

# Group Interim Report as at 30 June 2020

1st half-year

## Group key performance indicators (IFRS)

€m	1.1. – 30.6.2020	1.1. – 30.6.2019 <sup>1</sup>	Change
Order intake	270.4	276.4	-2.2%
Revenue	239.3	233.2	2.6%
Total output	250.1	239.5	4.4%
EBITDA	17.5	16.9	3.5%
EBIT	9.6	9.4	2.2%
EBIT margin (in %)	4.0	4.0	n. a.
Group net profit	4.0	6.3	-35.9%
– thereof attributable to Schaltbau Holding AG	2.5	4.2	-39.8%
Cash flow from operating activities	3.8	-8.8	n. a.
Cash flow from investing activities	-6.8	-6.7	1.5%
Free cash flow	-3.0	-15.4	70.0%
€m	30.6.2020	31.12.2019	Change
Order book	517.1	488.9	5.8%
Total assets	408.6	401.2	1.8%
Fixed assets	148.9	150.8	-1.3%
Cash funds	15.6	25.2	-38.2%
Group equity	94.4	97.4	-3.0%
Equity ratio (in %)	23.1	24.3	n. a.
Net financial liabilities (including lease liabilities)	92.0	82.2	11.8%
Employees	2,915	2,863	1.8%
<b>Share</b>			
Closing Xetra price in EUR	25.40	34.00	-25.3%
Market capitalisation	225.0	301.0	-25.3%
Number of shares issued	8,852,190	8,852,190	0.0%

<sup>1</sup> On a like-for-like basis, unadjusted

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# To our shareholders

## Dear Shareholders

In the second quarter we continued to feel the economic impact of the COVID-19 pandemic. However, similar to the first quarter, the effects were felt to a varying extent from one segment to the next. In the Schaltbau segment, the shock global slump in demand manifested itself in significantly less favourable customer ordering behaviour. Within the Bode segment, the temporary closure of manufacturing facilities at major bus manufacturers had a negative impact on the Road line of business. In a contrasting trend, however, business operations in the Pintsch and SBRS segments continued to be comparatively brisk throughout the second quarter and order intake was characterised by sharp growth.

In the medium term, with the key growth drivers in the so-called New Markets remaining intact, we see good prospects for generating potential revenue of EUR 800 to 900 million for the Schaltbau Group, which will lead to a significantly improved EBIT margin of 8 to 12%. However, that is only possible if we tailor our production capacities, continue to rigorously optimise our financing structure and safeguard our path of organic growth with a stable Group structure built on successful operating subsidiaries. We have well understood how to effectively manage the short-term challenges of the COVID-19 pandemic in order to meet our obligations as well as our responsibilities to the greatest extent possible – not only to our customers, but also to our shareholders, employees and lenders.

By enlarging the existing Syndicated Credit Agreement by EUR 60 million and including the KfW Group as a further lender, we have put in place an important safeguard that gives us sufficient headroom to continue and expand our operations within the current environment.

As expected, the Schaltbau Group felt the negative impact of the COVID-19 crisis during the second quarter. With Group revenue of approximately EUR 239.3 million and a Group EBIT margin of 4.0%, we have achieved our target for the halfway stage and currently expect a moderate economic recovery in the second half of the fiscal year. In this context, we still see ourselves as being on the right track towards achieving our targets for the full year.



Kind regards

Dr Albrecht Köhler

# Interim management report

## Management and control

The Schaltbau Group is managed by the Executive Board of Schaltbau Holding AG, which comprised four members at 30 June 2020. During the period under report, the Supervisory Board appointed Dr Jürgen Brandes as an additional member of the Executive Board with effect from 1 April 2020. Dr Brandes is currently responsible for the Schaltbau segment and has been assigned to the post for a period of three years. On 1 January 2021, Dr Brandes will succeed Dr Köhler, whose period of office is due to end for age reasons, as CEO of Schaltbau Holding AG.

The Supervisory Board, which consisted of six members at 30 June 2020 in accordance with the Articles of Association, collaborates closely with the Executive Board. It monitors and advises the Executive Board on a regular basis on all key questions concerning Group management. No changes were made to the composition of the Supervisory Board during the six-month period under report.

The principal features of the compensation systems for members of the Executive Board and the Supervisory Board as well as their total compensation are described in the compensation report section of the combined Management Report for Schaltbau Holding AG and the Group.

The current Corporate Governance Statement can be viewed at: <https://ir.schaltbaugroup.com/websites/schaltbau/English/5200/corporate-governance-statement.html>. It includes the Declaration of Compliance in accordance with section 161 of the Stock Corporation Act (AktG) issued on 12 December 2019 and the Corporate Governance Report in accordance with section 3.10 of the German Corporate Governance Code.

## Internal management system

Schaltbau Holding AG has defined order intake (as an early warning indicator), revenue, and profit/loss before financial result and taxes (EBIT) as key financial performance indicators for the Group and its segments. As from fiscal year 2020, EBIT – without adjustment for exceptional items – is being used as a financial performance indicator. This is in line with the change in internal management and the fact that, following the completion of restructuring and associated measures in 2019, management of the Group as a whole will again be based on reported EBIT.

Also from fiscal year 2020, for financial reporting purposes and in accordance with IAS 8, the operating segments are now designated in line with the brand names of the subsidiaries in order to give them greater significance. The former "Stationary Transportation Technology" segment is now known as the "Pintsch" segment and the former "Components" segment has been renamed the "Schaltbau" segment. The former "Mobile Transportation Technology" segment is now divided

into the “Bode” and the “SBRs” segments, to take account of the growing strategic importance of SBRs GmbH for the Schaltbau Group. Against this background, the organisational structure described in the 2019 Annual Report has changed. Since the fiscal year 2020 the Schaltbau Group has comprised four segments. The SBRs segment comprises services in the field of complete and partial modernisation of trains as well as e-mobility solutions.

We will continue to implement the measures that have already been initiated, with the aim of focusing the Schaltbau Group on its strategic core competencies and boosting profitability throughout the fiscal year 2020, also taking account of the economic impact of the COVID-19 pandemic.

## Strategy

The Schaltbau Group’s strategy is aimed at leveraging its prospects of organic growth, based on existing market potential, and improving profitability on a sustained basis. With this goal in mind, apart from stabilising and additionally enhancing its financial position, the Group is keen to make customer contracts even more market-oriented and further improve its competitiveness in core markets by cutting costs, boosting efficiency and reducing complexity. The aim is to strengthen the Group’s resilience to cyclical market developments as well as to the disruptive economic shock resulting from the COVID-19 pandemic.

In the medium and long term, in addition to digitising rolling stock and rail infrastructure, other future-oriented markets are becoming increasingly relevant in the context of “new” mobility and energy. In the field of electric mobility, for example, the Schaltbau Group is increasingly cementing its position as a technology partner and safety expert on the basis of high-performance contactors and high-speed charging stations for electric vehicles.

## Group reporting entity

There were no material changes to the Group reporting entity of Schaltbau at 30 June 2020 compared to those at 31 December 2019, which are explained in the Notes. The Group reporting entity at 31 December 2019 is presented in the combined Management Report for Schaltbau Holding AG and the Group.

## General economic environment

Dominated by the COVID-19 pandemic, the economic environment deteriorated and the business outlook became increasingly bleak during the first half of the year. In fact, the ifo Business Climate Index fell to its lowest level ever measured in April.<sup>1</sup> According to the Deutsche Bundesbank, the main impact of the government’s measures to curb the spread of the infection is likely to be reflected in GDP figures for the second quarter almost everywhere worldwide – with the exception of China,

<sup>1</sup> [www.ifo.de/node/54705](http://www.ifo.de/node/54705)

where the economy is already recovering after the rollback of major restrictions.<sup>1</sup> However, the path to global economic recovery will depend largely on the speed at which the restrictions are loosened and the further course of the pandemic, making the overall situation highly uncertain.

At the same time, comprehensive national and European support measures are currently the subject of public debate. At the beginning of June 2020, for example, the German coalition committee set out in a "key issues" paper that efficient transport and mobility infrastructure is an essential requirement for a swift economic upturn and new growth in practically all commercial sectors.<sup>2</sup> In its forecast in mid-June 2020, the German Institute for Economic Research (DIW) predicted that economic output in Germany would plunge by more than 9% this year and recover only sluggishly from the third quarter 2020 onwards.<sup>3</sup>

## Business performance

In the first half of the year, business performance varied across the four segments and, as expected, was impacted by the COVID-19 pandemic. Although order intake (adjusted for Schaltbau Sepsa and Alte, which were both deconsolidated in the previous year) fell by EUR 6.0 million to EUR 270.4 million, the book-to-bill ratio recorded was nevertheless at a high level of 1.1 (January – June 2019: 1.2).

