	-0.6	**0.0**	0.0	**-0.1**	-0.1	**-0.8**	-0.7
Sales (net)	**15.0**	21.1	**18.0**	34.2	**2.9**	1.7	**35.9**	57.0
Result of restructuring	**0.0**	0.0	**-0.4**	0.0	**-0.1**	0.0	**-0.5**	0.0
Write-offs and amortization	**-0.3**	-1.4	**-1.6**	-1.5	**0.0**	-0.5	**-1.9**	-3.4
Operating result (EBIT)	**-2.3**	-7.7	**-12.4**	-3.5	**0.0**	-2.7	**-14.7**	-13.9
Financial result							**38.4**	-2.4
Earnings before taxes							**23.7**	-16.3
3rd Quarter								
Sales (gross)	**6.0**	8.5	**5.3**	19.5	**0.8**	0.5	**12.1**	28.5
Sales deduction and individual selling expenses	**-0.4**	-0.4	**0.0**	0.0	**0.0**	-0.1	**-0.4**	-0.5
Sales (net)	**5.6**	8.1	**5.3**	19.5	**0.8**	0.4	**11.7**	28.0
Result of restructuring	**-0.2**	0.0	**-0.2**	0.0	**-0.1**	0.0	**-0.5**	0.0
Write-offs and amortization	**-0.1**	-1.0	**-0.6**	-0.5	**0.0**	-0.1	**-0.7**	-1.6
Operating result (EBIT)	**-1.0**	-4.8	**-4.3**	1.4	**-0.1**	-0.7	**-5.4**	-4.1
Financial result							**39.7**	-1.3
Earnings before taxes							**34.3**	-5.4

Accounts payable displayed a contrasting trend due to lower business activities (€ - 4.9 million). Furthermore, financing liabilities from the old bond were cancelled in the course of the balance sheet restructuring (€ -3.6 million). The provisions for restructuring measures decreased by € 1.2 million.

The long-term debt declined by € 48.1 million and stood at € 29.2 million. This decrease is essentially caused by the balance sheet restructuring of the company. In this connection, the financing liabilities in the amount of € 59.6 million stemming from the bond issued in 2012 were cancelled. In contrast, in the course of the balance sheet restructuring a new financing liability in the amount of € 12.0 million was created due to the new bond issued in July 2016.

Shareholders' equity

The shareholders' equity in the Group increased by € 33.3 million in the period under review and stood at € 11.8 million as of September 30, 2016 (previous year: € -21.5 million). Specifically, in the course of the capital increase in kind and in this connection the issuance of 5,760,000 new shares each with a nominal value of € 1.00, the nominal capital increased by € 5,760,000.00 and the capital reserves by € 4.6 million.

In preparation thereof, the nominal capital of the company was reduced by € 48,624,426 to € 305,814.00. In this context, € 48.6 million were set-off against other retained earnings. Equity in the amount of € 11.0 million is attributable to the shareholders of the SINGULUS TECHNOLOGIES AG and € 0.8 million to minorities. As of September 30, 2016 the equity ratio amounted to 13 % (previous year: -23 %).

Cash flow

In the first nine months of 2016 the operating cash of the Group was positive at € 11.6 million and therefore significantly improved compared with the prior-year period (previous year: € -8.7 million). The cash flow from investing activities came to € -0.7 million (previous year: € -4.3 million). The cash flow from financing activities includes the transaction expenses in the course of the capital increase in kind as well as the issuance of the new bond in the amount of € 2.1 million. Furthermore, the restricted funds increased by € -0.3 million (previous year: € -1.7 million). The cash flow from financing activities came to € -2.4 million overall (previous year: € -6.6 million). In total, the amount of cash and cash equivalents increased by € 8.5 million in the first nine months of 2016 to currently € 27.5 million.

Risk Report

In the course of the first nine months of the business year 2016, in principle there were no changes of the relevance of the risks depicted in the combined status report for the year 2015 under the chapters "Risk report" and "Outlook for the business years 2016 and 2017". However, the project risks have increased substantially due to the receipt of the major order by CNBM for the delivery of machines for the manufacturing of CIGS solar modules. We no longer assess the project risks with a relevance score of 3, but now rather rate it with a relevance score of 5. Thus, a failure of this project would threaten the continuation of the company. The probability of occurrence of the project risk is still assessed as being "medium". The sales market risk for the Solar segment as well as the liquidity risk are still deemed as threatening the continuation within the Group and could result in a negative impact for the entire group of companies and could substantially reduce the company's value.

