Wittur International Holding GmbH

as the Issuer of

€225,000,000 8.50% Senior Notes due 2023

Financial results of Wittur International Holding GmbH

for the three months ended March 31, 2018

Dated May 15, 2018

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SUMMARY OVERVIEW OF RESULTS

Consolidation level

The following report and supporting interim IFRS consolidated financial statements for the three months ended March 31, 2018, include Wittur International Holding GmbH and its subsidiaries (also referred to as “Witttur”, “the Group” or “Wittur Group”).

Results Summary

Wittur Group

Wittur Group recorded consolidated revenues of €186.4 million for the first three months of 2018, which represents an increase of 6.1% over the prior year period (3M 2017: €175.7 million).

Wittur’s European business contributed 56.8% or €105.8 million to Group revenue in the first three months of 2018 and continues a growth path by an increase of 11.3% over prior year’s figure of €95.0 million. Good performance is well distributed throughout Europe, where especially Austria, Slovakia and Italy, amongst others, generated strong growth.

Asian operations generated €63.2 million or 33.9% of revenue in the period under review, up 2.5% over previous year’s figure of €61.7 million with a strong revenue increase in Asia Pacific and a slight revenue increase in China. The Rest of World region showed a revenue decrease of 8.6% to €17.4 million in the first three months 2018 (3M 2017: €19.0 million) due to adverse foreign exchange effects.

Earnings before interest, taxes, depreciation and amortization before exceptional items (EBITDA Adjusted) of the Wittur Group increased by 14.7% to €23.6 million in the period under review (3M 2017: €20.6 million). This development was mainly influenced by the underlying revenue growth on the back of a strong recovery of Austria and Slovakia compared to prior year, and supported by overhead cost improvements as a result of the functional excellence program, which was initiated in the previous year. The EBITDA Adjusted margin was 12.7%.

One-off costs in the first three months of 2018 are €3.1 million below prior year in the period under review. This decrease is mainly due to significantly lower costs related to implementation issues with the new ERP installation in Austria and Slovakia.

Net cash flow before financing activities in the first three months of 2018 of Wittur Group was €-4.7 million. This development was due to the payment of the first customer penalty instalment related to ERP implementation issues in 2017 and a temporary positive working capital effect in 2017 turning back in the first three months of 2018.

Other Financial and Operating Data

Other Financial Data

	Period ended March 31,	
	2018	**2017**
	in € million	
	(unaudited unless otherwise stated)	
Profit and Loss		
Revenues	186.4	175.7
thereof Europe	105.8	95.0
thereof Asia	63.2	61.7
thereof Rest of World	17.4	19.0
EBITDA(1)	20.3	14.2
EBITDA Adjusted(1)	23.6	20.6
EBITDA Adjusted margin(2)	12.7%	11.7%
Gross profit(3)	44.3	41.6
Gross profit margin(3)	23.7%	23.7%
Cash Flow		
Net cash flow for capital expenditures(4)	2.8	3.6
Net cash flow before financing activities excl. acquisitions(5)	-4.7	-6.2
Cash Conversion(6)	88.2%	82.5%
Credit Data		
Net senior financial debt(7)	432.4	449.5
Net financial debt(8)	657.4	674.5
Cash interest expense *(Pro Forma)(9)*	42.8	46.4
LTM EBITDA Adjusted(10)	109.7	105.4
Ratio of net senior financial debt to LTM EBITDA Adjusted	3.94x	4.26x
Ratio of net financial debt to LTM EBITDA Adjusted	5.99x	6.40x
Ratio of LTM EBITDA Adjusted to cash interest expense (Pro Forma)	2.56x	2.27x

(1) We define EBITDA as the consolidated net result for the period adding back finance expense, finance income, income taxes and depreciation and amortization. We define EBITDA Adjusted as EBITDA as adjusted to reflect the extraordinary income and expenses described below. We believe that these EBITDA-based measures are useful to investors in evaluating our operating performance and our ability to incur and service our indebtedness. These EBITDA-based measures are not indicators of performance recognized under IFRS or German GAAP. These EBITDA-based measures are not necessarily comparable to the performance figures published by other companies. You should exercise caution in comparing these EBITDA-based measures as reported by us to EBITDA-based measures of other companies. For more information, see *"Presentation of Financial and Other Information—Non-GAAP Financial Measures"*. The following table is a reconciliation of net result for the period to EBITDA and EBITDA Adjusted, in each case as defined by us, for the periods presented.

(2) EBITDA Adjusted margin represents, in any period, EBITDA Adjusted for such period, divided by revenues for such period.

(3) Gross profit margin represents a quotient equal to (i) revenues for such period, minus costs of goods sold for such period excluding depreciation, divided by (ii) revenues for such period.

(4) Net cash flow for capital expenditures represent the cash out for the purchase of property, plant & equipment, capitalized development costs and other intangible assets for such period.

(5) Net cash flow before financing activities as presented in the cash flow statement included in this quarterly bond report, excluding effects from acquisitions.

(6) Cash conversion represents a quotient equal to (i) EBITDA Adjusted, minus net cash flow for capital expenditures, divided by (ii) EBITDA Adjusted.

(7) Net senior financial debt represents the gross financial debt of the Wittur Group that is senior indebtedness (including structurally senior indebtedness of subsidiaries that are not Guarantors), minus cash and cash equivalents.

Senior secured Term Loan B	464.0
Non-current liabilities to banks	0.3
Non-current finance lease liabilities	2.9
Revolving Credit Facility	0.0
Ancillary Credit Facility	0.0
Current liabilities to banks	21.6
Current finance lease liabilities	0.5
	489.3
Less cash and cash equivalents	-56.8
Net Senior Financial debt	432.4

(8) Net financial debt represents the gross financial debt of the Wittur Group minus cash and cash equivalents.