€m	Bode <sup>1</sup>		Schaltbau		Pintsch		SBRS <sup>1</sup>		Konzern	
	H1/2020	H1/2019 <sup>2</sup>	H1/2020	H1/2019 <sup>2</sup>	H1/2020	H1/2019 <sup>2</sup>	H1/2020	H1/2019	H1/2020	H1/2019 <sup>2</sup>
Order intake (with third parties)	135.3	148.1	72.1	88.5	42.2	30.8	20.9	9.1	270.4	276.4
Revenue (with third parties)	124.7	115.5	68.1	79.3	34.8	29.5	11.8	8.9	239.3	233.2
EBIT	0.2	-0.2	11.9	14.3	2.1	2.4	1.3	0.8	9.6	9.4
EBIT-Marge (in%)	0.2	-0.2	17.3	17.9	6.1	8.0	10.5	8.3	4.0	4.0

<sup>1</sup> As of fiscal year 2020, the Bode and SBRS segments are reported separately (previously: Mobile Transportation Technology segment)

<sup>2</sup> On a like-for-like basis (excluding Alte and the Sepsa Group, which were deconsolidated in H1 2019)

With a 16.0% decline in order intake to EUR 135.3 million, the Bode segment was mainly responsible for this development (January – June 2019: EUR 161.1 million). On a like-for-like basis, the decrease was 8.6% (January – June 2019: EUR 148.1 million), mainly attributable to the Bus and Automotive product groups in the wake of the COVID-19 pandemic due to lower order volumes from major bus and car manufacturers caused by temporary plant closures as well as negative market developments in the commercial vehicle and passenger bus sectors. However, order intake in the Rail line of business remained stable. Segment revenue was 9.2% down at EUR 124.7 million (January – June 2019: EUR 137.3 million). On a like-for-like basis, however, revenue went up by 8.0% (January – June 2019: EUR 115.5 million). It should be noted that in the previous year, provisions for outstanding guarantees of EUR 6.7 million were recorded as a reduction in sales. The increase is mainly reflecting strong growth in Rail business, which more than offset significant

<sup>1</sup> [www.bundesbank.de/resource/blob/832766/25cd9849e74f-102d4794382230a096a9/mL/2020-05-monatsbericht-data.pdf](http://www.bundesbank.de/resource/blob/832766/25cd9849e74f-102d4794382230a096a9/mL/2020-05-monatsbericht-data.pdf)

<sup>2</sup> [www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Schlaglichter/Konjunkturpaket/2020-06-03-eckpunkte-papier.pdf](http://www.bundesfinanzministerium.de/Content/DE/Standardartikel/Themen/Schlaglichter/Konjunkturpaket/2020-06-03-eckpunkte-papier.pdf)

<sup>3</sup> [www.diw.de/de/diw\\_01.c.791568.de/deutsche\\_wirtschaft\\_erholt\\_sich\\_nur\\_langsam\\_von\\_corona-schock\\_zeit\\_fuer\\_mehr\\_zukunftsinvestitionen\\_ist\\_jetzt.html](http://www.diw.de/de/diw_01.c.791568.de/deutsche_wirtschaft_erholt_sich_nur_langsam_von_corona-schock_zeit_fuer_mehr_zukunftsinvestitionen_ist_jetzt.html)

decreases in Automotive business. In the same period one year earlier, revenue had been severely impacted by production interruptions at the Schaltbau Group's Kassel plant due to flooding. Segment EBIT increased to EUR 0.2 million (January – June 2019: negative EUR 1.1 million; like-for-like: negative EUR 0.2 million), equivalent to an EBIT margin of 0.2% (January – June 2019: negative 0.8%; like-for-like: negative 0.2%). A significantly poorer product mix and lower productivity due to the adverse effects of COVID-19 had a significant impact on earnings development.

Order intake for the Schaltbau segment was also down by 18.5% to EUR 72.1 million (January – June 2019: EUR 88.5 million). The sharp year-on-year drop was primarily attributable to the far lower volume of orders placed by all customers operating in markets affected by lockdowns. In addition to lower business volumes with OEMs and rail market operators, industrial customers were also severely affected by the lockdowns as well as by restrictions on the travel necessary to install and commission their products. In the second quarter 2020, above all at Schaltbau GmbH, the lower volumes also made themselves felt through delayed call-ups of existing orders and therefore lower revenue. At EUR 68.1 million, segment revenue was 14.1% down for the six-month period (January – June 2019: EUR 79.3 million), in part also due to plant closures. In line with the decline in revenue, segment EBIT fell by EUR 2.4 million to EUR 11.9 million (January – June 2019: EUR 14.3 million), resulting in an adjusted EBIT margin of 17.3% (January – June 2019: 17.9%).

In the Pintsch segment, order intake rose sharply by 37.0% to EUR 42.2 million (January – June 2019: EUR 30.8 million), with growth coming mainly from the segment's level crossing, axle counting and signalling technology product groups. Segment revenue also rose at an above-average rate of 18.0% to EUR 34.8 million (January – June 2019: EUR 29.5 million), primarily due to the increased sale of level crossing and axle counting systems to customers in China. Segment EBIT slipped by EUR 0.3 million to EUR 2.1 million (January – June 2019: EUR 2.4 million). In the first half of the previous fiscal year, segment EBIT was positively impacted by the billing of completed railway stations relating to the Platform Screen Doors project in Brazil as well as for other completed projects and subsequent deliveries for level crossing systems. The EBIT margin for the first six months of 2020 therefore came in at 6.1% (January – June 2019: 8.0%).

With growth of 129.7% to EUR 20.9 million, order intake for the SBRS segment was by far the most dynamic (January – June 2019: EUR 9.1 million), largely driven by E-Mobility business. Segment revenue rose by 32.6% to EUR 11.8 million (January – June 2019: EUR 8.9 million) during the period under report and was also attributable to E-Mobility business. Segment EBIT went up by EUR 0.5 million to EUR 1.3 million (January – June 2019: EUR 0.8 million), giving an EBIT margin of 10.5% (January – June 2019: 8.3%).

## Group earnings performance

Reported Group revenue fell by 6.2% to EUR 239.3 million during the reporting period, largely due to the deconsolidation of Alte and the Sepsa Group in the first half of 2019 (January – June 2019: EUR 255.0 million; like-for-like: EUR 233.2 million). Total output also decreased accordingly to EUR 250.1 million (January – June 2019: EUR 260.9 million; like-for-like: EUR 239.5 million). With other

operating income significantly lower at EUR 6.9 million, partially in connection with the reversal of provisions (January – June 2019: EUR 12.3 million; like-for-like: EUR 10.8 million) and a 2.1% drop in the cost of materials to EUR 131.8 million (January – June 2019: EUR 134.7 million; like-for-like: EUR 123.7 million), gross profit fell by 9.6% to EUR 125.2 million (January – June 2019: EUR 138.5 million; like-for-like: EUR 126.5 million). Personnel expense for the six-month period decreased by EUR 4.1 million from EUR 89.6 million to EUR 85.5 million. Adjusted for Sepsa and Alte, which were both deconsolidated in 2019, personnel expense went up by 5.4% or EUR 4.4 million. Other operating expenses decreased by 33.2% to EUR 21.9 million (January – June 2019: EUR 32.7 million) due to some reduced costs in light of the COVID-19 pandemic and restructuring expenses recognised in the previous year. Taking into account the 3.5% rise in depreciation and amortisation to EUR 7.9 million (January – June 2019: EUR 7.6 million), profit before financial result and taxes (EBIT) amounted to EUR 9.6 million (January – June 2019: EUR 8.5 million). After deduction of the improved financial result of negative EUR 3.0 million (January – June 2019: negative EUR 3.6 million) and income taxes of EUR 3.0 million (January – June 2019: EUR 1.1 million), the Schaltbau Group generated a net profit for the period of EUR 4.0 million (January – June 2019: EUR 4.6 million). Of this amount, EUR 1.5 million was attributable to minority interests (January – June 2019: EUR 2.1 million) and EUR 2.5 million to the shareholders of Schaltbau Holding AG (January – June 2019: EUR 2.5 million). Diluted and undiluted earnings per share were unchanged at EUR 0.29.

## Net assets

Total assets rose by EUR 7.4 million to EUR 408.6 million (31 December 2019: EUR 401.2 million) during the six-month period under report. Non-current assets decreased slightly to EUR 161.2 million (31 December 2019: EUR 164.2 million), primarily due to reductions in intangible assets to EUR 48.7 million, financial assets to EUR 2.1 million (31 December 2019: EUR 3.6 million) and deferred tax assets to EUR 12.3 million (31 December 2019: EUR 13.4 million). At EUR 247.3 million, current assets were EUR 10.3 million higher than at the end of the previous year (31 December 2019: EUR 237.0 million). Whereas inventories increased to EUR 127.1 million (31 December 2019: EUR 109.7 million), trade accounts receivable remained practically unchanged at EUR 83.4 million (31 December 2019: EUR 83.6 million). Furthermore, cash and cash equivalents decreased to EUR 15.6 million (31 December 2019: EUR 25.2 million).

Group equity totalled EUR 94.4 million at the end of the reporting period (31 December 2019: EUR 97.4 million). Non-current liabilities rose slightly to EUR 148.0 million (31 December 2019: EUR 146.5 million), primarily due to the increase in financial liabilities to EUR 96.3 million (31 December 2019: EUR 92.7 million) as a consequence of higher cash requirements for operations. By contrast, pension provisions decreased to EUR 38.3 million (31 December 2019: EUR 39.0 million), other non-current provisions to EUR 1.3 million (31 December 2019: EUR 2.2 million) and non-current personnel provisions to EUR 4.9 million (31 December 2019: EUR 5.5 million). Current liabilities went up by EUR 8.8 million or 5.6% to EUR 166.1 million (31 December 2019: EUR 157.3 million). This development was primarily due to increases in trade accounts payable to EUR 58.7 million (31 December 2019: EUR 50.4 million) and in other contract liabilities to EUR 22.5 million, whereas

current financial liabilities decreased to EUR 11.2 million (31 December 2019: EUR 14.7 million) and current personnel provisions to EUR 10.7 million.

At 30 June 2020, external financing was based on a secured Syndicated Credit Agreement with a volume of EUR 172 million and two promissory notes placed in 2015 with a current total volume of EUR 10.5 million. The Syndicated Credit Agreement has a remaining term of two years and includes two extension options of one year in each case. The two promissory notes are due in 2022 and 2025 respectively. Moreover, the financing structure is supplemented by a receivables securitisation programme with a volume of up to EUR 29.0 million.

Under the terms of a supplementary agreement dated 9 March 2020, a former promissory note creditor transferred EUR 3.0 million to the Syndicated Credit Agreement.

As a result of the COVID-19 pandemic, the Syndicated Credit Agreement originally concluded in 2019 under the lead management of Commerzbank AG and UniCredit Bank AG was increased by EUR 60 million to EUR 172 million on 19 June 2020 by using the Special Credit Programme 855 ("Direct Participation for Syndicated Financing") provided by the KfW Group. The existing six financing partners were supplemented by the KfW Group as consortium bank.

Drawdowns thereon are reported as non-current liabilities.

## Financial position

Cash flows from operating activities totalled EUR 3.8 million in the reporting period (January – June 2019: negative EUR 8.8 million). While the profit before financial result and taxes of EUR 9.6 million (January – June 2019: EUR 8.5 million), the lesser increase in current assets amounting to EUR 21.1 million (January – June 2019: increase of EUR 37.3 million) and the greater increase in liabilities to EUR 16.1 million (January – June 2019: EUR 1.0 million) all had a positive impact compared to the previous year, the EUR 5.7 million decrease in provisions (January – June 2019: increase of EUR 14.4 million) had a negative impact.