The market risk in the Solar segment is unchanged with a relevance score of 5 as well as a medium probability of occurrence. The liquidity risk is still assessed by us with a relevance score of 5. However, following the successful implementation of the bond restructuring as well as a significantly improved order situation as well as the liquidity inflow from the cash capital increase in the previous month, we no longer assess the probability of occurrence as being "medium", but rather only "low". Nevertheless, subject to the future course of business the liquidity situation could deteriorate significantly once again.

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 on new application areas, development activities are of high importance. At € 8.0 million the expenditures for developments in the first nine months of the current business year were only slightly below the prior-year level (previous year: € 8.7 million). The expenditures for development activities came to € 3.2 million (previous year: € 3.1 million) in the quarter under review.

Employees

The number of employees in the SINGULUS TECHNOLOGIES Group decreased from 335 salaried employees as of December 31, 2015 to 327 employees as of September 30, 2016.

The SINGULUS TECHNOLOGIES stock

The resolution of the Extra-ordinary General meeting to reduce the nominal capital was effected on June 6, 2016 and the conversion of the listing of the shares of SINGULUS TECHNOLOGIES was implemented with a ratio of 160 : 1 at the Frankfurt Stock Exchange. In a first step, the nominal capital of the company was reduced by € 48,624,426.00 to € 305,814.00 through the entry of this resolution.

The resolutions of the bondholders meeting on February 15, 2016 as well as of the Extraordinary General Meeting of the company on February 16, 2016, were the essential prerequisites for the implementation of the restructuring concept.

The concept mainly provided for the exchange of the old SINGULUS bond into new shares of the company as well as new bearer notes of the secured bond, which was newly issued. In the course of the exchange capital increase, for the next step SINGULUS TECHNOLOGIES issued 5,760,000 new, common bearer shares pursuant to the capital increase against contribution in kind resolved by the extra-ordinary general meeting of the company on February 16, 2016, with a nominal value of € 1.00 per share and with full profit sharing entitlement from January 1, 2015.

In the course of the implementation of the exchange capital increase, the ODDO SEYDLER BANK AG subscribed and acquired the new shares from the issuer and offered these shares to the former bondholders of the old SINGULUS bond. The company has not received any liquid funds in the course of the exchange capital increase. The admission of the new shares from the exchange capital increase to the Regulated Market of the Frankfurt Stock Exchange (Prime Standard) was effective as of July 20, 2016. The quotation of the new shares with ISIN DE00A1681X5 and WKN A1681X commenced on July 21, 2016.

In the course of the subscription right capital increase, as the last step of the financial restructuring, SINGULUS TECHNOLOGIES offered 2,021,938 new shares with a subscription price of € 3.25 per new share to all shareholders with a subscription ratio of 3 : 1, i.e. for three existing shares one new share of the company was offered. All shareholders were entitled to exercise their subscription rights for the new shares via their respective depository banks during a period of time from September 22, 2016 until October 5, 2016 including.

In addition to their legal subscription rights, the shareholders of the company were offered an oversubscription right, which the existing shareholders were entitled to exercise within the subscription period via their respective depository bank at the subscription agent.

With the placement of the offered shares, SINGULUS TECHNOLOGIES successfully concluded the cash capital increase on October 5, 2016. All of the offered shares were subscribed through the execution of subscription rights and the oversubscription of subscription right holders. The existing shareholders subscribed 1,931,387 shares, which corresponds to a ratio of approximately 95.5 %. The remaining shares were allocated with a ratio of around 2.45 % in the course of the oversubscription. The gross proceeds from the capital increase amounts to € 6.6 million.

The implementation of the capital increase was entered into the commercial register of the company on October 7, 2016. The nominal capital of the company of € 6,065,814 divided into 6,065,814 common bearer shares with a nominal value of € 1.00 each was thus increased by an amount of € 2,021,938 to € 8,087,752.