High Yield Bond	225.0
Senior secured Term Loan B	464.0
Non-current liabilities to banks	0.3
Non-current finance lease liabilities	2.9
Revolving Credit Facility	0.0
Ancillary Credit Facility	0.0
Current liabilities to banks	21.6
Current finance lease liabilities	0.5
	714.3
Less cash and cash equivalents	-56.8
Net Financial debt	657.4

(9) Pro forma cash interest expense represents the estimated interest expense on the net financial debt as of March 31, 2018, of the Wittur Group on a pro forma basis for the twelve months ended March 31, 2018.

(10) LTM EBITDA Adjusted is EBITDA Adjusted for the twelve months ended March 31, 2018 and 2017 respectively.

	Period ended March 31,	
	2018	2017
	in € million	
	(unaudited unless otherwise stated)	
Net result for the period for continuing operations	**-2.2**	**-0.5**
Finance expense	14.0	15.3
Finance income	-1.8	-11.6
Income taxes	0.4	0.2
Share of profit of equity-accounted investees	-0.2	-0.3
EBIT	**10.2**	**3.1**
Depreciation and amortization	10.2	11.1
EBITDA	**20.3**	**14.2**
ERP-related costs*(A)	1.0	3.4
Project costs*(B)	1.6	0.0
Reorganization costs*(C)	0.5	2.8
Transaction costs*(D)	0.2	0.0
Other costs*(E)	0.0	0.1
EBITDA Adjusted	**23.6**	**20.6**

* Due to reclassifications between the categories, amounts per category for the comparative period can differ from what was disclosed in the 2017 Quarterly Report.

(A) ERP-related costs are extraordinary costs incurred after the installation of the new ERP system in Austria and Slovakia in 2017. ERP-related costs in 2018 include costs for additional workforce to mitigate the customer impact after the new ERP installation in 2017 as well as additional temporary IT consulting fees.

(B) Project costs in 2018 are related to a strategic projects (focused on working capital and direct cost optimization).

(C) Reorganization costs in 2018 include mainly restructuring costs in Europe.

(D) Transaction costs in 2018 relate to due diligence costs for a potential acquisition.

(E) Other costs relate to other miscellaneous extraordinary expenses not included in the categories above.

Other Operating Data

	Period ended March 31,	
	2018	2017
	(unaudited unless otherwise stated)	
Number of doors sold (*units*), including door mechanisms	439,756	410,730
Number of employees (*heads*)(1)	4,512	4,297
Order intake (*in € million*)(2)	197.4	204.9

(1) Employee figures are headcount figures. Employee figures are based on the number of own permanent employees at period-end for all periods presented.

(2) Order intake is all purchase orders legally concluded during the period under review.

Subsequent Events

For any material subsequent events please refer to *Note 10 “Events after the balance sheet date*” in the Notes to our interim consolidated financial statements contained elsewhere herein.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of financial condition and results of operations of the first quarter 2018 are based on the unaudited condensed consolidated financial statements as of March 31, 2018, which are contained elsewhere in this report, as well as on the accounting records and internal management accounts of Wittur Group. The unaudited condensed consolidated financial statements as of March 31, 2018, were prepared in accordance with IFRS.

Some of the statements contained below relate to future revenues, costs, capital expenditures, acquisitions and financial condition and include forward-looking statements. Because such statements involve inherent uncertainties, actual results may differ materially from the results expressed in or implied by such forward-looking statements. A discussion of such uncertainties can be found in "Forward-Looking Statements". In addition, investing in the Notes involves risks. Such risks are discussed in "Risk Factors". See also "Presentation of Financial and Other Information".

Our geographic regions

We divide our operations into the three regions Europe, Asia and Rest of World. These regions describe the geographic region in which we manufacture our products, but do not necessarily correspond to their end-market.

Explanation of Key Line Item

For a description of the key line items in our IFRS financial statements, please refer to Wittur Group 2017 Annual Bond Report.

Results of Operations

The following table provides an overview of our results of operations for the three months ended March 31, 2018 and 2017.

	Period ended March 31,		
	2018	**2017**	**Change in %**
	in € million		
	unaudited	*unaudited*	
Revenues	**186.4**	**175.7**	**6.1%**
Cost of sales(1)	**-144.3**	**-136.6**	**5.6%**
Gross profit	**42.0**	**39.1**	**7.6%**
Selling expenses(1)	-13.4	-14.5	-7.8%
Research & development expenses(1)	-1.8	-2.5	-25.8%
Administrative expenses(1)	-17.1	-20.1	-15.3%
Other income	3.1	3.0	5.1%
Other expenses	-2.7	-1.8	48.5%
Earnings before interest and taxes (EBIT)	**10.2**	**3.1**	**229.6%**
Finance expense	-14.0	-15.3	-8.7%
Finance income	1.8	11.6	-84.3%
Share of profit at-equity investees	0.2	0.3	-43.0%
Earnings before income taxes (EBT)	**-1.8**	**-0.3**	**455.5%**
Income taxes	-0.4	-0.2	124.0%
Net result for the period	**-2.2**	**-0.5**	**331.7%**

(1) Numbers for 2017 adjusted; please refer to Section 2 'Accounting Policies' in the Notes to the consolidated financial statements contained elsewhere herein..

Revenues

Revenues increased by €10.7 million or 6.1% from €175.7 million in the three months ended March 31, 2017, to €186.4 million in the three months ended March 31, 2018. This increase was mainly driven by increasing sales to our MNC customers in Europe, whereas Independent customer sales showed a slight decrease compared to prior year.

