Berentzen-Gruppe Aktiengesellschaft

Group Half-Yearly Financial Report

January to June 2017

Key Figures

Key figures of the Berentzen Group

		HY 1 2017 or 06/30/2017	HY 1 2016 or 06/30/2016 [1]	Change 2017 / 2016
Consolidated revenues excl. spirits tax	EURm	85.3	82.0	+ 4.0 %
Spirits segment	EURm	49.2	49.2	+ 0.1 %
Non-alcoholic Beverages segment	EURm	25.5	22.6	+ 13.2 %
Fresh Juice Systems segment	EURm	10.6	10.3	+ 2.8 %
Total operating performance	EURm	84.8	85.7	- 1.1 %
Contribution margin after marketing budgets	EURm	30.2	28.1	+ 7.3 %
Consolidated EBITDA	EURm	7.6	7.2	+ 4.9 %
Consolidated EBITDA margin	%	8.9	8.8	+ 0.1 PP [2]
Consolidated EBIT	EURm	4.1	4.0	+ 3.1 %
Consolidated EBIT margin	%	4.8	4.9	- 0.1 PP [2]
Consolidated profit	EURm	1.2	1.5	- 19.3 %
Economic cash flow	EURm	6.0	6.1 [3]	- 1.6 %
Cash flow from investing activities	EURm	-2.3	-1.4	+ 61.5 %
Free cash flow [4]	EURm	-4.9	-4.7	+ 3.1 %
Consolidated equity ratio	%	24.2	23.9 [5]	+ 0.3 PP [2]
Employees	Total	492	491	+ 0.2 %
Berentzen common share (ISIN DE0005201602, WKN 520160) Share price / XETRA	EUR / share	12.50	6.30	+ 98.4 %
Market capitalisation	EURm	117.4	59.2	+ 98.4 %
Dividend	EUR / share	0.25	0.20	+ 25.0 %
Berentzen 12/17 bond (ISIN DE000A1RE1V3, WKN A1RE1V) Bond price / Frankfurt Stock Exchange	%	101.25	103.55	- 2.3 PP [2]

[1] As far as not stated otherwise.

[2] PP = percentage points.

[3] Year-ago figure adjusted.

[4] Cash flow from operating activities plus cash flow from investing activities.

[5] 12/32/2016.

2017 Group Half-yearly Financial Report

This version of the 2017 Group Half-yearly Financial Report is provided for the convenience of our English-speaking readers. It has been translated from the original German version, which takes precedence in all respects.

Content

A. Letter to shareholders

Ladies and Gentlemen,
dear shareholders,

most business decisions – whether operational or strategic – take place in the field of eternal conflict between change and conservation. In this respect, the first half of the year was characterised by continuity. The strategic reorientation that we began more than three years ago enables us to now offer drinks for almost every time of day, for almost every occasion and almost every taste. Whether freshly squeezed orange juice in the morning, an invigorating Mate drink at college, mineral water at work, sport drinks during a football match and, last but not least, a spirit or two at a social event in the evening – the Berentzen Group provides a wide range of beverages.

Our continuity is also demonstrated by the development of the figures for the first half of 2017. As a corporate group, we continue to enjoy a positive growth trajectory – moderate but satisfactory. For example, consolidated revenues increased from EUR 82.0 million to EUR 85.3 million or 4.0% in comparison to the equivalent period last year. Consolidated operating profit (consolidated EBIT) stood at EUR 4.1 million, up 3.1% on the first half of 2016. Consolidated operating profit before amortisation and depreciation (consolidated EBITDA) saw growth of 4.9% to EUR 7.6 million.

Over the course of the first half of 2017, the Berentzen Group's revenues in its core business, the *Spirits* segment, remained stable at EUR 49.2 million, around the level seen in the equivalent period of the 2016 financial year, despite a difficult market environment, while sales volume overall experienced a slight decline. This development is not only affecting us but the spirits market in its entirety, which saw a contraction in sales of 1.7% throughout Germany. The sales volume generated by our branded dealer and private-label products faced a corresponding minor decline, whereas our *Berentzen* and *Puschkin* umbrella brands succeeded in bucking the market trend outlined above by increasing sales in Germany. One particularly pleasing development is the further expansion of the market leadership of the *Berentzen* umbrella brand among fruit spirits. The market share in Germany currently comes to 21.6% – the highest figure for many years – according to data from Nielsen. In comparison: the competitor taking second-place achieves a market share of a mere 8.6%. Intense market development measures involving innovations, striking promotions and strict portfolio management is having a sustained positive effect.

Our international business with spirits also expanded over the first half of 2017 – despite the complicated market situation, especially for our business in Turkey. All in all, our branded spirits enjoyed 9.2% higher sales on the international markets than in the equivalent period last year.

In the *Non-alcoholic Beverages segment*, revenues increased by more than 13% and sales volume by more than 9% over the first half of 2017 – which is impressively dynamic growth. Along with other product groups, our *Mio Mio* brand once again returned very pleasing results in this context: in the first half of 2017, we succeeded in generating sales growth in excess of 67% on the equivalent period last year. This is a great development and evidence of the innovation and sales skills provided by our Group company Vivaris Getränke GmbH & Co. KG. We are nevertheless not content with how the quality of earnings, and therefore the contribution to consolidated profit, has developed: higher expenses in production and logistics as well as additional amortisation and depreciation as a consequence of a higher need for capital expenditure, that negatively impacted earnings, all demonstrate that we have a backlog in the implementation of operational measures in some organisational areas. We will focus on these issues and dedicate ourselves to finding solutions.

The *Fresh Juice Systems* segment achieved revenues of EUR 10.6 million, 2.8% more than in the first six months of the previous financial year. Even though this represents growth, the Group was not able to match the high double-digit rates seen in the past. This development is related to influences more of an external and cyclical nature that have occurred at short notice. For example, poor harvests on account of bad weather caused massive bottlenecks in the supply of oranges. As a consequence, the quantities available decreased, purchasing prices increased and there has been a significant rise in expenses relating to quality-assurance measures. In the USA, an important market for prospective growth, there was in addition a difference of opinions on the further strategic development of the business relationship with the local US distribution partner, which led to a shortfall on the anticipated level of juicer sales in the USA. In light of this development, we have made a downward correction to the earnings outlook for the *Fresh Juice Systems* segment. We nevertheless remain convinced of the enormous potential for growth offered by this business model. For this reason, we intend to massively accelerate the innovation cycles in the development of new equipment, implement a large number of logistics measures for improved supplies of quality oranges and further intensify and expand sales and marketing activities.

We reaffirm the expectations on the Group's consolidated operating profit for the 2017 financial year as presented in the annual report for the 2016 financial year. However, the challenges outlined above make it clear that some efforts are still required in order to achieve this in the second half of 2017.

In the context of our commercial duty, continuity means, in particular, working constantly and consistently to achieve improvements. Consequently, we are reviewing the places where we can fine-tune both strategy and the operating performance of our segments so as always to be in a position to further promote and safeguard the profitable growth of the Berentzen Group over the long term. This is our aspiration and we will constantly work towards this goal.

Haselünne, August 2017

Berentzen-Gruppe Aktiengesellschaft

Oliver Schwegmann	Ralf Brühöfner
Executive Board member	Executive Board member

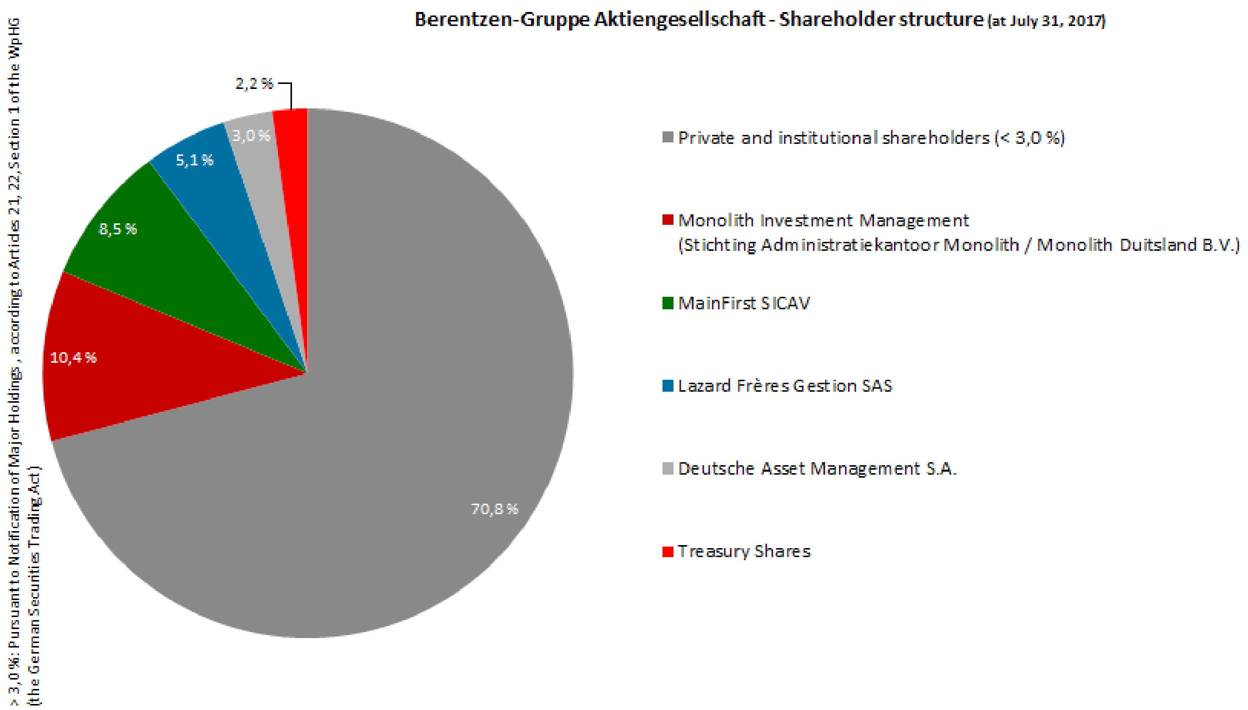
B. Interim Group Management Report

(1) Underlying principles of the corporate group

The Berentzen Group is one of the leading beverage groups in Germany and simultaneously one of the country's oldest producers of spirits with a history going back over 250 years.

Berentzen-Gruppe Aktiengesellschaft based in Haselünne, Germany, is the ultimate parent of the Berentzen Group, which consists of more than 25 domestic and international subsidiaries as well as the parent company. The capital stock of Berentzen-Gruppe Aktiengesellschaft is divided into 9.6 million no par shares of common stock which are listed on the regulated market of the Frankfurt Stock Exchange (General Standard) under ISIN DE0005201602 and WKN 520160.

Up until March 2016, Berentzen-Gruppe Aktiengesellschaft was majority-owned by AURELIUS Equity Opportunities SE & Co. KGaA, Grünwald, Germany. In the course of the 2016 financial year, the AURELIUS Group gradually sold its shares in the share capital of Berentzen-Gruppe Aktiengesellschaft, and since September 2016 has no longer been a shareholder in the Company. Because there were no major changes in the composition of the Supervisory Board and the structure of the company-law framework of competencies in internal organisation between the executive bodies of Berentzen-Gruppe Aktiengesellschaft up until the annual general meeting on May 19, 2017, AURELIUS Equity Opportunities SE & Co. KGaA was the direct and ultimate, controlling parent of Berentzen-Gruppe Aktiengesellschaft up until that date. This control relationship ceased at the end of the ordinary meeting due to personnel changes on the Supervisory Board. Berentzen-Gruppe Aktiengesellschaft and its subsidiaries will therefore no longer be included in the consolidated financial statements of AURELIUS Equity Opportunities SE & Co. KGaA.



(2) Economic report

(2.1) General economic and industry-specific conditions

General economic conditions

In its World Economic Outlook Update dated July 2017, the International Monetary Fund (IMF) reported quite different developments in various economies in the countries around the world in the first quarter of 2017: whereas the economic performance of emerging and developing countries, in particular, and some eurozone countries exceeded forecasts, the UK and US economies fell short of the IMF's expectations. According to the German Institute for Economic Research (DIW), global economic growth in the first quarter of 2017 proved to be weaker overall than anticipated in comparison to the last quarter of 2016, a situation that the DIW attributes to temporary factors from the US and China influencing developments while reference is made to strong growth in the Eurozone – in line with the IMF's forecast.

The benchmark rate (interest rate on main refinancing operations) of the European Central Bank (ECB) remained at its record low of zero percent whereas the US Federal Reserve increased its benchmark rate in March and June of this year, which means that it is now fluctuating between 1.0% and 1.25%. The US Federal Reserve further announced that it would launch a programme to reduce its holdings of bonds before the end of the year, which could lead to an additional tightening of monetary policy.

Industrial output in Germany expanded at a faster pace in the first quarter of 2017 than in the final quarter of 2016. As the German Federal Statistical Office announced in May, gross domestic product (GDP) adjusted for seasonal, price and calendar reasons was 0.6 % higher than the figure for the previous quarter. Above all, this can be attributed not only to positive stimulus within Germany but also from abroad. In this context, investment rose sharply at the start of the year while spending by private households and the government increased by 0.3% and 0.4%, respectively. In its Economic Barometer dated June 2017, DIW forecasts a 0.5% increase in German GDP over the previous quarter for the second quarter of 2017.

