STABILUS

INTERIM REPORT

Q3 — FY2016

KEY FIGURES

T_001

in € millions	Three months ended June 30, 2016	2015	CHANGE	% CHANGE
Revenue	**182.8**	160.4	22.4	14.0%
EBITDA	**27.6**	26.5	1.1	4.2%
Adjusted EBITDA	**31.6**	27.5	4.1	14.9%
EBIT	**16.3**	15.6	0.7	4.5%
Adjusted EBIT	**23.5**	19.8	3.7	18.7%
Capital expenditure	**(12.2)**	(11.7)	(0.5)	4.3%
Free cash flow (FCF)	**(284.4)**	(10.7)	(273.7)	> 100.0%
EBITDA as % of revenue	**15.1%**	16.5%		
Adjusted EBITDA as % of revenue	**17.3%**	17.1%		
EBIT as % of revenue	**8.9%**	9.7%		
Adjusted EBIT as % of revenue	**12.9%**	12.3%		
Capital expenditure as % of revenue	**6.7%**	7.3%		
FCF as % of adjusted EBITDA	**(900.0%)**	(38.9%)		

in € millions	Nine months ended June 30, 2016	2015	CHANGE	% CHANGE
Revenue	**531.0**	453.0	78.0	17.2%
EBITDA	**89.7**	75.2	14.5	19.3%
Adjusted EBITDA	**94.3**	79.4	14.9	18.8%
EBIT	**55.6**	43.1	12.5	29.0%
Adjusted EBIT	**69.7**	56.9	12.8	22.5%
Capital expenditure	**(39.8)**	(33.4)	(6.4)	19.2%
Free cash flow (FCF)	**(274.9)**	(17.4)	(257.5)	> 100.0%
EBITDA as % of revenue	**16.9%**	16.6%		
Adjusted EBITDA as % of revenue	**17.8%**	17.5%		
EBIT as % of revenue	**10.5%**	9.5%		
Adjusted EBIT as % of revenue	**13.1%**	12.6%		
Capital expenditure as % of revenue	**7.5%**	7.4%		
FCF as % of adjusted EBITDA	**(291.5%)**	(21.9%)		

CONTENT

HIGHLIGHTS

of the third quarter of fiscal 2016 and subsequent events

+ 14.0% REVENUE

STRONG THIRD QUARTER THANKS TO CONTINUING GROWTH IN ALL REGIONS

- Revenue up by 14.0% to €182.8 million (+€22.4 million versus Q3 FY2015).
- Revenue growth in all regions with NAFTA (+14.8%), Europe (+14.2%) as well as Asia / Pacific and RoW (+10.4%).
- Revenue growth in Powerise (+44.8%), Industrial (+5.1%), and Gas Spring (+7.3%); Swivel Chair (-9.2%).

CAPITAL INCREASE

ON JULY 6, 2016, STABILUS SUCCESSFULLY COMPLETED THE CAPITAL INCREASE

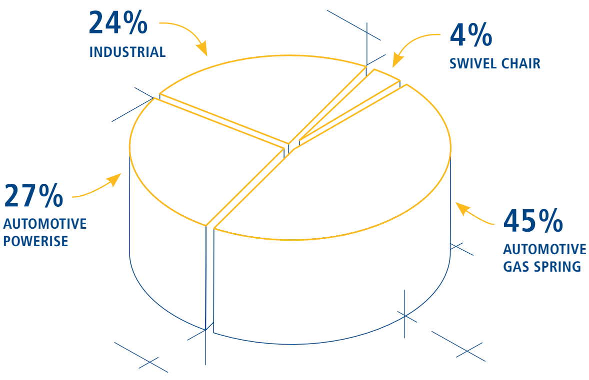
- Issue of 3,976,744 new shares and placement with institutional investors.
- Gross proceeds of €159.1 million were used for partial refinancing of the acquisition of SKF Group entities, i.e. on July 13, 2016, the €115 million equity bridge facility has been fully repaid.

ACQUISITION OF SKF GROUP ENTITIES

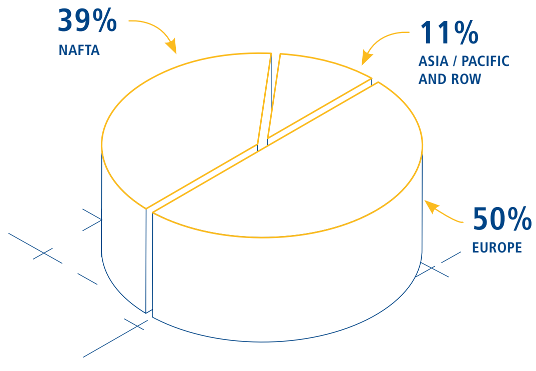
ON JUNE 30, 2016, STABILUS SUCCESSFULLY COMPLETED THE ACQUISITION OF THE SKF GROUP ENTITIES ACE, HAHN GASFEDERN AND FABREEKA / TECH PRODUCTS

- The acquisition has been cleared by antitrust authorities without conditions.
- The acquisition was financed by a new €455 million term loan facility (replacing the existing €265 million term loan facility) and a €115 million equity bridge facility.

Revenue by markets in 9M FY2016



Revenue by region in 9M FY2016
(location of Stabilus company)



INTERIM GROUP MANAGEMENT REPORT

for the three and nine months ended June 30, 2016

SIGNIFICANT EVENTS

On April 26, 2016, Stabilus signed an agreement to acquire ACE, Hahn Gasfedern and Fabreeka / Tech Products from the SKF Group in an all-cash transaction for a total consideration of US$339 million. The agreement was subject to approval by the relevant antitrust authorities. On June 30, 2016, following the approval of antitrust authorities, Stabilus successfully closed the acquisition of these SKF Group entities.

The acquisition is in line with Stabilus' strategy to strengthen its industrial business. With the acquisition, Stabilus expands its product portfolio in the industrial sector and taps new customer groups. The acquired companies are established industrial suppliers in the fields of motion control, damping and vibration control for a broad spectrum of clients in numerous fast-growing industry segments, such as automation technology, plant and machine engineering, commercial and rail vehicle manufacture as well as medical technology. The companies, which employ a total of around 550 people worldwide, have distinctive competences in specifically customized applications for medium to small lot sizes. They generated consolidated revenue of approximately US$120 million and EBIT of approx. US$30 million in the fiscal year 2015.

The acquisition was financed by a new €455 million term loan facility (replacing the existing €265 million term loan facility) and a €115 million equity bridge facility.

RESULTS OF OPERATIONS

THIRD QUARTER OF FISCAL 2016

The table below sets out Stabilus Group's consolidated income statement for the third quarter of fiscal 2016 in comparison to the third quarter of fiscal 2015:

Income statement

T_002

	Three months ended June 30,			
IN € MILLIONS	2016	2015	Change	% change
Revenue	182.8	160.4	22.4	14.0%
Cost of sales	(137.7)	(122.6)	(15.1)	12.3%
Gross profit	**45.1**	**37.8**	**7.3**	**19.3%**
Research and development expenses	(6.2)	(5.3)	(0.9)	17.0%
Selling expenses	(13.1)	(11.4)	(1.7)	14.9%
Administrative expenses	(9.8)	(6.0)	(3.8)	63.3%
Other income	2.7	1.8	0.9	50.0%
Other expenses	(2.3)	(1.3)	(1.0)	76.9%
Profit from operating activities (EBIT)	**16.3**	**15.6**	**0.7**	**4.5%**
Finance income	6.7	0.4	6.3	>100.0%
Finance costs	(5.8)	(37.4)	31.6	(84.5)%
Profit / (loss) before income tax	**17.2**	**(21.4)**	**38.6**	**<(100.0)%**
Income tax income / (expense)	(5.6)	(4.1)	(1.5)	36.6%
Profit / (loss) for the period	**11.5**	**(25.5)**	**37.0**	**<(100.0)%**

Revenue

Group's total revenue developed as follows:

Revenue by region (location of Stabilus company)

T_003

	Three months ended June 30,			
IN € MILLIONS	2016	2015	Change	% change
Europe	92.7	81.2	11.5	14.2%
NAFTA	68.9	60.0	8.9	14.8%
Asia / Pacific and RoW	21.2	19.2	2.0	10.4%
Revenue	**182.8**	**160.4**	**22.4**	**14.0%**

Revenue by markets

T_004

	Three months ended June 30,			
IN € MILLIONS	2016	2015	Change	% change
Automotive	132.7	111.5	21.2	19.0%
Gas Spring	82.3	76.7	5.6	7.3%
Powerise	50.4	34.8	15.6	44.8%
Industrial	43.3	41.2	2.1	5.1%
Swivel Chair	6.9	7.6	(0.7)	(9.2%)
Revenue	**182.8**	**160.4**	**22.4**	**14.0%**

Total revenue of €182.8 million in the third quarter of fiscal 2016 increased by 14.0% compared to the third quarter of fiscal 2015.

The revenue generated by our US and Mexican entities increased by 14.8% from €60.0 million to €68.9 million and the revenue of our European entities grew by 14.2% from €81.2 million in the third quarter of fiscal 2015 to €92.7 million in the third quarter of fiscal 2016. The revenue of both our European and NAFTA operating units continues to benefit primarily from the strong growth in the Powerise business. The revenue increase of our NAFTA unit was impacted by a negative translation effect of €(1.1) million as a result of the weaker US dollar in third quarter of fiscal 2016 compared to third quarter of the previous fiscal year (average rate per €1: $1.14 in Q3 FY2016 versus $1.12 in Q3 FY2015). The revenue of Stabilus plants located in Asia / Pacific and Rest of World (RoW) region increased by 10.4% from €19.2 million in the third quarter of fiscal 2015 to €21.2 million in the third quarter of fiscal 2016, essentially due to new customer wins and increased output of our Chinese production facility following the capacity expansion of this plant.

The increase in total revenue is mainly due to our automotive, particularly to our growing Powerise business. The increase in the Powerise business by 44.8% is mainly the result of new OEM platform wins and the subsequent launch of new Powerise programs for a number of key vehicle OEMs in Europe and NAFTA. In addition, the share of end customers (buyers of new vehicles) opting for this extra equipment continues to rise as well, compared to the previous periods.