Revenues by regions

	Period ended March 31,			
	2018		**2017**	
	in € million	*% of revenue*	*in € million*	*% of revenue*
Europe	105.8	56.8	95.0	54.1
Asia	63.2	33.9	61.7	35.1
Rest of the World	17.4	9.3	19.0	10.8
Revenue	**186.4**	**100.0**	**175.7**	**100.0**

Europe

Our European business contributed 56.8% or €105.8 million to Group revenue in the first three months of 2018, up 11.3% over prior year's figure of €95.0 million. Main driver was the strong recovery of Austria and Slovakia after the ERP installation issues in 2017. Besides, complete systems sales in Germany show signs of recovery after the relocation in 2017.

In the first three months of 2018, we could successfully grow the business with our MNC customers. In Europe we generated 68.6% (2017: 64.1%) of our revenue through sales to our MNC customers and the remainder through sales to Independents. Across Europe, revenue especially from doors (here again, especially with the Augusta EVO door), as well as slings and safeties is contributing to this good performance in this region. Organic growth in Europe excluding effects from acquisition and foreign currency is 11.6%.

Asia

Asian operations generated €63.2 million or 33.9% of revenue in the first three months of 2018, recording 2.5% growth over the previous year's figure of €61.7 million. Sales in China increased slightly, whereas Australia showed a strong increase in sales compared to previous year.

In our Asia region, we generated 88.8% (2017: 90.1%) of our revenue through sales to our MNC customers in the period under review and the remainder through sales to Independents. Organic growth in Asia excluding effects from acquisition and foreign currency is 10.0%.

Rest of World

The Rest of World region showed a revenue decrease of 8.6% to €17.4 million in the first three months of 2018 (2017: €19.0 million) due to adverse foreign exchange effects, especially of the Turkish Lira. Revenues in South America were also negatively impacted by adverse foreign exchange developments of the Argentinian Peso and Brazilian Real.

The majority of our revenue in the Rest of World region is generated through sales to Independents. Organic growth in Rest of World excluding effects from acquisition and foreign currency is 11.7%.

Cost of Sales

Cost of sales increased by €7.7 million (+5.6%) to €144.3 million in the three months ended March 31, 2018, from €136.6 million in the three months ended March 31, 2017. The increase is mainly based on higher sales as well as efficiency improvements in our European plants, which were partially offset by increased raw material costs due to higher steel prices compared to prior year.

Gross Profit (after depreciation & amortization)

Gross profit increased by €3.0 million (+7.6%) to €42.0 million for the three months ended March 31, 2018, from €39.1 million for the three months ended March 31, 2017. Gross profit margin increased from 22.2% to 22.6%.

Selling Expenses

Selling expenses decreased by €1.1 million (-7.8%) to €13.4 million in the three months ended March 31, 2018, from €14.5 million in the first three months of 2017. This decrease is mainly a result of lower amortization of intangibles compared to prior year.

Research & Development Expenses

Research and development (R&D) expenses decreased by €0.6 million (-25.8%) to €1.8 million in the first three months of 2018, from €2.5 million in the three months ended September 31, 2017. The decrease is mainly based on higher capitalization of development costs compared to prior year as well as decreased personnel costs due to shifts of R&D personnel from Europe into lower-cost regions such as Eurasia. R&D expenses before capitalization of development costs amount to 1.2% (2016: 1.5%) of our revenues.

Administrative Expenses

Administrative expenses decreased by €3.1 million (-15.3%) to €17.1 million in three months ended March 31, 2018, compared to €20.1 million in the same period in 2017. This decrease is mainly driven by significantly lower extraordinary and one-off costs as well as overhead cost improvements as a result of the functional excellence program, which was initiated in the previous year.

Other Income

Other income slightly increased to €3.1 million (+5.1%) in the three months ended March 31, 2018, compared to €3.0 million in the first three months of 2017 mainly due to higher income from waste disposal.

Other Expenses

Other expenses increased by €0.9 million (+48.5%) to €2.7 million in the first three months of 2018 compared to the same period of 2017. Main impact is an increase in foreign exchange losses due to adverse fluctuations of the Indian Rupee and Chinese Yuan Renminbi against the Euro.

EBIT

EBIT increased by €7.1 million (+229.6%) to €10.2 million in the three months ended March 31, 2018, which is a result of the factors described above.

Finance Expense

Finance expenses decreased by €1.3 million (-8.7%) to €14.0 million in the three months ended March 31, 2018, from €15.3 million in the three months ended March 31, 2017. This development is mainly driven by decreased interest costs for the Term Loan B after two successful repricings in 2017.

Finance Income

Finance income decreased by €9.7 million to €1.8 million in the three months ended March 31, 2018, from €11.6 million in the three months ended March 31, 2017. The decrease is mainly a result of the fair value measurement of the embedded derivative for the High Yield Bond, which resulted in a gain of €8.2 million in the first quarter of 2017, whereas there was no impact in the first quarter of 2018 since the valuation is updated on a half-yearly basis in 2018.

Share of profit (at-equity investees)

Our share of profit of the two associated companies New Lift Steuerungsbau GmbH, Germany, and Computec S.r.l., Italy, decreased by €0.1 million to €0.2 million (-43.0%) for the three months ended March 31, 2018, from €0.3 million for the three months ended March 31, 2017.

Income Taxes

Income tax expenses increased by €0.2 million to €0.4 million (+124.0%) in the three months ended March 31, 2018, from €0.2 million in the three months ended March 31, 2017. The income taxes represent the application of a forecasted group tax rate to the recorded result of the Group in accordance with IAS 34.