Cash flows from investing activities decreased slightly to negative EUR 6.8 million (January – June 2019: negative EUR 6.7 million). Higher payments for investments in intangible assets and property, plant and equipment were offset by lower proceeds from the disposal of companies.

Free cash flow during the period ended 30 June 2020 was negative EUR 3.0 million (January – June 2019: negative EUR 15.4 million).

The negative change in total cash flows from financing activities from positive EUR 6.5 million to negative EUR 6.8 million was mainly attributable to the repayment of promissory notes on the one hand and proceeds from the utilisation of the overdraft facility under the terms of the Syndicated Credit Agreement on the other.

## Outlook

The COVID-19 pandemic that broke out in early 2020 is having a negative impact on the Schaltbau Group worldwide. The loss of qualified personnel, delays in the supply chain and economic downturns in certain regions and/or sectors had a negative effect on the Schaltbau Group's net assets, financial position and results of operations during the first half-year, the effects of which cannot yet be precisely quantified for the year as a whole. The outbreak of COVID-19 in January 2020 led to the closing of the Group's production plant in XIAN for several weeks up to the end of February. On 23 March 2020, the Group's Italy-based subsidiary SPII was compelled to completely shut down its production facility. On 4 April 2020, production in Italy was partially restarted due to the classification of SPII as system-relevant and production in China is meanwhile up and running again with capacity utilisation at around 80%

After bus manufacturers MAN, Iveco and Evobus temporarily closed their production plants, Gebr. Bode GmbH & Co. KG in Kassel shut down parts of its operations from 20 March 2020, which affected also the second quarter. In addition, the supply chain for Rail and Road via the Schaltbau Group's subsidiary RAWAG was and still is partially interrupted and continues to be disrupted due to the strict lockdown regulations in Poland.

Furthermore, we cannot rule out the possibility of further plant closures at German production sites due to short-term disruptions in the supply chain, falling demand, project postponements on the part of end customers or, in particular, the risk of a so-called second wave of infection caused by COVID-19.

In the Group management report 2019, the Executive Board explained in detail its outlook for the current fiscal year and the main assumptions on which it is based. Therefore, in view of the ongoing COVID-19 pandemic, the Executive Board continues to expect Group revenue of between EUR 460 million and EUR 500 million and a Group EBIT margin in the region of 4% for the fiscal year 2020 against the background of a changed segment and product mix..

It also expects order intake to be within the range of EUR 520 to EUR 540 million for the full year.

## Report on risks and opportunities

During the first six months of 2020 there were no significant changes compared with the risks and opportunities described in detail in the risk and opportunity report contained in the Group management report 2019, with the exception of the following comments on financial risks. The Group management report is a part of the Annual Report 2019 and available online at: [www.ir.schaltbaugroup.com](http://www.ir.schaltbaugroup.com).

Compared with the risks reported in the Group management report for the fiscal year 2019, there has been a change in the financial risks relating to compliance with covenants. Under the terms of the third supplementary agreement dated 19 June 2020, Schaltbau Holding AG increased its bor-

rowings via the Syndicated Credit Agreement to EUR 172.0 million in order to strengthen liquidity and took on the KfW Group as a further syndicate partner. Consequently, the Executive Board of Schaltbau Holding AG currently rates its financial risks as low.

The assertions made in the Group management report 2019 pertaining to the COVID-19 pandemic continue to apply. The associated risk is still regarded as a significant risk that could have a substantially adverse impact on the Schaltbau Group's net assets, financial position and results of operations. Due to the ongoing uncertainties, no concrete consequences with regard to the extent and duration of the current risk can be predicted at the present time. Stringent monitoring of changes in liquidity, in combination with a comprehensive, well-defined package of measures, can effectively counteract short-term liquidity bottlenecks. Against the backdrop of the COVID-19 pandemic, the Schaltbau Group has partly used short-time work arrangements as a necessary measure to bridge cyclically induced fluctuations in capacity utilisation.

### Development of the key performance indicators

€m	Since the beginning of the year / 1st half-year		Outlook 2020
	2019 <sup>1</sup>		
<b>Financial performance indicators</b>			
Order intake	532.7	270.4	520 – 540
Revenue	491.9	239.3	460 – 500
EBIT margin (in %)	3.7 %	4.0 %	approx. 4 %

<sup>1</sup> On a like-for-like basis, unadjusted

# Condensed interim consolidated financial statements (unaudited)

## Consolidated balance sheet

### Assets

K€		30.6.2020	31.12.2019
<b>Non-current assets</b>			
Intangible assets		48,735	49,814
Property, plant and equipment	(6)	90,779	89,894
Investment property		3,773	3,868
At-equity accounted investments		3,565	3,641
Other investments		2,067	3,561
Deferred tax assets		12,293	13,383
		<b>161,212</b>	<b>164,161</b>
<b>Current assets</b>			
Inventories	(7)	127,066	109,725
Trade accounts receivable	(8)	83,392	83,580
Current tax assets	(8)	144	581
Other receivables and assets	(8)	17,727	14,936
Contract assets (current)	(13)	3,462	3,007
Cash and cash equivalents	(9)	15,555	25,184
		<b>247,346</b>	<b>237,013</b>

### Total assets

**408,558**

**401,174**

Schaltbau India is included in the consolidated balance sheet as at 30 June 2020 for the first time following that entity's first-time consolidation. Pintsch Bamag Brazil is no longer included. In order to ensure comparability, please refer to the disclosures provided in the "Explanatory notes to the consolidated balance sheet".

**Equity and liabilities**

K€		<b>30.6.2020</b>	<b>31.12.2019</b>
<b>Equity</b>	(10)		
Subscribed capital		10,800	10,800
Capital reserves		11,534	11,534
Statutory reserves		231	231
Revenue reserves		45,209	40,742
Currency translation reserve		-6,048	-2,308
Revaluation reserve		2,975	2,975
Group net profit attributable to shareholders of Schaltbau Holding AG		2,543	4,095
Equity attributable to shareholders of Schaltbau Holding AG		67,244	68,069
Minority interests		27,198	29,338
		<b>94,442</b>	<b>97,407</b>
<b>Non-current liabilities</b>			
Pension provisions		38,314	39,015
Personnel-related provisions	(11)	4,927	5,493
Other provisions	(11)	1,310	2,249
Financial liabilities	(12)	96,328	92,715
Contract liabilities (non-current)	(12)	153	161
Other liabilities	(12)	5,069	4,660
Deferred tax liabilities		1,939	2,190
		<b>148,040</b>	<b>146,483</b>
<b>Current liabilities</b>			
Personnel-related provisions	(11)	10,741	13,593
Other provisions	(11)	28,590	29,308
Income taxes payable	(12)	3,456	3,052
Financial liabilities	(12)	11,183	14,717
Trade accounts payable	(12)	58,651	50,388
Contract liabilities (current)	(12, 13)	22,463	20,100
Other liabilities	(12)	30,992	26,126
		<b>166,076</b>	<b>157,284</b>
<b>Total equity and liabilities</b>		<b>408,558</b>	<b>401,174</b>

## Consolidated income statement

K€		1.1.– 30.6.2020	1.1.– 30.6.2019
Revenue	(1)	239,317	255,006
Change in inventories of finished goods and work in progress		9,868	4,783
Own work capitalised		907	1,087
<b>Total output</b>		<b>250,092</b>	<b>260,876</b>
Other operating income		6,940	12,313
Cost of materials		-131,799	-134,653
Personnel expense	(2)	-85,460	-89,620
Depreciation, amortisation and impairment losses		-7,885	-7,621
Other operating expenses		-21,866	-32,712
Impairment losses		-407	-56
<b>Profit before financial result and taxes (EBIT)</b>		<b>9,615</b>	<b>8,527</b>
Result from at-equity accounted investments		422	545
Sundry other results from investments		0	230
Results from investments	(3)	422	775
Interest income		144	113
Interest expense		-3,182	-3,717
Other financial result		-2	-13
Financial result	(4)	-3,040	-3,617
<b>Profit before tax</b>		<b>6,997</b>	<b>5,685</b>
Income taxes	(5)	-2,957	-1,065
<b>Group net profit for the period</b>		<b>4,040</b>	<b>4,620</b>

### Analysis of group net profit

Attributable to minority shareholders		1,497	2,074
Attributable to shareholders of Schaltbau Holding AG		2,543	2,546
Group net profit for the period		4,040	4,620
<b>Earnings per share – undiluted</b>		<b>0.29 €</b>	<b>0.29 €</b>
<b>Earnings per share – diluted</b>		<b>0.29 €</b>	<b>0.29 €</b>

The consolidated income statement for the period from 1 January to 30 June 2020 includes Schaltbau India following that entity's first-time consolidation. The Sepsa Group and Alte are not included in the income statement for the period from 1 January to 30 June 2020 due to their deconsolidation in the fiscal year 2019. In the previous fiscal year, the Sepsa Group was included for the period from 1 January 2019 to 7 May 2019 and Alte for the period from 1 January 2019 to 29 May 2019. In order to ensure comparability, the relevant income statements of the companies concerned are shown separately in the section "Explanatory notes to the consolidated income statement".

Note: rounding differences may arise due to the use of electronic rounding aids.