Revenue in the industrial business increased by 5.1% from €41.2 million in the third quarter ended June 30, 2015 to €43.3 million in the third quarter ended June 30, 2016. In the third quarter of fiscal 2016, Stabilus continued to benefit from its broad coverage of industries in the industrial business – increasing demand from sectors such as renewables, medical and aftermarket more than offset temporary slumps in sectors like construction machinery.

Swivel Chair revenue decreased by 9.2% from €7.6 million in the third quarter of fiscal 2015 to €6.9 million in the third quarter of fiscal 2016.

Cost of Sales and Overhead Expenses

COST OF SALES

Cost of sales in the third quarter of fiscal 2016 increased by 12.3%, compared to the third quarter of the previous fiscal year. As a percentage of revenue, the cost of sales decreased to 75.3% (Q3 FY2015: 76.4%) reflecting a better utilization of plants and thus better fixed cost absorption. As a consequence, the profit margin increased to 24.7% (Q3 FY2015: 23.6%).

R&D EXPENSES

R&D expenses in the third quarter of fiscal 2016 increased by 17.0%, compared to the third quarter of fiscal 2015. As a percentage of revenue, R&D expenses slightly increased to 3.4% (Q3 FY2015: 3.3%).

SELLING EXPENSES

Selling expenses increased by 14.9% from €(11.4) million in the third quarter of fiscal 2015 to €(13.1) million in the third quarter of fiscal 2016, mainly due to higher personnel expenses following higher staffing in China and general pay increases at several other production facilities. As a percentage of revenue, selling expenses increased to 7.2% (Q3 FY2015: 7.1%).

ADMINISTRATIVE EXPENSES

Administrative expenses increased by 63.3% from €(6.0) million in the third quarter of fiscal 2015 to €(9.8) million in the third quarter of fiscal 2016 essentially due to incurred advisory costs of €3.8 million related to the acquisition of ACE, Hahn Gasfedern and Fabreeka / Tech Products as well as general pay increases at several locations. As percentage of revenue, administrative expenses increased to 5.4% of total revenue (Q3 FY2015: 3.7%).

OTHER INCOME AND EXPENSE

Other income increased from €1.8 million in the third quarter of fiscal 2015 to €2.7 million in the third quarter of the fiscal 2016. This increase by €0.9 million is primarily the result of foreign currency fluctuations, i.e. higher foreign currency translation gains.

Other expense increased from €(1.3) million in the third quarter of fiscal 2015 to €(2.3) million in the third quarter of the fiscal year under review. This income statement line item mainly comprises the foreign currency translation losses.

FINANCE INCOME AND COSTS

Finance income increased from €0.4 million in the third quarter of fiscal 2015 to €6.7 million in the third quarter of fiscal 2016. The finance income in the third quarter of the fiscal 2016 comprised €6.6 million of net foreign exchange gains on intercompany loans.

Finance costs decreased from €(37.4) million in the third quarter of fiscal 2015 to €(5.8) million in the third quarter of fiscal 2016. The finance costs in previous year comprised a derecognition of embedded derivatives of €(20.9) million and €(9.9) million early redemption charges (non-recurring items).

INCOME TAX EXPENSE

The improved pre-tax result of €17.2 million in the reporting period of fiscal 2016, compared to €(21.4) million in third quarter of the prior fiscal year, led to higher tax expenses of €(5.6) million in the reporting period (Q3 FY2015: €(4.1) million).

FIRST NINE MONTHS OF FISCAL 2016

The table below sets out Stabilus Group's consolidated income statement for the first nine months of fiscal 2016 in comparison to the first nine months of fiscal 2015:

Income statement

T_005

	Nine months ended June 30,			
IN € MILLIONS	2016	2015	Change	% change
Revenue	531.0	453.0	78.0	17.2%
Cost of sales	(398.4)	(344.7)	(53.7)	15.6%
Gross profit	**132.5**	**108.3**	**24.2**	**22.3%**
Research and development expenses	(19.2)	(16.8)	(2.4)	14.3%
Selling expenses	(36.1)	(32.7)	(3.4)	10.4%
Administrative expenses	(23.6)	(19.4)	(4.2)	21.6%
Other income	8.7	8.4	0.3	3.6%
Other expenses	(6.8)	(4.6)	(2.2)	47.8%
Profit from operating activities (EBIT)	**55.6**	**43.1**	**12.5**	**29.0%**
Finance income	7.2	16.8	(9.6)	(57.1)%
Finance costs	(9.5)	(39.9)	30.4	(76.2)%
Profit before income tax	**53.3**	**20.0**	**33.3**	**>100.0%**
Tax income / (expense)	(17.4)	(18.0)	0.6	(3.3)%
Profit for the period	**35.9**	**2.0**	**33.9**	**>100.0%**

Revenue

Group's total revenue developed as follows:

Revenue by region (location of Stabilus company)

T_006

IN € MILLIONS	Nine months ended June 30, 2016	2015	Change	% change
Europe	266.3	231.1	35.2	15.2%
NAFTA	204.2	166.7	37.5	22.5%
Asia / Pacific and Rest of World	60.5	55.2	5.3	9.6%
Revenue	**531.0**	**453.0**	**78.0**	**17.2%**

Revenue by markets

T_007

IN € MILLIONS	Nine months ended June 30, 2016	2015	Change	% change
Automotive	382.3	317.8	64.5	20.3%
Gas Spring	241.3	219.7	21.6	9.8%
Powerise	141.1	98.1	43.0	43.8%
Industrial	127.0	113.9	13.1	11.5%
Swivel Chair	21.6	21.3	0.3	1.4%
Revenue	**531.0**	**453.0**	**78.0**	**17.2%**

Total revenue of €531.0 million in the first nine months of fiscal 2016 increased by 17.2% compared to the first nine months of fiscal 2015.

The revenue of our European entities grew by 15.2% from €231.1 million in the first nine months of fiscal 2015 to €266.3 million in the first nine months of fiscal 2016. The revenue of our operating units Europe and NAFTA continues to benefit predominantly from the strong growth in the Powerise business. The revenue generated by our US and Mexican entities increased by 22.5% from €166.7 million to €204.2 million. Approximately €9.2 million of this revenue increase was due to the stronger US dollar in the first nine months of fiscal 2016 compared to the first nine months of fiscal 2015 (average rate per €1: $1.11 in 9M FY2016 versus $1.16 in 9M FY2015). The revenue of Stabilus plants located in Asia / Pacific and RoW region increased by 9.6% from €55.2 million in the first nine months of fiscal 2015 to €60.5 million in the first nine months of fiscal 2016, essentially due to new customer wins and increased production capacity in China which more than offset the weakness in South America.

The increase in total revenue is mainly due to our automotive market segment, particularly to our growing Powerise business. The increase in the Powerise business by 43.8% is mainly the result of new OEM platform wins and the subsequent launch of new Powerise programs for a number of key vehicle OEMs. In addition, the share of end customers (buyers of new vehicles) opting for this extra equipment continues to rise as well, compared to the previous periods.

Revenue in the industrial business increased by 11.5% from €113.9 million in the nine months ended June 30, 2015 to €127.0 million in the nine months ended June 30, 2016.

Swivel chair revenue increased by 1.4% from €21.3 million in the first nine months of fiscal 2015 to €21.6 million in the first nine months of fiscal 2016.

Cost of Sales and Overhead Expenses

COST OF SALES

Cost of sales in the first nine months of fiscal 2016 increased by 15.6% compared to the first nine months of the previous fiscal year. As a percentage of revenue, the cost of sales decreased to 75.0% (9M FY2015: 76.1%). The decrease of the cost of sales as a percentage of revenue is essentially due to the strong growth of our Powerise business and the resulting economies of scale.

R&D EXPENSES

R&D expenses in the first nine months of fiscal 2016 increased by 14.3%, compared to the first nine months of fiscal 2015. As a percentage of revenue, R&D expenses decreased by 10 basis points to 3.6% (9M FY2015: 3.7%).

SELLING EXPENSES

Selling expenses increased by 10.4% from €(32.7) million in the first nine months of fiscal 2015 to €(36.1) million in the first nine months of fiscal 2016, mainly due to higher distribution and personnel expenses following enhancement of our aftermarket distribution. As a percentage of revenue, selling expenses decreased by 40 basis points to 6.8% (9M FY2015: 7.2%).

ADMINISTRATIVE EXPENSES

Administrative expenses increased by 21.6% from €(19.4) million in the first nine months of fiscal 2015 to €(23.6) million in the first nine months of fiscal 2016 essentially due to incurred advisory costs related to the acquisition of ACE, Hahn Gasfedern and Fabreeka / Tech Products amounting to €3.8 million as well as general pay increases at several locations. As percentage of revenue, administrative expenses in the first nine months of fiscal 2016 increased by 10 basis points to 4.4% of total revenue (9M FY2015: 4.3%).

OTHER INCOME AND EXPENSE

Other income increased from €8.4 million in the first nine months of fiscal 2015 to €8.7 million in the first nine months of fiscal 2016. This increase by €0.3 million is primarily the result of foreign currency fluctuations, i.e. lower foreign currency translation gains driven by the US dollar.

Other expenses increased from €(4.6) million in the first nine months of fiscal 2015 to €(6.8) million in the first nine months of fiscal year under review. This income statement line item mainly comprises foreign currency translation losses.

FINANCE INCOME AND COSTS

Finance income decreased from €16.8 million in the first nine months of fiscal 2015 to €7.2 million in the first nine months of fiscal 2016 primarily due to lower net foreign exchange gains on intercompany loans.

Finance costs decreased from €(39.9) million in the first nine months of fiscal 2015 to €(9.5) million in the first nine months of fiscal 2016. The higher finance costs in the first nine months of the previous fiscal year comprised a derecognition of embedded derivatives of €(15.4) million and €(9.9) million early redemption charges (nonrecurring items).

INCOME TAX EXPENSE

The income tax expense is driven by the pre-tax result: €(17.4) million tax expense in the first nine months is 32.6% of the €53.3 million earnings before tax which corresponds to the Group tax rate of 30%.