According to figures from the German Federal Statistical Office, the change in consumer prices in Germany was between 1.5% and 2.2% overall in the first six months of 2017 compared with the equivalent months in the previous year, with prices in the "Alcoholic beverages and tobacco" category that is important for the Berentzen Group rising at a faster rate. The inflation rates in this area were between 1.9% and 2.8% over the equivalent period last year. Price rises were more marked in the "Food and non-alcoholic beverages" category, with inflation in this area fluctuating between 1.7% and 4.1%.

In the period from January to June 2017, sales in the German retail trade increased by 1.5% over the equivalent period in 2016 on an inflation-adjusted basis. Retail sales in the "Food, beverages and tobacco" sub-category similarly expanded, rising by 2.5% in real terms above the figure for the equivalent period last year.

Developments on the drinks market

According to figures published by Eurostat, the retail volumes saw positive developments over the first five months of 2017. A release made by Eurostat in July indicated that monthly sales changed at rates of 0.1% to 0.5% in the Eurozone from January to May, while changes of 0.0% to 0.6% compared with the respective previous month were recorded across the European Union (EU) as a whole. In the "Food, beverages and tobacco" category that is primarily relevant for the Berentzen Group, the monthly changes varied between -0.4% and 1.1% in the Eurozone and between-0.4% and 0.2% across the EU as a whole.

Figures published The Nielsen Company (Nielsen), an independent market researcher, show that domestic sales of spirits in the first half of the current year were below the level recorded in the same period last year. In the German food retail trade and drugstores segment, the sales volume fell by 1.3% and revenues by 0.4%, from EUR 1.91 billion to EUR 1.90 billion. Accordingly, 249.2 million 0.7-litre bottles (252.4 million 0.7-litre bottles) were sold through this sales channel, which is important for the Berentzen Group. According to Nielsen, 118.2 million 0.7-litre bottles (119.4 million 0.7-litre bottles) of private-label products were sold through this channel between January and June 2017, while the share of total revenues declined from EUR 0.68 billion to EUR 0.67 billion at the same time.

According to the Federal Statistical Office, in the period from January to May 2017 the domestic hospitality trade recorded revenues up 0.1% in real terms on the same period last year. As in the previous year, this allowed a slight increase in sales volumes to be recorded in this second important sales channel for the Spirits and Non-alcoholic beverages segments of the Berentzen Group. In contrast, the spirits-friendly “Gastronomy” sub-category had to face a decrease in revenues of 0.4%.

This trend is clearly reflected in the development of the sales figures for spirits in German cash and carry markets, one of the main sources used by the Gastronomy trade. According to figures from Nielsen, sales volumes fell from 19.5 million to 18.0 million 0.7-litre bottles, representing a decline of 7.7% in the first 26 calendar weeks of 2017 compared with the equivalent period last year. Accordingly, revenues decreased by 7.9% compared with the equivalent period last year.

In the market for non-alcoholic beverages, carbonated soft drinks (CSD) are still considered popular among consumers with 118.2 litres consumed per person in 2016, although consumption was a slight 0.5% below the previous year according to figures from the Wirtschaftsvereinigung Alkoholfreie Getränke (wafg), a German non-alcoholic beverage industry association, dated April 2017. Similarly, wafg figures revealed a slight decline in per-capita consumption of 0.8% to 152.1 litres in the product category covering mineral and medicinal waters. According to a statement published by the Verband Deutscher Mineralbrunnen e.V. (VDM), a German mineral water association, likewise in April 2017, sales of mineral and medicinal waters as well as non-alcoholic soft drinks based on mineral water from German sources increased by 0.2% to 14.7 billion in 2016 compared with the previous year, from the producer viewpoint. Within this total, sales of mineral and medicinal waters rose by 0.8 % overall to 11.3 billion litres. Soft drinks accounted for 34.3 million hectolitres, representing a decline in sales of 1.5%.

As far as the Berentzen Group is aware, there are practically no all-round, resilient market data available for the *Fresh Juice Systems* segment in the sense of an analysis covering all major system components offered by this segment. The corporate group believes that the existing and future consumer demand for fresh food, especially fresh drinks such as not-from-concentrate juices, freshly squeezed juices and also smoothies, represents a potential indicator for the development of the *Fresh Juice Systems* segment overall. For several years now, it has been possible to observe how the social trends of dietary awareness and personal health have drawn closer together and had an ever greater impact on consumer behaviour as a result. Values and product characteristics like freshness, organic and regional sourcing, together with transparency in the production process, are increasingly important factors for end customers. It is not only industry voices like the Verband der deutschen Fruchtsaftindustrie (VdF), an association of German fruit juice producers, that are seeing new and increasing sales potential in this area. Premium-quality juices and smoothies saw positive growth in 2016 according to a VdF statement published in May 2017.

A market study by the Association of the Industry of Juices and Nectars from Fruits and Vegetables of the European Union (AIJN) from 2017 shows that overall sales in the EU of fruit juices declined constantly in the years 2012 to 2016 – and most recently by 1.6 % – in the product group of fruit juices with a fruit content of 100 %. During that period, fruit juices not produced from concentrate were the only sub-product group included in the analysis to enjoy growth in every single year, of 5.4 % in 2016. In an internal assessment, the Berentzen Group assumes against this backdrop that the positive sales and revenue development on the market for fresh drinks will have continued again in the first half of the 2017 financial year in line with the ongoing trend for sensible, healthy diets.

(2.2) Business performance and economic position

(2.2.1) Overview of business performance and operating results

In the first half of the 2017 financial year, the consolidated revenues of the Berentzen Group rose to EUR 85.3 million (EUR 82.0 million), and the consolidated operating result increased slightly to EUR 4.1 million (EUR 4.0 million)

All in all, the Berentzen Group generated a consolidated profit of EUR 1.2 million (EUR 1.5 million) in the first six months of the 2017 financial year.

(2.2.2) Business performance – significant developments and events

Alongside the general development of the overall economy, which can vary greatly from region to region, the key conditions underlying the performance of the Berentzen Group are the development of the national and international beverages markets and their individual distribution channels for drinks and fresh juice systems. In addition, the effects of segment mix, product mix and customer mix have a considerable impact on the Group's success.

Against this backdrop, the following factors had a significant influence on the performance of the Berentzen Group in the first half of the 2017 financial year:

Sales volumes

Spirits

The following table shows the development of spirits sales volumes:

	01/01 to 06/30/2017	01/01 to 06/30/2016	Change	
	million 0.7l bottles	million 0.7l bottles	million 0.7l bottles	%
Spirit sales by segment				
Domestic branded spirits	9.8	9.9	- 0.1	- 1.5
Branded dealer and private-label products	27.1	27.5	- 0.4	- 1.6
Spirits segment	**36.9**	**37.4**	**- 0.5**	**- 1.5**
International branded spirits	2.3	2.1	+ 0.2	+ 9.2
Other segments [1)]	**2.3**	**2.1**	**+ 0.2**	**+ 9.2**
Total	**39.2**	**39.5**	**- 0.3**	**- 1.0**

[1)] Notably including international operations with branded spirits.

	01/01 to 06/30/2017	01/01 to 06/30/2016	Change	
	million 0.7l bottles	million 0.7l bottles	million 0.7l bottles	%
Spirits sales by product category				
Branded spirits	12.1	12.0	+ 0.1	+ 0.4
Branded dealer and private-label products	27.1	27.5	- 0.4	- 1.6
Total	**39.2**	**39.5**	**- 0.3**	**- 1.0**

Sales of spirits by the Berentzen Group decreased slightly by 1.0 % in the first six months of the 2017 financial year to 39.2 million 0.7-litre bottles (39.5 million 0.7-litre bottles). Domestic sales volumes totalled 32.9 million 0.7-litre bottles (33.4 million 0.7-litre bottles) and international sales volumes stood at 6.3 million 0.7-litre bottles (6.1 million 0.7-litre bottles).

The Berentzen Group recorded sales of 12.1 million 0.7-litre bottles (12.0 million 0.7 bottles) with branded spirits at home and abroad in the first half of the financial year.

Sales in the domestic business with the *Berentzen* and *Puschkin* core brands were 1.9 % higher than in the equivalent period last year. In particular, the *Berentzen* umbrella brand continued its positive sales performance in the first six months of the 2017 financial year, enjoying an increase of 2.8 % in sales. Sales of the *Puschkin* umbrella brand remained a constant level with a light rise of 0.1 %. In contrast, a decline of 6.3 % in sales was recorded in the other branded business, especially in classical spirits. This decrease is attributable, among other factors, to the termination of a distribution agreement entitling the Berentzen-Gruppe Aktiengesellschaft to distribute the *Vecchia Romagna* branded spirit in Germany that ended as of December 31, 2016. Mainly driven by product and customer mix management, aggregate sales volume across the entire domestic branded business decreased by 1.5 % as at June 30, 2017.

The sales volume in the international branded spirits business climbed 9.2 % compared with the equivalent period last year to 2.3 million 0.7-litre bottles. Sales volumes in the Benelux countries grew by 1.8% with support for this development continuing to come from the *Berentzen* and *Puschkin* core brands. Developments in the international duty free sales channel, which have brought about a 17.5% improvement in sales volume, are another factor also worth highlighting. Starting from a very difficult market environment and a sales performance that has recently been in decline, sales growth of 24.3% was generated on the Turkish market. The political and economic developments on this market, which can only be appraised to a limited extent, will continue to be kept under even closer observation.

The development of sales in the spirits business involving branded dealer and private-label products saw a slight decline compared with the equivalent period last year. A decline in sales of 2.4 % meant that the international business was not able to follow on from the previous-year level. With a fall of 1.4 %, sales of branded dealer and private-label products in Germany similarly failed to match the equivalent period last year, albeit to a lesser extent than in other countries. All in all, sales fell by 1.6 % to 27.1 million 0.7-litre bottles (27.5 million 0.7-litre bottles) in comparison to the equivalent period last year.

Non-alcoholic Beverages

The sales volume of mineral waters and soft drinks in the *Non-alcoholic Beverages* segment increased by 9.1 % to 0.90 million hectolitres (0.83 million hectolitres) in the first six months of the 2017 financial year.

The volume of sales in the franchise business involving the branded beverages of the Sinalco Group improved by 9.0 % over the same period last year. This meant, nevertheless, that the business remained below our own expectations.

The business with mineral waters, carbonated soft drinks and other non-alcoholic beverages likewise generated growth impetus even though it also fell short of the internal targets. Sales of mineral waters increased by 2.4 %, carbonated soft drinks and other non-alcoholic beverages saw a slight rise in quantities of 1.7%. An increase of 12.9 % in sales was recorded in contract bottling services.

With an increase of 67.7 % compared with the first half of the 2016 financial year, the extremely good sales performance of the beverages marketed under the proprietary *Mio Mio* brand continued unabated. The *Mio Mio Mate* core product continued to establish itself on the market and, thanks to its listing at food retailers virtually everywhere in Germany, was able to make a contribution to driving forward with the objective of expanding the sales area. The innovation *Mio Mio Ginger* saw a promising start in 2017 and led to further listings and additional sales growth.

Fresh Juice Systems

In the *Fresh Juice Systems* segment, the overall range marketed under the *Citrocasa* brand recorded mixed sales performance overall in the first six months of the current financial year with regard to all the main system components. While sales of fruit presses (juicers) increased by 4.7 %, this figure did, however, mean that the rate of growth was significantly slower in comparison to the equivalent period last year. Thus, the markets in Germany, Austria, the Netherlands and, in particular, the USA revealed a contraction in volumes (in the case of the USA, mainly on account of a difference of opinions with the local distributors in relation to further developments), whereas noteworthy increases in sales were generated in France, however. Fruit (oranges) saw a decline in sales of 6.0 % whereas an increase of 12.8 % was achieved in bottling systems. The declines in sales in the business with oranges originated from their scarcity on the market, which meant that sales opportunities remained unexploited.

General statement on the sales volume performance

Given the business performance of the individual segments as described above, the sales performance in the *Non-alcoholic Beverages*, *Fresh Juice Systems* segment and the international business with branded spirits, which is included in *Other Segments*, made a particular contribution to a rise in consolidated revenues. Despite a slight decline in sales performance, the *Spirits* segment was able to sustain its contribution to consolidated revenues at the previous-year level thanks to product and customer mix management.

Sourcing

In terms of purchased goods and services, the sourcing of raw materials and the cost of procuring the individual system components in the *Fresh Juice Systems* segment represent a major part of the total cost of the production of spirits and non-alcoholic beverages. The underlying conditions varied, with mainly rising prices on the market. All in all, the cost prices for raw materials proved to be largely stable, however. The higher cost of procuring the system component fruit (oranges) in the *Fresh Juice Systems* segment represents a notable exception. The difficult harvest situation led to a strong rise in demand, which is associated, in particular, with rising prices. Furthermore, the lower fruit quality in comparison to previous harvests led to higher expenses for sorting and subsequent processing.

(2.2.3) Financial performance

The following table provides an analysis of the financial performance. Individual items in the Consolidated Statement of Comprehensive Income have been adjusted for income- and expense-related special effects (non-recurring items) in line with the definition of the normalised consolidated EBIT used to manage the corporate group.