Net Result for the Period

Net result for the period decreased by €1.7 million to €2.2 million net loss for the three months ended March 31, 2018, compared to €0.5 million net loss for the three months ended March 31, 2017. This decrease is a result of the factors described above.

Working Capital

We define working capital as the sum of inventories, trade receivables and other current assets, less trade payables and other current liabilities. The following table provides an overview of our working capital as of March 31, 2018, compared to December 31, 2017:

	As of March 31,	**As of December 31,**
	2018	**2017**
	in € million	
	unaudited	*unaudited*
Inventories	70.1	71.1
Trade receivables	122.0	110.5
Trade payables	-124.4	-125.8
Other working capital items	-33.4	-34.5
Working capital	**34.3**	**21.4**

Our effective management of working capital levels, particularly through sharing best practices among different jurisdictions, and the large proportion of our revenues derived from globally operating MNCs, has allowed the Group to maintain working capital requirements below 10% of LTM revenues.

The increase in trade receivables is due to a temporary positive working capital effect in 2017 turning back in the first three months of 2018.

Cash Flow

The following table sets forth consolidated cash flow data for the three months ended March 31, 2018 and 2017.

	Period ended March 31,	
	2018	2017
	in € million	
	unaudited	*unaudited*
Operating Activities		
EBITDA	**20.3**	**14.2**
Change in working capital	-11.7	-14.1
Change in provisions and other liabilities	-5.9	-0.7
Change in other assets	-0.7	-0.1
Income taxes paid	-4.0	-2.7
Interest received	0.2	0.1
Other non-cash items	0.0	0.0
Cash Flow from Operating Activities	**-1.8**	**-3.2**
Investing Activities		
Dividends received from associated companies	0.0	0.3
Purchase of property, plant and equipment	-1.7	-3.1
Purchase of software	-0.2	-0.2
Purchase of other intangible assets	-0.8	-0.4
Disposal of assets	0.0	0.2
Other investing cash flow	-0.1	0.0
Cash Flow from Investing Activities	**-2.9**	**-3.1**
Cash Flow before Debt Service	**-4.7**	**-6.2**
Financing Activities		
Interest paid	-16.7	-17.7
Transaction fees, rating & other financing costs	-0.7	-0.7
Proceeds/(Repayment) of Paternoster Term Loan B	0.0	39.0
Proceeds/(Repayment) of other Senior Facilities	0.0	-28.7
Proceeds/(Repayment) of other borrowings	-0.1	2.2
Sale/(Purchase) of other investments	0.7	0.1
Cash Flow from Financing Activities	**-16.7**	**-5.8**
Change in cash and cash equivalents	**-21.4**	**-12.0**
FX differences	0.0	-0.6
Cash and cash equivalents at beginning of period	78.2	37.4
Cash and cash equivalents at end of period	56.8	24.8

Capital Expenditures

To support our business strategy and development plans and to further expand our business operations in new markets, we regularly incur capital expenditures. In the three months ended March 31, 2018, we incurred capital expenditures of €2.8 million, or 1.5% of revenue, compared to €3.6 million, or 2.0% of revenue in the three months ended March 31, 2017.

In the first three months 2018, the major portion of expansion capital expenditures was invested in Europe, followed by expansion investments in our operations in Asia.

Major projects in the first three months of 2018 include upgrades of an assembly line and fire fighting installations in one of our Italian plants, investments in a new ERP and a powder painting line in India, and a painting line upgrade in Hungary. Furthermore, investments related to the new Core door process implementation were made in our plant in Turkey.

Contractual Obligations and Contingent Liabilities

The following contractual obligations and principal payments identify what we are obliged to pay as at March 31, 2018, after giving effect to the Transactions. Also see “*Financial Risk Management*” in the Notes to consolidated financial statements for the year ended December 31, 2017.

	Payments due by period (unaudited)			
in € million	**Total**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**
High Yield Bond	320.6	19.1	301.5	0.0
Term Loan B	561.9	27.3	534.6	0.0
Trade and other payables	172.0	172.0	0.0	0.0
Other financial liabilities	26.4	12.3	12.5	1.6
Sub-Total	**1.081.0**	**230.8**	**848.6**	**1.6**
Derivative financial instruments	0.0	0.0	0.0	0.0
Total	**1.081.0**	**230.8**	**848.6**	**1.6**

Pension Obligations

We offer various types of retirement benefits to certain of our employees worldwide, either directly or by contributing to independently administered funds. In particular, we have defined benefit pension plans in Austria, Italy, Turkey and Germany. As of March 31, 2018, we had defined benefit obligations including jubilee obligations in an amount of €12.3 million.

Payments required to be made under these pension plans were historically funded from operating cash flow, and we anticipate continuing doing so going forward.

Qualitative Disclosure on Market Risk

We are exposed to a number of financial risks arising in the ordinary course of business, such as credit risks, foreign exchange risks and interest rate risks. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk consists of the following types of risk: foreign currency exchange rate risk and interest rate risk. Financial instruments exposed to market risk include interest-bearing loans and derivative financial instruments. See “*Financial risk management*” in the Notes to our consolidated financial statements for the year ended December 31, 2017.

Accounting Policies

Depreciation and amortization expenses were reclassified to the different functional areas, whereas in the prior year, these expenses were reported under administrative expenses.

This change in accounting was made to enhance the reliability of information contained in these financial statements.

Additionally, the new standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers were applied starting from 1 January 2018. As a result of the application of IFRS 15, deferred income related to customer contracts is now reported under contract liabilities. Furthermore, the categorization of financial instruments has changed as a result of the introduction of IFRS 9. For further details, please refer to Note 9 "Additional disclosures on financial instruments" in the consolidated financial statements contained elsewhere herein.