EBITDA AND ADJUSTED EBITDA

The table below sets out a reconciliation of EBIT to EBITDA and adjusted EBITDA for the third quarter and the first nine months of fiscal 2016 and 2015:

Reconciliation of EBIT to adjusted EBITDA

T _ 008

	Three months ended June 30,			
IN € MILLIONS	2016	2015	Change	% change
Profit from operating activities (EBIT)	**16.3**	**15.6**	**0.7**	**4.5%**
Depreciation	5.9	5.7	0.2	3.5%
Amortization	5.4	5.2	0.2	3.8%
EBITDA	**27.6**	**26.5**	**1.1**	**4.2%**
Advisory	3.8	0.5	3.3	>100.0%
Restructuring / ramp-up	–	0.3	(0.3)	(100.0)%
Pension interest add-back	0.2	0.2	–	0.0%
Total adjustments	4.0	1.0	3.0	>100.0%
Adjusted EBITDA	**31.6**	**27.5**	**4.1**	**14.9%**

	Nine months ended June 30,			
IN € MILLIONS	2016	2015	Change	% change
Profit from operating activities (EBIT)	**55.6**	**43.1**	**12.5**	**29.0%**
Depreciation	18.3	16.6	1.7	10.2%
Amortization	15.8	15.5	0.3	1.9%
EBITDA	**89.7**	**75.2**	**14.5**	**19.3%**
Advisory	3.8	1.3	2.5	>100.0%
Restructuring / ramp-up	–	2.1	(2.1)	(100.0)%
Pension interest add-back	0.8	0.8	–	0.0%
Total adjustments	4.6	4.2	0.4	9.5%
Adjusted EBITDA	**94.3**	**79.4**	**14.9**	**18.8%**

Adjusted EBITDA represents EBITDA, as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes and other non-recurring costs, as well as interest on pension charges. Adjusted EBITDA is presented because we believe it is a relevant measure for assessing performance as it is adjusted for certain one-time or non-recurring items that are not expected to impact our Group going forward, and thus aids in an understanding of EBITDA in a given period.

The adjustment of advisory expenses amounting to €3.8 million in the nine months ended June 30, 2016 relates to the acquisition of ACE, Hahn Gasfedern and Fabreeka / Tech Products from the SKF Group.

EBIT AND ADJUSTED EBIT

The table below shows reconciliations of profit from operating activities (EBIT) to adjusted EBIT for the third quarter and the first nine months of fiscal 2016 and 2015:

Reconciliation of EBIT to adjusted EBIT

T_009

	Three months ended June 30,			
IN € MILLIONS	2016	2015	Change	% change
Profit from operating activities (EBIT)	**16.3**	**15.6**	**0.7**	**4.5%**
Advisory	3.8	0.5	3.3	>100.0%
Restructuring / ramp-up	–	0.3	(0.3)	(100.0)%
Pension interest add-back	0.2	0.2	–	0.0%
PPA adjustments – depreciation and amortization	3.2	3.2	–	0.0%
Total adjustments	7.2	4.2	3.0	71.4%
Adjusted EBIT	**23.5**	**19.8**	**3.7**	**18.7%**

	Nine months ended June 30,			
IN € MILLIONS	2016	2015	Change	% change
Profit from operating activities (EBIT)	**55.6**	**43.1**	**12.5**	**29.0%**
Advisory	3.8	1.3	2.5	>100.0%
Restructuring / ramp-up	–	2.1	(2.1)	(100.0)%
Pension interest add-back	0.8	0.8	–	0.0%
PPA adjustments – depreciation and amortization	9.5	9.5	–	0.0%
Total adjustments	14.1	13.7	0.4	2.9%
Adjusted EBIT	**69.7**	**56.9**	**12.8**	**22.5%**

Adjusted EBIT represents EBIT, as adjusted by management primarily in relation to severance, consulting, restructuring, one-time legal disputes and other non-recurring costs, as well as interest on pension charges and the depreciation and amortization of adjustments of Group's assets to fair value resulting from the April 2010 purchase price allocation.

The adjustment of advisory expenses amounting to €3.8 million in the nine months ended June 30, 2016 relates to the acquisition of ACE, Hahn Gasfedern and Fabreeka / Tech Products from the SKF Group.

DEVELOPMENT OF OPERATING SEGMENTS

Stabilus Group is organized and managed primarily on a regional level. The three reportable operating segments of the Group are Europe, NAFTA as well as Asia / Pacific and RoW.

The tables below set out the development of our operating segments in the third quarter and first nine months of fiscal 2016 compared to the corresponding period of the previous fiscal year.

Operating segments T_010

IN € MILLIONS	Three months ended June 30, 2016	2015	Change	% change
Europe				
External revenue[1]	92.7	81.2	11.5	14.2%
Intersegment revenue[1]	7.3	5.5	1.8	32.7%
Total revenue[1]	100.0	86.7	13.3	15.3%
Adjusted EBITDA	19.7	17.4	2.3	13.2%
as % of total revenue	19.7%	20.1%		
Adjusted EBIT	14.2	12.1	2.1	17.4%
as % of total revenue	14.2%	14.0%		
as % of external revenue	15.3%	14.9%		
NAFTA				
External revenue[1]	68.9	60.0	8.9	14.8%
Intersegment revenue[1]	1.5	1.5	–	0.0%
Total revenue[1]	70.4	61.5	8.9	14.5%
Adjusted EBITDA	7.8	6.4	1.4	21.9%
as % of total revenue	11.1%	10.4%		
Adjusted EBIT	6.1	4.8	1.3	27.1%
as % of total revenue	8.7%	7.8%		
as % of external revenue	8.9%	8.0%		
Asia / Pacific and RoW				
External revenue[1]	21.2	19.2	2.0	10.4%
Intersegment revenue[1]	0.3	0,2	0.1	50.0%
Total revenue[1]	21.5	19.4	2.1	10.8%
Adjusted EBITDA	4.1	3.8	0.3	7.9%
as % of total revenue	19.1%	19.6%		
Adjusted EBIT	3.2	2.9	0.3	10.3%
as % of total revenue	14.9%	14.9%		
as % of external revenue	15.1%	15.1%		

[1] Revenue breakdown by location of Stabilus company (i.e. “billed-from view”).

IN € MILLIONS	Nine months ended June 30, 2016	2015	Change	% change
Europe				
External revenue[1]	266.3	231.1	35.2	15.2%
Intersegment revenue[1]	20.2	21.5	(1.3)	(6.0)%
Total revenue[1]	286.5	252.5	34.0	13.5%
Adjusted EBITDA	54.8	46.4	8.4	18.1%
as % of total revenue	19.1%	18.4%		
Adjusted EBIT	38.1	31.0	7.1	22.9%
as % of total revenue	13.3%	12.3%		
as % of external revenue	14.3%	13.4%		
NAFTA				
External revenue[1]	204.2	166.7	37.5	22.5%
Intersegment revenue[1]	4.0	3.2	0.8	25.0%
Total revenue[1]	208.3	169.9	38.4	22.6%
Adjusted EBITDA	28.2	22.4	5.8	25.9%
as % of total revenue	13.5%	13.2%		
Adjusted EBIT	23.2	17.4	5.8	33.3%
as % of total revenue	11.1%	10.2%		
as % of external revenue	11.4%	10.4%		
Asia / Pacific and RoW				
External revenue[1]	60.5	55.2	5.3	9.6%
Intersegment revenue[1]	0.6	0.3	0.3	100.0%
Total revenue[1]	61.1	55.5	5.6	10.1%
Adjusted EBITDA	11.4	10.7	0.7	6.5%
as % of total revenue	18.7%	19.3%		
Adjusted EBIT	8.4	8.4	–	0.0%
as % of total revenue	13.7%	15.1%		
as % of external revenue	13.9%	15.2%		

[1] Revenue breakdown by location of Stabilus company (i.e. "billed-from view").

The external revenue generated by our European companies increased by 15.2% from €231.1 million in the first nine months of fiscal 2015 to €266.3 million in the first nine months of fiscal 2016. The adjusted EBIT margin as percent of external revenue increased from 13.4% to 14.3% mainly due to the footprint optimization, i.e. production shifts between German and Romanian plants, as well as the better capacity utilization of the Romanian production plant. As a consequence, the adjusted EBIT increased more strongly than revenue from €31.0 million in the first nine months of fiscal 2015 to €38.1 million in the first nine months of fiscal 2016 (+22.9% yoy).

The external revenue of our companies located in the NAFTA region increased by 22.5% from €166.7 million in the first nine months of fiscal 2015 to €204.2 million in the first nine months of fiscal 2016, primarily due to the strong growth in the Automotive business. Approximately €9.2 million of this revenue increase was due to the stronger US dollar (average rate per €1: $1.11 in 9M FY2016 versus $1.16 in 9M FY2015). The adjusted EBIT margin as a percentage of external revenue improved from 10.4% to 11.4% in the same period, leading to an adjusted EBIT of €23.2 million which is 33.3% higher than €17.4 million in 9M FY2015.

In the first nine months of fiscal 2016, the external revenue of our companies in the Asia / Pacific and RoW segment increased by 9.6%. The adjusted EBIT margin in percent of external revenue decreased from 15.2% in 9M FY2015 to 13.9% in 9M FY2016 essentially due to launching costs of the new powder paint equipment at our Korean plant in the first half of fiscal 2016 (cf. previous reports). In third quarter of fiscal 2016 the adjusted EBIT was at €8.4 million (Q3 FY2015: €8.4 million).

FINANCIAL POSITION

Balance sheet T_011

IN € MILLIONS	June 30, 2016	Sept 30, 2015	Change	% change
Assets				
Total non-current assets	676.4	358.7	317.7	88.6%
Total current assets	251.8	183.6	68.2	37.1%
Total assets	**928.2**	**542.2**	**386.0**	**71.2%**
Equity and liabilities				
Total equity	100.1	76.7	23.4	30.5%
Non-current liabilities	584.1	349.4	234.7	67.2%
Current liabilities	244.0	116.2	127.8	>100.0%
Total liabilities	828.2	465.5	362.7	77.9%
Total equity and liabilities	**928.2**	**542.2**	**386.0**	**71.2%**

BALANCE SHEET TOTAL

The Group’s balance sheet total increased by €386.0 million to €928.2 million (Sept 30, 2015: €542.2 million) largely due to the first-time consolidation of the acquired entities ACE, Hahn Gasfedern and Fabreeka / Tech Products.

NON-CURRENT ASSETS

Our non-current assets increased by €317.7 million primarily due to the identifiable non-current assets acquired within business combination (i.e. acquisition of ACE, Hahn Gasfedern and Fabreeka / Tech Products) amounting to €174.9 million and goodwill arising on acquisition amounting to €137.6 million.