	01/01 to 06/30/2017		01/01 to 06/30/2016		Change	
	EUR'000	%	EUR'000	%	EUR'000	%
Consolidated revenues	85,337	100.7	82,038	95.7	+ 3,299	+ 4.0
Change in inventories	-576	- 0.7	3,665	4.3	- 4,241	- 115.7
Total operating performance	**84,761**	**100.0**	**85,703**	**100.0**	**- 942**	**- 1.1**
Purchased goods and service	44,162	52.1	45,453	53.0	- 1,291	- 2.8
Consolidated gross profit	**40,599**	**47.9**	**40,250**	**47.0**	**+ 349**	**+ 0.9**
Other operating income	1,862	2.2	1,932	2.3	- 70	- 3.6
Personnel expenses	12,691	15.0	12,502	14.6	+ 189	+ 1.5
Amortisation and depreciation of assets	3,458	4.1	3,228	3.8	+ 230	+ 7.1
Other operating expenses	22,174	26.2	22,440	26.2	- 266	- 1.2
Operating costs	38,323	45.2	38,170	44.6	+ 153	+ 0.4
Consolidated operating profit (EBIT)	**4,138**	**4.9**	**4,012**	**4.7**	**+ 126**	**+ 3.1**
Exceptional effects	-427	- 0.5	0	0.0	- 427	> -100
Financial result and result from participating interests	-2,043	- 2.4	-1,975	- 2.3	- 68	+ 3.4
Consolidated profit before income taxes	**1,668**	**2.0**	**2,037**	**2.4**	**- 369**	**- 18.1**
Income tax expense	487	0.6	574	0.7	- 87	- 15.2
Consolidated profit	**1,181**	**1.4**	**1,463**	**1.7**	**- 282**	**- 19.3**

Consolidated revenues and total operating performance

The consolidated revenues of the Berentzen Group amounted to EUR 85.3 million (EUR 82.0 million) in the first half of the 2017 financial year, while the consolidated revenues including spirits tax amounted to EUR 187.5 million (EUR 184.3 million).

The following table shows an analysis of revenues in the individual segments of the corporate group:

	01/01 to 06/30/2017 EUR'000	01/01 to 06/30/2016 EUR'000
Revenues excluding spirits tax		
Spirits segment	44,449	44,395
Non-alcoholic Beverages segment	25,541	22,572
Fresh Juice Systems segment	10,564	10,279
Other segments [1]	4,783	4,792
Consolidated revenues excluding spirits tax	**85,337**	**82,038**
Spirits tax	102,192	102,292
Consolidated revenues including spirits tax	**187,529**	**184,330**

[1] Notably including international operations with branded spirits.

Including the change in inventories of EUR-0.6 million (EUR 3.7 million), the total operating performance amounted to EUR 84.8 million (EUR 85.7 million).

Purchased goods and services

In line with the lower level of total operating performance, purchased goods and services decreased to EUR 44.2 million (EUR 45.5 million) in absolute terms in the first half of the 2017 financial year, with the ratio of purchased goods and services to total operating performance falling to 52.1 % (53.0 %) accordingly. Although the cost prices for commodities remained largely stable overall with the exception of higher purchasing costs for the system component fruit (oranges) in the *Fresh Juice Systems* segment, the lower level of purchased goods and services is primarily attributable to the decrease in inventories following the build-up in the previous year.

Other operating income

At EUR 1.9 million (EUR 1.9 million), aggregate other operating income in the first six months of the 2017 financial year remained at the previous-year level. Alongside income from the reversal of liabilities and provisions of EUR 0.7 million (EUR 0.6 million), this figure mainly includes cost and other reimbursements from business partners in connection with licence and sales agreements of EUR 0.5 million (EUR 0.6 million).

Personnel expenses

The corporate group had 492 (491) employees on June 30, 2017 and an average of 406 (386) full-time equivalents in the first half of the 2017 financial year. The increase in the average number of full-time equivalents is attributable in particular to a build-up of staff in the *Fresh Juice Systems* segment.

All in all, personnel expenses rose by 1.5 % to EUR 12.7 million (EUR 12.5 million), with the ratio of personnel expenses to total operating performance increasing to 15.0 % (14.6 %). The absolute increase in personnel expenses stems mainly from the staff build-up in the *Fresh Juice Systems* segment.

Amortisation and depreciation of assets

Scheduled amortisation and depreciation increased to EUR 3.5 million (EUR 3.2 Mio. Euro) in the first half of the 2017 financial year on an investment volume amounting to EUR 2.4 million (EUR 1.6 million). The increase results mainly from higher depreciation on property, plant and equipment.

Other operating expenses

Other operating expenses fell by EUR 0.3 million to EUR 22.2 million (EUR 22.4 million). Within this total, transport and selling expenses increased to EUR 7.9 million (EUR 7.6 million), notably including the remuneration paid to the external spirits distribution organisation in Germany together with shipping and logistics costs. This increase relates primarily to the *Non-alcoholic Beverages* segment. The expenditure on marketing and trade advertising decreased to EUR 7.8 million (EUR 8.6 million) mainly on account of a temporary decrease in spending to support sales activities in the *Spirits* segment amounting to EUR 1.3 million. This was opposed by higher expenditure of EUR 0.4 million on marketing and trade advertising in the *Non-alcoholic Beverages* segment. Maintenance expenses increased slightly to EUR 1.6 million (EUR 1.3 million). A material portion of this higher expenditure was attributable in this respect to the *Non-alcoholic Beverages* segment. At EUR 4.9 million (EUR 4.9 million), other overheads remained at a constant level overall compared with the first half of the 2016 financial year.

Operating costs

The operating costs in the corporate group increased slightly to EUR 38.3 million (EUR 38.2 million) against the backdrop of the developments described above. The ratio of operating costs to the Group’s total operating performance, which had fallen at the same time, increased to 45.2 % (44.6 %).

Special effects (non-recurring items)

Special effects (non-recurring items) in the first half of the 2017 financial year

In the first half of the 2017 financial year, a non-recurring item arose from an ad hoc impairment test relating to the *Non-alcoholic beverages* segment. Despite a generally positive development in sales, revenues and segment earnings (contribution margin by budget) in comparison to the previous year's reporting period, there were indications that this segment's total profit contribution to consolidated operating result is and will remain not as strong as anticipated. This is due, among other things, to unexpectedly high overheads in the areas of production and logistics (the supply chain). Furthermore, the sales successes, whether already realised or still anticipated, of products that are filled into reusable bottles for delivery require additional investment in empty bottle containers and crates. The resulting depreciation will adversely affect the segment's total profit contribution.

The impairment test required by the provisions of IAS 36 that was consequently performed on the assets as at June 30, 2017 caused net expenses of EUR 0.4 million that included, for accounted-related purposes, impairments of EUR 0.6 million as well as write-ups relating to assets already impaired in the past of EUR 0.2 million.

Special effects (non-recurring items) in the first half of the 2016 financial year

No special effects as such to be recognised in results arose in the first half of the 2016 financial year.

Net financial and investment income

Net financial and investment income remained unchanged year-on-year, resulting in a net expense of EUR 2.0 million (EUR 2.0 million). This can be attributed mainly to the almost constant development of financial expense. This notably includes pro rata interest expenses of EUR 1.6 million (EUR 1.6 million) for the bond issued by Berentzen-Gruppe Aktiengesellschaft in October 2012 and of EUR 0.1 million (EUR 0.1 million) relating to the recognition of pension obligations.

Income tax expense

In relation to the first half of the 2017 financial year, the Group incurred an income tax expense of EUR 0.5 million (EUR 0.6 million).

The total includes expenses of EUR 0.6 million (EUR 0.7 million) from German trade tax and corporate income tax and comparable foreign income taxes. The measurement of deferred taxes in accordance with IAS 34 in conjunction with IAS 12 gave rise to an aggregate gain of EUR 0.1 million (EUR 0.1 million), resulting mainly from a decrease in deferred tax liabilities on temporary measurement differences of intangible assets.

Consolidated profit

The consolidated profit recorded in the first half of the 2017 financial year increased to EUR 4.1 million (EUR 4.0 million) compared with the same period last year. This can be attributed mainly to the improvement in consolidated gross profit to EUR 40.6 million (EUR 40.3 million).

Despite this positive development in consolidated operating profit, the consolidated profit including the deductible items from net finance and investment income as well as income taxes and special effects (non-recurring items) totalling EUR 3.0 million (EUR 2.5 million) fell to EUR 1.2 million (EUR 1.5 million).

(2.2.4) Cash flows

Funding structure

The overall funding of the Berentzen Group as presented in the annual report for the 2016 financial year remains essentially unchanged at the end of the first half of the 2017 financial year, as shown in the table below:

		Financing line 06/30/2017			Financing line 12/31/2016		
		Longterm	Shortterm	Total	Longterm	Shortterm	Total
		EURm	EURm	EURm	EURm	EURm	EURm
Syndicated loan agreement	Line, limited	7.5	18.0	25.5	7.5	18.0	25.5
Berentzen bond 2012/2017	Issue volume [1]	0.0	50.0	50.0	0.0	50.0	50.0
Factoring	Line, limited	0.0	50.0	50.0	0.0	50.0	50.0
Central settlement and factoring	Line, unlimited [2]	0.0	9.3	9.3	0.0	9.9	9.9
Working capital loans	Line, limited [3] [4]	0.0	1.4	1.4	0.0	1.6	1.6
Surety bond for spirits tax liabilities	Line, limited	0.0	0.8	0.8	0.0	0.8	0.8
Total financing		**7.5**	**129.5**	**137.0**	**7.5**	**130.3**	**137.8**

[1] Term until October 17, 2017.

[2] Average financing volume in the financial year.

[3] Working capital loans included therein are translated using the reporting-date exchange rate.

[4] The cancellation of a working capital loan in the amount of EUR 2.5 million with effect as of January 27, 2017 is already included in the figure as of December 31, 2016.

The syndicated loan agreement concluded by Berentzen-Gruppe Aktiengesellschaft with a banking syndicate in December 2016 with a volume of funding currently totalling EUR 25.5 million basically comprises three facilities: two facilities for the purpose of corporate financing and refinancing the corporate bond of Berentzen-Gruppe Aktiengesellschaft, including one repayable-at-maturity facility in the amount of EUR 7.5 million, and one facility in the amount of EUR 18.0 million that can be utilised as a working capital or guarantee line of credit under the so-called branch facility agreements concluded bilaterally with the banking syndicate members. There is an agreement in place providing an option to increase the funding volume by a further repayable-at-maturity facility for the financing of acquisitions totalling EUR 10.0 million. The initial term amounts to five years and there is an option to extend the term by one year. Variable interest is payable on any amounts utilised based on the EURIBOR reference interest rate plus a set fixed interest margin. No collateral has been provided for the syndicated loan agreement. As part of a cross-guarantee arrangement taking the form of a guarantor concept that consists of a minimum coverage detailed in the agreement guaranteed by Berentzen-Gruppe Aktiengesellschaft as borrower and the guarantors in relation to specified Group stock and flow variables, three Berentzen-Gruppe Aktiengesellschaft subsidiaries are integrated into the syndicated loan agreement as guarantors specifically with regard to payment obligations under that agreement. As of the date of first-time utilisation of financing funds under the syndicated loan agreement, the borrower is obliged to regularly meet two contractually specified covenants calculated on the basis of its consolidated financial statements: dynamic leverage and equity ratio. The syndicated loan agreement that is essentially based on the international contract standards of the UK-based Loan Market Association (“LMA standards”) furthermore contains customary obligations, conditions, assurances and guarantees that include but are not limited to caps on leverage, limits relating to the sale of assets and a change-of-control clause. In the event of non-compliance with the two covenants, the other obligations, conditions, assurances and guarantees or the occurrence of a change-of-control event, the lenders are in principle entitled to premature termination of the syndicated loan agreement and demand immediate repayment of the financing funds utilised under the agreement and any outstanding interest and costs.

The Berentzen bond 2012/2017 issued by Berentzen-Gruppe Aktiengesellschaft in October 2012 (ISIN: DE000A1RE1V3) with an issue volume of EUR 50.0 million is listed in the open market of Deutsche Börse AG (over-the-counter market of the Frankfurt Stock Exchange) on the Basic Board segment (Entry Standard until February 28, 2017). The bond due for repayment on October 17, 2017, is not secured and bears interest at a nominal rate of 6.50% p.a.. Berentzen-Gruppe Aktiengesellschaft is the issuer and sole debtor of the bearer bonds issued under the bond issue. The bond conditions contain neither covenants nor change-of-control clauses, although they do constitute termination rights for the bond creditors especially in the event that the issuer fails to pay principal, or disburse the interest, on time. In the event of termination, the bondholders are entitled to call in the bonds for repayment and to demand their immediate repayment at the face value plus accrued interest.

The drawdown of factoring lines represents a further focal point of gross external funding. The ensuing total volume of funding available to the Berentzen Group on the basis of two existing factoring agreements running until March 31, 2021 amounts to EUR 50.0 million (EUR 50.0 million). Added to this is a formally unlimited factoring line under three further, open-ended central settlement and factoring agreements. In the first half of the 2017 financial year, this gave rise to an average gross funding volume of EUR 9.3 million (EUR 9.9 million).