For changes in accounting policies, also refer to the Note 2 "Accounting Policies" in the consolidated financial statements contained elsewhere herein.

FORWARD-LOOKING STATEMENTS

This interim financial report contains certain forward looking statements, such as statements about expectations, beliefs, plans, objectives, intentions, assumptions and other statements which are not statements of historical fact.

Forward-looking statements are subject to known and unknown risks and uncertainties and are based upon potentially inaccurate assumptions that could cause results to differ materially from those expected or implied by the forward-looking statements.

The statements outlined in "*Forward-Looking Statements"* in the 2017 Annual Bond Report continue to apply to any forward-looking statements contained in this financial report.

CURRENCY PRESENTATION AND DEFINITIONS

In this Financial Report for the three months ended March 31, 2018, all references to "Euro", "EUR" or "€" are to the single currency of the participating member states of the Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time and all references to "U.S. dollars", "US$" and "$" are to the lawful currency of the United States of America.

Definitions

All definitions outlined "*Currency Presentation and Definitions*" in the 2017 Annual Bond Report continue to apply in this Financial Report for the three months ended March 31, 2018.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial information

Unless otherwise indicated, the financial information as at and for the periods ended March, 2018 and 2017 presented in this Financial Report for the three months ended March 31, 2018, has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). In this Financial Report for the three months ended March 31, 2018, the terms "financial statements" and "financial information" refer to the financial statements and the financial information of Wittur Group and its subsidiaries. This Financial Report as at March 31, 2018, contains unaudited IFRS condensed consolidated financial statements of Wittur Group as at and for the three months ended March 31, 2018 and 2017 ("Unaudited IFRS condensed consolidated interim financial statements"), prepared in accordance with IFRS.

Financial information presented in this Financial Report for the three months ended March 31, 2018, refers to Wittur Group and its subsidiaries; accordingly, all references to “we”, “us”, “our” or the “Group” in respect of historical financial information in this Financial Report for the three months ended March 31, 2018, are related to Wittur Group and its subsidiaries on a consolidated basis including Sematic entities.

Non-GAAP financial measures

This Financial Report for the three months ended March 31, 2018, contains non-GAAP financial measures and ratios (the “**non-GAAP measures**”), including EBITDA, EBITDA Adjusted, Cash Conversion, Gross profit, Working capital and leverage and interest coverage ratios that are not required by, or presented in accordance with, IFRS or other generally accepted accounting principles.

For definitions of these terms and further disclosure on non-GAAP financial measures see “*Presentation of financial and other information*” in our Annual Bond Report 2017. If not stated otherwise explicitly, there are no changes to definitions of non-GAAP financial measures in this Financial Report for the three months ended March 31, 2018, from the 2017 Annual Bond Report.

Non-Financial Operating Data

Certain key performance indicators and other non-financial operating data included in this Financial Report for the three months ended March 31, 2018, including (i) number of doors sold (units), including mechanisms, (ii) number of employees (heads) and (iii) order intake at the end of the period, are derived from management estimates, are not part of our financial statements or financial accounting records, and have not been audited or otherwise reviewed by outside auditors, consultants or experts. Our use or computation of these terms may not be comparable to the use or computation of similarly titled measures reported by other companies. Any or all of these terms should not be considered in isolation or as an alternative measure of performance under IFRS.

Rounding

Numerical figures set out in this Financial Report were calculated using precise figures and rounded to million Euros. Percentages and amounts reflecting changes over time periods relating to financial and other information are calculated using precise numerical data in the Group’s consolidated financial statements or the tabular presentation of other information contained in this Financial Report, as applicable, and not using the numerical data in the narrative description thereof. Due to this, rounding differences may occur and numbers presented throughout this document may not add up precisely.

PRESENTATION OF INDUSTRY AND MARKET DATA

For further information regarding industry and market data see “*Presentation of Industry and Market Data”* in our 2017 Annual Bond Report.

RISK FACTORS

The risks and uncertainties we describe in our 2017 Annual Bond Report are not the only ones we face. Additional risks and uncertainties of which we are not aware or that we currently believe are immaterial may also adversely affect our business, financial condition and results of operations and our ability to fulfill our obligations under the Notes and Guarantees. If any of the possible events described in our 2017 Annual Bond Report were to occur, our business, financial condition and results of operations could be materially and adversely affected. If that happens, the trading prices of the Notes could decline, we may not be able to pay interest or principal on the Notes when due and you could lose all or part of your investment.

Due to our worldwide business operations, we are exposed to numerous potential risks. In order to achieve targets and maximize value, management’s role is to continually identify these risks and minimize potential exposure to these risks.

Wittur Group management continuously reviews both internal and external risks in all business areas and subsidiaries, evaluates them with respect to exposure and probability of occurrence and ensures, where appropriate, that amounts are reflected in the financial statements to cover such exposure.

A detailed risk report describing the most relevant risks is included in our 2017 Annual Bond Report (see "*Risk Factors*").