## Consolidated statement of comprehensive income

K€	1.1.– 30.6.2020	1.1.– 30.6.2019
<b>Group net profit for the period</b>	<b>4,040</b>	<b>4,620</b>
<b>Items which will not subsequently be reclassified to profit or loss</b>		
Actuarial gains/losses relating to pensions	631	-2,822
Tax effect	-189	680
	<b>442</b>	<b>-2,143</b>
<b>Items which were or may subsequently be reclassified to profit or loss</b>		
Unrealised losses arising on currency translations		
– from fully consolidated companies	-3,617	521
– from at-equity accounted companies	-499	-258
Derivative financial instruments		
– Change in unrealised gains (+) / losses (-)	0	0
– Realised gains (-) / losses (+)	0	140
Tax effect	0	-42
	<b>-4,117</b>	<b>361</b>
<b>Other comprehensive loss after tax</b>	<b>-3,675</b>	<b>-1,782</b>
<b>Group total comprehensive income</b>	<b>365</b>	<b>2,839</b>
– attributable to minority shareholders	1,120	2,183
– attributable to shareholders of Schaltbau Holding AG	-755	656

## Consolidated cash flow statement

K€	1.1.– 30.6.2020	1.1.– 30.6.2019
<b>Profit before financial result and taxes (EBIT)</b>	<b>9,615</b>	<b>8,527</b>
Depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment	7,885	7,604
Gains on the disposal of intangible assets and property, plant and equipment	65	247
Change in current assets	-21,074	-37,281
Change in provisions	-5,667	14,358
Change in liabilities	16,129	999
Income taxes paid	-1,393	-2,294
Other non-cash income/ expenses	-1,732	-914
<b>Cash flows from operating activities</b>	<b>3,828</b>	<b>-8,754</b>
Payments for investments in		
– Intangible assets and property, plant and equipment	-7,505	-5,108
– Investments	0	-74
Proceeds from/disbursements for disposals of		
– Property, plant and equipment	8	61
– Investments	47	0
– Business units and entities	700	-1,544
<b>Cash flows from investing activities</b>	<b>-6,750</b>	<b>-6,665</b>
Distribution to minority interests	-3,261	-3,238
Loan repayments	-8,490	-5,231
Payments for investments in minority interests	0	-7
Repayment of lease liabilities	-1,790	-292
New loans raised	1,143	1,400
Interest paid	-2,467	-1,546
Interest received	142	101
Change in sundry other financial liabilities	7,973	15,303
<b>Cash flows from financing activities</b>	<b>-6,750</b>	<b>6,490</b>
Change in cash funds due to exchange rate fluctuations	44	295
<b>Change in cash funds</b>	<b>-9,629</b>	<b>-8,634</b>
Cash funds at the end of the period	15,555	13,190
Cash funds at the beginning of the period	25,184	21,824
	<b>-9,629</b>	<b>-8,634</b>



## Consolidated statement of changes in equity

K€	Equity attributable to the shareholders of Schaltbau Holding AG					
	Subscribed capital	Capital reserves	Statutory reserves	Revenue reserves		Revaluation reserve
				Other	Cash flow hedges	
<b>Balance at 1.1.2019</b>	<b>10,800</b>	<b>11,534</b>	<b>231</b>	<b>58,332</b>	<b>-97</b>	<b>2,975</b>
Profit/deficit brought forward	0	0	0	-16,519	0	0
Dividends	0	0	0	0	0	0
Other changes	0	0	0	-95	0	0
Group net profit for the period	0	0	0	0	0	0
Other comprehensive income	0	0	0	-2,142	97	0
Group total comprehensive income	0	0	0	-2,142	97	0
<b>Balance at 30.6.2019</b>	<b>10,800</b>	<b>11,534</b>	<b>231</b>	<b>39,577</b>	<b>0</b>	<b>2,975</b>
<b>Balance at 1.1.2020</b>	<b>10,800</b>	<b>11,534</b>	<b>231</b>	<b>40,742</b>	<b>0</b>	<b>2,975</b>
Profit/deficit brought forward	0	0	0	4,095	0	0
Dividends	0	0	0	0	0	0
Other changes	0	0	0	-70	0	0
Group net profit for the period	0	0	0	0	0	0
Other comprehensive income	0	0	0	442	0	0
Group total comprehensive income	0	0	0	442	0	0
<b>Balance at 30.6.2020</b>	<b>10,800</b>	<b>11,534</b>	<b>231</b>	<b>45,209</b>	<b>0</b>	<b>2,975</b>

Equity attributable to the shareholders of Schaltbau Holding AG				Minority interests in equity				
Currency translation reserve								
relating to fully consolidated entities	relating to at-equity accounted entities	Net profit for the period	Total	Capital and reserves	Net profit for the period	Total	Group equity	
88	-2,720	-16,519	64,624	26,800	2,425	29,225	93,849	
0	0	16,519	0	0	0	0	0	
0	0	0	0	-3,238	0	-3,238	-3,238	
0	1	0	-93	-9	1	-8	-101	
0	0	2,546	2,546	0	2,074	2,074	4,620	
412	-258	0	-1,891	109	0	109	-1,782	
412	-258	2,546	655	109	2,074	2,183	2,839	
500	-2,977	2,546	65,186	23,661	4,500	28,161	93,347	
744	-3,052	4,095	68,069	26,075	3,263	29,338	97,407	
0	0	-4,095	0	3,263	-3,263	0	0	
0	0	0	0	-3,261	0	-3,261	-3,261	
0	0	0	-70	0	0	0	-70	
0	0	2,543	2,543	0	1,497	1,497	4,040	
-3,241	-499	0	-3,298	-377	0	-377	-3,675	
-3,241	-499	2,543	-755	-377	1,497	1,120	365	
<b>-2,497</b>	<b>-3,551</b>	<b>2,543</b>	<b>67,244</b>	<b>25,700</b>	<b>1,497</b>	<b>27,197</b>	<b>94,442</b>	

# Notes to the consolidated financial statements

## Basis of preparation

### Description of business

Schaltbau Holding AG is a stock market-listed corporation and has its registered office at Hollerithstraße 5, 81829 Munich, Germany. It is the ultimate parent company of the Schaltbau Group, which supplies components and systems for the transportation technology sector. During the fiscal year 2020, Schaltbau Group entities has supplied complete level crossing systems, shunting and signals technology, door and boarding systems for buses, trains and commercial vehicles, interiors for rolling stock as well as high- and low-voltage components for rolling stock and other applications. Its innovative and future-oriented products make Schaltbau a key business partner for industry, particularly in the transportation technology sector.

### Presentation of the financial statements and accounting policies

The financial statements of Schaltbau Holding AG, Munich, as at 30 June 2020 have been prepared in accordance with the requirements of IAS 34 Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and with those of German Accounting Standard No. 16 Interim Reporting issued by the Accounting Standards Committee of Germany (DRSC). The interim reporting period is six months. With the exception of the mandatory first-time application of the new or amended IFRS standards referred to below, the accounting policies applied in the consolidated financial statements as at 31 December 2019 remain unchanged. The Group's accounting policies can be viewed on the website at [www.schaltbaugroup.de](http://www.schaltbaugroup.de).

The new or amended standards that came into force in the current reporting period have not had any impact on the Group's accounting policies or required any retrospective adjustments.

In addition to the figures reported in the financial statements, the financial statements also include explanatory notes to selected financial statement items.

### Trade accounts receivable – in light of COVID-19 pandemic

To account for expected credit losses on trade receivables, the Group applies the simplified approach under IFRS 9, according to which expected credit losses over the term of the receivable are decisive. In order to measure expected credit losses, trade accounts receivable are grouped on the basis of shared credit risk characteristics and the number of days past due. The expected loss rates are based on the payment profiles of sales over a period of twelve quarters prior to 30 June of the year under report, and the corresponding historical defaults during this period. Historical loss rates are adjusted to reflect current and forward-looking information relating to macroeconomic factors that affect customers' ability to settle receivables. Against the backdrop of the COVID-19 pandemic, the loss rates of the two most recent quarters were weighted more heavily for the first time in conjunction with the measurement of expected bad debts and a post model adjustment was made.

	Name	Effective date
Amended	Definition of Materiality – Amendments to IAS 1 und IAS 8	1 January 2020
Amended	Change in Definition of a Business – Amendments to IFRS 3	1 January,2020
Amended	Revised IFRS Conceptual Framework	1 January 2020
Amended	IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform	1 January 2020

## Accounting for short-time work allowance – in light of COVID-19 pandemic

Under short-time work arrangements, the regular working hours of employees are reduced for a temporary period and the employer pays a correspondingly reduced remuneration. The employees affected by short-time work are entitled to receive a short-time work allowance from the Federal Employment Agency, whereby amounts are initially paid by the employer in the capacity of a payment agent. Amounts received by Schaltbau that are to be paid out to employees are treated as transitory items within personnel expense. Top-up amounts paid by Schaltbau are recognised as personnel expense. Reimbursements of social security contributions that Schaltbau will recover from the Federal Employment Agency or a comparable agency are recognised as a reduction of personnel expense in accordance with IAS 20.

## Use of estimates

For the purposes of drawing up the consolidated financial statements, it is necessary to make estimates and assumptions which affect the carrying amounts of assets, liabilities and contingent liabilities at the balance sheet date and the amounts of income and expense recognised in the period under report. Actual results can differ from estimates as a result of changes in the economic situation and due to other circumstances. During the period under report, in addition to the estimates mentioned in the Annual Report 2019, uncertainty also exists regarding the amount of reimbursement claims recognised for short-time work allowances.

## Foreign currency translation

The financial statements of consolidated companies whose functional currency is not the euro are drawn up in accordance with the modified closing rate method. Exchange rates relevant for foreign currency translation into euro changed as follows:

Currency	Closing rate		Average rate	
	30.6.2020	31.12.2019	1.1.– 30.6.2020	1.1.– 30.06.2019
Chinese renminbi	7.9219	7.8205	7.7481	7.6670
US dollar	1.1198	1.1234	1.1015	1.1298
British pound	0.9124	0.8508	0.8743	0.8736
Turkish lire	7.6761	6.6843	7.1521	6.3542
Polish zloty	4.4560	4.2568	4.4136	4.2919
Brazilian real	6.1118	4.5157	5.4169	4.3407
Indian rupee	84.6235	80.1870	81.6766	78.7494

## Significant events

### Appointment of Dr Jürgen Brandes as member of the Executive Board

On 4 March 2020, Dr Jürgen Brandes was appointed as additional member of the Executive Board with effect from 1 April 2020 and will be responsible for the Schaltbau (formerly Components) segment. The appointment was made for the duration of three years. With effect from 1 January 2021, Dr Brandes will succeed Dr Köhler in the function of Chairman of the Executive Board of Schaltbau Holding AG, when the latter steps down due to the stipulated age limit.