The funding volume from credit agreements with providers of working capital to the Berentzen Group outside of the syndicated loan agreement totals EUR 1.4 million (EUR 1.6 million). These credit lines have been made available to two foreign group companies and are open-ended. A working capital line granted to Berentzen-Gruppe Aktiengesellschaft of EUR 2.5 million was cancelled effective as of January 27, 2017 in the context of the signing of the syndicated loan agreement.

Including the factoring agreements with a central settlement agency that have no formal limit on their amount, the gross funding volume from factoring and working capital lines other than those extended under the syndicated loan agreement thus amounted to EUR 60.7 million (EUR 61.5 million) as at June 30, 2017. These short-term outside and credit-financing lines essentially feature interest agreements based on the EURIBOR and EONIA reference rates, to which a fixed interest margin is added, or otherwise variable rates based on local market levels or fixed rates.

The factoring agreements, the central settlement and factoring contracts, and the agreements regarding working capital lines have been concluded with both Berentzen-Gruppe Aktiengesellschaft and other Berentzen Group companies.

The working capital lines extended to the Berentzen Group have been granted for a funding volume of EUR 0.2 million (EUR 0.2 million) without the provision of collateral. For one foreign Group company to draw down on available credit facilities of EUR 1.2 million (EUR 1.4 million) after currency translation, it would have to provide collateral in the form of cash already received or other securities. All the working capital credit agreements contain change-of-control clauses that allow the funding agreements concerned to be terminated prematurely in the event of a change of control. In contrast, the factoring agreements are free of such clauses. Violations of the covenants or other agreements in the funding contracts give rise to special termination rights for the creditors.

No repayments on long-term loans were due in the first half of the 2017 financial year; the ongoing repayment of short- and medium-term funding instruments was carried out as planned.

Furthermore, surety bonds for spirits taxes of EUR 0.8 million (EUR 0.8 million) provided by surety bond insurers are included in the overall funding of the corporate group. Of this amount, a funding volume of EUR 0.5 million is similarly subject to covenants under which the Berentzen Group is obliged to comply with certain asset-oriented financial indicators and which give rise to special termination rights for the insurer in the event of violation. A change-of-control clause has also been agreed in this context.

Abridged Consolidated Cash Flow Statement for the period from January 1 to June 30, 2017

The following Cash Flow Statement shows the development of liquid assets in the corporate group. The cash and cash equivalents are calculated as the balance of "cash and cash equivalents" shown in the Statement of Financial Position and "part of the current financial liabilities".

Cash and cash equivalents include the current accounts maintained with banks that are used to settle two factoring agreements, containing the cash available at all times from the factoring arrangements ("customer settlement accounts"). The receivables from the customer settlement accounts have different characteristics from usual current account receivables from banks, notably with regard to interest. Only the shares of outside capital immediately available under working capital lines are carried as current financial liabilities.

	01/01 to 06/30/2017 EUR'000	01/01 to 06/30/2016 EUR'000	Change EUR'000
Cash flow from operating activities	- 2,601	- 3,324	+ 723
Cash flow from investing activities	- 2,279	- 1,411	- 868
Cash flow from financing activities	- 2,348	- 2,207	-141
Change in cash and cash equivalents	- 7,228	- 6,942	- 286
Cash and cash equivalents at the start of the period	67,084	63,140	+ 3,944
Cash and cash equivalents at the end of the period	59,856	56,198	+ 3,658

Cash flow from operating activities

On balance, operating activities resulted in a net cash outflow of EUR 2.6 million (EUR 3.3 million) over the first six months of the 2017 financial year. This was, however, not caused by the operating cash flow included in this figure. Having consolidated EBITDA of EUR 7.6 million (EUR 7.2 million) as one of its material components, operating cash flow once again returned a positive balance of EUR 6.0 million, virtually unchanged on the previous year (EUR 6.1 million).

In contrast, changes in the area of working capital impacted the aforementioned net cash outflow. For example, the financial contribution in connection with liabilities relating to spirits tax fell by EUR 8.0 million (EUR 9.7 million) for seasonal reasons, relating to the change in other assets – essentially inventories and trade receivables – similarly resulted in a smaller cash outflow of EUR 0.1 million (EUR 2.9 million). On the other hand, the increase in trade payables by EUR 1.0 million (EUR 5.3 million) did give rise to a positive effect on cash flow, but it was one that was not sufficient to cancel out the aforementioned effects.

Cash flow from investing activities

The investing activities of the corporate group led to a net cash outflow of EUR 2.3 million (EUR 1.4 million). The investments in property, plant and equipment and intangible assets totalled EUR 2.4 million (EUR 1.6 million), set against proceeds of EUR 0.1 million (EUR 0.2 million) received on the disposal of non-current assets.

Cash flow from financing activities

Financing activities gave rise to a net cash outflow of EUR 2.3 million (EUR 2.2 million), resulting from the dividend payment of EUR 2.3 million (EUR 1.9 million) based on the relevant resolutions adopted by the annual general meeting and payments of EUR 0.3 million in the previous year in connection with the share buy-back programme of Berentzen-Gruppe Aktiengesellschaft initiated in July 2015 and terminated in May 2016.

Cash and cash equivalents

All in all, cash and cash equivalents totalled EUR 59.9 million (EUR 56.2 million) at June 30, 2017, of which EUR 29.5 million (EUR 30.0 million) relates to receivables from the customer settlement accounts maintained with banks that are used for settlement under two factoring agreements. At June 30, 2017, drawdowns of short-term credit lines and similar financial instruments amounted to EUR 0.8 million (EUR 0.4 million).

(2.2.5) Financial position

The following Statement of Financial Position is structured by the maturity of the various items recognised as assets and liabilities:

	06/30/2017		12/31/2016		Change
	EUR'000	%	EUR'000	%	EUR'000
Assets					
Intangible assets	13,047	7.2	13,429	7.1	- 382
Property, plant and equipment	44,038	24.3	45,260	23.9	- 1,222
Other non-current assets	1,428	0.8	1,458	0.8	- 30
Deferred tax assets	159	0.1	159	0.1	0
Non-current assets	**58,672**	**32.4**	**60,306**	**31.9**	**- 1,634**
Inventories	34,568	19.1	35,610	18.8	- 1,042
Trade receivables	16,094	8.9	14,938	7.9	+ 1,156
Other current assets	10,986	6.1	10,704	5.7	+ 282
Cash and cash equivalents	60,680	33.5	67,655	35.8	- 6,975
Current assets	**122,328**	**67.6**	**128,907**	**68.1**	**- 6,579**
	181,000	**100.0**	**189,213**	**100.0**	**- 8,213**
Shareholders' equity and liabilities					
Shareholders' equity	**43,833**	**24.2**	**45,227**	**23.9**	**- 1,394**
Pension provisions	10,791	6.0	11,183	5.9	- 392
Other non-current provisions	468	0.2	535	0.3	- 67
Deffered tax liabilities	1,844	1.0	1,921	1.0	- 77
Non-current liabilities	**13,103**	**7.2**	**13,639**	**7.2**	**- 536**
Spirits tax liabilities	36,356	20.1	44,394	23.5	- 8,038
Current financial liabilities	51,429	28.4	51,069	27.0	+ 360
Trade payables	11,884	6.6	10,877	5.7	+ 1,007
Other current liabilities / provisions	24,395	13.5	24,007	12.7	+ 388
Current liabilities	**124,064**	**68.6**	**130,347**	**68.9**	**- 6,283**
	181,000	**100.0**	**189,213**	**100.0**	**- 8,213**

Assets

Total assets decreased to EUR 181.0 million (189.2 Mio. Euro) compared with December 31, 2016. Non-current assets amount to EUR 58.7 million (EUR 60.3 million), accounting for 32.4 % (31.9 %) of total consolidated assets.

Non-current assets

Intangible assets account for 22.2 % (22.3 %) of non-current assets. This item notably includes the intangible assets identified upon acquisition of the shares in T M P Technic-Marketing-Products GmbH in the 2014 financial year and the associated *Fresh Juice Systems* segment set up in the corporate group.

Property, plant and equipment declined by a total of EUR 1.2 million (1.2 million) following investments of EUR 2.1 million, depreciation of EUR 2.8 million, impairments of EUR 0.6 million, write-ups of EUR 0.2 million and disposals with a carrying amount of EUR 0.1 million.

Other non-current financial assets notably include shares in non-consolidated affiliated companies, receivables under finance leases and real estate held as financial investments.

The coverage of non-current assets by shareholders' equity and non-current liabilities decreased slightly to 97.0 % (97.6 %).

Current assets

Current assets declined to EUR 122.3 million (EUR 128.9 million), with trade receivables accounting for only 13.2 % (11.6 %) of the total. At present, the Berentzen Group has two factoring agreements in place with a net funding framework of EUR 50.0 million together with a factoring line with no formal limit under three further central settlement and factoring agreements. Gross receivables of around EUR 48.8 million (EUR 51.7 million) had been sold at June 30, 2017 on this basis. The corresponding fall in comparison to year-end 2016 can be explained by a smaller inventory of transferable gross receivables in the *Spirits* segment on account of the cut-off date. As a consequence, the volume of receivables still carried in the Statement of Financial Position increased to EUR 16.1 million (EUR 14.9 million).

The stock of inventories decreased to EUR 34.6 million (EUR 35.6 million) mainly on account of the cut-off date.

The largest item included in Other current assets relates to retentions of EUR 8.2 million (EUR 8.3 million) arising from factoring transactions. This declined in line with the lower volume of gross receivables sold as at June 30, 2017.

The cash and cash equivalents of EUR 60.7 million (EUR 67.7 million) declined mainly due to the net cash outflow totalling EUR 7.2 million shown in the abridged Consolidated Cash Flow Statement.

Shareholders’ equity and liabilities

Shareholders’ equity

With consolidated comprehensive income of EUR 1.0 million in the first half of the 2017 financial year and taking account of the dividend payment of EUR 2.3 million (EUR 1.9 million) passed by the annual general meeting held in May 2017, equity fell to EUR 43.8 million (EUR 45.2 million).

Non-current liabilities

EUR 13.1 million (EUR 13.6 million) was available to the corporate group in the form of non-current liabilities. Pension provisions included in this item amounted to EUR 10.8 million (EUR 11.2 million). Non-current liabilities accounted for 9.6 % (9.5 %) of total consolidated liabilities at June 30, 2017.

Current liabilities

Current liabilities decreased to EUR 124.1 million (EUR 130.3 million) or 68.6% (68.9 %) of consolidated total liabilities. Of this figure, EUR 51.4 million (EUR 51.1 million) was attributable to non-current financial liabilities, an item which includes in particular, but is not limited to, the disclosure of the liabilities from the Berentzen bond 2012/2017.

Spirits tax liabilities amounted to EUR 36.4 million (EUR 44.4 million). The decline of EUR 8.0 million compared with December 31, 2016 in spirits tax liabilities arising from revenues in the *Spirits* and *Other segments* in Germany results mainly from the traditionally stronger business activities in these segments towards the end of each financial year compared with the middle of each financial year for seasonal reasons.

At EUR 11.9 million (EUR 10.9 million) trade payables were EUR 1.0 million higher than at year-end 2016 due to scheduling and period-end reasons.

Other current liabilities including current provisions remained almost unchanged at EUR 24.4 million (EUR 24.0 million). The liabilities from marketing and sales obligations plus bonuses totalled EUR 9.1 million (EUR 8.4 million). Taxes payable – mainly payroll and sales taxes – declined to EUR 4.9 million (EUR 6.7 million), due mainly to a season-related change in the sales taxes payable influenced largely by the sales of spirits at the respective year-end. In contrast, the liabilities from prorated accrued interest expenses for the bond issued by Berentzen-Gruppe Aktiengesellschaft in October 2012 rose to EUR 2.3 million (EUR 0.7 million) at June 30, 2017.

(2.2.6) *General statement about the business performance and economic position of the corporate group*

Business performance

Against the backdrop of an expanded scope of business overall, the business performance of the corporate group proved positive as a whole, even if the developments in the individual segments were not uniform with regard to the intensity of change.

While revenues, for example, rose in all segments of the Group apart from the *Other* segment where they remained just about stable, the increase in revenues in the strategically important *Fresh Juice Systems* segment of 2.8%, however, proved to be disappointingly small in comparison to the first half of the previous year (33.5%). The rate of growth in the *Spirits* segment was similarly quite low at 0.1%. The economic significance of this must be seen in relation to the fact that high-margin brand products saw good developments at a faster rate.

Economic position

To summarize, the economic position of the corporate group can also be considered satisfactory overall against the backdrop of the stable financial performance.

The Berentzen Group closed the first half of the 2017 financial year with a consolidated operating profit of EUR 4.1 million (EUR 4.0 million) and consolidated EBITDA of EUR 7.6 million (EUR 7.2 million). The consolidated profit decreased to EUR 1.2 million (EUR 1.5 million).

There was similarly a positive trend in cash flows. The funding of the corporate group remained secure especially in light of the overall funding described, and the corporate group continues to enjoy a very good liquidity base to fund its commercial operations and its medium-term growth strategy.

The asset and capital structure of the corporate group remains solid. Despite the positive development in the financial performance, there was a reduction in the consolidated shareholders’ equity. Including the decline of EUR 8.2 million in total consolidated assets to EUR 181.0 million, the consolidated equity ratio still increased slightly to 24.2 % (23.9 %) compared with December 31, 2016.