Interim condensed consolidated financial statements of

Wittur International Holding GmbH
Sulzemoos, Germany

for the three months ended March 31, 2018

FINANCIAL STATEMENTS

Consolidated statement of comprehensive income

For the three months ended March 31, 2018:

KEUR	Note	Jan. 1 – Mar- 31, 2018	Jan. 1 – Mar. 31, 2017
Revenues	(7)	186,360	175,694
Cost of sales 1)		-144,317	-136,622
Gross profit		**42,043**	**39,072**
Selling expenses 1)		-13,380	-14,510
Research & development expenses 1)		-1,849	-2,494
Administrative expenses 1)		-17,056	-20,134
Other income		3,133	2,980
Other expenses		-2,709	-1,824
Earnings before interest and taxes (EBIT)		**10,182**	**3,089**
Finance expense		-13,959	-15,289
Finance income	(8.1)	1,811	11,554
Share of profit of equity accounted investees		185	325
Earnings before income taxes (EBT)		**-1,782**	**-321**
Income taxes		-429	-191
NET RESULT FOR THE PERIOD		**-2,211**	**-512**

Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	-1,695	108
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Actuarial gains and losses	-	-
Income tax relating to the components of OCI	-	-
Other comprehensive income, net of tax	-1,695	108
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-3,905**	**-404**

1) Prior year numbers adjusted. Please refer to Note 2 ‘Accounting Policies’.

Consolidated balance sheet

ASSETS			
KEUR	**Note**	**March 31, 2018**	**Dec. 31, 2017**
Goodwill		147,256	147,256
Other intangible assets		437,873	445,809
Property, plant and equipment		113,941	115,636
Investment properties		2,894	2,956
Other non-current financial assets	(8.1)	19,320	19,908
Equity-accounted investees		13,180	12,995
Other non-current assets		293	315
Deferred tax assets		3,575	3,795
Non-current assets		**738,332**	**748,670**
Inventories		70,063	71,124
Trade receivables		122,030	110,495
Other current financial assets		1,695	0
Other current assets		14,258	12,881
Income tax receivables		3,140	3,103
Cash and cash equivalents		56,823	78,240
Assets held for sale		2,004	2,004
Current assets		**270,013**	**277,846**
Total assets		**1,008,345**	**1,026,517**

EQUITY AND LIABILITIES			
KEUR	**Note**	**March 31, 2018**	**Dec. 31, 2017**
Subscribed capital		25	25
Capital Reserve		222,565	222,565
Retained earnings		-232,590	-169,796
Net result for the period		-2,211	-62,794
Other components of equity		-26,256	-24,561
Total equity		**-38,467**	**-34,562**
Non-current interest-bearing loans and borrowings	(8.1)	681,456	680,899
Provisions for pensions and other long-term employee benefits		12,326	12,255
Other non-current provisions		14,124	19,907
Other non-current financial liabilities		3,020	3,046
Other non-current liabilities		5,340	340
Deferred tax liabilities		111,745	111,900
Non-current liabilities		**828,011**	**828,347**
Current interest-bearing loans and borrowings	(8.1)	21,635	22,257
Trade and other payables		172,031	167,375
Contract liabilities		6,850	5,716
Other current provisions		3,020	13,466
Other current financial liabilities		6,973	12,385
Income tax liabilities		8,291	11,533
Current liabilities		**218,801**	**232,731**
Total equity and liabilities		**1,008,345**	**1,026,517**

Consolidated statement of cash flows

KEUR	Jan. 1 – March 31, 2018	Jan. 1 – March 31, 2017
Operating activities		
Earnings before interest and taxes (EBIT)	**10,182**	**3,089**
Depreciation and amortisation	10,156	11,131
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**20,338**	**14,220**
Change in working capital	-11,698	-14,086
Change in provisions and other liabilities	-5,867	-660
Change in other assets	-718	-76
Income taxes paid	-3,996	-2,678
Interest received	177	103
Other non-cash items	-3	16
Net cash flow from operating activities	**-1,767**	**-3,161**
Investing activities		
Dividends received from associated companies	-	300
Purchase of property, plant and equipment	-1,742	-3,061
Purchase of software	-245	-160
Purchase of other intangible assets	-809	-378
Disposal of assets	20	228
Other investing cash flow	-136	0
Net cash flow used in investing activities	**-2,912**	**-3,071**
Net cash flow before financing activities	**-4,679**	**-6,232**
Financing activities		
Interest paid	-16,715	-17,664
Transaction fees, rating & other financing costs	-650	-668
Proceeds/(Repayment) of Paternoster Term Loan B	-	39,000
Proceeds/(Repayment) of other Senior Facilities	-	-28,734
Proceeds/(Repayment) of other borrowings	-95	2,158
Sale/(Purchase) of other investments	721	124
Net cash flow used in financing activities	**-16,738**	**-5,784**
Change in cash and cash equivalents	**-21,417**	**-12,016**
Effects currency translation	0	-585
Cash and cash equivalents at beginning of period	78,240	37,410
Cash and cash equivalents at the end of period	56,823	24,809

Consolidated statement of changes in equity

KEUR	Subscribed capital	Retained earnings	Capital reserve	Other reserves: Currency translation	Other reserves: Valuation of pensions	Total equity
	Attributable to owners of the parent					
Balance as of Jan. 1, 2017	**25**	**-169,798**	**222,565**	**-13,077**	**-477**	**39,238**
Net result for the period	-	-512	-	-	-	-512
Other comprehensive income	-	-	-	108	-	108
Total comprehensive income	**-**	**-512**	**-**	**108**		**-404**
Balance as of March. 31, 2017	**25**	**-170,310**	**222,565**	**-12,969**	**-477**	**38,834**
Balance as of Jan. 1, 2018	**25**	**-232,590**	**222,565**	**-24,070**	**-492**	**-34,562**
Net result for the period	-	-2,211	-	-	-	-2,211
Other comprehensive income	-	-	-	-1,695	-	-1,695
Total comprehensive income	**-**	**-2,211**	**-**	**-1,695**	**-**	**-3,905**
Balance as of March 31, 2018	**25**	**-234,801**	**222,565**	**-25,764**	**-492**	**-38,467**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

1.1 Reporting entity

Wittur International Holding GmbH (former Paternoster Holding III GmbH) (herein referred to as the "Company") is a limited liability company domiciled in Sulzemoos, Germany. The address of the Company's registered office is Rohrbachstraße 26-30, 85259 Sulzemoos, Germany. The consolidated interim financial statements of the Company as of and for the period ended March 31, 2018, comprise the Company and its subsidiaries (together referred to as "Wittur Group", "Wittur" or the "Group", and individually as "Group entities").