The inclusion of the new shares to the existing listing of the company at the Frankfurt Stock Exchange and the delivery of new shares to the depository banks was effected on October 12, 2016. Subsequently, the acquired shares were booked into the accounts of the shareholders.

At the time of the print deadline the stock traded at € 4.50 on November 9, 2016.

The SINGULUS TECHNOLOGIES corporate bond

The bearers of the bonds 2012/2017 of SINGULUS TECHNOLOGIES divided into 60,000 bearer notes with a nominal value of € 1,000 each, on February 15, 2016 in the course of the second bondholder meeting resolved a restructuring of the old SINGULUS bond, which the Extraordinary General Meeting on February 16, 2016 also approved. Trading in the old SINGULUS bond as well as the quotation at the Quotation Board of the Frankfurt Stock Exchange was halted after June 21, 2016. The cancellation of the bonds of the old SINGULUS bond and the transfer of the subscription rights for new shares of the SINGULUS TECHNOLOGIES AG and a purchase rights for new, secured bonds was effected on June 23, 2016.

The issuance and delivery of the new bond was effected on July 22, 2016. The listing of the new bonds was also effective as of July 22, 2016. At the time of the print deadline the bond traded at 79.5 % on November 9, 2016.

The new bond has a term to maturity of five years and provides for annually increasing interest payments. The initial interest amounts to 3.0 % and increases to 10.0 % p.a. subject to early repayment.

Outlook for the business year 2016

The company had published its sales forecast in the amount of around € 68 to 78 million for the current business year on September 19, 2016. During the first nine months the company realized sales in the amount of € 36.7 million. The level of sales in the fourth quarter 2016 is mainly impacted by the pending realization of sales of two major solar projects. The corresponding machines were already constructed and delivered in prior periods. However, the assembly as well as the commissioning is still pending due to delays on the customer side. If the final realization of sales of these two projects is unexpectedly delayed to the following business year, the company will report on this in a timely manner. In addition, the delayed start of the large order from CNBM and the resulting deferral of parts of sales into the business year 2017 impacts the respective financial results.

For the fiscal year 2017, SINGULUS TECHNOLOGIES expects a continuing favorable trend of the demand for machinery for the production of solar cells. In this case, according to the company's assessment, this improvement could result in a doubling of the sales level achieved in the business year 2016.

Yours sincerely,

The Executive Board

SINGULUS TECHNOLOGIES AG

SINGULUS TECHNOLOGIES Group
Balance Sheet
from September 30, 2016 to December 31, 2015

ASSETS

	09/30/2016 [million €]	12/31/2015 [million €]
Cash and cash equivalents	**27.5**	19.0
Trade receivables	**7.4**	6.1
Receivables from construction contracts	**4.3**	8.6
Other receivables and other assets	**6.1**	8.5
Total receivables and other assets	**17.8**	23.2
Raw materials, consumables and supplies	**7.9**	8.6
Work in process	**19.3**	20.3
Total inventories	**27.2**	28.9
Total current assets	**72.5**	71.1
Trade receivables	**0.0**	1.0
Property, plant and equipment	**4.9**	5.3
Capitalized development costs	**4.7**	5.4
Goodwill	**6.7**	6.7
Other intangible assets	**0.2**	0.4
Deferred tax assets	**2.2**	2.2
Total non-current assets	**18.7**	21.0
Total assets	**91.2**	92.1

EQUITY AND LIABILITIES

	09/30/2016	12/31/2015
	[million €]	[million €]
Trade payables	2.8	7.7
Prepayments received	6.8	5.6
Liabilities from construction contracts	26.8	3.6
Financing liabilities from the issuance of bonds	0.1	3.6
Other current liabilities	10.2	11.1
Provisions for restructuring measures	2.5	3.7
Provisions for taxes	0.1	0.1
Other provisions	0.9	0.9
Total current liabilities	**50.2**	36.3
Financing liabilities from the issuance of bonds	12.0	59.6
Provisions for restructuring measures	4.9	5.4
Pension provisions	12.3	12.3
Total non-current liabilities	**29.2**	77.3
Total liabilities	**79.4**	113.6
Subscribed capital	6.1	48.9
Capital reserves	6.7	2.1
Reserves	3.5	4.0
Loss carryforward	-5.3	-77.4
Equity attributable to owners of the parent	11.0	-22.4
Non-controlling interests	0.8	0.9
Total equity	**11.8**	-21.5
Total equity and liabilities	**91.2**	92.1