CURRENT ASSETS

Current assets as of June 30, 2016 increased by €68.2 million, compared to September 30, 2015, primarily due to identifiable current assets of acquired companies of €36.5 million, as well as higher trade accounts receivable (+€18.0 million) and higher cash balance (+€14.1 million) of the old Stabilus Group entities.

EQUITY

The Group’s equity as of June 30, 2016 increased by €23.4 million as a consequence of generated and retained earnings of €35.9 million in the first nine months of fiscal 2016, partially offset by other comprehensive expense of €(12.5) million. Other comprehensive expense essentially comprised unrealized losses from foreign currency translation.

NON-CURRENT LIABILITIES

Non-current liabilities increased from €349.4 million as of September 30, 2015 by €234.7 million to €584.1 million as of June 30, 2016 mainly due to higher non-current financial liabilities (+€189.2 million), higher deferred tax liabilities (+€33.7 million) and the higher non-current liability for pension plans and similar obligation (+€8.9 million). The increase of non-current financial liabilities is the result of the new €455 million term loan facility the Company used for the acquisition of ACE, Hahn Gasfedern and Fabreeka / Tech Products as well as the replacement of the old €265 million term loan facility. Deferred tax liabilities amounting to €35.0 million were acquired within business combination. €6.8 million of the increase of the liability for pension plans and similar obligations were due to the lower discount rate used for the calculation of this liability (June 30, 2016: 1.56% versus Sept 30, 2015: 2.38%); €2.0 million of the liability increase were due to the pension liability acquired within business combination.

CURRENT LIABILITIES

Our current liabilities increased by €127.8 million from €116.2 million as of September 30, 2015 to €244.0 million as of June 30, 2016 essentially due to the new €115 million equity bridge facility which was used for the acquisition of new companies.

LIQUIDITY

Cash flow T_012

IN € MILLIONS	Nine months ended June 30, 2016	2015	Change	% change
Cash flow from operating activities	72.1	46.6	25.5	54.7%
Cash flow from investing activities	(342.6)	(33.4)	(309.2)	>100.0%
Cash flow from financing activities	293.2	(21.9)	315.1	<(100.0)%
Net increase / (decrease) in cash	**22.7**	**(8.6)**	**31.3**	**<(100.0)%**
Effect of movements in exchange rates on cash held	(0.7)	1.2	(1.9)	<(100.0)%
Cash as of beginning of the period	39.5	33.5	6.0	17.9%
Cash as of end of the period	**61.5**	**26.1**	**35.4**	**>100.0%**

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities increased by €25.5 million from €46.6 million in the first nine months of fiscal 2015 to €72.1 million in the first nine months of fiscal 2016 primarily due to increased revenue and increased earnings (EBITDA improvement by €14.5 million: 9M FY2016 EBITDA of €75.2 million vs. 9M FY2015 of €89.7 million).

CASH FLOW FROM INVESTING ACTIVITIES

Cash outflow for investing activities increased from €(33.4) million in the first nine months of fiscal 2015 to €(342.6) million in the first nine months of fiscal 2016 primarily due to the acquisition of assets and liabilities within business combination (acquisition of ACE, Hahn Gasfedern, Fabreeka / Tech Products) amounting to €(302.9) million (net of cash acquired). See Consolidated Statement of Cash Flows for further details.

Excluding the cash outflow for the acquisition of €(302.9) million, the cash outflow for investing activities increased from €(33.4) million in the first nine months of fiscal 2015 by 18.9% or €(6.3) million to €(39.7) million in the first months of fiscal 2016 mainly due to capacity expansion projects at several Stabilus production facilities.

CASH FLOW FROM FINANCING ACTIVITIES

Cash flow from financing activities increased from an outflow of €(21.9) million in the first nine months of fiscal 2015 to an inflow of €293.2 million in the first nine months of fiscal 2016. The significant improvement by €315.1 million is primarily due to the refinancing of Group's financial liabilities with a new €455 million term loan facility and a €115 million equity bridge facility, as well as significantly lower interest payments in the nine months ended June 30, 2016 (€(4.4) million in 9M FY2016 versus €(30.6) million in 9M FY2015). See Consolidated Statement of Cash Flows for further details.

Excluding the cash flows for the refinancing of the financial liabilities, i.e. excluding the receipts of new credit facilities of €455 million and €115 million and excluding the payment for the redemption of existing senior facilities amounting to €(267.5) million, the cash outflow for financing activities decreased from €(21.9) million in the first nine months of fiscal 2015 by 57.5% or €12.6 million to €(9.3) million in the first nine months of fiscal 2016. This improvement was primarily the result of premature and full redemption of all outstanding senior secured notes (interest rate of 7.75%) in June 2015 and the lower interest expenses on the subsequent syndicated loan (interest rate of 1.5% – 2.0%) in the following periods, including the first nine months of fiscal 2016.

ADJUSTED NET CASH FLOW

Excluding the cash outflow for the acquisition of SKF Group entities amounting to €(302.9) million and the net cash inflow from the refinancing of senior facilities of €302.5 million (i.e. €570 million receipts of the new term loan and equity bridge facilities and €(267.5) repayment of the old term loan facility), the net increase in cash in the first nine months of fiscal 2016 amounted to €23.1 million (9M FY 2015: a net decrease in cash of €(8.6) million). As a result, the net cash flow adjusted for acquisition and refinancing increased by €31.7 million. See Consolidated Statement of Cash Flows for details.

Note that in this consideration we did not adjust the cash flow from financing activities, and hence net cash flow, for payments of transaction costs of €(4.4) related to the refinancing of senior facilities in June 2016, since in the nine months of the previous fiscal year there were similar transaction cost payments of €(4.7) million for the refinancing of senior secured notes in June 2015. If we adjusted the cash flow from financing activities for transaction cost payments in both periods and the cash flow from financing activities in the first nine months of the previous fiscal year by €(9.9) million which was the fee for the early redemption of senior secured notes in June 2015, then the increase of the adjusted net cash flow in the reporting period would amount to €21.6 million.

Free cash flow

T _ 013

	Nine months ended June 30,			
IN € MILLIONS	**2016**	2015	Change	% change
Cash flow from operating activities	72.1	46.6	25.5	54.7%
Cash flow from investing activities	(342.6)	(33.4)	(309.2)	>100.0%
Payments for interest	(4.4)	(30.6)	26.2	(85.6)%
Free cash flow	**(274.9)**	**(17.4)**	**(257.5)**	**>100.0%**

FREE CASH FLOW (FCF)

As a result of the aforementioned changes of cash flows from operating and investing activities as well as changes in interest payments, the free cash flow (FCF) decreased from €(17.4) million in the first nine months of fiscal 2015 to €(274.9) million in the first nine months of fiscal 2016. The following table sets out the composition of the non-IFRS free cash flow figure.

Free cash flow (FCF) comprises the IFRS cash flow statement items "cash flow from operating activities", "cash flow from investing activities" and "payments for interest" (net interest payments). It does not include other items of the "cash flow from financing activities" like payments for redemption of financial liabilities, payments for finance leases or dividends. Please refer to the Consolidated Statement of Cash Flows for the composition of the item "cash flow from financing activities".

RISKS AND OPPORTUNITIES

We refer to the risk-related disclosures in the Group Management Report and in the audited Consolidated Financial Statements as of and for the fiscal year ended September 30, 2015.

SUBSEQUENT EVENTS

On July 5, 2016, the Management Board of Stabilus S.A., with the approval of the Supervisory Board, resolved to utilize some of its existing authorized capital and to increase the share capital from €207,232.56 by €39,767.44 to €247,000.00 via issuance of 3,976,744 new bearer shares which will bear full dividend rights for the fiscal year 2016. Following the issuance of new shares, the total number of shares amounts to 24.7 million shares and the authorized capital to 27,523,256 shares.

On July 6, 2016, the capital increase was successfully completed: Stabilus issued 3,976,744 new bearer shares and placed these shares with institutional investors. On July 7, 2016, the new shares were admitted for trading and included in the current listing in the Prime Standard segment of the Frankfurt Stock Exchange.

The proceeds totaled €159.1 million (before transaction costs of €6.3 million) and were used to fully redeem the €115 million equity bridge facility which had been drawn on June 29, 2016, to finance the acquisition of SKF Group entities ACE, Hahn Gasfedern and Fabreeka / Tech Products.

As of August 11, 2016, there were no further events or developments that could have materially affected the measurement and presentation of Group's assets and liabilities as of June 30, 2016.

OUTLOOK

Considering the estimated performance of newly acquired companies ACE, Hahn Gasfedern and Fabreeka / Tech Products in the last quarter of this fiscal year and assuming an average US$/€ exchange rate in Q4 FY2016 of 1.10 $/€, we expect Group revenue of approximately €730 million and an adjusted EBIT margin in the range between 13.0% and 13.5%.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

as of and for the three and nine months ended June 30, 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the three and nine months ended June 30, 2016 (unaudited)

Consolidated Statement of Comprehensive Income T_014

		Three months ended June 30,		Nine months ended June 30,	
IN € THOUSANDS	NOTE	2016	2015	2016	2015
Revenue	3	182,804	160,357	530,965	452,990
Cost of sales		(137,674)	(122,579)	(398,445)	(344,675)
Gross profit		**45,130**	**37,778**	**132,520**	**108,315**
Research and development expenses		(6,249)	(5,306)	(19,225)	(16,799)
Selling expenses		(13,148)	(11,445)	(36,072)	(32,731)
Administrative expenses		(9,797)	(5,981)	(23,563)	(19,420)
Other income		2,665	1,829	8,716	8,369
Other expenses		(2,331)	(1,289)	(6,791)	(4,625)
Profit from operating activities		**16,270**	**15,586**	**55,585**	**43,109**
Finance income	4	6,730	361	7,215	16,802
Finance costs	5	(5,829)	(37,361)	(9,510)	(39,904)
Profit / (loss) before income tax		**17,171**	**(21,414)**	**53,290**	**20,007**
Income tax income / (expense)		(5,625)	(4,116)	(17,375)	(17,995)
Profit / (loss) for the period		**11,546**	**(25,530)**	**35,915**	**2,012**
thereof attributable to non-controlling interests		11	16	23	52
thereof attributable to shareholders of Stabilus		11,535	(25,546)	35,892	1,960
Other comprehensive income / (expense)					
Foreign currency translation difference [1]	12	(5,453)	(2,411)	(7,393)	(8,730)
Unrealized actuarial gains and losses [2]	12	(2,776)	4,069	(5,100)	(224)
Cash flow hedges – effective portion of changes in fair value [1]	12	6,798	–	6,798	–
Cash flow hedges – reclassified to profit or loss	12	(6,798)	–	(6,798)	–
Other comprehensive income / (expense), net of taxes		**(8,229)**	**1,658**	**(12,493)**	**(8,954)**
Total comprehensive income / (expense) for the period		**3,317**	**(23,872)**	**23,422**	**(6,942)**
thereof attributable to non-controlling interests		11	16	23	52
thereof attributable to shareholders of Stabilus		3,306	(23,888)	23,399	(6,994)
Earnings per share (in €):					
Basic	6	0.56	(1.23)	1.73	0.09
Diluted	6	0.56	(1.23)	1.73	0.09