Wittur Group is a leading independent solution provider for components, modules and systems for the elevator industry. The Group is a development partner and supplier to the major international elevator companies, as well as small and medium-sized manufacturers. Its range of products mainly comprises the development and manufacture of doors, slings and frames, safety devices, cars, drives as well as complete elevator packages. Wittur does not install elevators and does not offer maintenance services for elevators.

1.2 Basis of preparation

The interim consolidated financial statements have been prepared in accordance and in conformity with IAS 34 "Interim financial reporting". These interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2017, which were prepared in accordance and conformity with all International Financial Reporting Standards (IFRS) as adopted by the European Union as of December 31, 2017.

The interim consolidated financial statements were approved and released for publication by the Executive Board of the Company on May 14, 2018.

These interim consolidated financial statements cover the three months period from January 1, 2018, to March 31, 2018. The comparison period is January 1, 2017 to March 31, 2017.

These interim consolidated financial statements have not been audited.

2 Accounting policies

Depreciation and amortization expenses were reclassified to the different functional areas, whereas in the prior year, these expenses were reported under administrative expenses.

This change in accounting was made to enhance the reliability of information contained in these financial statements.

The following table shows an overview of the reclassification by income statement item:

KEUR	March 31, 2018	March 31, 2017 adjusted	March 31, 2017 reported	Difference: Reclass depreciation & amortisation
Cost of sales	-144,317	-136,622	-134,129	-2,492
Selling expenses	-13,380	-14,510	-7,307	-7,203
Research & development expenses	-1,849	-2,494	-2,203	-291
Administrative expenses	-17,056	-20,134	-30,121	9,987

The new standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers were applied starting from 1 January 2018. As a result of the application of IFRS 15, deferred income related to customer contracts is now reported under contract liabilities. Furthermore, the categorization for financial instruments has changed as a result of the introduction of IFRS 9. For further details, please refer to Note 9 "Additional disclosures on financial instruments".

Besides this, Wittur Group has applied the same accounting principles in preparation of these interim financial statements as in the financial statements for the year ended December 31, 2017.

The consolidated financial statements are presented in Euro, which is the functional currency of the parent company. Unless otherwise noted, all amounts are rounded to the nearest thousands of Euro (KEUR). Totals in tables were calculated using precise figures and rounded to KEUR.

The exchange rates of certain significant currencies versus the Euro changed as follows:

1 EUR =

Currency	ISO Code	Rate at closing date		Average exchange rate	
		March 31, 2018	Dec. 31, 2017	Jan. 1 – March 31, 2018	Jan. 1 – Mar. 31, 2017
Argentine Pesos	ARS	24.91	22.28	24.17	16.69
Brazilian Real	BRL	4.09	3.97	3.99	3.35
Chinese Yuan Renminbi	CNY	7.75	7.80	7.81	7.33
British Pound	GBP	0.87	0.89	0.88	0.86
Hungarian Forint	HUF	312.13	310.33	311.07	309.07
Indian Rupee	INR	80.30	76.61	79.16	71.30
Swedish Korona	SEK	10.28	9.84	9.97	9.51
Turkish Lira	TRY	4.9	4.55	4.69	3.94
U.S. Dollar	USD	1.23	1.20	1.23	1.06

3 Estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In preparing these consolidated interim financial statements, the significant judgements made by management in applying the group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the business year ended December 31, 2017.

4 Changes in the composition of the Group

These consolidated interim financial statements include, besides Wittur International Holding GmbH as the parent company, 35 fully consolidated subsidiaries.

No changes in the composition of the Group have occurred in the first quarter of 2018.

5 Significant events and transactions

In the fourth quarter of 2017, a potential obligation towards one of the Group’s customers was recorded as provision to compensate the customer for additional costs caused by significant delays in deliveries. In March 2018, the Group finalized the negotiations with the customer and agreed on the settlement amount and the related payment schedule. The provision recorded in 2017 corresponds to the settlement.

6 Seasonality or cyclicality of interim operations

The financial results presented in these interim financial statements of the Group are not materially affected by seasonal or cyclical events.

7 Segment reporting

The Group produces and sells elevator components such as doors, slings and frames, safety devices, cars, drives as well as complete elevator packages. Wittur’s products are used in new installations and modernizations. They are integrated in elevator systems for people, cargo and in special applications such as cruise ships.

Due to Wittur’s business model and governance structure, the Group is considered as one operating segment.

In addition to segment information, other selected information is published on a voluntary basis.

Sales by geographical regions

KEUR	Jan. 1 – March 31, 2018	Jan. 1 – Mar. 31, 2017
Europe	105,790	95,031
Asia	63,215	61,679
Rest of World	17,354	18,984
Revenues	**186,360**	**175,694**

8 Consolidated balance sheet

8.1 Interest bearing loans and borrowings

Non-current interest bearing loans and borrowings

KEUR	March 31, 2018	Dec. 31, 2017
Term Loan B	452,039	451,507
High Yield Bond	229,149	229,318
Non-current bank loans	268	74
Non-current interest-bearing loans and borrowings	**681,456**	**680,899**

Current interest bearing loans and borrowings

KEUR	March 31, 2018	Dec. 31, 2017
Current bank loans	21,635	22,257
Revolving Credit Facility	-	-
Ancillary Credit Facility	-	-
Current interest-bearing loans and borrowings	**21,635**	**22,257**

The fair value of the bond repurchase option, which is recorded under non-current financial assets, amounts to KEUR 16,649.