### First-time consolidation of Schaltbau India Pvt. Ltd., Thane, India

Schaltbau India Pvt. Ltd., Thane, India, (hereafter referred to as "Schaltbau India") had previously not been included in the consolidated financial statements on the grounds of non-materiality for the Schaltbau Group's results of operations, financial and net assets position. As described in the Annual Report 2019, the remaining minority interests in Schaltbau India were acquired at the end of 2019. In view of the company's growth potential and its increasing strategic relevance for the Schaltbau Group, Schaltbau India was consolidated for the first time in the fiscal year 2020 with effect from 1 January 2020.

The following table shows the assets and liabilities of Schaltbau India at the time of first-time consolidation:

#### Assets

K€	1.1.2020
Property, plant and equipment	164
Other investments	30
Deferred tax assets	48
Inventories	925
Trade accounts receivable	269
Current tax assets	35
Other receivables and assets	1,164
Cash and cash equivalents	719
	<b>3,354</b>

#### Equity and liabilities

K€	1.1.2020
Equity	2,555
Non-current personnel-related provisions	10
Other non-current provisions	59
Other non-current liabilities	31
Current personnel-related provisions	12
Other current provisions	55
Income taxes payable	6
Trade accounts payable	42
Other current liabilities	584
	<b>3,354</b>

### Deconsolidation of Pintsch Bamag Brasil Tecnologia Ferroviaria LTDT, São Paulo, Brazil

Pintsch Bamag Brasil Tecnologia Ferroviaria LTDT, São Paulo, Brazil, (hereafter referred to as "PIBR") was founded in the fiscal year 2013 in connection with the "Platform Screen Doors Project Brazil" and included in the consolidated financial statements. In an agreement reached with Bombardier Transportation during the fiscal year 2018, it was agreed that the installation of new platform screen doors in São Paulo Metro stations would be carried out in future by another party to be commissioned by Bombardier Transportation. At that stage, PIBR ceased operational activities. Now in the process of liquidation, PIBR was deconsolidated with effect from 30 June 2020 in view of the fact that it is no longer material for the net assets, financial position and results of operations of the Schaltbau Group. Mainly due to the realisation of cumulative translation differences recognised up to the date of deconsolidation within other comprehensive income and within equity (IAS 21.48), a gain of kEUR 942 arose on deconsolidation.

The following table shows the assets and liabilities of PIBR at the time of deconsolidation:

#### Assets

K€	30.6.2020
Other receivables and assets	7
Cash and cash equivalents	19
	<b>26</b>

#### Equity and liabilities

K€	30.6.2020
Equity	12
Income taxes payable	9
Other current liabilities	5
	<b>26</b>

### Financing of Schaltbau Holding AG

On 17 June 2019, a new Syndicated Credit Agreement amounting to EUR 103 million was concluded for a three-year fixed term plus two one-year extension options. In accordance with a supplementary agreement dated 12 August 2019, the credit line was increased to EUR 109 million. In a second supplementary agreement dated 9 March 2020, a former promissory note creditor became party to the Syndicated Credit Agreement with an amount of EUR 3 million, thereby increasing the credit line to EUR 112 million. Against the backdrop of the COVID-19 pandemic, the syndicated credit line was increased by EUR 60 million to EUR 172 million, with Kreditanstalt für Wiederaufbau (KfW) joining as a further syndicate partner in accordance with a third supplementary agreement dated 19 June 2020. The credit line can be utilised as an overdraft and guarantee facility. As at 30 June 2020, a total amount of EUR 90.3 million was being utilised, comprising an overdraft of EUR 71.2 million and guarantees of EUR 19.1 million. The relevant amounts are reported within financial liabilities. The shares of all of Schaltbau Holding AG's direct subsidiaries have been pledged as collateral.

Financial liabilities also include promissory notes. After one of the promissory note creditors became party to the Syndicated Credit Agreement, promissory note liabilities decreased to a nominal amount of EUR 10.5 million as at 30 June 2020, comprising tranches of EUR 5.5 million (due 30 June 2022) and EUR 5.0 million (due 30 June 2025) respectively. These amounts are reported within financial liabilities. The promissory note creditors have extraordinary rights of termination, linked to the extraordinary termination of other financial liabilities, in particular the Syndicated Credit Agreement.

On 1 August 2019, a factoring agreement was concluded, on the basis of which various companies of the Schaltbau Group sell trade receivables directly to a structured entity on a revolving basis. This structured entity holds the receivables and allocates the opportunities and risks attached to the receivables to the participating companies of the Schaltbau Group and a bank in line with the terms of the agreement. The structured entity

is financed by a bank credit line. In view of the fact that Schaltbau has no control over the relevant activities of the structured entity, the latter is not included in the Schaltbau Group's consolidated financial statements. Further information is provided in section "(8) Trade accounts receivable, other receivables and assets".

### Restructuring provision

In 2019, a further personnel-related restructuring measure was resolved for Gebr. Bode GmbH & Co. KG, Kassel, as a result of which the restructuring provision was increased by kEUR 2,010 in that year. So far, an amount of kEUR 687 has been utilised during the fiscal year 2020.

In connection with the liquidation of the Sepsa Group, an additional provision for Group and bank guarantees amounting to kEUR 3,996 was recognised in the fiscal year 2019. This provision continues to be recognised at 30 June 2020 as the guarantees have not yet been returned or expired. Due to exchange rate changes, the provision now stands at kEUR 4,003.

Restructuring measures were introduced in the fiscal year 2019 in order to secure that the Schaltbau (previously: Components) segment remains profitable going forward. The provision recognised for this purpose in the previous fiscal year amounted to kEUR 3,563, of which an amount of kEUR 3,001 remained at 30 June 2020.

Various personnel-related restructuring measures were initiated during the fiscal year 2019 with a view to improving profitability in the Pintsch (previously: Stationary Transportation Technology) segment on a sustainable basis. During the previous fiscal year, additional pre-retirement part-time working agreements were concluded as part of a programme to bring about a socially acceptable reduction in the workforce. The expense recognised in the previous year for these agreements amounted to kEUR 1,417.

### Impact of COVID-19 on the interim financial statements

The COVID-19 pandemic that emerged in the first half of 2020 and the accompanying political decisions taken in the countries affected had an impact on the Schaltbau Group's business performance during the first half of 2020. Delayed orders and falling demand in specific lines of business had an adverse effect on the Group's net assets, financial position and results of operations. As it remains difficult to predict the development of the pandemic and therefore its future impact on the Schaltbau Group's business performance, for strategic and internal management purposes, the outlook is still based primarily on forecasts that have been approved and adopted by the Supervisory Board and adjusted for COVID-19 effects. More detailed knowledge of future developments will be taken into account in particular when determining the recoverability of deferred taxes, goodwill, receivables and inventories. In order to take account of the risks arising from the COVID-19 pandemic to the net assets, financial position and results of operations in the interim financial statements, so-called "post-model adjustments" have been made, particularly in assessing the recoverability of deferred taxes and the

expected default risk of receivables. Further information is provided in the section "Presentation of the financial statements and accounting principles" and in the following comments on short-time work allowances and impairment tests.

### Receipt of allowance for short-time work in light of COVID-19 pandemic

Against the backdrop of the COVID-19 pandemic, the Schaltbau Group is using short-time work arrangements to even out cyclically induced fluctuations in capacity utilisation. Short-time work has been introduced in order to secure liquidity and reduce personnel expense, but also with a view to preserving jobs and not jeopardising the future success of the Group. Reimbursements of social security contributions (performance-related grants pursuant to IAS 20) amounting to kEUR 46 were claimed during the first half of the fiscal year 2020. With regard to the accounting treatment of these claims, we refer to the section "Presentation of the financial statements and accounting policies".

### Impairment testing in light of COVID-19 pandemic

IAS 36 requires that an impairment test be performed if certain indicators exist (so-called "triggering events"). In this context, the Schaltbau Group has carried out a renewed impairment test in light of the COVID-19 pandemic, in particular to assess the recoverability of capitalised goodwill. There was no requirement to recognise an impairment loss on the basis of the results of the impairment test.

The devaluation risk of SPII S.p.A. (see Annual Report 2019) has increased. Should a triggering event occur in the further course of business in 2020, a further impairment test will be carried out to verify the recoverability.

### Explanatory notes to the consolidated income statement

The consolidated income statement for the period from 1 January to 30 June 2020 includes Schaltbau India following that entity's first-time consolidation. The Sepsa Group and Alte are not included in the income statement for the period from 1 January to 30 June 2020 due to their deconsolidation in the fiscal year 2019. In the previous fiscal year, the Sepsa Group was included for the period from 1 January 2019 to 7 May 2019 and Alte for the period from 1 January 2019 to 29 May 2019.

In order to enable improved comparability of the consolidated income statement, the income statements of the companies concerned are shown separately in the tables below.

Income statement of Schaltbau India for the six-month period to 30 June 2020:

K€	1.1.– 30.6.2020
Revenue	1,453
Change in inventories of finished goods and work in progress	89
<b>Total output</b>	<b>1,542</b>
Expenses	-130
<b>Profit before financial result and taxes (EBIT)</b>	<b>539</b>
Financial result	2
<b>Profit before tax</b>	<b>541</b>
Income taxes	-141
<b>Net income for the period</b>	<b>400</b>

Income statement of Alte for the comparable period:

K€	1.1.– 30.6.2019
Revenue	11,890
Change in inventories of finished goods and work in progress	-441
<b>Total output</b>	<b>11,449</b>
Other operating income	91
Cost of materials	-7,018
Personnel expense	-3,617
Depreciation, amortisation and impairment losses	-107
Other operating expenses	-1,633
<b>Loss before financial result and taxes (EBIT)</b>	<b>-834</b>
Financial result	-275
<b>Loss before tax</b>	<b>-1,109</b>
Income taxes	-204
<b>Net loss for the period</b>	<b>-1,313</b>

Income statement of the Sepsa Group for the comparable period:

K€	1.1.– 30.6.2019
Revenue	9,879
Change in inventories of finished goods and work in progress	-919
Own work capitalised	553
<b>Total output</b>	<b>9,513</b>
Other operating income	1,431
Cost of materials	-3,476
Personnel expense	-4,948
Depreciation, amortisation and impairment losses	0 <sup>1</sup>
Other operating expenses	-2,559
Impairment losses	-1
<b>Loss before financial result and taxes (EBIT)</b>	<b>-41</b>
Financial result	-317
<b>Loss before tax</b>	<b>-358</b>
Income taxes	-8
<b>Net loss for the period</b>	<b>-366</b>

<sup>1</sup> No depreciation/amortisation/impairment losses were recorded due to application of IFRS 5

## (1) Revenue

Group revenues are generated in the segments "Schaltbau" (formerly "Components"), "BODE" (formerly "Mobile Transportation Technology"), "Pintsch" (formerly "Stationary Transportation Technology") and "SBRS" (formerly part of the "Mobile Transportation Technology" segment). Revenue recorded by the Schaltbau segment results from the sale of connectors, snap-action switches and DC contactors for various applications used in the railway and industrial sectors. Revenue recorded by the Bode segment results from the sale of door and boarding systems for buses, trains and commercial vehicles as well as interiors for trains. Revenue recorded by the Pintsch segment, results from the sale of level crossing safety systems, axle counting systems and signal technology. Revenue recorded by the SBRS segment is generated, on the one hand, from the complete and partial modernization of trains (including related services) and, on the other hand, from the Energy Systems business unit.