[1] Item that may be reclassified (‘recycled’) to profit and loss at a future point in time when specific conditions are met.
[2] Item that will not be reclassified to profit and loss.
The accompanying Notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as of June 30, 2016 (unaudited)

Consolidated Statement of Financial Position

T_015

IN € THOUSANDS	NOTE	June 30, 2016	Sept 30, 2015
Assets			
Property, plant and equipment	7	166,512	133,952
Goodwill		189,105	51,458
Other intangible assets	8	298,661	166,475
Other assets	10	2,423	1,864
Deferred tax assets		19,702	4,929
Total non-current assets		**676,403**	**358,678**
Inventories	11	76,462	59,783
Trade accounts receivable		92,055	62,848
Current tax assets		1,637	3,465
Other financial assets	9	7,953	7,899
Other assets	10	12,246	10,093
Cash and cash equivalents		61,452	39,473
Total current assets		**251,805**	**183,561**
Total assets		**928,208**	**542,239**

Consolidated Statement of Financial Position

T_015

IN € THOUSANDS	NOTE	June 30, 2016	Sept 30, 2015
Equity and liabilities			
Issued capital		207	207
Capital reserves		73,091	73,091
Retained earnings		60,763	24,871
Other reserves	12	(33,977)	(21,484)
Equity attributable to shareholders of Stabilus		**100,084**	**76,685**
Non-controlling interests		(31)	24
Total equity		**100,053**	**76,709**
Financial liabilities	13	447,821	258,644
Other financial liabilities	14	1,834	2,139
Provisions	15	4,030	1,032
Pension plans and similar obligations	16	56,870	47,989
Deferred tax liabilities		72,662	38,976
Other liabilities	17	923	576
Total non-current liabilities		**584,140**	**349,356**
Trade accounts payable		64,657	68,929
Financial liabilities	13	116,651	5,000
Other financial liabilities	14	9,127	7,978
Current tax liabilities		7,155	3,040
Provisions	15	25,454	20,128
Other liabilities	17	20,971	11,099
Total current liabilities		**244,015**	**116,174**
Total liabilities		**828,155**	**465,530**
Total equity and liabilities		**928,208**	**542,239**

The accompanying Notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the nine months ended June 30, 2016 (unaudited)

Consolidated Statement of Changes in Equity

T_016

IN € THOUSANDS	NOTE	Issued capital	Capital reserves	Retained earnings	Other reserves	Equity attributable to shareholders of Stabilus	Non-controlling interests	Total equity
Balance as of Sept 30, 2014		**207**	**73,091**	**7,920**	**(5,128)**	**76,090**	**33**	**76,123**
Profit / (loss) for the period		–	–	1,960	–	1,960	52	2,012
Other comprehensive income / (expense)	12	–	–	–	(8,953)	(8,953)	–	(8,953)
Total comprehensive income for the period		–	–	1,960	(8,953)	(6,993)	52	(6,941)
Dividends		–	–	–	–	–	(56)	(56)
Balance as of June 30, 2015		**207**	**73,091**	**9,880**	**(14,081)**	**69,097**	**29**	**69,126**
Balance as of Sept 30, 2015		**207**	**73,091**	**24,871**	**(21,484)**	**76,685**	**24**	**76,709**
Profit / (loss) for the period		–	–	35,892	–	35,892	23	35,915
Other comprehensive income / (expense)	12	–	–	–	(12,493)	(12,493)	–	(12,493)
Total comprehensive income for the period		–	–	35,892	(12,493)	23,399	23	23,422
Dividends		–	–	–	–	–	(78)	(78)
Balance as of June 30, 2016		**207**	**73,091**	**60,763**	**(33,977)**	**100,084**	**(31)**	**100,053**

The accompanying Notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the nine months ended June 30, 2016 (unaudited)

Consolidated Statement of Cash Flows

T_017

IN € THOUSANDS	NOTE	Nine months ended June 30, 2016	2015
Profit / (loss) for the period		35,915	2,012
Current income tax expense		18,668	18,199
Deferred income tax expense		(1,293)	(204)
Net finance result	4/5	2,295	23,102
Depreciation and amortization		34,131	32,085
Other non-cash income and expenses		(3,411)	(11,316)
Changes in inventories		(524)	(8,813)
Changes in trade accounts receivable		(17,904)	(18,698)
Changes in trade accounts payable		(8,051)	7,366
Changes in other assets and liabilities		13,942	10,730
Changes in provisions		6,084	4,440
Changes in deferred tax assets and liabilities		1,293	204
Income tax payments	21	(9,088)	(12,463)
Cash flow from operating activities		**72,057**	**46,644**
Proceeds from disposal of property, plant and equipment		128	81
Purchase of intangible assets	8	(10,225)	(11,744)
Purchase of property, plant and equipment	7	(29,639)	(21,729)
Acquisition of assets and liabilities within the business combination, net of cash acquired		(302,865)	–
Cash flow from investing activities		**(342,601)**	**(33,392)**
Receipts under senior facilities		455,000	270,000
Receipts under equity bridge facility		115,000	–
Payments for redemption of senior secured notes		–	(256,123)
Payments for redemption of senior facilities		(267,500)	–
Payments for finance leases		(407)	(406)
Payments of transaction costs		(4,420)	(4,731)
Dividends paid to non-controlling interests		(78)	(56)
Payments for interest	21	(4,401)	(30,567)
Cash flow from financing activities		**293,194**	**(21,883)**
Net increase / (decrease) in cash and cash equivalents		**22,650**	**(8,631)**
Effect of movements in exchange rates on cash held		(671)	1,239
Cash and cash equivalents as of beginning of the period		39,473	33,494
Cash and cash equivalents as of end of the period		**61,452**	**26,102**

The accompanying Notes form an integral part of these Consolidated Financial Statements.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

as of and for the three and nine months ended June 30, 2016

1 General Information

Company Information

Stabilus S.A., Luxembourg, hereinafter also referred to as "Stabilus" or the "Company" is a public limited liability company (société anonyme) incorporated in Luxembourg and governed by Luxembourg law. The Company is registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés Luxembourg) under No. B0151589 and its registered office is located at 2, rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg. The Company was founded under the name Servus HoldCo S.à r.l. on February 26, 2010.

The Company's fiscal year is from October 1 to September 30 of the following year (twelve-month period). The consolidated financial statements of Stabilus S.A. include Stabilus and its subsidiaries (hereafter also referred to as "Stabilus Group" or the "Group").

The Stabilus Group is a leading manufacturer of gas springs and dampers, as well as electric tailgate opening and closing equipment. The products are used in a wide range of automotive and industrial applications, as well as in the furniture industry. Typically the products are used to support the lifting and lowering or dampening of movements. As world market leader for gas springs, the Group ships to all key vehicle manufacturers. Various Tier 1 suppliers of the global car industry as well as large technically focused distributors further diversify the Group's customer base.

Basis for Preparation

The accompanying Condensed Interim Consolidated Financial Statements present the operations of Stabilus, Luxembourg, and its subsidiaries. The Company has prepared these statements under the going-concern assumption.

The Condensed Interim Consolidated Financial Statements as of and for the three and nine months ended June 30, 2016 have been prepared in accordance with IAS 34 "Interim Financial Reporting"; they comply with the International Financial Reporting Standards (IFRS) as adopted by the European Union. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of Stabilus Group since the last annual Consolidated Financial Statements as of and for the fiscal year ended September 30, 2015. These Interim Consolidated Financial Statements are condensed and do not include all information for full annual financial statements prepared in accordance with International Financial Reporting Standards and therefore should be read in connection with the Consolidated Financial Statements as of September 30, 2015.

The accounting policies adopted in the preparation of the Condensed Interim Consolidated Financial Statements are consistent with those followed in the preparation of the Group's annual financial statements for the fiscal year ended September 30, 2015. Whereas, as of September 30, 2015, the Group did not have any derivative financial instruments, on June 21, 2016, Stabilus entered into four forward exchange transactions to hedge the foreign exchange risk related to the US dollar payment of the purchase price for the acquired SKF Group entities that had to be paid on June 30, 2016. Stabilus designated the forward exchange transactions as a hedging instrument to the US dollar purchase price, i.e. as cash flow hedge.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value is recognized in other comprehensive income and the ineffective portion is recognized in profit and loss. The amount recognized in other comprehensive income is reclassified when the hedged transaction occurs. Stabilus considers the hedge related to a business combination as a hedge of a non-financial item and recognizes the gain or loss from the hedging instrument recognized in other comprehensive income as an adjustment to goodwill.

Presentation

These Condensed Interim Consolidated Financial Statements as of and for the three and nine months ended June 30, 2016 comprise the Consolidated Statement of Comprehensive Income for the three and nine months ended June 30, 2016, the Consolidated Statement of Financial Position as of June 30, 2016, the Consolidated Statement of Changes in Equity for the nine months ended June 30, 2016, the Consolidated Statement of Cash Flows for the nine months ended June 30, 2016 and explanatory Notes to the Condensed Interim Consolidated Financial Statements. The Condensed Interim Consolidated Financial Statements are prepared in euros (€) rounded to the nearest thousand. Due to rounding, numbers presented may not add up precisely to the totals provided.

The Condensed Interim Consolidated Financial Statements were authorized for issue by the Management Board on August 11, 2016.