(3) Report on risks and opportunities

The commercial activities of the corporate group give rise to a large number of opportunities while the corporate group is exposed to numerous risks at the same time. Risks may have a negative impact on the business performance due to the occurrence of internal or external events affecting future developments that prevent the company from achieving defined goals or successfully implementing strategies. In contrast, opportunities provide ways of positively impacting the business performance by means of future successes that go beyond the defined objectives.

The Berentzen Group's risk management system is geared towards promptly identifying, assessing and mitigating risk by means of appropriate early identification and hedging measures. The structure of the risk management system is described in detail in the Report on risks and opportunities contained in the Berentzen Group annual report for the 2016 financial year.

The risks and opportunities presented there and the assessment thereof as part of the assessment matrix continue to apply. No significant risks or opportunities were identified in the reporting period going beyond those presented in the Report on risks and opportunities contained in the Berentzen Group annual report for the 2016 financial year. Consequently, there are no risks classified as high risk within the scope of the risk management system. In the opinion of the Management, the Berentzen Group's risk exposure has thus remained unchanged overall compared with the position described in the Berentzen Group annual report for the 2016 financial year, and continues to be manageable from today's perspective.

(4) Forecast report

The Forecast report for the Berentzen Group takes account of the relevant facts and events known at the time of preparation of the interim consolidated half-yearly financial statements which might have an impact on the corporate group's future business performance. The forecasts made herein on the basis of the current version of the integrated corporate plan for the Berentzen Group for the 2017 financial year, and taking into account the business performance in the first half of the 2017 financial year, are built around the organic development of the corporate group excluding significant non-recurring (special) effects and changes arising from possible company acquisitions; where such events need to be incorporated at the time of preparation of the present Forecast report, this must be stated accordingly.

(4.1) General economic and industry-specific conditions

General economic conditions

In its World Economic Outlook Update issued in July 2017, the IMF confirmed its forecast for global economic growth in 2017 of 3.5%, although the contributions to this development by individual regions and countries have shifted according to the IMF. Whereas there was, for example, a slight downward correction in the forecast for the US economy from 2.3% to the current 2.1%, the IMF increased its expectations for Eurozone growth by 0.2 percentage points to the current 1.9% in 2017. These adjustments were made necessary on account of the assumption that US fiscal policy would be less expansive than recent expectations and the strong development of the Eurozone in the first quarter of 2017. In its Economic Bulletin dated June 2017, the German Institute for Economic Research (DIW) anticipates global growth of 3.7%, thus proving a little more optimistic even though it does point to uncertainties and risks relating to the UK's withdrawal from the European Union and potential impact on developing economies caused by the outflow of capital following the interest rate hikes by the US Federal Reserve.

Regarding the German economy as a whole, the IMF is currently similarly predicting an expansion of 1.8% and thus raised its expectations by 0.2 percentage points in comparison to April. To date, DIW is anticipating real GDP growth of 1.5%.

Developments on the drinks market

With regard to the development of the domestic and international spirits market, the Berentzen Group believes that there have been no significant changes overall since the annual report for the 2016 financial year was published in March of this year. Against this backdrop, the forecasts included in the annual report remain in force unchanged. This view is based on a largely updated set of data from Euromonitor, a British market researcher, as of the six-month period, which indicate regionally inconsistent developments in the volume of spirits sales in 2017 in the most important international markets for the Berentzen Group. While there are individual exceptions, the general trend is downwards. More specifically, Euromonitor is now forecasting a slight recovery in the spirits market in the Netherlands after previously declining sales, while predicting a trend towards stagnating volumes in the Czech Republic over the medium term. The market researcher also expects volumes of spirits sales in the US market to climb. With regard to Turkey, it remains difficult to produce valid sales forecasts due in part to persistent regulatory obstacles; at the same time, the market researchers at Euromonitor still considered it possible in May 2017 that the local spirits market would expand slightly in response to an anticipated easing of the political and economic situation in Turkey at that time. Given the political situation, the Berentzen Group believes that there are in the meantime good reasons to doubt the continued validity of this forecast.

In light of the expected development on the domestic market and the possible impact of external factors such as the Brexit vote, the best that can be expected is that the positive trend seen in the German retail trade with growth of 1.5% in real terms in the first six months of this year will remain stable. The same holds true for the revenue growth of 2.5% in real terms determined to date for the "Food, drinks, tobacco" category by the German Federal Statistical Office. Sales of spirits in the German food retail trade are unlikely to turn out anything better than stable. By contrast, there is no change in the assessment made in the annual report for the 2016 financial year that the general market trend will presumably not yield a tangible boost to growth in the domestic spirits business involving branded spirits and proprietary, branded dealer and private-label products.

There have not been any significant changes with regard to the forecast made in the 2016 Annual Report for the 2017 financial year for the underlying conditions for the *Non-alcoholic Beverage* segment either. The growth prospects essentially arising from the broad product portfolio traditionally depend in part on propitious weather conditions for the consumption of non-alcoholic beverages in the remaining summer months in the last six months of the financial year. Against this backdrop, and in line with the developments listed in the first half of the 2017 financial year, the Berentzen Group continues to assess the market outlook for its activities involving soft drinks to be fundamentally restrained, meaning that domestic sales of non-alcoholic beverages are likely to see, at most, a slight increase overall compared with 2016.

With reference to the presentation of the developments on the drinks market in the Economic report (Section 2.1), as far as the Berentzen Group is aware, to all intents and purposes there are practically no all-round, resilient market data available for the *Fresh Juice Systems* segment, meaning that it makes use of the market development of fresh drinks such as not-for-concentrate juices, freshly squeezed fruit juices and smoothies as a leading indicator. No deviations from the forecasts made in the 2016 Annual Report have arisen for this segment either. In an internal assessment of the situation, the Berentzen Group continues to assume that the trend towards sensible and healthy diets observed for many years now will continue into the future. As a consequence, the positive sales and revenue developments for fresh drinks seen in particular on the most important European markets, namely Central Europe, that were confirmed by the market study published by the Association of the Industry of Juices and Nectars from Fruits and Vegetables of the European Union (AIJN) in 2017 is expected to continue.

(4.2) Anticipated development of financial performance

Anticipated development of the segments

	2016 EURm	Forecast for the 2017 financial year in 2016 Forecast Report EURm	Forecast for the 2017 financial year Q2/ 2017 EURm
Contribution margin after marketing budgets			
Segment			
Spirits	26.8	24.6 to 27.2	unchanged
Non-alcoholic Beverages	18.9	20.7 to 22.9	unchanged
Fresh Juice Systems	7.5	8.4 to 9.3	7.3 to 8.1
Other Segments [1]	4.5	5.3 to 5.8	unchanged
Total	**57.7**		

[1] Notably including international sales of branded spirits.

The anticipated development of the individual segment results (contribution margin after marketing budgets) as shown in the above table is based in particular on the information gained and business performance achieved in the first half of the 2017 financial year, as a result of which the forecasts needed to be amended in one case.

Compared with the forecast made in the annual report for the 2016 financial year, the corporate group continues to expect each of the four segments in the corporate group to generate a positive segment result for the 2017 financial year.

A segment result in the *Spirits* segment of between EUR 24.6 million and EUR 27.2 million is still anticipated. There were pleasing developments in the segment result not only in the business with branded spirits in Germany but also in operations involving branded dealer and private-label products over the first six months of the 2017 financial year. For example, successful product and customer mix management in a difficult market environment was able to more than balance out slight declines in sales in terms of earnings performance.

The forecast made in the 2016 Annual Report concerning the segment result for the 2017 financial year of *Other Segments* that notably include the international business with branded spirits is likewise confirmed. In this context, it must still be emphasised that the ongoing difficult market environment hampering the development of the spirits business in Turkey is resulting in increased planning uncertainty.

Following the successful distribution of the beverages sold under the proprietary *Mio Mio* brand, the *Non-alcoholic Beverages* segment is still expected to return an increase in segment result to somewhere between EUR 20.7 million and EUR 22.9 million despite slightly dampened expectations for the franchise business with Sinalco Group branded beverages.

The corporate group has updated its outlook for the *Fresh Juice Systems* segment. Expectations for the segment result for the 2017 financial year were lowered to between EUR 7.3 million to EUR 8.1 million. This adjustment became necessary due, firstly, to challenges identified in the first half of the financial year in the distribution business for the system component fruit (oranges). Poor harvests and the resulting shortages led to higher expenses for optimising the logistics and control systems, higher sorting and quality-assurance costs, rising procurement costs and to supply bottlenecks, which in turn resulted in lower sales volumes. According to current estimates, these factors will exert an adverse effect also in the second half of the financial year. Secondly, according to current estimates, the volume of sales planned for the system component fruit presses (juicers) budgeted for the second half of the year will not be sufficient to fully balance out the level of sales that has to date been positive but below forecasts.

Anticipated development of total operating performance and consolidated operating profit

	2016 EURm	Forecast for the 2017 financial year in 2016 Forecast Report EURm	Forecast for the 2017 financial year Q2/ 2017 EURm
Consolidated revenues	170.0	170.4 to 179.2	unchanged
Consolidated operating profit (consolidated EBIT)	10.5	11.2 to 12.4	unchanged
Consolidated operating profit before depreciation and amortisation (consolidated EBITDA)	17.5	17.8 to 19.7	unchanged

The Berentzen Group reaffirms the forecasts it made for the 2017 financial year in the annual report for the 2016 financial year regarding the adjusted consolidated operating profit (consolidated EBIT), the adjusted consolidated operating profit before depreciation and amortisation (consolidated EBITDA) and consolidated revenues. Accordingly, the change in the forecast for the *Fresh Juice Systems* segment results mentioned above is not expected to have any material impact on the anticipated development of the financial performance forecast for the corporate group seen as a whole as this development is balanced out by the results of other segments. According to current estimates, it must be assumed, however, that adjusted consolidated operating profit (consolidated EBIT) will tend towards the lower end of the range at the end of the financial year.

(4.3) Anticipated development of cash flows and financial position

Based on the anticipated development of the operating activities as described above, which has been largely confirmed, the Berentzen Group is reaffirming the basic forecast it made in the 2016 Annual Report for the 2017 financial year that the good to solid cash flows and financial position of the corporate group will continue to improve.

The cash flows and financial position of the corporate group at December 31, 2016 represent the starting point in this context. The following specific forecasts are made for the current financial year, one of which has been updated from the previous forecasts:

Anticipated development of cash flows

	2016 EURm	Forecast for the 2017 financial year in 2016 Forecast Report EURm	Forecast for the 2017 financial year Q2/ 2017 EURm
Operating cash flow	11.2	12.3 to 13.6	unchanged

In line with forecast earnings, the corporate group continues to anticipate an improvement in operating cash flow to a figure in the range between EUR 12.3 million and EUR 13.6 million.

Anticipated development of financial position

	2016	Forecast for the 2017 financial year in 2016 Forecast Report	Forecast for the 2017 financial year Q2/ 2017
Equity ratio	23.8 %	32.8 % to 37.8 %	unchanged
Dynamic gearing ratio	- 0.95	- 0.22 to - 0.17	- 0.52 to - 0.47

Similarly in line with the higher profit forecast and on account of the relevant parameters that will change after the repayment of the Berentzen bond in October 2017, the Berentzen Group expects to see an unchanged level of the equity ratio ranging between 32.8% and 37.8% at the end of the 2017 financial year.

Dynamic leverage provides information on the period of time that would theoretically be necessary to repay the financial liabilities using earnings. In the present case, a minus sign in front of the performance indicator means that cash and cash equivalents exceed non-current and current financial liabilities and that, in this respect, there is, from a general perspective, no debt recorded on the face of the statement of financial position after netting. In light of the changing accounting parameters and the anticipated development of financial performance, the Berentzen Group is modifying its forecast for dynamic leverage to an anticipated range of somewhere between-0.52 and-0.47.

The current version of the integrated corporate plan for the 2017 financial year calls for the funding structure of the corporate group to remain balanced overall, although the indicators used to manage the corporate group are also subject to period-end-related effects to a not inconsiderable extent.

(4.4) Forecast-related special effects arising from events in the first half of the financial year

The performance of an ad hoc impairment test for the *Non-alcoholic Beverages* segment in the first half of the 2017 financial year constituted an extraordinary event. Any implications arising from this impairment test were taken into consideration in the review of the above forecasts, especially for the segment earnings of the *Non-alcoholic Beverages* segment. It did not, however, necessitate any adjustments to expectations.

(4.5) Anticipated development of the corporate group

All in all, the Berentzen Group has no new information to suggest any material changes in the key forecasts and other statements regarding the anticipated development of the corporate group as expressed in the 2016 Annual Report for the 2017 financial year, even if two individual forecasts needed to be modified in different directions, as outlined above. To summarize, positive developments in the corporate group's financial position, cash flows and financial performance continue to be expected in the 2017 financial year.