SINGULUS TECHNOLOGIES Group
Income Statement
from January 1 to September 30, 2016 and 2015

	3rd Quarter				01/01 - 09/30			
	2016		2015*		2016		2015*	
	[million €]	[in %]	[million €]	[in %]	[million €]	[in %]	[million €]	[in %]
Revenue (gross)	12.1	103.4	28.5	101.8	36.7	102.2	57.7	101.2
Sales deductions and direct selling costs	-0.4	-3.4	-0.5	-1.8	-0.8	-2.2	-0.7	-1.2
Revenue (net)	11.7	100.0	28.0	100.0	35.9	100.0	57.0	100.0
Cost of sales	-10.0	-85.5	-23.4	-83.6	-29.9	-83.3	-46.8	-82.1
Gross profit on sales	1.7	14.5	4.6	16.4	6.0	16.7	10.2	17.9
Research and development	-1.9	-16.2	-2.8	-10.0	-5.7	-15.9	-7.0	-12.3
Sales and customer service	-3.1	-26.5	-3.0	-10.7	-8.9	-24.8	-9.0	-15.8
General administration *	-1.9	-16.2	-2.3	-8.2	-6.3	-17.5	-7.3	-12.8
Other operating expenses	0.0	0.0	0.4	1.4	-0.4	-1.1	-1.3	-2.3
Other operating income	0.3	2.6	0.0	0.0	1.1	3.1	2.0	3.5
Result of restructuring *	-0.5	-4.3	-1.0	-3.6	-0.5	-1.4	-1.5	-2.6
Total operating expenses	-7.1	-60.7	-8.7	-31.1	-20.7	-57.7	-24.1	-42.3
Operating result (EBIT)	-5.4	-46.2	-4.1	-14.6	-14.7	-40.9	-13.9	-24.4
Finance income	0.0	0.0	0.2	0.7	41.3	115.0	1.3	2.3
Finance costs	-0.2	-1.7	-1.3	-4.6	-2.9	-8.1	-4.8	-8.4
EBT	-5.6	-47.9	-5.2	-18.6	23.7	66.0	-17.4	-30.5
Tax income	-0.1	-0.9	-0.2	-0.7	-0.2	-0.6	-0.3	-0.5
Profit or loss for the period	-5.7	-48.7	-5.4	-19.3	23.5	65.5	-17.7	-31.1
Thereof attributable to:								
Owners of the parent	-5.7		-5.3		23.5		-17.6	
Non-controlling interests	0.0		-0.1		0.0		-0.1	
	[in €]		[in €]		[in €]		[in €]	
Basic earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	-1.71		-17.33		10.11		-57.55	
Diluted earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	-1.71		-17.33		10.11		-57.55	
Basic number of shares, pieces	3,327,453		305,814		2,323,916		305,814	
Diluted number of shares, pieces	3,327,453		305,814		2,323,916		305,814	

* In order to guarantee the comparability with the prior-year figures, € 1.0 Mio. were classified into the result of the restructuring in the third quarter as well as € 1.5 Mio. in the nine-months period 2015 within the expenses for general administration.

SINGULUS TECHNOLOGIES Group
Statement of Comprehensive Income
from January 1 to September 30, 2016 and 2015

	3rd Quarter		01/01 - 09/30	
	2016	2015	**2016**	2015
	[million €]	[million €]	**[million €]**	[million €]
Profit or loss for the period	**-5.7**	-5.4	**23.5**	-17.7
Items that may be reclassified to profit and loss:				
Derivative financial instruments	**0.0**	-0.1	**0.0**	0.4
Exchange differences in the fiscal year	**-0.1**	0.2	**-0.6**	1.2
Total income and expense recognized directly in other comprehensive income	**-0.1**	0.1	**-0.6**	1.6
Total comprehensive income	**-5.8**	-5.3	**22.9**	-16.1
Thereof attributable to:				
Owners of the parent	**-5.7**	-5.3	**23.0**	-16.1
Non-controlling interests	**-0.1**	0.0	**-0.1**	0.0