Significant Events and Transactions

On April 26, 2016, Stabilus signed an agreement to acquire ACE, Hahn Gasfedern and Fabreeka / Tech Products from the SKF Group. The agreement was subject to approval by the relevant antitrust authorities. On June 30, 2016, following the approval of antitrust authorities, Stabilus successfully closed the acquisition of these SKF Group entities by paying $339 million base price, plus $5.5 million price adjustment (for cash, indebtedness and working capital at closing date), totaling €310.8 million at the applied US$/€ exchange rate of $1.11 per €. See Note 2 below for further details.

The acquisition was financed by a new €455 million term loan facility (replacing the existing €265 million term loan facility) and a €115 million equity bridge facility. Refer to Note 2 and Note 13 below for further details.

2 Business Combination

On June 30, 2016, Stabilus acquired 100% of voting shares of ACE, Hahn Gasfedern und Fabreeka / Tech Products from the SKF Group in an all-cash transaction. With the acquisition, Stabilus expands both its product portfolio in the industrial sector and its customer base. The acquisition has been accounted for using the acquisition method. The Condensed Interim Consolidated Financial Statements as of and for the three and nine months ended June 30, 2016 do not include the results of the acquired entities.

The preliminary fair values of the identifiable assets and liabilities of acquired entities at the date of acquisition according to IFRS 3.16 amounted to:

Business combination

T_018

IN € MILLIONS	June 30, 2016
Assets	
Property, plant and equipment	23.2
Other intangible assets	137.7
Other assets	1.1
Deferred tax assets	12.9
Total non-current assets	**174.9**
Inventories	16.2
Trade accounts receivable	11.3
Current tax assets	–
Other financial assets	–
Other assets	1.1
Cash and cash equivalents	7.9
Total current assets	**36.5**
Total assets	**211.4**

Business combination T_018

IN € MILLIONS	June 30, 2016
Liabilities	
Financial liabilities	–
Other financial liabilities	–
Provisions	–
Pension plans and similar obligations	2.0
Deferred tax liabilities	35.0
Other liabilities	–
Total non-current liabilities	**37.0**
Trade accounts payable	3.8
Financial liabilities	–
Other financial liabilities	0.4
Current tax liabilities	0.1
Provisions	2.9
Other liabilities	0.8
Total current liabilities	**8.0**
Total liabilities	**45.0**
Total identifiable net assets at fair value	**166.4**
Non-controlling interest measured at fair value	–
Goodwill arising on the acquisition	137.6
Goodwill adjustment from cash flow hedge of the purchase price	6.8
Purchase consideration transferred	**310.8**

The fair values are provisional, pending completion of an independent valuation.

The preliminary fair value of other intangible assets as of Jue 30, 2016 amounting to €137.7 million essentially comprised €121.2 million for customer relationships, €11.8 million for technology, €3.6 million for trade names and €0.9 million for software. At the date of the acquisition, the fair value of the trade receivables amounted to €11.3 million. The gross amount of trade receivables was €11.5 million. The difference between the fair value and the gross amount is the result of an adjustment for counterparty risk (allowance for doubtful accounts).

The goodwill is attributable mainly to the expected sales synergies arising from the acquisition as well as to the skills and technical talent of acquired entities' workforce. A total of €38.3 million of goodwill amortization is expected to be deductible for tax purposes over the next 15 years (under U.S. Code Section 338 election).

Transaction costs of €3.8 million have been expensed and are included in administrative expenses in the Consolidated Statement of Comprehensive Income and are part of operating cash flow in the Consolidated Statement of Cash Flows.

If the acquisition had occurred on October 1, 2015, estimated consolidated revenue would have been €610.4 million, and consolidated profit for the nine months ended June 30, 2016, would have been €41.5 million. In determining these amounts, an assumption was made that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on October 1, 2015.

3 Revenue

The Group's revenue developed as follows:

Revenue by region (location of Stabilus company)

T_019

	Three months ended June 30,		Nine months ended June 30,	
IN € THOUSANDS	**2016**	2015	**2016**	2015
Europe	92,736	81,194	266,300	231,068
NAFTA	68,875	59,988	204,212	166,715
Asia / Pacific and Rest of World	21,193	19,175	60,453	55,207
Revenue	**182,804**	**160,357**	**530,965**	**452,990**

Revenue by markets

T_020

	Three months ended June 30,		Nine months ended June 30,	
IN € THOUSANDS	**2016**	2015	**2016**	2015
Automotive	132,651	111,503	382,345	317,759
Gas Spring	82,255	76,748	241,258	219,670
Powerise	50,396	34,755	141,087	98,089
Industrial	43,297	41,214	126,993	113,930
Swivel Chair	6,856	7,640	21,627	21,301
Revenue	**182,804**	**160,357**	**530,965**	**452,990**

Group revenue results from sales of goods.

4 Finance Income

Finance income

T_021

	Three months ended June 30,		Nine months ended June 30,	
IN € THOUSANDS	**2016**	2015	**2016**	2015
Interest income on loans and financial receivables	14	33	33	65
Net foreign exchange gain	6,634	–	6,970	15,999
Gains from changes in fair value of derivative instruments	–	–	–	–
Other interest income	82	328	212	738
Finance income	**6,730**	**361**	**7,215**	**16,802**

5 Finance Costs

Finance costs

T_022

IN € THOUSANDS	Three months ended June 30, 2016	Three months ended June 30, 2015	Nine months ended June 30, 2016	Nine months ended June 30, 2015
Interest expense on financial liabilities	(5,325)	(14,048)	(8,756)	(24,064)
Net foreign exchange loss	–	(2,311)	–	–
Loss from changes in fair value of derivative instruments	–	(20,911)	–	(15,422)
Loss from derivative instruments	(426)	–	(426)	–
Interest expenses finance lease	(23)	(16)	(73)	(55)
Other interest expenses	(55)	(75)	(255)	(363)
Finance costs	**(5,829)**	**(37,361)**	**(9,510)**	**(39,904)**

Loss from derivative instruments relate to forward swap options taken out in relation to the acquisition of the SKF Group entities and sold again in the second half of June 2016.

6 Earnings per Share

The weighted average number of shares used for the calculation of earnings per share in the nine months ended June 30, 2016 and 2015 is set out in the following table.

Weighted average number of shares

T_023

DATE	Number of days	Transaction	Change	Total shares	Total shares (time-weighted)
October 1, 2014	273	–	–	20,723,256	20,723,256
June 30, 2015		–	–	**20,723,256**	**20,723,256**
October 1, 2015	273	–	–	20,723,256	20,723,256
June 30, 2016		–	–	**20,723,256**	**20,723,256**

The earnings per share for the nine months ended June 30, 2016 and 2015 were as follows:

Earnings per share

T_024

	Nine months ended June 30, 2016	Nine months ended June 30, 2015
Profit / (loss) attributable to shareholders of the parent (in € thousands)	35,892	1,960
Weighted average number of shares	20,723,256	20,723,256
Earnings per share (in €)	**1.73**	**0.09**

Basic and diluted earnings per share are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of shares outstanding.

7 Property, Plant and Equipment

Property, plant and equipment as of June 30, 2016 amounted to €166,512 thousand (Sept 30, 2015: €133,952 thousand). Additions to property, plant and equipment in the first nine months of fiscal 2016 amounted to €30,140 thousand (9M FY2015: €21,689 thousand). Additions from business combination amounted to €23.2 million (9M FY2015: –). See also Note 2 above. The increase against the comparative period is mainly due to increased technical equipment and machinery and increased assets under construction. The significantly higher technical equipment and machinery as well as higher assets under construction are the result of our various capacity expansion projects.

Disposals occurred only in the ordinary course of business. The net value of disposed property, plant and equipment in the first half of fiscal 2016 amounted to €22 thousand (9M FY2015: €203 thousand).

The Group did not recognize any impairment losses in the reporting period.

8 Other Intangible Assets

Other intangible assets as of June 30, 2016 amounted to €298,661 thousand (Sept 30, 2015: €166,475 thousand). Additions to intangible assets in the first nine months of fiscal 2016 amounted to €10,225 thousand (9M FY2015: €11,744 thousand) and mainly comprised internally generated developments. Significant disposals have not been recognized. Additions from business combination amounted to €137.7 million (9M FY2015: –) and essentially comprised customer relationships of €121.2 million, technology of €11.8 million and trade names of €3.6 million. See also Note 2 above.

In the first nine months of fiscal 2016, costs of €9,424 thousand (9M FY2015: €10,979 thousand) were capitalized for development projects that were incurred in the product and material development areas. Amortization expenses on development costs include impairment losses of €(468) thousand (9M FY2015: €(275) thousand) due to withdrawal of customers from the respective projects. The impairment loss is included in the research and development expenses. In the first nine months of fiscal 2016, total amortization expenses (including impairment losses) on intangible assets amounted to €15,845 thousand (9M FY2015: €15,524 thousand).

The borrowing costs capitalized in the first nine months of fiscal 2016 amounted to €201 thousand (9M FY2015: €685 thousand).

9 Other Financial Assets

Other financial assets as of June 30, 2016 amounting to €7,953 thousand (Sept 30, 2015: €7,899 thousand) comprised assets related to the sale of receivables program of €3,901 thousand (Sept 30, 2015: €3,404 thousand), accrued equity issuance costs of €3,392 thousand (Sept 30, 2015: –) and transaction costs related to the undrawn revolving credit facility of €660 thousand (Sept 30, 2015: €729 thousand). As of June 30, 2016, other financial assets did no longer comprise any receivables from a warranty insurance company (Sept 30, 2015: €3,766 thousand).

10 Other Assets

Other assets

T_025

	June 30, 2016			Sept 30, 2015		
IN € THOUSANDS	Current	Non-current	Total	Current	Non-current	Total
VAT	4,324	–	4,324	4,239	–	4,239
Prepayments	2,260	579	2,839	1,005	1,080	2,085
Deferred charges	3,758	–	3,758	2,881	–	2,881
Other miscellaneous	1,904	1,844	3,748	1,968	784	2,752
Other assets	**12,246**	**2,423**	**14,669**	**10,093**	**1,864**	**11,957**

Non-current prepayments comprise prepayments on property, plant and equipment. Other current assets of €1.1 million as well as other non-current assets of €1.1 million were acquired within business combination. See also Note 2 above.