9 Additional disclosures on financial instruments

Set out below is a comparison by class of the carrying amounts and fair value of the Group’s financial instruments. The disclosures have to be made in accordance with the characteristics of the financial instruments. At Wittur, the breakdown is provided by balance sheet items:

March 31, 2018:

KEUR	Category in accordance with IFRS 9	Amounts recognised in balance sheet according to IFRS 9				Disclosure of Fair value		
		Amortised cost	Fair value measurement Level 1	Fair value measurement Level 2	Fair value measurement Level 3	Fair value measurement Level 1	Fair value measurement Level 2	Fair value measurement Level 3
Financial assets								
Non-current assets								
Other non-current assets								
Other receivables	Amortised cost	89		-		-	89	
Other non-current financial assets								
Bond repurchase option	FVPL	-		16,649		-	-	
Investments	FVPL	-		2,437		-	-	
Loans	Amortised cost	173					173	
Other non-current financial assets	Amortised cost	62		-		-	62	
Financial liabilities								
Non-current liabilities								
Interest-bearing loans and borrowings	Amortised cost	681,456		-		-	697,216	
Other financial liabilities								
Other financial liabilities	Amortised cost	156		-		-	156	
Current liabilities								
Other financial liabilities								
Foreign currency derivatives	FVPL	-		-		-	-	

December 31, 2017:

KEUR	Category in accordance with IFRS 9	Amounts recognised in balance sheet according to IFRS 9				Disclosure of Fair value		
		Amortised cost	Fair value measurement Level 1	Fair value measurement Level 2	Fair value measurement Level 3	Fair value measurement Level 1	Fair value measurement Level 2	Fair value measurement Level 3
Financial assets								
Non-current assets								
Other non-current assets								
Other receivables	Amortised cost	96		-		-	96	
Other non-current financial assets								
Bond repurchase option	FVPL	-		16,649		-	-	
Investments	FVPL			3,158		-	-	
Other non-current financial assets	Amortised cost	101		-		-	101	
Financial liabilities								
Non-current liabilities								
Interest-bearing loans and borrowings	Amortised cost	680,899		-		-	688,353	
Other financial liabilities								
Other financial liabilities	Amortised cost	117		-		-	117	
Current liabilities								
Foreign currency derivatives	FVPL	-		11		-	-	

IFRS 9 divides all financial assets, which were previously in the scope of IAS 39 into two classifications - those measured at amortised cost and those measured at fair value.

Where assets are measured at fair value, gains and losses are either recognised entirely in profit or loss (fair value through profit or loss, FVPL), or recognised in other comprehensive income (fair value through other comprehensive income, FVOCI).

For financial instruments with current maturities including cash and cash equivalents, accounts receivable and payable as well as other receivables and payables, it is assumed that their carrying amounts approximate their fair values.

The fair values of non-current financial instruments are calculated as the present values of the estimated future cash flows using market interest rates for discounting.

The fair values of non-current financial liabilities with variable interest rates are estimated to be equal to their carrying amounts since the interest rates agreed and those available on the market do not significantly differ.

The fair value of interest rate caps is calculated using the applicable option pricing formulas. The fair value of forward foreign exchange contracts is determined using a net present value calculation based on quoted forward exchange rates at the balance sheet date.

The fair value of the Bond repurchase option is measured as follows:

- The benefit of exercising the repurchase option depends on the interest rate conditions Wittur Group would receive for an alternative financing. The refinancing rate is the market rate plus a specific risk premium. This is compared to the implied yield of the loan, which is determined by the floating interest rate element. As a result, it is then economical to exercise the option, when the rate of the alternative financing is below the implied yield of the loan at the exercise date. Thus, the fair value of the derivative depends also mainly on this factor and its expected volatility.
- To determine the economic benefit of exercising the option, the yield and the default rate are simulated using a Hull and White single-factor model (1990). The input parameters of the valuation model are the yield and credit spread volatilities, the yield curve and benchmark credit default swap (CDS) rates at the respective valuation dates.

The following overview provides the fair value measurement hierarchy of the Group's non-current assets and liabilities:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.
- Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means ("market-corroborated inputs").
- Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

In the period until March 31, 2018, there are no fair values derived according to the fair value hierarchy Level 1. The fair value of derivative instruments represents the Level 2. It is measured based on price information derived from active markets and commonly used valuation methods provided by issuing banks.

As of March 31, 2018, the fair values of the High Yield Bond and the Term Loan B were calculated. The nominal amount is KEUR 225,000 (2017: KEUR 225,000) for the High Yield Bond and KEUR 464,000 (2017: KEUR 464,000) for the Term Loan B. The fair value is measured based on observable market data. The fair value of the High Yield Bond amounts to KEUR 231,368 (2017: KEUR 235,267) and the fair value of the Term Loan B amounts to KEUR 465,552 (2017: KEUR 453,017).

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There have been no transfers between Level 1, Level 2 and Level 3 during 2018.

For each financial position which is not measured at fair value in the statement of financial position but for which a fair value is disclosed, the fair value is categorised within Level 2.

10 Events after the balance sheet date

No events occurred between March 31, 2018, and May 15, 2018, which would require adjustments to the amounts recognized in these consolidated financial statements or would need to be disclosed under this heading.

Sulzemoos, May 15, 2018

Antoine Doutriaux	Christoph Kaml
CEO	CFO