These forecasts are based notably on an unchanged corporate structure compared with the end of the 2016 financial year. Accordingly, significant deviations may arise from the realisation of the possible opportunities to make further company acquisitions. Furthermore, the actual business performance is dependent not least upon the general economic and industry-specific environment and may be negatively affected by more strongly adverse changes in the underlying conditions described. Both positive and negative deviations from the forecasts may also result not only from the opportunities and risks described in the present Forecast report and the Report on risks and opportunities contained in the Combined Management Report of the Berentzen Group (corporate group) and Berentzen-Gruppe Aktiengesellschaft for the 2016 financial year, but also from such opportunities and risks as were not identifiable at the time of preparation of the present Interim Group Management Report.

C. Consolidated Half-yearly Financial Statements

Consolidated Statement of Financial Position at June 30, 2017

	06/30/2017 EUR '000	12/31/2016 EUR '000
ASSETS		
Non-current assets		
Intangible assets	13,047	13,429
Property, plant and equipment	44,038	45,260
Investment property	768	776
Other financial assets	660	682
Deferred tax assets	159	159
Total non-current assets	**58,672**	**60,306**
Current assets		
Inventories	34,568	35,610
Current trade receivables	16,094	14,938
Current income tax assets	461	174
Cash and cash equivalents	60,680	67,655
Other current financial and non-financial assets	10,525	10,530
Total current assets	**122,328**	**128,907**
TOTAL ASSETS	**181,000**	**189,213**

	06/30/2017 EUR '000	12/31/2016 EUR '000
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' Equity		
Subscribed capital	24,424	24,424
Additional paid-in capital	6,821	6,821
Retained earnings	12,588	13,982
Total shareholders' equity	**43,833**	**45,227**
Non-current liabilities		
Non-current provisions	11,259	11,718
Deferred tax liabilities	1,844	1,921
Total non-current liabilities	**13,103**	**13,639**
Current liabilities		
Spirits tax liabilities	36,356	44,394
Current provisions	80	80
Current income tax liabilities	898	1,033
Current financial liabilities	51,429	51,069
Trade payables and other liabilities	35,301	33,771
Total current liabilities	**124,064**	**130,347**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**181,000**	**189,213**

Consolidated Statement of Comprehensive Income for the period from January 1 to June 30, 2017

	01/01 to 06/30/2017 EUR'000	01/01 to 06/30/2016 EUR'000
Revenues	85,337	82,038
Change in inventories	-576	3,665
Other operating income	1,862	1,932
Purchased goods and services	44,162	45,453
Personnel expenses	12,691	12,502
Amortisation and depreciation of assets	3,458	3,228
Impairments / write-ups	427	0
Other operating expenses	22,174	22,440
Financial income	28	44
Financial expenses	2,071	2,019
Earnings before income taxes	**1,668**	**2,037**
Income tax expenses	487	574
Consolidated profit	**1,181**	**1,463**
Currency translation differences	-227	102
Items to be reclassified to the income statement at a later date	**-227**	**102**
Items not to be reclassified to the income statement at a later date	**0**	**0**
Other comprehensive income	**-227**	**102**
Consolidated comprehensive income	**954**	**1,565**
Earnings per share after profit attributable to shareholders (in EUR per share)		
Basic / diluted earnings per common share	0.126	0.155

Consolidated Statement of Changes in Shareholders' Equity for the period from January 1 to June 30, 2017

	Subscribed capital EUR'000	Additional paid-in capital EUR'000	Retained earnings EUR'000	Total shareholders' equity EUR'000
Total at 01/01/2016	**24,555**	**6,821**	**12,418**	**43,794**
Consolidated profit			1,463	1,463
Other comprehensive income			102	102
Consolidated comprehensive income			1,565	1,565
Divdends paid			-1,880	-1,880
Purchased treasury shares	-132		-195	-327
Total at 06/30/2016	**24,423**	**6,821**	**11,908**	**43,152**
Total at 01/01/2017	**24,424**	**6,821**	**13,982**	**45,227**
Consolidated profit			1,181	1,181
Other comprehensive income			-227	-227
Consolidated comprehensive income			954	954
Divdends paid			-2,348	-2,348
Total at 06/30/2017	**24,424**	**6,821**	**12,588**	**43,833**

Abridged Consolidated Cash Flow Statement for the period from January 1 to June 30, 2017

	01/01 to 06/30/2017 EUR'000	01/01 to 06/30/2016 EUR'000
Cash flow from operating activities	- 2,601	- 3,324
Cash flow from investing activities	- 2,279	- 1,411
Cash flow from financing activities	- 2,348	- 2,207
Change in cash and cash equivalents	- 7,228	- 6,942
Cash and cash equivalents at the start of the period	67,084	63,140
Cash and cash equivalents at the end of the period	59,856	56,198

Abridged Consolidated Notes

(1) Policies and methods

(1.1) Information about the company

Berentzen-Gruppe Aktiengesellschaft, Haselünne, is a stock corporation (Aktiengesellschaft) organised under German law. The company has its registered office in Haselünne, Ritterstraße 7, 49740 Haselünne, Germany, and is recorded in the Commercial Register maintained by Osnabrück Local Court (entry HRB 120444).

The share capital of Berentzen-Gruppe Aktiengesellschaft is divided into 9.6 million no-par shares of common stock which are listed on the regulated market of the Frankfurt Stock Exchange (General Standard) under ISIN DE0005201602 and WKN 520160.

The business activities of Berentzen-Gruppe Aktiengesellschaft and its affiliated companies comprise the production and distribution of spirits and non-alcoholic beverages, and the development and distribution of fresh juice systems.

(1.2) Explanatory notes to the policies and methods applied in the preparation of the consolidated half-yearly financial statements of Berentzen-Gruppe Aktiengesellschaft in accordance with International Financial Reporting Standards (IFRS)

Principal accounting policies

The present consolidated half-yearly financial statements at June 30, 2017 were prepared in accordance with Section 37y No. 2 of the German Securities Trading Act (WpHG) in conjunction with Section 37w WpHG and in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee as applicable in the European Union (EU) for interim financial reporting. In particular, IAS 34 “Interim Financial Reporting” was applied; in addition, German Accounting Standard No. 16 (GAS 16) “Half-Year Financial Reporting” was observed.

With the following exception, the recognition and measurement methods applied in the consolidated half-yearly financial statements are essentially the same as those applied in the last consolidated financial statements at the end of the 2016 financial year:

In accordance with IAS 34 in conjunction with IAS 12, the income tax expense in the reporting period was calculated on the basis of the best estimate of the currently anticipated effective income tax rate for the financial year as a whole. This income tax rate is applied to the pre-tax profit for the interim reporting period.

A detailed description of the principal accounting policies and the recognition and measurement methods applied is provided in the consolidated financial statements at December 31, 2016, which forms the basis for the present consolidated half-yearly financial statements.

The consolidated half-yearly financial statements at June 30, 2017 and the interim group management report for the first half of the 2017 financial year were subjected to neither a voluntary review nor an audit in accordance with Section 317 HGB and should be read in conjunction with the consolidated financial statements at December 31, 2016 and the combined management report of the Berentzen Group and of Berentzen-Gruppe Aktiengesellschaft for the 2016 financial year.

The Executive Board approved the present consolidated half-yearly financial statements for the period from January 1 to June 30, 2017 and the interim Group management report for the first half of the 2017 financial year for publication on August 14, 2017.

(1.3) New IFRS and amended IFRS standards

No new or amended IFRS standards had to be applied in the 2017 financial year.

More details on the changes are included in Note (1.3) “New IFRS and amended IFRS standards” in the Notes to the Consolidated Financial Statements in the 2016 Annual Report of Berentzen-Gruppe Aktiengesellschaft.

(1.4) Consolidated group

The consolidated group is unchanged compared with the consolidated financial statements at December 31, 2016. The foreign group entities Berentzen Distillers CR, spol. s.r.o., v likvidaci, Berentzen Spirit Sales (Shanghai) Co., Ltd. and Berentzen USA, Inc. are, however, currently in liquidation/being wound up.

(1.5) Assumptions and estimates

When preparing the consolidated half-yearly financial statements in accordance with IAS 34, the Executive Board is required to apply assessments and estimates, and make assumptions, that have an impact on the application of accounting principles in the corporate group and the disclosure of assets and liabilities, and income and expenses. The actual amounts may deviate from these estimates. The results for the reporting period ending June 30, 2017 do not necessarily allow any conclusions to be drawn regarding the development of future results.

With the following exception, the methods applied when making assumptions and estimations are unchanged compared with the consolidated financial statements at December 31, 2016:

Regarding the estimate of the liability arising from deposits / deposit provisions for the *Non-alcoholic Beverages* segment, there is a higher turnover rate for returnable containers than at the reporting date of December 31, 2016 for seasonal reasons. Consequently, the liability is EUR 212 thousand (June 30, 2016: EUR 233 thousand) lower than under the calculation method applied at the reporting date of December 31, 2016.

(1.6) Economic and seasonal factors

The Group’s revenues are influenced by seasonal factors, particularly in the *Spirits* and *Non-alcoholic Beverages* segments. As described in greater detail in Note (4.2) “Segment reporting”, the revenues of the *Spirits* segment – the segment with the highest revenues – are generally higher in the second half of the financial year than the first half of the financial year. In addition, the earnings performance of this segment is also dependent on the nature and scope of the marketing instruments employed, whereas general weather conditions are a significant factor influencing the unit sales and revenues of the *Non-alcoholic Beverages* segment. By contrast, no material seasonal factors have been identified for the *Fresh Juice Systems* segment.

Consequently, the results for the first half of the financial year are not necessarily indicative of the results that can be expected for the financial year as a whole.

(2) Explanatory notes to the Consolidated Statement of Financial Position

(2.1) Non-current assets

Investments

A total of EUR 2,407 thousand (first half of 2016: EUR 1,628 thousand) was invested in intangible assets, property, plant and equipment, and other financial assets in the first half of the 2017 financial year.

Additions and disposals of property, plant and equipment

The following table shows significant additions to property, plant and equipment during the reporting period:

property, plant and equipment	Segment	01/01 to 06/30/2017 EUR'000
Empty bottles and crates	Non-alcoholic Beverages	1,248
Distillery plant for crafted spirits	Spirits	245

The other operating income from the disposal of property, plant and equipment amounted to EUR 49 thousand (first half of 2016: EUR 21 thousand), while the related net cash inflow totalled EUR 108 thousand (first half of 2016: EUR 74 thousand).

Obligations to purchase property, plant and equipment

Furthermore, there were obligations at June 30, 2017 to purchase property, plant and equipment of EUR 1,036 thousand (December 31, 2016: EUR 1,820 thousand).

(2.2) Trade receivables

Transfers of financial assets

As part of its external financing activities, the Berentzen Group also utilises factoring lines. The total available financing amount on the basis of two factoring agreements is EUR 50,000 thousand (December 31, 2016: EUR 50,000 thousand). The Group can also access a formally unlimited factoring line based on three additional centralised settlement and factoring agreements which stipulate no maximum commitment; instead, the possible drawdown is limited only by the available amount of saleable receivables.

At June 30, 2017, trade receivables of EUR 48,820 thousand (December 31, 2016: EUR 51,663 thousand) had been sold and assigned to the respective factoring companies. Because almost all of the risks and rewards incident to ownership of the financial assets were transferred to the factor, the trade receivables sold were completely derecognised in accordance with IAS 39.20a. The late payment risk remaining with the Berentzen Group at the time of derecognition was recognised as an asset representing a continuing involvement of EUR 160 thousand at June 30, 2017 (December 31, 2016: EUR 195 thousand). A liability of the same amount was recognised at the same time.

The factor retained collateral amounting to EUR 8,172 thousand (December 31, 2016: EUR 8,275 thousand) to secure any deductions from the face value of receivables. This item is carried under Other current assets.

(2.3) Shareholders’ equity

Treasury shares / own shares

Berentzen-Gruppe Aktiengesellschaft held a total of 206,309 treasury shares at June 30, 2017, which were acquired in the period from July 27, 2015 to May 27, 2016 and represent an imputed share of capital equal to EUR 536 thousand or 2.15%. The difference of EUR 971 thousand between the imputed nominal value of EUR 536 thousand and the cost of acquired treasury shares of EUR 1,507 thousand was offset against the revenue reserves.

The shares purchased particularly serve the purpose of enabling the Company to raise funds in a simplified manner by selling treasury shares on the stock exchange or in connection with a public sale offer and therefore secure an appropriate capital base, and to offer the treasury shares as consideration in connection with business combinations or the acquisition of companies, parts of companies, or investments in companies, in order to quickly and flexibly take advantage of such opportunities as they arise. In addition, these measures are meant to enable the Company to service exchange or subscription rights or conversion obligations under convertible bonds issued, where applicable, without being limited to conducting a capital increase under Conditional Capital or Authorised Capital.

Profit utilisation / dividend

In accordance with the German Stock Corporation Act, the profit utilisation including the dividend distribution to shareholders is determined exclusively on the basis of the distributable profit presented in the separate financial statements of Berentzen-Gruppe Aktiengesellschaft prepared in accordance with commercial-law regulations.

A resolution was adopted at the annual general meeting on May 19, 2017 to utilise the distributable profit of around EUR 5,522 thousand for the 2016 financial year (previous year: EUR 4,572 thousand) presented in the annual financial statements of Berentzen-Gruppe Aktiengesellschaft to pay a dividend of EUR 0.25 (previous year: EUR 0.20) per share of common stock qualifying for dividends for the 2016 financial year and to carry forward to the remaining amount to new account. In consideration of the treasury stock not qualifying for dividends in accordance with Section 71b AktG held by the Company on the day of the annual general meeting, this corresponded to a total dividend payout of around EUR 2,348 thousand (previous year: EUR 1,880 thousand) and an amount of around EUR 3,173 thousand (previous year: EUR 2,692 thousand) carried forward to new account.