SINGULUS TECHNOLOGIES Group
Statement of Changes in Equity
as of September 30, 2016 and 2015

	Equity attributable to owners							Non-controlling 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, 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**
As of January 1, 2016	**48.9**	**2.1**	**4.0**	**0.0**	**-4.2**	**-73.2**	**-22.4**	**0.9**	**-21.5**
Profit or loss for the period	0.0	0.0	0.0	0.0	0.0	23.5	23.5	0.0	23.5
Other comprehensive income	**0.0**	**0.0**	**-0.5**	**0.0**	**0.0**	**0.0**	**-0.5**	**-0.1**	**-0.6**
Total comprehensive income	**0.0**	**0.0**	**-0.5**	**0.0**	**0.0**	**23.5**	**23.0**	**-0.1**	**22.9**
Capital reduction	-48.6	0.0	0.0	0.0	0.0	48.6	0.0	0.0	0.0
Capital increase *	5.8	4.6	0.0	0.0	0.0	0.0	10.4	0.0	10.4
As of September 30, 2016	**6.1**	**6.7**	**3.5**	**0.0**	**-4.2**	**-1.1**	**11.0**	**0.8**	**11.8**

* After deducting transaction costs

SINGULUS TECHNOLOGIES Group
Statement of Cash Flows
from January 1 to September 30, 2016 and 2015

	01/01 - 09/30			
	2016		2015	
	[million €]		[million €]	
Cash flows from operating activities				
Profit or loss for the period		23.5		-17.7
Adjustment to reconcile profit or loss for the period to net cash flow				
Amortization, depreciation and impairment of non-current assets	1.9		3.4	
Additions to pension provisions	0.1		0.1	
Other non-cash expenses/income	0.0		-1.1	
Net finance costs	-38.5		3.5	
Net tax expense	0.2		0.3	
Change in trade receivables	-0.5		2.7	
Change in construction contracts	27.5		-2.4	
Change in other receivables and other assets	3.0		-1.6	
Change in inventories	1.9		-1.5	
Change in trade payables	-4.9		3.2	
Change in other liabilities	-0.5		1.1	
Change in prepayments	1.1		1.3	
Change in loans	0.0		4.2	
Change in provisions from restructuring measures	-2.6		-1.6	
Change in further provisions	-0.3		-2.0	
Interest paid	-0.2		-0.6	
Interest received	0.1		0.7	
Income tax paid	-0.2	-11.9	-0.7	9.0
Net cash from/used in operating activities		11,6		-8,7

	01/01 - 09/30			
	2016		2015	
	[million €]		[million €]	
Cash flows from investing activities				
Cash paid for investments in development projects	**-0.3**		-3.9	
Cash paid for investments in other intangible assets and property, plant and equipment	**-0.4**		-0.4	
Net cash from/used in investing activities		**-0.7**		-4.3
Cash flows from financing activities				
Transaction fees in the context of the capital increase as well as the bond issuance	**-2.1**		0.0	
Bond interest payments	**0.0**		-4.3	
Cash received from the sale of bonds/cash used to redeem disposal	**0.0**		-0.6	
Cash received/used on financial assets subject to restrictions on disposal	**-0.3**		-1.7	
Net cash from/used in financing activities		**-2.4**		-6.6
Cash and cash equivalents at the beginning of the reporting period		**8.5**		-19.6
Effect of exchange rate changes		**0.0**		0.4
Cash and cash equivalents at the beginning of the reporting period		**19.0**		35.8
Cash and cash equivalents at the end of the reporting period		**27.5**		16.6

Annotations to the interim report

The SINGULUS TECHNOLOGIES AG (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 2016 were approved for publication by decision of the Executive Board as of November 9, 2016. The consolidated financial accounts were drawn up in Euro (EUR/€). If not stated otherwise, all figures are in millions of Euro (million €). Due to presentation 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, 2016 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, 2015. The abbreviated consolidated interim financial accounts were 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 net selling 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 2015. For a detailed description of the accounting principles please refer to the notes of the consolidated financial statements of our Annual Report 2015.