The following table shows the revenue generated by the segments on the basis of a point in time as well as over time.

**Revenue by segment**

K€	1.1.– 30.6.2020	1.1.– 30.6.2019
Schaltbau	68,086	79,329
– of which recognised over a period of time	130	353
Bode	124,691	137,277
– of which recognised over a period of time	0	0
Pintsch	34,750	29,488
– of which recognised over a period of time	459	697
SBRS	11,787	8,912
– of which recognised over a period of time	0	0
Holding	3	0
– of which recognised over a period of time	0	0
	<b>239,317</b>	<b>255,006</b>

The following table shows the Group's revenue by market.

**Revenue by market**

K€	1.1.– 30.6.2020	1.1.– 30.6.2019
Germany	87,931	91,274
Other EU countries	83,045	93,193
Other European countries	28,061	25,123
Asia	25,226	28,330
Americas	14,528	16,741
Other countries	527	344
	<b>239,317</b>	<b>255,006</b>

**(2) Personnel expense / employees**

K€	1.1.– 30.6.2020	1.1.– 30.6.2019
Wages and salaries	-71,746	-74,294
Social security, pension and welfare expenses	-13,714	-15,326
	<b>-85,460</b>	<b>-89,620</b>

**Number of employees as of 30 June 2020**

	2020	2019
Employees	<b>2,670</b>	<b>2,836</b>

The above disclosures show the weighted average number of employees of fully consolidated companies based on month-end figures. Under the weighting approach used, trainees are only included in the calculation at a level of 30%.

**(3) Results from investments**

K€	1.1.– 30.6.2020	1.1.– 30.6.2019
Result from at-equity accounted investments	422	545
Sundry other results from investments	0	230
	<b>422</b>	<b>775</b>

The result from at-equity accounted investments includes the Group's interest in the business activities of BoDo Bode-Dogrusan A.S.

In the fiscal year 2018, the contract with the joint venture partner relating to PBTE was terminated. Pintsch GmbH, Dinslaken, as the direct parent company of PBTE, received kEUR 230 from the sale of its shares in the first half of 2019. The gain was reported in the fiscal year 2019 in the line item "Sundry other result from investments".

**(4) Financial result**

K€	1.1.– 30.6.2020	1.1.– 30.6.2019
Other interest and similar income	114	113
Interest and similar expenses	-3,182	-3,717
Other financial result	-2	-13
	<b>-3,040</b>	<b>-3,617</b>

Interest expenses include kEUR 554 (January – June 2019: kEUR 358) relating to the interest component of the allocation to the pension provision.

**(5) Income taxes**

K€	1.1.– 30.6.2020	1.1.– 30.6.2019
Income tax expense	-2,286	-2,637
Deferred tax income (January – June 2019: expense)	-671	1,571
	<b>-2,957</b>	<b>-1,065</b>

The income tax expense for the six-month period is calculated in accordance with IAS 34 "Interim Reporting" on the basis of the average tax rate that is expected for the full fiscal year. The recoverability of deferred taxes was assessed taking account of the COVID-19 pandemic.

## Explanatory notes to the consolidated balance sheet

Schaltbau India is included in the consolidated balance sheet at 30 June 2020 for the first time following that entity's first-time consolidation. In addition, PIBR was deconsolidated and therefore – unlike in the previous year – is not included. In order to ensure comparability, Schaltbau India's balance sheet as at 30 June 2020 is presented below. In view of their materiality for the consolidated financial statements of the Schaltbau Group, the balance sheet amounts recognised for PIBR at 31 December 2019 are not disclosed separately.

### Assets

K€	30.6.2020
Property, plant and equipment	121
Deferred tax assets	46
Inventories	1,217
Trade accounts receivable	574
Current tax assets	17
Other receivables and assets	1,249
Cash and cash equivalents	725
	<b>3,949</b>

### Equity and liabilities

K€	30.6.2020
Equity	2,800
Non-current personnel-related provisions	10
Other non-current provisions	56
Other non-current liabilities	29
Current personnel-related provisions	13
Other current provisions	49
Income taxes payable	33
Current financial liabilities	28
Trade accounts payable	34
Other current liabilities	897
	<b>3,949</b>

## (6) Property, plant and equipment

K€	30.6.2020	31.12.2019
Land and buildings	42,283	40,448
Right-of-use assets relating to land and buildings	9,838	10,170
Plant and machinery	19,668	20,173
Right-of-use assets relating to plant and machinery	117	110
Other operational and office equipment	13,069	12,306
Right-of-use assets relating to operational and office equipment	2,064	2,005
Assets under construction	3,740	4,682
<b>Property, plant and equipment</b>	<b>90,779</b>	<b>89,894</b>

**(7) Inventories**

K€	30.6.2020	31.12.2019
Raw materials and supplies	68,879	63,688
Work in progress	41,184	34,023
Finished products, goods for resale	14,241	11,338
Payments in advance	2,762	676
	<b>127,066</b>	<b>109,725</b>

Write-downs totalling kEUR 469 (January – June 2019: kEUR 1,792) and reversals of impairment losses totalling kEUR 26 (January – June 2019: kEUR 17) were recognised on inventories during the period under report. Including the impact of changes in the group reporting entity, write-downs on inventories at the end of the reporting period totalled kEUR 17,246 (31 December 2019: kEUR 16,574).

**(8) Trade accounts receivable, other receivables and assets**

K€	30.6.2020	31.12.2019
Trade accounts receivable	83,392	83,580
Receivables from affiliated companies	1,513	2,490
Receivables from associated companies	354	921
Income tax receivables	144	581
Receivables from participations	145	19
Other assets	15,715	11,506
	<b>101,263</b>	<b>99,097</b>

Allowances totalling kEUR 5,520 (31 December 2019: kEUR 5,111) were recognised on trade accounts receivable and other assets at the end of the reporting period.

A factoring agreement is in place with one customer involving reverse factoring arrangements. Default and late payment risks are transferred in full to the factor, as a result of which all relevant receivables are derecognised upon sale. At 30 June 2020, all factoring-related receivables were sold except for an amount of kEUR 403.

A factoring agreement has been in place since 1 August 2019, on the basis of which various companies of the Schaltbau Group sell trade accounts receivable directly to a structured entity on a revolving basis. This structured entity holds the receivables and allocates the opportunities and risks attached to the receivables to Schaltbau and to a bank in line with the terms of the agreement. The arrangements are financed by a credit line provided by a bank. In view of the fact that Schaltbau has no control over the relevant activities of the structured entity, the latter is not included in Schaltbau's consolidated financial statements. The receivables to be sold from the various portfolios are identified in an automated process in compliance with the purchase criteria stipulated

in the Factoring Agreement. Receivables are sold and settled on a weekly basis. The factoring agreement does not include any buy-back arrangements. Control over the receivables as well as the risk of late payment and a small proportion of the credit risk (first loss guarantee) remains with Schaltbau.

K€	30.6.2020	31.12.2019
End of contract term	31 July 2024	31 July 2024
Contractual maximum volume	29,000	29,000
Volume of receivables sold as at the reporting date	22,020	26,237
Liabilities to factor from payments received for sold receivables	3,646	8,324
<b>Continuing involvement assets</b>		
Carrying amount of continuing involvement assets	484	470
Carrying amount of related liability	879	851
Fair value of related liability	395	381

**(9) Cash and cash equivalents**

K€	30.6.2020	31.12.2019
Cheques and cash on hand	376	20
Cash at bank	15,179	25,164
	<b>15,555</b>	<b>25,184</b>

The amounts shown have a maturity of up to three months.

**(10) Changes in group equity**

Details relating to the line items presented in the balance sheet are shown in the **Statement of Changes in Group Equity**.

**(11) Provisions**

K€	30.6.2020	31.12.2019
<b>Non-current provisions</b>		
Personnel	4,927	5,493
Warranties	303	124
Onerous contracts	965	2,084
Other provisions	42	41
	<b>6,237</b>	<b>7,742</b>
<b>Current provisions</b>		
Personnel	10,741	13,593
Warranties	7,595	7,780
Outstanding supplier invoices	12,293	11,965
Onerous contracts	707	565
Other provisions	7,995	8,998
	<b>39,331</b>	<b>42,901</b>
<b>Total</b>	<b>45,568</b>	<b>50,643</b>

In the previous fiscal year, outstanding supplier invoices related in particular to flood damage elimination measures at Gebr. Bode GmbH & Co. KG, Kassel, as well as consulting services not yet invoiced.

The decrease in provisions for impending losses is due in particular to utilization of EUR 638.

Information relating to the changes in restructuring provisions is provided in the section "Significant events".