(2.4) Non-current provisions

The following table shows the breakdown of non-current provisions:

	06/30/2017 EUR '000	12/31/2016 EUR '000
Pension provisions	10,791	11,183
Other non-current provisions	468	535
	11,259	**11,718**

Pension provisions

The following table shows the change in provisions for pensions and similar obligations carried under long-term provisions compared with December 31, 2016:

	06/30/2017 EUR '000	12/31/2016 EUR '000
Pension provisions	10,791	11,183
	10,791	**11,183**

The pension provisions based on defined benefit plans pertain to the post-employment benefit obligations (old age, disability and surviving dependant pensions) of the companies included in the consolidated financial statements, which are governed by different pension codes. The amount of individual benefits depends on the length of service with the company and the age and/or salary level of the employee. No defined benefit commitments are being made to newly hired employees at this time.

Pursuant to IAS 19, the provisions for pension and similar obligations are calculated in accordance with the projected unit credit method for defined benefit plans. The figures are determined on the basis of actuarial reports. The parameters for the actuarial interest rate, rate of increase in future compensation and imputed rate of increase on the pension obligation were retained unchanged in the first six months of the 2017 financial year compared with December 31, 2016.

The following table shows an analysis of the defined benefit obligation (DBO) at June 30, 2017:

	06/30/2017 EUR '000	12/31/2016 EUR '000
DBO at the start of the financial year	11,183	11,515
Current service costs	0	0
Interest expenses on the DBO	52	166
Revaluations		
Actuarial gains / losses due to change in demographic assumptions	0	0
Actuarial gains / losses due to change in financial assumptions	0	510
Actuarial gains / losses due to experience adjustments	0	-126
Pension benefits paid	- 444	- 882
DBO at the end of the first half / financial year	**10,791**	**11,183**

The following table shows the breakdown of the pension expenses for the respective six-month period:

	01/01 to 06/30/2017 EUR '000	01/01 to 06/30/2016 EUR '000
Current service cost	0	0
Interest expenses on the DBO	52	83
Expenses recognised in the Consolidated Statement of Comprehensive Income	**52**	**83**
Actuarial gains (-) / losses (+)	0	0
Expenses / income recognised in other comprehensive income	**0**	**0**
Total pension expenses	**52**	**83**

Other non-current provisions

The following provisions are carried separately in the Statement of Financial Position as other non-current provisions:

	06/30/2017 EUR '000	12/31/2016 EUR '000
Performance-dependent components	271	338
Service anniversary awards	197	197
	468	**535**

Please refer to Note (4.7) "Related party disclosures" in the 2016 Annual Report of Berentzen-Gruppe Aktiengesellschaft for a detailed explanation of the performance-dependent components of Executive Board compensation.

(2.5) Spirits tax liabilities

The following table shows the change in spirits tax liabilities since December 31, 2016:

	06/30/2017 EUR'000	12/31/2016 EUR'000
Spirits tax liabilities	36,356	44,394
	36,356	**44,394**

The amount disclosed at June 30, 2017 pertains to the domestic spirits tax reported for the months of May and June 2017. The amount disclosed at December 31, 2016 contains the domestic spirits tax reported for the months of November and December 2016 which, under the provisions of the German Spirits Monopoly Act, fell due for payment in January and February of 2017 respectively.

(2.6) Current financial liabilities

The following table shows the change in current financial liabilities since December 31, 2016:

	06/30/2017 EUR'000	12/31/2016 EUR'000
Liabilities from bond issue	49,923	49,807
Liabilities due to banks	824	571
Liabilities due to non-consolidated affiliated companies	501	484
Continuing Involvement	160	195
Liabilities from derivatives	12	0
Interest liability from continuing involvement	9	12
	51,429	**51,069**

A bond issued by Berentzen-Gruppe Aktiengesellschaft (ISIN: DE000A1RE1V3, WKN: A1RE1V) has been listed on the Open Market of Deutsche Börse AG (unofficial market of the Frankfurt Stock Exchange) since October 2012 – in the Entry Standard segment for bonds until February 28, 2017 and, after restructuring of this segment by Deutsche Börse AG, in the Basic Board segment since March 1, 2017. The corporate bond with a volume of EUR 50,000 thousand and a term of five years bears interest at the nominal rate of 6.50% p.a.; interest payments are due on October 18 of each year during the term. After deduction of issue-related expenses in the amount of EUR 1,059 thousand, the net issue proceeds amounted to EUR 48,941 thousand, with an effective interest rate of 7.03%. Because the liabilities from the bond are due for repayment in October 2017, they are reported under current financial liabilities at December 31, 2016 and June 30, 2017.

The liabilities of EUR 824 thousand (December 31, 2016: EUR 571 thousand) due to banks essentially relates to the overdraft on the current account of a foreign Group company.

(2.7) Financial instruments

The cash and cash equivalents, trade receivables and other financial assets are mostly due within one year. Therefore, the carrying amounts at the reporting date are approximately equal to the fair values.

The fair values of long-term loans are equal to the present values of the payments related to the assets, taking into account the latest interest rate parameters.

No stock exchange or market prices are available for financial instruments assigned to the category of “available-for-sale financial assets”, including shares in affiliated companies, equity investments and cooperative shares. The fair values of these assets cannot be measured reliably. It is not currently planned to sell these financial assets.

The fair value of exchange-listed bonds is equal to the listed price of the total nominal value, based on the listed price at the reporting date. The fair value is attributable to Level 1 of the fair value hierarchy defined in IFRS 13.

The fair values of current financial liabilities such as liabilities due to non-consolidated affiliated companies are equal to the respective carrying amounts because they are due within one year and the effects of discounting to present value would be immaterial.

The market values of derivative financial instruments (foreign exchange futures) are determined by application of the present-value method. End-of-day interest rates are applied for this purpose, and ECB reference rates are applied for the last day of the month. The fair value is attributable to Level 2 of the fair value hierarchy of IFRS 13. The fair value valuation of these items gave rise to a negative net effect of EUR 50 thousand (first half of 2016: positive net effect of EUR 29 thousand).

Trade payables and Other liabilities generally have shorter terms. The figures disclosed approximate the fair values.

The various levels of the fair value hierarchy defined in IFRS 13 are presented below:

- Level 1: The input factors are quoted (not adjusted) prices in active markets for identical assets or liabilities, which the company can access at the measurement date.
- Level 2: The input factors are inputs other than the quoted market prices applied in Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3: The input factors are unobservable inputs for the asset or liability.

Carrying amounts and fair values by category of financial instrument

The carrying amounts and fair values of the financial instruments presented in the consolidated half-yearly financial statements are presented in the table below:

	IAS 39 category	06/30/2017 Carrying amount EUR'000	06/30/2017 Fair value EUR'000	12/31/2016 Carrying amount EUR'000	12/31/2016 Fair value EUR'000
Assets					
Cash and cash equivalents	LaR	60,680	60,680	67,655	67,655
Trade receivables	LaR	16,094	16,094	14,938	14,938
Other financial assets					
Available-for-sale financial assets	AfS	372	n/a	372	n/a
Derivative financial assets not included in hedge relationships	FAHfT	0	0	38	38
Other financial assets	LaR	10,048	10,048	9,950	9,950
Liabilities					
Liabilities from bond issue	FLAC	49,923	50,625	49,807	51,850
Trade payables	FLAC	11,884	11,884	10,877	10,877
Other financial liabilities					
Derivative financial liabilities not included in hedge relationships	FLHfT	12	12	0	0
Other financial liabilities	FLAC	16,081	16,081	13,970	13,970

Aggregated carrying amounts and fair values by category of financial instrument

The aggregare carrying amounts and fair values of the financial instruments are presented for each category defined in IAS 39 in the table below:

	IAS 39 category	Measurement	Fair value hierarchy level	06/30/2017 Carrying amount EUR'000	06/30/2017 Fair value EUR'000	12/31/2016 Carrying amount EUR'000	12/31/2016 Fair value EUR'000
Loans and receivables	LaR	Amortised cost	n.a.	86,822	86,822	92,543	92,543
Available-for-Sale	AfS	Amortised cost	n.a.	372	n/a	372	n/a
Financial assets held for trading	FAHfT	Fair value	Level 2	0	0	38	38
Financial liabilities measured at amortized cost	FLAC	Amortised cost	n.a.	27,965	27,965	24,847	24,847
			Level 1	49,923	50,625	49,807	51,850
Financial liabilities held for trading	FLHfT	Fair value	Level 2	12	12	0	0

(3) Explanatory notes to the Consolidated Statement of Comprehensive Income

(3.1) Revenues

Revenues are generated exclusively on sales of goods. They break down as follows:

	01/01 to 06/30/2017 EUR'000	01/01 to 06/30/2016 EUR'000
Spirits segment	44,449	44,395
Non-alcoholic Beverages segment	25,541	22,572
Fresh Juice Systems segment	10,564	10,279
Other segment [1)]	4,783	4,792
Revenues	**85,337**	**82,038**

[1)] Notably including international activities of branded spirits.

(3.2) Other operating income

The following table shows the breakdown of other operating income compared with the first half of the financial year:

	01/01 to 06/30/2017 EUR'000	01/01 to 06/30/2016 EUR'000
Other operating income	1,862	1,932
	1,862	**1,932**

(3.3) Impairments / write-ups of assets

The following table shows impairments and write-ups of assets:

	01/01 to 06/30/2017 EUR'000	01/01 to 06/30/2016 EUR'000
Impairments of property, plant and equipment	635	0
Write-ups of property, plant and equipment	- 208	0
	427	**0**

An ad-hoc impairment test was conducted for the *Non-alcoholic Beverages* segment at June 30, 2017. Despite a positive development in sales, revenues and segment earnings (contribution margin by budget) in comparison to the same reporting period of the previous year, there were indications that the segment's total profit contribution.To the consolidated operating result is not and will not be as strong as expected. This was primarily due, among other things, to unexpectedly high overheads in the areas of production and logistics (the supply chain). Furthermore, the sales successes, whether already realised or still anticipated, of products that are filled into reusable bottles for delivery require additional investment in empty bottle containers and crates. The resulting depreciation will adversely affect the segment's total profit contribution. The test to be carried out at June 30, 2017 pursuant to the provisions of IAS 36 as a result led to the reversal of impairments recognised in prior years of EUR 208 thousand as well as additional impairments of EUR 635 thousand.

When conducting the impairment test, the sum of the CGUs carrying amounts is compared with the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use. The impairment test determined a recoverable amount of EUR 19,627 thousand for the *Non-alcoholic Beverages* CGU. This corresponds to the fair value less costs to sell.

The calculation of the fair value less costs to sell was performed by determining the present value of the anticipated cash flow from the *Non-alcoholic Beverages* operating segment (discounted cash flow method).

Expected cash flows were planned for a period of three years. The cash flows were planned using a qualified planning process based on internal experience values and extensive market knowledge; these cash flows also reflected the judgement and estimates of the management regarding the future development of the regional market for non-alcoholic beverages.

The principal assumptions applied in the calculation of the fair value less costs to sell pertained to the weighted average cost of capital, the forecast development of revenues, the EBITDA growth rate and the sustainable growth rate of the terminal value.

The weighted average cost of capital (WACC) of an appropriate peer group was applied as the discount rate. This discount rate determined for the CGU was 6.1%. The parameters for the weighted average cost of capital were determined on the basis of values derived from external market conditions. The underlying growth rate was set at 0.5%.

The fair value less costs to sell is mainly based on non-observable input data (fair value hierarchy Level 3).

In allocating the impairments and reversals of impairments, due consideration was given to IAS 36.105 and IAS 36.122; furthermore, external appraisals were used for the purpose of deriving the fair value less costs to sell for the main items of property, plant and equipment. The assumption of a going concern was applied. The fair value less costs to sell determined in the appraisal is mainly based on observable input data (fair value hierarchy Level 2). The main valuation assumptions pertain to the fair market rental rate, the applicable standard land value, and market prices for comparable technical equipment.

If the discount rate applied in the impairment test had been 0.5 percentage points higher, this would not have resulted in a higher impairment or reversal of impairment, due to the provisions of IAS 36.105 and IAS 36.122. Conversely, if the discount rate applied had been 0.5 percentage points lower, or if the sustainable growth rate applied in the impairment test had been 0.5 percentage points higher, this would also not have resulted in a lower impairment or reversal of impairment.

Of the total reversals of earlier impairments, an amount of EUR 191 thousand pertains to technical equipment, plant and machinery and EUR 17 thousand to other operational and office equipment. The additionally determined impairment loss pertains to technical equipment, plant and machinery in the amount of EUR 630 thousand and to other operational and office equipment in the amount of EUR 5 thousand. On balance, the impairments and reversals of impairments yielded a negative earnings effect of EUR 427 thousand, which was recorded under “Impairments / write-ups” in the Consolidated Statement of Comprehensive Income for the period from January 1 to June 30, 2017 and was attributable exclusively to the *Non-alcoholic Beverages* reporting segment.