The interim report is drawn up under the going-concern assumption. The financial and balance-sheet restructuring have been implemented in the meantime and the company reports positive shareholders' equity once again. From today's point of view, the existing liquid funds are not sufficient to meet the payment liabilities due in the next twelve months. However, the SINGULUS TECHNOLOGIES AG expects to receive the required funds due to the conclusion of a major contract from two subsidiaries of the Chinese state-owned enterprise CNBM and the resulting receipt of agreed prepayments. The SINGULUS TECHNOLOGIES AG is convinced that it will be successful in meeting all of its due payment liabilities within the next twelve months. The SINGULUS TECHNOLOGIES AG assumes with a high probability that in particular the payments from the delivery contracts of the major order will be made as planned.

In addition, the company has concluded a subscription right capital increase on October 7, 2016 to further strengthen the liquidity. In this context 2,021,938 new bearer shares were issued. The company received gross proceeds in the amount of € 6.6 million from this measure. For further information, please refer to the "Risk Report" of this interim report.

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, 2016, besides the SINGULUS TECHNOLOGIES AG, two domestic and twelve foreign subsidiaries were included. No companies have been added or deleted from the scope of consolidation in the period under review.

Accounts receivable

The accounts receivable as of September 30, 2016 are split as follows:

	Sept. 30, 2016	Dec. 31, 2015
	in million €	in million €
Accounts receivable – short-term	**8.8**	7.7
Receivables from production orders	**4.3**	8.6
Accounts receivable – long-term	**0.0**	1.0
less write-offs	**-1.4**	-1.6
	11.7	15.7

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, 2016, the capitalized development expenses amounted to € 4.7 million (December 31, 2015: € 5.4 million). In the first nine months of the business year 2016 the investments in developments totaled € 0.3 million (previous year: € 3.9 million). In the same period scheduled write-offs and amortization amounted to € 0.9 million (previous year: € 1.3 million). In the quarter under review scheduled depreciation for this period amounted to € 0.3 million (previous year: € 0.4 million).

Property, plant & equipment

In the first nine months of the business year 2016 € 0.4 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 € 0.8 million (previous year: € 1.0 million). In the quarter under review capital expenditures amounted to € 0.1 million (previous year: € 0.0 million), the scheduled amortization for the respective period amounted to € 0.4 million (previous year: € 0.4 million).

Financing liabilities from issuance of bond

SINGULUS TECHNOLOGIES completed the restructuring of the corporate bond issued in 2012. All of the resolutions passed by the second bondholder meeting and the Extraordinary General Meeting were successfully implemented by the company.

In this connection, the financial liabilities from the bond issued on March 23, 2012 with a total nominal value of € 60.0 million as well as the interest liabilities in the amount of € 5.9 million accrued up to date expired in June 2016. At the same time, the company was obligated to issue a new, secured bond with a total nominal value of € 12.0 million. The issuance took place in July 2016.

The new bond has a term to maturity of five years and provides for annually increasing interest payments. The initial interest amounts to 3.0 % and increases to 10.0 % p.a. subject to early repayment. The new bond is secured. In particular, cash, receivables, inventories, fixed assets and intangible assets of the SINGULUS TECHNOLOGIES AG serve as collateral. For further information, please refer to the interim status report.

Furthermore, please refer to the information "Successful implementation of the resolved bond restructuring" within the interim status report.

Shareholders' equity

In the course of the resolution of the Extraordinary General Meeting as of February 16, 2016 the nominal capital of the company was reduced by € 48,624,426 to € 305,814 with effect from May 25, 2016 and set-off against other retained earnings.

In the course of a capital increase in kind in connection with the bond restructuring, 5,760,000 new shares each with a nominal value of € 1.00 were issued. Due to the issuance of new shares the capital reserves increased by € 5.4 million. In contrast, transaction costs in the amount of € 0.8 million were included in the capital reserves. The entry of the capital increase in kind into the commercial register was effected as of June 27, 2016.

Equity instruments, which are issued to creditors to fully or partially repay a financial liability, generally have to be reported at fair value upon their first-time recognition. At the time of the issuance of the new shares, the stock exchange price was not representative of the value, so that the fair value of the tendered bond was applied for the valuation.