11 Inventories

Inventories

T_026

IN € THOUSANDS	June 30, 2016	Sept 30, 2015
Raw materials and supplies	37,834	30,969
Finished products	20,069	12,151
Work in progress	12,375	10,121
Merchandise	6,184	6,542
Inventories	**76,462**	**59,783**

The increase of inventories from €59,783 thousand as of September 30, 2105 to €76,462 thousand as of June 30, 2016 is essentially due to the €16.2 million inventories acquired within business combination. See also Note 2 above.

12 Equity

The development of the Group's equity is presented in the Statement of Changes in Equity.

Other reserves

Other reserves comprise all foreign currency differences arising from the translation of the financial statements of foreign operations and unrealized actuarial gains and losses. The following table shows the changes in other reserves recognized in equity through other comprehensive income as well as the income tax recognized in equity through other comprehensive income:

Other reserves and other comprehensive income / (expense)

T_027

IN € THOUSANDS	Unrealized actuarial gains and losses	Unrealized gains / (losses) from foreign currency translation	Cash flow hedges [1]	Total
Balance as of Sept 30, 2014	**(8,751)**	**3,623**	**–**	**(5,128)**
Before tax	50	(16,390)	–	(16,340)
Tax (expense) / benefit	(16)	–	–	(16)
Other comprehensive income / (expense), net of taxes	34	(16,390)	–	(16,356)
Non-controlling interest	–	–	–	–
Balance as of Sept 30, 2015	**(8,717)**	**(12,767)**	**–**	**(21,484)**
Before tax	(7,299)	(7,393)	–	(14,692)
Tax (expense) / benefit	2,199	–	–	2,199
Other comprehensive income / (expense), net of taxes	(5,100)	(7,393)	–	(12,493)
Non-controlling interest	–	–	–	–
Balance as of March 31, 2016	**(13,818)**	**(20,159)**	**–**	**(33,977)**

[1] See also Consolidated Statement of Comprehensive Income above.

Cash flow hedges in the table above, with a net amount of zero, relate to four forward exchange transactions the Company entered into on June 21, 2016 to hedge the foreign exchange risk related to the US dollar purchase price for the acquired SKF Group entities that had to be paid on June 30, 2016 Stabilus designated the forward exchange transactions as a hedging instrument to the US dollar purchase price, i.e. as a cash flow hedge. The effective portion of changes in fair value of cash flow hedges in the first nine months ended June 30, 2016 amounted to €6,798 thousand and the amount reclassified to profit and loss amounted to €(6,798) thousand. See also Consolidated Statement of Comprehensive Income and further details regarding accounting treatment of cash flow hedges in Note 1 above.

13 Financial Liabilities

The financial liabilities comprise the following items:

Financial liabilities

T_028

	June 30, 2016			Sept 30, 2015		
IN € THOUSANDS	Current	Non-current	**Total**	Current	Non-current	**Total**
Senior facilities	2,500	447,821	450,321	5,000	258,644	263,644
Equity bridge facility	114,151	–	114,151	–	–	–
Financial liabilities	**116,651**	**447,821**	**564,472**	**5,000**	**258,644**	**263,644**

On June 7, 2016, Stabilus entered into a new €640 million senior facilities agreement with, among others, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Landesbank Hessen-Thüringen Girozentrale and UniCredit Bank AG as mandated lead arrangers and UniCredit Luxembourg S.A. as facility and security agent. The agreement comprises a term loan facility of €455 million, an equity bridge facility of €115 million and a revolving credit facility of €70 million. The term loan facility and the revolving credit facility mature on June 29, 2021. The duration of the senior facilities (other than the equity bridge facility) can be extended by an additional year, at the Company's request until June 29, 2017, and by a second year, at the Company's request until June 29, 2018.

The term loan facility is to be repaid in semi-annual installments (payable on March 31 and September 30) equal to €2.5 million for each repayment date falling on or after the date which is six months after the closing date but before the date which is 18 months after the closing date and €5.0 million thereafter and until the termination date (June 29, 2021) on which the remaining facility has to be repaid in full.

The Group's liability under the senior facility agreement (the €455 million term loan senior facility and the €115 million equity bridge facility) were measured at amortized cost under consideration of transaction costs.

As of June 30, 2016, the Group had no liability under the committed €70 million revolving credit facility.

14 Other Financial Liabilities

Other financial liabilities

T_029

	June 30, 2016			Sept 30, 2015		
IN € THOUSANDS	Current	Non-current	Total	Current	Non-current	Total
Liabilities to employees	6,166	–	6,166	5,787	–	5,787
Social security contribution	2,656	–	2,656	1,844	–	1,844
Finance lease obligation	305	1,834	2,139	347	2,139	2,486
Other financial liabilities	**9,127**	**1,834**	**10,961**	**7,978**	**2,139**	**10,117**

Other current financial liabilities of €0.4 million were acquired within business combination. See also Note 2 above.

15 Provisions

Provisions T_030

IN € THOUSANDS	June 30, 2016 Current	June 30, 2016 Non-current	June 30, 2016 Total	Sept 30, 2015 Current	Sept 30, 2015 Non-current	Sept 30, 2015 Total
Anniversary benefits	–	–	–	13	–	13
Early retirement contracts	179	2,860	3,039	659	860	1,519
Employee-related costs	9,919	–	9,919	9,082	–	9,082
Environmental protection	292	996	1,288	376	–	376
Other risks	950	–	950	1,035	–	1,035
Legal and litigation costs	155	–	155	90	–	90
Warranties	10,908	–	10,908	7,938	–	7,938
Other miscellaneous	3,051	174	3,225	935	172	1,107
Provisions	**25,454**	**4,030**	**29,484**	**20,128**	**1,032**	**21,160**

The provision for environmental protection, in particular long-term bioremediation of the former Colmar US site, increased in the first nine months of fiscal 2016 from €376 thousand to €1,288 thousand. This is to cover the contractor expense to finish the bioremediation program in the next years.

Provision for warranties increased from €7,938 thousand as of September 30, 2015 to €10,908 thousand as of June 30, 2016 partially due to higher sales as well as the regional mix of these sales to provide for potential warranty cases.

Current provisions amounting to €2.9 million were acquired within business combination. See also Note 2 above.

16 Pension Plans and Similar Obligations

The Group's liability for pension plans and similar obligations increased from €47,989 thousand as of September 30, 2015 by €8,881 thousand to €56,870 thousand as of June 30, 2016. The increase of €6.9 million was due to the lower discount rate used for the calculation of this provision (June 30, 2016: 1.56% versus Sept 30, 2015: 2.38%), €2.0 million were acquired within business combination. See also Note 2 above.

17 Other Liabilities

The following table sets out the breakdown of Group's other current and non-current liabilities:

Other liabilities T_031

IN € THOUSANDS	June 30, 2016 Current	Non-current	Total	Sept 30, 2015 Current	Non-current	Total
Advanced payments received	923	923	1,846	1,267	576	1,843
Vacation expenses	4,326	–	4,326	2,269	–	2,269
Other personnel-related expenses	5,725	–	5,725	5,515	–	5,515
Outstanding costs	9,814	–	9,814	1,891	–	1,891
Miscellaneous	183	–	183	157	–	157
Other liabilities	**20,971**	**923**	**21,894**	**11,099**	**576**	**11,675**

The liability for vacation expenses increased from €2,269 thousand as of September 30, 2015 to €4,326 thousand as of June 30, 2016 as many employees have not yet taken their main vacation. The increase of other liabilities for outstanding costs from €1,891 thousand as of September 30, 2016 to €9,814 thousand is mainly due to the incurred but not yet paid transaction costs of €7,801 thousand related to the acquisition of ACE, Hahn Gasfedern and Fabreeka / Tech Products, the refinancing and the capital increase.

Other current liabilities amounting to €0.8 million were acquired within business combination. See also Note 2 above.

18 Contingent Liabilities and Other Financial Commitments

Contingent liabilities

Contingent liabilities are uncertainties for which the outcome has not been determined. If the outcome is probable and estimable, the liability is shown in the statement of financial position.

In regards to the potential contingent obligation in the EPA Colmar case, please refer to Note 24 in the Annual Report 2015.

Guarantees

A detailed description of the guarantees the Group has issued can be found in the 2015 Annual Report.

Other financial commitments

The nominal values of the other financial commitments as of June 30, 2016 are as follows:

Other financial commitments

T_032

IN € THOUSANDS	June 30, 2016	Sept 30, 2015
Capital commitments for fixed and other intangible assets	10,346	11,449
Obligations under rental and leasing agreements	28,664	22,646
Total	**39,010**	**34,095**

Capital commitments for fixed and other intangible assets of €0.7 million and obligations under rental and leasing agreements of €2.4 million were acquired within business combination.

19 Financial Instruments

The following table shows the carrying amounts and fair values of the Group's financial instruments. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial instruments

T_033

		June 30, 2016		Sept 30, 2015	
IN € THOUSANDS	Measurement category acc. to IAS 39	Carrying amount	Fair value	Carrying amount	Fair value
Trade accounts receivables	LaR	92,055	92,055	62,848	62,848
Cash	LaR	61,452	61,452	39,473	39,473
Other financial assets	LaR	7,953	7,953	7,899	7,899
Total financial assets		**161,460**	**161,460**	**110,220**	**110,220**
Financial liabilities	FLAC	564,472	553,986	263,644	261,277
Trade accounts payable	FLAC	64,658	64,658	68,929	68,929
Finance lease liabilities	–	2,139	1,969	2,486	2,428
Total financial liabilities		**631,269**	**620,613**	**335,059**	**332,634**
Aggregated according to categories in IAS 39:					
Loans and receivables (LaR)		161,460	161,460	110,220	110,220
Financial liabilities measured at amortized cost (FLAC)		629,130	618,644	332,573	330,206

The following table provides an overview of the classification of financial instruments presented above in the fair value hierarchy, except for financial instruments with fair values corresponding to the carrying amounts (i.e. trade accounts receivable and payable, cash, other financial assets and finance lease liabilities).