(3.4) Income tax expense

The following table shows the breakdown of the income tax expense shown in the Consolidated Statement of Comprehensive Income for the first half of the financial year:

	01/01 to 06/30/2017 EUR‘000	**01/01 to 06/30/2016 EUR‘000**
Current income taxes	564	659
Deferred taxes	- 77	- 85
	487	**574**

(4) Other explanatory notes

(4.1) Abridged Cash Flow Statement

The cash flows are explained together with the abridged Consolidated Cash Flow Statement in the Interim Group Management Report in Section 2.2.4 Economic report, Cash flows on pages 17 et seq. of these consolidated half-yearly financial statements. The abridged Consolidated Cash Flow Statement is shown separately on page 32 of these consolidated half-yearly financial statements.

(4.2) Segment report

Operating segments

The segment report is prepared in accordance with IFRS 8 “Operating Segments”. This requires the business segments to be identified on the basis of the internal management reports of the Company’s divisions, the operating results of which are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

The segment reports accord with the internal reports presented to the chief operating decision maker, the Executive Board of Berentzen-Gruppe Aktiengesellschaft. The Executive Board uses the “contribution margin after marketing budgets” as the key performance indicator. The corporate group is mainly organised and managed on the basis of product groups and sales units.

Three segments which differ from each other with respect to production processes and products, and are managed independently, have been identified for reporting purposes: *Spirits*, *Non-alcoholic Beverages*, and *Fresh Juice Systems*. *Other segments* mainly pertains to international activities with branded spirits.

The internal reporting of Berentzen-Gruppe Aktiengesellschaft is generally based on the same recognition and measurement principles as the consolidated financial statements. The segment report is organised in the same way as the internal reports.

The item "Intersegment revenues" comprises the consolidation of business dealings between the segments.

In the segment report, the main operating sales divisions of "Domestic Branded Spirits" and "Private-Label Products" in the spirits activity are grouped together to form one reporting segment due to their similar customer groups, products and long-term margins.

The corporate group operated in the following segments in the 2016 financial year and the first half of the 2017 financial year:

- *Spirits* (domestic branded spirits and private-label products): The marketing, distribution and sale of spirits in the above-mentioned sales divisions are combined in this segment.
- *Non-alcoholic Beverages*: The marketing, distribution and sale of non-alcoholic beverages are combined in this segment.
- *Fresh Juice Systems*: Depending on the system component, the development, manufacture, marketing, distribution and sale of juicers, oranges and filling containers are combined in this segment.
- *Other segments* (notably included international branded spirit sales): This segment comprises the international business with branded spirits (marketing and distribution).

Segment data

The revenues of the individual segments consist of the intersegment revenues between the segments together with revenues generated with customers outside of the corporate group. The sum total of the external revenues of the individual segments yields the consolidated revenues of the corporate group. The prices and terms for the products and services exchanged between the Group companies and segments are the same as those applied with third parties.

Expenses accruing directly in the units grouped together to form the respective segment are included in the segment result "contribution margin after marketing budgets". It is possible to allocate the product-related purchased goods and services, other direct costs (shipping, packaging recycling and commissions) and marketing, including advertising, to the correct business segment. This means that the contribution margin after marketing budgets can be shown in full for the segments and is used as a key performance indicator in the corporate group.

In the internal reports presented to the chief operating decision maker, assets and liabilities are only presented at the Group level and are not allocated to the segments. This means that the Executive Board in its function as chief operating decision maker does not receive any information about segment assets.

Segment report for the period from January 1 to June 30, 2017

	01/01 to 06/30/2017					
	Spirits EUR'000	Non-alcoholic Beverages EUR'000	Fresh Juice Systems EUR'000	Other segments [1] EUR'000	Elimination of intersegment income/ expenses EUR'000	Total EUR'000
Revenues with third parties	**44,449**	**25,541**	**10,564**	**4,783**		**85,337**
Intersegment revenues	174	14	18	12	-218	
Total revenues	**44,623**	**25,555**	**10,582**	**4,795**	**-218**	**85,337**
Purchased goods and materials (product-related only)	-23,689	-11,373	-5,822	-1,703	218	-42,369
Other direct costs	-2,262	-2,093	-647	-192		-5,194
Marketing, including advertising	-4,006	-2,617	-145	-822		-7,590
Contribution margin after marketing budgets	**14,666**	**9,472**	**3,968**	**2,078**		**30,184**
Other operating income						1,862
Purchased goods and materials / change in inventories (if not included in contribution margin)						-2,369
Pesonnel expenses						-12,691
Depreciation and amortisation of assets						-3,458
Miscellaneous other operating expenses						-9,390
Consolidated operating profit, EBIT						**4,138**
Exceptional earnings effects		-427 [2]				-427
Financial income						28
Financial expenses						-2,071
Consolidated profit before income taxes						**1,668**
Income tax expense						-487
Consolidated profit						**1,181**

[1] Notably including foreign sales of branded spirits.

[2] Impairments/ write-ups.

Segment report for the period from January 1 to June 30, 2016

	01/01 to 06/30/2016					
	Spirits EUR'000	Non-alcoholic Beverages EUR'000	Fresh Juice Systems EUR'000	Other segments [1] EUR'000	Elimination of intersegment income/ expenses EUR'000	Total EUR'000
Revenues with third parties	**44,395**	**22,572**	**10,279**	**4,792**		**82,038**
Intersegment revenues	415	16	17	16	-464	
Total revenues	**44,810**	**22,588**	**10,296**	**4,808**	**-464**	**82,038**
Purchased goods and materials (product-related only)	-24,395	-9,647	-5,331	-1,745	464	-40,654
Other direct costs	-2,422	-1,795	-602	-79		-4,898
Marketing, including advertising	-5,204	-2,214	-176	-767		-8,361
Contribution margin after marketing budgets	**12,789**	**8,932**	**4,187**	**2,217**		**28,125**
Other operating income						1,932
Purchased goods and materials / change in inventories (if not included in contribution margin)						-1,134
Pesonnel expenses						-12,502
Depreciation and amortisation of assets						-3,228
Miscellaneous other operating expenses						-9,181
Consolidated operating profit, EBIT						**4,012**
Financial income						44
Financial expenses						-2,019
Consolidated profit before income taxes						**2,037**
Income tax expense						-574
Consolidated profit						**1,463**

[1] Notably including foreign sales of branded spirits.

(4.3) Contingent liabilities

The following table shows the change in contingent liabilities since December 31, 2016:

	06/30/2017 EUR'000	12/31/2016 EUR'000
Liabilities from guarantees	2,193	2,193
Other contingent liabilities	339	358
	2,532	**2,551**

Furthermore, there are liability undertakings of EUR 776 thousand (December 31, 2016: EUR 776 thousand) under customs absolute maximum-liability guarantees. The current spirits tax liabilities secured by these guarantees amounted to EUR 36,356 thousand at June 30, 2017 (December 31, 2016: EUR 44,394 thousand).

(4.4) Related party disclosures

The disclosures prescribed by IAS 24 refer to dealings with related entities and persons, to the extent that they are not included in the consolidated financial statements of Berentzen-Gruppe Aktiengesellschaft as reporting entities. Persons or entities related to the reporting entity within the meaning of IAS 24 (revised 2009) specifically include companies that belong to the same corporate group as the reporting entity and persons who either control or have a significant influence over the reporting entity, or who are a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

Related entities

Berentzen-Gruppe Aktiengesellschaft belonged to the AURELIUS Group, Grünwald, Germany, until May 19, 2017. Therefore, all companies belonging to the AURELIUS Group were related entities of Berentzen-Gruppe Aktiengesellschaft within the meaning of IAS 24 up until that date.

Parent company and ultimate, controlling parent company

Up until March 2016, Berentzen-Gruppe Aktiengesellschaft was majority-owned by AURELIUS Equity Opportunities SE & Co. KGaA, Grünwald, Germany, the parent company of the AURELIUS Group. In the course of the 2016 financial year, the AURELIUS Group gradually sold its shares in the share capital of Berentzen-Gruppe Aktiengesellschaft, and since September 2016 has no longer been a shareholder in the Company.

As the composition of the Supervisory Board and the structure of the division of powers under corporate law in the internal organisation between the boards of Berentzen-Gruppe-Aktiengesellschaft remained laregely unchanged until the annual general meeting on May 19, 2017 AURELIUS Equity Opportunities SE & Co. KGaA was considered until such date to be the direct and ultimate controlling company of Berentzen-Gruppe Aktiengesellschaft. In accordance with the assessment under the applicable International Financial Reporting Standards (IFRS) based not solely on the criterion of voting rights or the majority of voting rights, AURELIUS Equity Opportunities SE & Co. KGaA is no longer the direct and ultimate, controlling parent company of Berentzen-Gruppe Aktiengesellschaft since the end of the annual general meeting on May 19, 2017.

Berentzen-Gruppe Aktiengesellschaft and its subsidiaries were included in the consolidated financial statements of AURELIUS Equity Opportunities SE & Co. KGaA, Grünwald, up until that date, which prepared the consolidated financial statements for the largest and smallest group of companies.

Trade payables and receivables and other transactions

Type of relationship	Type of transaction	Goods and services supplied, and other transactions 01/01 to 06/30/2017 EUR'000	Goods and services supplied, and other transactions 01/01 to 06/30/2016 EUR'000	Goods and services received, and other transactions 01/01 to 06/30/2017 EUR'000	Goods and services received, and other transactions 01/01 to 06/30/2016 EUR'000
Affiliated company	Consulting services	0	0	0	74
Parent company	Dividend	0	360	0	0

Related persons

The members of the Executive Board and the Supervisory Board of Berentzen-Gruppe Aktiengesellschaft are related persons.

Executive Board

The compensation granted to the members of the Executive Board within the meaning of IAS 24.17 is presented below:

Type of compensation	01/01 to 06/30/2017 EUR'000	01/01 to 06/30/2016 EUR'000
Short-term benefits	696	1,117
Other long-term benefits	128	86
	824	**1,203**

Post-employment benefits of EUR 53 thousand (first half of 2016: EUR 52 thousand) were granted to former managing directors of group companies to which Berentzen-Gruppe Aktiengesellschaft is the legal successor, and their surviving dependants, in the first half of the 2017 financial year.

As calculated in accordance with IAS 19, the present value of accrued pension obligations for this group of persons amounted to EUR 918 thousand at June 30, 2017 (December 31, 2016: EUR 952 thousand).

Supervisory Board

Short-term benefits within the meaning of IAS 24.17 in the total amount of EUR 125 thousand (first half of 2016: EUR 59 thousand) were granted to the members of the Supervisory Board in their function as members of the Supervisory Board.

The employee representatives on the Supervisory Board received short-term benefits in the total amount of EUR 71 thousand (first half of 2016: EUR 69 thousand) in the first half of the financial year for their activity outside their function as members of the Supervisory Board.

Additional related party disclosures

The outstanding balances due to or from related parties at the end of the first half of the year at June 30, 2017 are not secured and do not bear interest. No guarantees have been provided for amounts due to or from related parties.

There were no doubtful receivables related to outstanding balances due from related parties at June 30, 2017, and therefore no provisions have been recognised for this purpose. No expenses for uncollectible or doubtful receivables due from related parties were recognised in the first half of the 2017 financial year.

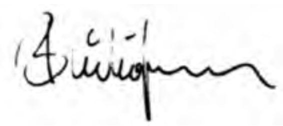
(4.5) Significant events after the reporting date

No reportable events occurred after the end of the first half of the financial year.

Haselünne, August 14, 2017

Berentzen-Gruppe Aktiengesellschaft

The Executive Board



Oliver Schwegmann

Executive Board member

Ralf Brühöfner

Executive Board member

D. Declarations and other information

Declaration by the legal representatives

We hereby declare that, to the best of our knowledge, and in accordance with the applicable accounting principles for half-year reporting, the consolidated half-yearly financial statements give a true and fair view of the Group's financial position, cash flows and financial performance and the Interim Group Management Report provides a true and fair view of the development and performance of the Group together with a description of the principal opportunities and risks associated with the probable development of the Group in the rest of the present financial year.

Haselünne, August 14, 2017

Berentzen-Gruppe Aktiengesellschaft

The Executive Board

Oliver Schwegmann	Ralf Brühöfner
Executive Board member	Executive Board member

Information about the publisher

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Publication date: August 14, 2017

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Additional information about the Berentzen Group

In addition to the present Group Half-yearly Financial Report, the following information about the Berentzen Group is available at www.berentzen-gruppe.de/en/investors/:

Annual reports, including consolidated and separate financial statements
Group half-yearly financial reports
Group interim reports and Group interim announcements
Corporate governance reports / Corporate governance declarations
Declarations of Conformity with the German Corporate Governance Code
Publications concerning insider information (ad-hoc reports)
Publications concerning managers' transactions
Press releases of the corporate group

Financial Calendar 2017

March 23, 2017	Publication of consolidated and separate financial statements and 2016 Annual Report
May 10, 2017	Publication of the Q1/2017 Interim Report
May 19, 2017	Annual general meeting in Hanover, Hannover Congress Centrum (HCC), Niedersachsenhalle
August 14, 2017	Publication of the 2017 Group Half-yearly Financial Report
October 27, 2017	Publication of the Q3/2017 Interim Report

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