Furthermore, please refer to the information in the chapter "Events after the balance sheet date" as well as the chapter "Successful implementation of the resolved bond restructuring" in the interim status report.

Contingent liabilities and other financial obligations

As of September 30, 2016, the contingent liabilities and other financial obligations not included in the consolidated accounts amount to € 17.9 million (December 31, 2015: € 18.8 million) and include rent and leasing obligations (€ 14.2 million), guarantees for prepayments received (€ 2.6 million) as well as other guarantees (€ 1.1 million). To cover these liabilities liquid funds in the amount of € 3.6 million are pledged as collateral. The Executive Board 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

Geographic information Jan. 1 - Sept. 30, 2016	Germany	Rest of Europe	North and South America	Asia	Africa and Australia
	in million €	in million €	in million €	in million €	in million €
Sales by country of origin	24.9	0.5	9.7	1.6	0.0
by country of destination	3.5	6.6	18.0	7.2	1.4

Geographic information Jan. 1 - Sept. 30, 2015	Germany	Rest of 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

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-capitalizable development expenses, the research and development expenses in the first nine months of the business year 2016 also include the scheduled amortization of capitalized development expenses in the amount of € 0.9 million (previous year: € 1.3 million). During the 3rd quarter of 2016 write-offs on capitalized development activities amounted to € 0.3 million (previous year: € 0.4 million).

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.

Restructuring result

The result from the restructuring mainly includes the expenses in connection with the corporate actions in October 2016.

Financial income and financing expenses

The interest income/ expenses are composed as follows:

	Jan. 1 – Sept. 30, 2016	Jan. 1 – Sept. 30, 2015
	Mio. €	Mio. €
Restructuring income	**41.2**	0.0
Interest income from long-term customer claims	**0.1**	0.5
Interest income from time deposits/ sight deposits	**0.0**	0.1
Gains from bond repurchase	**0.0**	0.7
Financing expenses from bond issued (incl. incidental expenses)	**-2.5**	-3.4
Interest expenses from accrued provisions for pensions	**-0.2**	0.0
Other financing expenses	**-0.2**	-1.4
	38.4	-3.5

The restructuring income results from the difference of the book values of the financial liabilities stemming from the bond issued in 2012 as of June 27, 2016 (€ 65.7 million) less the value of the shares issued in the course of the capital increase in kind (€ 11.2 million), the liabilities from the bond issued in July (€ 12.0 million) as well as accrued attributable transaction fees (€ 1.3 million).

The financing expenses from the issuance of the bond mainly result from the bond issued in 2012 until its expiration on June 27, 2016.

Tax expenses/income

The realized restructuring income results in a material consumption of the company's existing loss carry forwards. As defined by the restructuring remission, the minimum taxation for this taxable income is suspended. This was confirmed to the company via binding information on part of the relevant tax offices.

Financial instruments

Fair 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		Fair value	
		Sept. 30, 2016	Dec. 31, 2015	Sept. 30, 2016	Dec. 31, 2015
		Mio. €	Mio. €	**Mio. €**	Mio. €
Financial assets					
Cash and cash equivalents **	L&R	**27.5**	19.0	**27.5**	19.0
Other assets **	L&R	**3.6**	3.3	**3.6**	3.3
Accounts receivable **	L&R	**7.4**	7.1	**7.4**	7.1
Receivables from production orders **	L&R	**4.3**	8.6	**4.3**	8.6
Derivatives Hedging **	HD	**0.0**	0.3	**0.0**	0.3
Financial liabilities					
Corporate bond *	FLAC	**12.1**	63.2	**9.8**	15.3
Derivatives Hedging **	HD	**0.0**	0.3	**0.0**	0.3
Accounts payable **	FLAC	**2.8**	7.7	**2.8**	7.7
Total	L&R	**42.8**	38.0	**42.8**	38.0
Total	FLAC	**14.9**	70.9	**12.6**	23.0
Total	HD	**0.0**	0.0	**0.0**	0.0

* The valuation at fair value was accounted for as Level 1 fair value, based on the input factors of the applied valuation procedures.
** The valuations at fair value were accounted for as Level 2 fair 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 fair values. The same holds true for short-term accounts receivables, receivables from production orders and other assets.