**(12) Liabilities**

K€	30.6.2020	31.12.2019
<b>Non-current liabilities</b>		
– Liabilities to banks	86,869	83,065
– Lease liabilities (non-current)	9,459	9,650
<b>Financial liabilities</b>	<b>96,328</b>	<b>92,715</b>
Contract liabilities (non-current)	153	161
Other liabilities	5,069	4,660
	<b>101,550</b>	<b>97,536</b>
<b>Current liabilities</b>		
Income taxes payable	3,456	3,052
– Liabilities to banks	8,542	11,991
– Lease liabilities (current)	2,641	2,726
<b>Financial liabilities</b>	<b>11,183</b>	<b>14,717</b>
Trade accounts payable	58,651	50,388
Contract liabilities (current)	22,463	20,100
– Payables to affiliated companies	963	1,310
– Liabilities to other Group entities	141	244
– Sundry other liabilities	29,887	24,571
Other liabilities	30,992	26,126
	<b>126,746</b>	<b>114,384</b>
<b>Total liabilities</b>	<b>228,296</b>	<b>211,921</b>

**(13) Contract assets and liabilities**

K€	30.6.2020	31.12.2019
<b>Contract assets (current)</b>		
Receivables resulting from revenue recognised over time	3,462	3,007
	<b>3,462</b>	<b>3,007</b>
<b>Contract liabilities (non-current)</b>		
Extended warranty liabilities	153	161
	<b>153</b>	<b>161</b>
<b>Contract liabilities (current)</b>		
Advance payments received	22,463	20,100
	<b>22,463</b>	<b>20,100</b>

**Explanatory notes to the consolidated cash flow statement****(14) Composition of cash funds**

Cash funds comprise:

K€	30.6.2020	31.12.2019
Cash and cash equivalents	15,555	13,190
	<b>15,555</b>	<b>13,190</b>

The "Cash inflows/outflows from investments in business units" comprise cash and cash equivalents from the first-time consolidation of Schaltbau India (kEUR 719) and cash outflows from the deconsolidation of Pintsch Brasil (kEUR -19).

**Other explanatory notes to the consolidated financial statements****(15) Supplementary disclosures relating to financial instruments**

The balance sheet contains non-derivative financial instruments such as receivables and payables as well as derivative financial instruments such as forward currency contracts and swap transactions whose value is derived from the base value of the contract. Financial instruments are measured in accordance with IFRS 9 on the basis of the allocation of items to various measurement categories. The following table shows the carrying amounts and fair values of all financial instruments recognised in the consolidated financial statements of Schaltbau Holding AG in accordance with IFRS 9.

30.6.2020

€	Category IFRS 9	Carrying amount	Fair value	Level pursuant to IFRS 13
<b>Assets - side financial instruments</b>				
Other investments		2,067		
– of which not measured on basis of IFRS 9	n/a	1,511	n/a	n/a
– of which other investments	AC	556	549	3
Trade accounts receivable		83,392		
– of which trade accounts receivable	AC	76,955	n/a <sup>1</sup>	n/a
– of which trade accounts receivable	FVPL	5,953	5,953	2
– of which continuing involvement assets	n/a	484	n/a	n/a
Other receivables and assets		17,727		
– of which not measured on basis of IFRS 9	n/a	4,083	n/a	n/a
– of which other receivables and assets	AC	13,394	n/a <sup>1</sup>	n/a
– of which stand-alone derivatives	FVPL	250	250	2
Cash and cash equivalents	AC	15,555	n/a <sup>1</sup>	n/a
<b>Total assets</b>		<b>113,148</b>		
<b>Liabilities - side financial instruments</b>				
Non-current financial liabilities		96,328		
– of which lease liabilities (non-current) <sup>2</sup>	n/a	9,459	n/a	n/a
– of which non-current financial liabilities	FLAC	86,869	89,533	3
Other non-current liabilities		5,069		
– of which not measured on basis of IFRS 9 (Put Call Option SPII)	n/a	5,069	n/a <sup>1</sup>	n/a
Current financial liabilities	n/a	11,183	n/a	n/a
– of which lease liabilities (current) <sup>2</sup>	n/a	2,642	n/a	n/a
– of which current financial liabilities	FLAC	8,542	n/a <sup>1</sup>	n/a
Trade accounts payable	FLAC	58,651	n/a <sup>1</sup>	n/a
Other liabilities		30,992		
– of which not measured on basis of IFRS 9	n/a	3,765	n/a	n/a
– of which other liabilities	FLAC	27,039	n/a <sup>1</sup>	n/a
– of which stand-alone derivatives	FVPL	188	188	2
<b>Total liabilities</b>		<b>186,357</b>		

<sup>1</sup> Fair value not disclosed separately, given that the carrying amount represents an appropriate approximation.

<sup>2</sup> Lease liabilities do not fall under the scope of IFRS 9. In accordance with IFRS 7.29 d, the fair value is not required to be disclosed.

**31.12.2019**

K€	Category IFRS 9	Carrying amount	Fair value	Level pursuant to IFRS 13
<b>Assets - side financial instruments</b>				
Other investments		3,561		
– of which not measured on basis of IFRS 9	n/a	2,488	n/a	n/a
– of which other investments	AC	1,074	1,022	3
Trade accounts receivable		83,580		
– of which trade accounts receivable	AC	75,898	n/a <sup>1</sup>	n/a
– of which trade accounts receivable	FVPL	7,213	7,213	2
– of which continuing involvement assets	n/a	470	n/a	n/a
Other receivables and assets		14,936		
– of which not measured on basis of IFRS 9	n/a	2,209	n/a	n/a
– of which other receivables and assets	AC	12,675	n/a <sup>1</sup>	n/a
– of which stand-alone derivatives	FVPL	52	52	2
Cash and cash equivalents	AC	25,184	n/a <sup>1</sup>	n/a
<b>Total assets</b>		<b>122,565</b>		
<b>Liabilities - side financial instruments</b>				
Non-current financial liabilities		92,715		
– of which lease liabilities (non-current) <sup>2</sup>	n/a	9,650	n/a	n/a
– of which non-current financial liabilities	FLAC	83,065	83,751	3
Other non-current liabilities		4,660		
– of which not measured on basis of IFRS 9 (Put Call Option SPII)	n/a	4,660	n/a <sup>1</sup>	n/a
Current financial liabilities	n/a	14,717	n/a	n/a
– of which lease liabilities (current) <sup>2</sup>	n/a	2,726	n/a	n/a
– of which current financial liabilities	FLAC	11,991	n/a <sup>1</sup>	n/a
Trade accounts payable	FLAC	50,388	n/a <sup>1</sup>	n/a
Other liabilities		26,126		
– of which not measured on basis of IFRS 9	n/a	3,092	n/a	n/a
– of which other liabilities	FLAC	22,952	n/a <sup>1</sup>	n/a
– of which stand-alone derivatives	FVPL	83	83	2
<b>Total liabilities</b>		<b>173,140</b>		

<sup>1</sup> Fair value not disclosed separately, given that the carrying amount represents an appropriate approximation.

<sup>2</sup> Lease liabilities do not fall under the scope of IFRS 9. In accordance with IFRS 7.29 d, the fair value is not required to be disclosed.

**Total carrying amounts per measurement category**

K€		30.6.2020	31.12.2019
AC	Amortised cost	106,460	114,831
Assets-side FVPL	Fair value through profit and loss	6,203	7,264
Liabilities-side FVPL	Fair value through profit and loss	188	83
FLAC	Financial liabilities at amortised cost	186,169	173,058

**Fair value hierarchy**

The measurement and presentation of fair values of financial instruments is based on a fair value hierarchy that takes account of the significance of the input data used to measure fair value and can be analysed as follows:

- Level 1: Based on prices quoted (applied without adjustment) on active markets for identical assets and liabilities
- Level 2: Based on input data for the asset or liability observable either directly (in the form of prices) or indirectly (derived from prices) which do not represent quoted prices according to Level 1
- Level 3: Input data not based on observable market data to measure the asset or liability (non-observable input data)

Reclassifications between Levels are made at the end of the period. There were no reclassifications of fair value measurements between Level 1 and Level 2. Similarly, there were no reclassifications within respectively from level 3 in connection with fair value measurements.

The fair value of non-current non-derivative financial instruments is determined by discounting, taking into account a risk-adjusted market interest rate with matching maturities.

The fair values of derivative financial instruments are determined by the banks with which the relevant contracts were concluded. The banks value the derivatives on the basis of market data valid for the relevant reporting date using recognised mathematical measurement methods (net present value method for forward currency contracts and interest rate swaps).

**(16) Segments**

In the fiscal year 2020, segment reporting was revised in line with the Group's strategic direction and internal management processes. The segments "Components", "Mobile Transportation Technology" and "Stationary Transportation Technology" were renamed "Schaltbau", "Bode" and "Pintsch" in line with the Group brands. In addition, with effect from the beginning of the fiscal year 2020, "SBRS" is now treated as a separate segment for segment reporting purposes. Previously, SBRS operations were part of the Mobile Transportation Technology segment. Prior year segment reporting figures have been made comparable.

The Group's segment designations are product-oriented. The Group's business units are allocated to the segment for which they generate most of their sales. A description of the Schaltbau, Bode, Pintsch and SBRS segments is provided in the Management Report. Segments have not been aggregated, either in the previous fiscal year or in the period under report.

Schaltbau Holding AG has defined order intake as an early indicator of financial performance for the group and its segments, sales revenues and earnings before interest and taxes (EBIT). Since the fiscal year 2020 EBIT has been used without taking account of exceptional items. This is in line with the change in internal management and the fact that, following the completion of the turnaround in 2019 and the associated restructuring measures, the management of the group as a whole will again be based on reported EBIT.

As a general rule, sales of materials between Group companies are billed on the basis of arm's length principles. Costs are recharged as appropriate to Group companies.

The column "Holding company, other consolidation items" comprises the activities of the holding company. This is influenced by the financing function of the holding company for the Group and by the income tax group arrangements in place in Germany. These expenses are not recharged to the subsidiaries concerned. By contrast, expenses incurred for providing centralised services (e.g. SAP system costs) are recharged. The financial reporting principles used for segment reporting correspond to those used in the consolidated financial statements.