Financial instruments T _ 034

IN € THOUSANDS	June 30, 2016				Sept 30, 2015			
	Total	Level 1[1]	Level 2[2]	Level 3[3]	Total	Level 1[1]	Level 2[2]	Level 3[3]
Financial liabilities								
Senior facilities	438,995	–	438,995	–	261,277	–	261,277	–
Equity bridge facility	114,991	–	114,991	–	–	–	–	–
Finance lease liabilities	1,969	–	–	1,969	2,428	–	–	2,428

[1] Fair value measurement based on quoted prices (unadjusted) in active markets for these or identical instruments.
[2] Fair value measurement based on inputs that are observable on active markets either directly (i.e. as prices) or indirectly (i.e. derived from prices).
[3] Fair value measurement based on inputs that are not observable market data.

The fair value is the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

The determination of the fair value of the senior facilities is based on the discounted cash flow model where the projected cash flows are discounted to the valuation date using independently sourced market data.

The valuation technique used for the determination of the obligations under finance leases is the discounted cash flow method. The valuation model considers the present value of the expected payments, discounted using a risk-adjusted discount rate depending on the maturity of the payment. The expected payments are determined by considering contractual redemption payments and interest payments with the currently agreed interest rate. Significant unobservable inputs are the risk-adjusted discount rates, which range from 7.5% to 10.1%, and the forecast interest payments. Therefore, the fair value would change if the risk-adjusted discount rate or the interest rate changed.

20 Risk Reporting

All aspects of the Group’s financial risk management objectives and policies are consistent with those disclosed in the Consolidated Financial Statements as of and for the fiscal year ended September 30, 2015.

21 Notes to the Consolidated Statement of Cash Flows

The statement of cash flows is prepared in compliance with IAS 7. The statement of cash flows of the Stabilus Group shows the development of the cash flows from operating, investing and financing activities. Inflows and outflows from operating activities are presented in accordance with the indirect method and those from investing and financing activities by the direct method.

The cash funds reported in the statement of cash flows comprise all liquid funds, cash balances and cash at banks reported in the statement of financial position.

Interest payments in the first nine months of fiscal 2016 amounting to €(4,401) thousand (9M FY2015: €(30,567) thousand) are taken into account in the cash outflows from financing activities. Income tax payments in the same period of €(9,088) thousand (9M FY2015: €(12,463) thousand) are allocated in full to the operating activities area, since allocation to individual business areas is impracticable.

22 Segment Reporting

The Stabilus Group is organized and managed primarily on a regional level. The three reportable operating segments of the Group are Europe, NAFTA and Asia / Pacific including RoW. The product portfolio is largely similar in these three regional segments.

The Group measures the performance of its operating segments through a measure of segment profit or loss (key performance indicator) which is referred to as "adjusted EBIT" and in the previous periods "adjusted EBITDA". Adjusted EBIT represents EBIT (i.e. earnings before interest and taxes), as adjusted by management primarily in relation to severance, consulting, restructuring and other non-recurring costs, expenses for one-time legal disputes, interest on pension changes as well as depreciation and amortization of Group's assets to fair value resulting from the April 2010 purchase price allocation (PPA).

Segment information for the nine months ended June 30, 2016 and 2015 is as follows:

The amounts presented in the column "Other / Consolidation" above include the elimination of transactions between the segments and certain other corporate items which are related to the Stabilus Group as a whole and are not allocated to the segments, e.g. depreciation from purchase price allocations.

The following table sets out the reconciliation of the total segments' profit (adjusted EBIT) to profit before income tax.

The adjustments to EBIT primarily include the depreciation and amortization of Group's assets to fair

Segment reporting

T _ 035

	Europe		NAFTA		Asia / Pacific and RoW	
	Nine months ended June 30,		Nine months ended June 30,		Nine months ended June 30,	
IN € THOUSANDS	2016	2015	2016	2015	2016	2015
External revenue[1]	266,300	231,069	204,212	166,715	60,453	55,207
Intersegment revenue[1]	20,183	21,461	4,041	3,205	648	311
Total revenue[1]	286,483	252,530	208,253	169,920	61,101	55,518
EBITDA	50,185	42,541	28,157	21,988	11,372	10,665
Depreciation and amortization (incl. impairment losses)	(16,735)	(15,394)	(4,936)	(4,996)	(2,951)	(2,332)
EBIT	33,450	27,148	23,222	16,992	8,421	8,333
Adjusted EBITDA	54,800	46,378	28,157	22,388	11,372	10,665
Adjusted EBIT	38,065	30,985	23,222	17,392	8,421	8,333

	Total segments		Other / Consolidation		Stabilus Group	
	Nine months ended June 30,		Nine months ended June 30,		Nine months ended June 30,	
IN € THOUSANDS	2016	2015	2016	2015	2016	2015
External revenue[1]	530,965	452,991	–	–	530,965	452,990
Intersegment revenue[1]	24,872	24,977	(24,872)	(24,977)	–	–
Total revenue[1]	555,837	477,968	(24,872)	(24,977)	530,965	452,990
EBITDA	89,715	75,194	–	–	89,715	75,194
Depreciation and amortization (incl. impairment losses)	(24,622)	(22,722)	(9,509)	(9,364)	(34,131)	(32,086)
EBIT	65,093	52,473	(9,509)	(9,364)	55,585	43,109
Adjusted EBITDA	94,330	79,431	–	–	94,330	79,432
Adjusted EBIT	69,708	56,710	–	145	69,708	56,855

[1] Revenue breakdown by location of Stabilus company (i.e. "billed-from view").

value resulting from the April 2010 purchase price allocation (PPA) and pension interest add-back. In the nine months ended June 30, 2016, the adjustments to EBIT include €3.7 million acquisition-related expenses.

23 Related Party Relationships

Reconciliation of the total segments' profit to profit / (loss) before income tax T _ 036

IN € THOUSANDS	Nine months ended June 30, 2016	2015
Total segments' profit (adjusted EBIT)	**69,708**	**56,710**
Other / consolidation	–	145
Group adjusted EBIT	**69,708**	**56,855**
Adjustments to EBIT	(14,123)	(13,746)
Profit from operating activities (EBIT)	**55,585**	**43,109**
Finance income	7,215	16,802
Finance costs	(9,510)	(39,904)
Profit / (loss) before income tax	**53,290**	**20,007**

In accordance with IAS 24, persons or entities that control or are controlled by the Stabilus Group shall be disclosed, unless they are included in the scope of consolidation as a consolidated entity.

The disclosure obligation under IAS 24 furthermore extends to transactions with persons who exercise a significant influence on the financial and business policies of the Stabilus Group, including close family members or interposed entrepreneurs. A significant influence on the financial and business policies of the Stabilus Group can hereby be based on a shareholding in Stabilus of 20% or more, a seat on the Stabilus Management Board or another key position.

Related parties of the Stabilus Group in accordance with IAS 24 primarily comprise the Stabilus Group management which holds an investment in the Company.

24 Subsequent Events

On July 5, 2016, the Management Board of Stabilus S.A., with the approval of the Supervisory Board, resolved to utilize some of its existing authorized capital and to increase the share capital from €207,232.56 by €39,767.44 to €247,000.00 via issuance of 3,976,744 new bearer shares which will bear full dividend rights for the fiscal year 2016. Following the issuance of new shares, the total number of shares amounts to 24.7 million shares and the authorized capital to 27,523,256 shares. On July 6, 2016, the capital increase was successfully completed: Stabilus issued 3,976,744 new bearer shares and placed these shares with institutional investors. On July 7, 2018, the new shares were admitted for trading and included in the current listing in the Prime Standard segment of the Frankfurt Stock Exchange.

The proceeds totaled €159.1 million (before transaction costs of €6.3 million) and were used to fully redeem the €115 million equity bridge facility which has been drawn on June 29, 2016, to finance the acquisition of SKF Group entities ACE, Hahn Gasfedern and Fabreeka / Tech Products.

As of August 11, 2016, there were no further events or developments that could have materially affected the measurement and presentation of Group's assets and liabilities as of June 30, 2016.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the corporation, and the interim management report of the corporation includes a fair review of the development and performance of the business and the position of the corporation, together with a description of the principal opportunities and risks associated with the expected development of the corporation for the remaining months of the fiscal year.

Luxembourg, August 11, 2016

Dietmar Siemssen Mark Wilhelms Andreas Schröder Andreas Sievers
Management Board

ADDITIONAL INFORMATION

FINANCIAL CALENDAR

Financial calendar

T _ 037

DATE [1][2]	PUBLICATION / EVENT
August 12, 2016	Publication of the third-quarter results for fiscal year 2016 (Interim Report Q3 FY16)
November 28, 2016	Publication of preliminary financial results for fiscal year 2016
December 15, 2016	Publication of full-year results for fiscal year 2016 (Annual Report 2016)

[1] We cannot rule out changes of dates. We recommend checking them on our website in the Investor Relations / Financial Calendar section (www.ir.stabilus.com).
[2] Please note that our fiscal year (FY) comprises a twelve-month period from October 1 until September 30 of the following calendar year, e.g. the fiscal year 2016 comprises a year ended September 30, 2016.

DISCLAIMER

Forward-looking statements
This interim report contains forward-looking statements that relate to the current plans, objectives, forecasts and estimates of the management of Stabilus S.A. These statements take into account only information that was available up to and including the date that this interim report was prepared. The management of Stabilus S.A. makes no guarantee that these forward-looking statements will prove to be right. The future development of Stabilus S.A. and its subsidiaries and the results that are actually achieved are subject to a variety of risks and uncertainties which could cause actual events or results to differ significantly from those reflected in the forward-looking statements. Many of these factors are beyond the control of Stabilus S.A. and its subsidiaries and therefore cannot be precisely predicted. Such factors include, but are not limited to, changes in economic conditions and the competitive situation, changes in the law, interest rate or exchange rate fluctuations, legal disputes and investigations, and the availability of funds. These and other risks and uncertainties are set forth in the Group Management Report. However, other factors could also have an adverse effect on our business performance and results. Stabilus S.A. neither intends to nor assumes any separate obligation to update forward-looking statements or to change these to reflect events or developments that occur after the publication of this interim report.

Rounding
Certain numbers in this interim report have been rounded up or down. There may therefore be discrepancies between the actual totals of the individual amounts in the tables and the totals shown as well as between the numbers in the tables and the numbers given in the corresponding analyses in the text of the interim report. All percentage changes and key figures in the Group Management Report were calculated using the underlying data in millions of euros to one decimal place (€ millions).

INFORMATION RESOURCES

Further information including news, reports and publications can be found in the Investor Relations section of our website at www.ir.stabilus.com.

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