The fair 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 fair value of the exchange-listed bonds generally 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. The maximum credit risk is reflected by the book values of the financial assets and liabilities.

Hierarchy of fair 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 fair value, can be observed directly or indirectly,

Level 3: methods, which use input parameters, which have a material impact on the calculated fair 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.

To calculate the weighted average of the outstanding shares, the capital reduction resolution entered into the commercial register of the company in May 2016 was included. Accordingly, for the period under review as well as the period for comparison, a reduced basis of 305,814 shares was considered at first. During the period under review, the capital increase (by 5,760,000 shares) in the course of the bond restructuring with effect from June 27, 2016 was also taken into account for the calculation of the shares outstanding. The restructuring income is a one-off income, which positively effected the earnings per share by € 17.73 with respect to the first nine months of the business year 2016.

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

As a last step of the financial restructuring, SINGULUS TECHNOLOGIES has completely placed 2,021,938 new shares for a subscription price of € 3.25 per new share in the course of the subscription right capital increase. The subscription ratio amounted to 3 : 1. The entry of the implementation of the capital increase into the commercial register was effected on October 7, 2016. The gross proceeds from the capital increase amounted to € 6.6 million. The nominal capital of the company of € 6,065,814 divided into 6,065,814 common bearer shares with a nominal value of € 1.00 each was thus increased by an amount of € 2,021,938 to € 8,087,752.

Furthermore, please refer to the information "Successful implementation of the resolved bond restructuring" within the interim 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 245 shares of the company in total as of September 30, 2016. 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, 2016 shares
Dr.-Ing. Stefan Rinck, CEO	122
Markus Ehret, CFO	43

Declaration by legal representatives

"We affirm to the best of our knowledge, that the interim consolidated financial statements pursuant to proper accounting principles, in accordance with the relevant accounting principles for interim reporting, provide a true and fair view of the Group's assets, financial and earnings situation and that the Group's interim report represents a true and fair view of the course of business including the operating result and the Group's financial situation as well as describing the material opportunities and risks concomitant with the expected development of the Group during the remainder of the business year."

Kahl am Main, November 2016

The Executive Board

At a glance –

Consolidated Key Figures 3rd Quarter 2014-2016

		2014	2015	2016
Revenue (gross)	million €	22.7	28.5	**12.1**
Order intake	million €	23.2	11.3	**12.6**
EBIT	million €	-26.2	-4.1	**-5.4**
EBITDA	million €	-4.9	-2.5	**-4.7**
Earnings before taxes	million €	-27.0	-5.2	**-5.6**
Profit/loss for the period	million €	-27.4	-5.4	**-5.7**
Research & development expenditures	million €	3.5	3.1	**3.2**

Consolidated Key Figures 9 Months 2014-2016

		2014	2015	2016
Revenue (gross)	million €	52.8	57.7	**36.7**
Order intake	million €	48.4	84.4	**144.1**
Order backlog (09/30)	million €	15.9	40.7	**134.0**
EBIT	million €	-38.7	-13.9	**-14.7**
EBITDA	million €	-14.8	-10.5	**-12.8**
Earnings before taxes	million €	-41.3	-17.4	**23.7**
Profit/loss for the period	million €	-41.7	-17.7	**23.5**
Operating cash flow	million €	-24.1	-8.7	**11.6**
Shareholders' equity (09/30)	million €	32.9	4.0	**11.8**
Balance sheet total (09/30)	million €	138.9	113.2	**91.2**
Research & development expenditures	million €	8.1	8.7	**8.0**
Employees (09/30)		359	343	**327**
Weighted number of shares, basic		305,814	305,814	**2,323,916**
Earnings per share, basic	€	-0.85	-57.55	**10.11**

Corporate Calendar

November 2016	11/14	Q3/2016 Report
März 2017	3/30	Annual Press Conference, Analyst Conference
Mai 2017	5/12	Interim Report Q1/2017
Juni 2017	6/20	Annual Shareholders Meeting 10:30 am, DVFA Deutsche Vereinigung für Finanzanalyse und Asset Management GmbH, Mainzer Landstrasse 37, 60329 Frankfurt am Main
August 2017	8/11	Half Year Report 2017
November 2017	11/9	Interim Report Q3/2017

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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