## Reconciliations

### Revenue from 1 January to 30 June

K€	2020	2019
Total revenue of segments	241,175	256,593
Other revenue	1,504	1,775
Consolidation	-3,362	-3,362
<b>Revenue as per income statement</b>	<b>239,317</b>	<b>255,006</b>

### EBIT from 1 January to 30 June

K€	2020	2019
Total EBIT of segments	15,474	16,282
Other EBIT	-5,658	-7,810
Consolidation	-202	55
<b>EBIT as per income statement</b>	<b>9,614</b>	<b>8,527</b>

### Assets as of 30 June

K€	2020	2019
Total segment assets	440,504	423,219
Other assets	158,638	179,081
Consolidation	-190,585	-192,971
<b>Group assets as per balance sheet</b>	<b>408,557</b>	<b>409,329</b>

### Liabilities as of 30 June

K€	2020	2019
Total segment liabilities	295,637	282,218
Other liabilities	127,876	145,706
Consolidation	-109,396	-111,942
<b>Group liabilities as per balance sheet</b>	<b>314,117</b>	<b>315,982</b>

"Other revenue" comprises almost entirely revenue recorded at the level of Schaltbau Holding AG for IT services provided to subsidiaries. This revenue, together with inter-segment revenue, is eliminated on consolidation.

"Other EBIT" comprises mainly expenses recorded at the level of Schaltbau Holding AG for personnel, non-rechargeable materials expenses, other operating expenses and other taxes.

"Other assets" relate primarily to receivables of Schaltbau Holding AG from affiliated companies in connection with financing activities. These receivables are eliminated on consolidation along with other inter-segment receivables.

"Other liabilities" comprise mainly financial liabilities, pension provisions and payables to affiliated companies recorded at the level of Schaltbau Holding AG. The latter are eliminated on consolidation along with other inter-segment payables.

## Product-based segment information 1.1. to 30.6.

K€	Schaltbau		Bode		Pintsch	
	2020	2019	2020	2019	2020	2019
Order-intake (external)	72,063	88,471	135,263	161,094	42,204	30,759
Revenue	68,757	79,789	125,546	138,175	34,751	29,487
– of which external	68,086	79,329	124,691	137,277	34,750	29,487
– of which with other segments	671	460	855	898	1	0
Order-book (external)	101,175	100,422	318,108	317,670	63,908	54,679
EBITDA <sup>7</sup>	15,125	17,443	3,176	1,850	3,116	3,245
Profit/loss before financial result and taxes (EBIT)	11,880	14,277	199	-1,112	2,126	2,356
Result from at-equity accounted investments	0	0	423	545	0	0
Sundry other results from investments	0	0	0	0	0	230
Interest income	71	25	53	205	71	-72
Interest expense	-1,024	-1,146	-1,430	-2,227	-596	-290
Income taxes	-1,239	-1,443	-162	-517	-195	-240
Segment result / Group result	9,687	11,713	-917	-3,119	1,406	1,985
Expenditure for investments	0	74	0	0	0	0
Impairment losses on investments	0	0	0	0	0	0
Capital expenditure <sup>1</sup>	2,907	2,693	4,192	2,459	1,397	671
Depreciation, amortisation and impairment losses <sup>1</sup>	-3,245	-3,149	-2,977	-2,962	-990	-889
Impairment losses (excluding investments)	-848	-618	-245	-360	-48	-979
Reversals of impairment losses (excluding investments)	169	81	207	57	0	11
Sundry other significant non-cash items	-3,613	-6,248	-3,761	-13,378	-2,085	-3,419
Segment assets <sup>2</sup>	169,811	166,640	170,364	178,097	82,099	68,613
Investments accounted for at-equity	0	0	3,565	3,439	0	0
Capital employed <sup>3</sup>	127,842	133,051	126,196	143,592	22,264	34,220
Segment liabilities <sup>4</sup>	105,786	102,332	122,090	130,835	52,124	40,635
Employees (average number)	855	840	1,385	1,594	331	323
EBIT margin <sup>5</sup>	17.3%	17.9%	0.2%	-0.8%	6.1%	8.0%
Return on capital employed (ROCE) <sup>6</sup>	9.3%	10.7%	0.2%	-0.8%	9.5%	6.9%

<sup>1</sup> In intangible assets and property, plant and equipment<sup>2</sup> Balance sheet total<sup>3</sup> Working capital (inventories + trade acc. rec. – advance payments rec. – trade acc. rec.) plus non-current assets excl. def. tax assets<sup>4</sup> Liabilities<sup>5</sup> EBIT / external revenue<sup>6</sup> EBIT / cap. Employed<sup>7</sup> Earnings before interest, taxes, depreciation and amortisation

SBRS		Sub-total		Holding company, other consolidations		Schaltbau Group	
2020	2019	2020	2019	2020	2019	2020	2019
20,886	9,116	270,416	289,440	2,486	0	270,419	289,440
12,121	9,141	241,175	256,593	-1,858	-1,587	239,317	255,006
11,787	8,912	239,314	255,006	3	0	239,317	255,006
334	229	1,860	1,587	-1,860	-1,587		
33,878	19,453	517,069	492,224	0	0	517,069	492,224
1,365	805	22,782	23,343	-5,282	-7,195	17,499	16,148
1,270	762	15,474	16,283	-5,860	-7,755	9,614	8,527
0	0	423	545	0	0	423	545
0	0	0	230	0	0	0	230
1	0	196	158	-52	-45	144	113
-92	-70	-3,141	-3,733	-41	16	-3,182	-3,717
-395	-252	-1,991	-2,452	-966	1,387	-2,957	-1,065
783	440	10,959	11,018	-6,919	-6,398	4,040	4,620
0	0	0	74	0	0	0	74
0	0	0	0	0	0	0	0
204	58	8,670	5,881	201	92	8,901	5,973
-95	-44	-7,307	-7,044	-483	-529	-7,791	-7,572
39	0	-1,101	-1,958	-97	-24	-1,198	-1,982
0	0	376	149	0	0	377	149
-1,372	-1,059	-10,831	-24,103	-2,047	-3,851	-12,878	-27,955
18,230	9,870	440,504	423,219	-31,947	-13,891	408,557	409,327
0	0	3,565	3,439	0	0	3,565	3,439
8,453	7,840	284,755	318,703	-10,266	-10,343	274,489	308,360
15,637	8,416	295,637	282,218	18,480	33,763	314,117	315,981
70	53	2,641	2,810	29	26	2,670	2,836
10.5%	8.3%					4.0%	3.3%
15.0%	9.7%					3.5%	2.8%

## (17) Contingent liabilities and other financial commitments

### Other financial obligations

K€	30.6.2020	31.12.2019
Obligations (purchase commitments)	4,990	4,754

**Other financial commitments** have been calculated on the basis of the earliest possible cancellation dates.

At 30 June 2020, Group guarantees amounted to kEUR 31,901 (31 December 2019: kEUR 33,514) and bank guarantees to kEUR 28,165 (31 December 2019: kEUR 22,598). A provision for onerous contracts amounting to kEUR 4,003 has been recognised for possible calls on guarantees issued. The Schaltbau Group assesses the probability of guarantees being called upon, for which no provisions have been recognised, at less than 10%.

## (18) Related party transactions

Transactions between fully consolidated companies on the one hand and joint ventures, associated companies and non-consolidated companies on the other, all conducted on the basis of arm's length principles, are disclosed below from the perspective of the fully consolidated companies:

K€	Volume of services performed		Volume of services received	
	1.1.– 30.6.2020	1.1.– 30.6.2019	1.1.– 30.6.2020	1.1.– 30.6.2019
<b>Joint ventures</b>				
Trading	0	42	0	-1,073
Other transactions	0	0	0	-6
<b>Associated companies</b>				
Trading	6	0	0	0
Other transactions	0	0	-13	0
<b>Non-consolidated companies</b>				
Trading	2,544	2,972	-4	-11
Other transactions	30	50	-17	-5

The following receivables and payables – mostly from trading and at a level customary for the business – existed at the end of the reporting period from the perspective of the Group's fully consolidated entities.

K€	Receivables and other assets		Payables	
	1.1.– 30.6.2020	1.1.– 30.6.2019	1.1.– 30.6.2020	1.1.– 30.6.2019
Joint ventures	0	40	141	291
Associated companies	356	0	0	0
Non-consolidated companies	1,657	2,316	956	943

Schaltbau Holding AG has been leasing a previously acquired building to Albatros S.L.U, Madrid, Spain, with effect from the second half of 2018. From the fiscal year 2020 onwards, this entity is no longer a related party within the meaning of IAS 24.9.

A consulting agreement has been in place between Noerr Consulting AG, Berlin, and Schaltbau since 2 August 2017. In conjunction with the departure of Dr Martin Kleinschmitt from the Executive Board with effect from 31 March 2019, a supplementary agreement was concluded on 21 February 2019. Remuneration recognised as an expense for the period after completion of Executive Board activities amounted in the previous fiscal year to kEUR 355. From the fiscal year 2020 onwards, Noerr Consulting AG, Berlin, is no longer a related party within the meaning of IAS 24.9.

### **(19) Events after the end of the reporting period**

There have been no significant events after the end of the reporting period that have a significant impact on the Group's net assets, financial position and results of operations.

Munich, 30 July 2020

Schaltbau Holding AG  
The Executive Board



**Dr Albrecht Köhler**  
Chairman



**Dr Jürgen Brandes**



**Thomas Dippold**



**Volker Kregelin**

## Disclaimer

Some of the assertions made in this report may be similar in character to forecasts or may be interpreted as such. The assertions are made to the best of the knowledge and belief of management and apply, in accordance with the nature of such assertions, on the condition that there is no massive contraction of the markets relevant for the Schaltbau Group and in the specific market position of the individual Group entities and that the forecasting assumptions turn out to be appropriate, in terms of both scale and timing. The Company does not assume any responsibility for updating forward-looking assertions.

## Responsibility statement

"To the best of our knowledge, and in accordance with the applicable principles for half-year financial reporting, the Interim Consolidated Financial Statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the Interim Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year."

Munich, 30 July 2020

Schaltbau Holding AG  
The Executive Board



Dr Albrecht Köhler  
Chairman



Dr Jürgen Brandes



Thomas Dippold



Volker Kregelin

## Financial Calendar 2020

1 – 3 September 2020	Equity Forum, Online
29 October 2020	Group Interim Report as of 30 September 2020 – 9 Months
16 – 18 November 2020	Deutsches Eigenkapitalforum, Online
25 November 2020	DZ Bank Equity Conference, Frankfurt am Main

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