



**UNI WHEELS**  
UNITED WHEELS GROUP

# Consolidated Interim Report



as of 30 September 2016  
UNI WHEELS AG

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The UNIWHEELS Group is one of the leading manufacturers of aluminum wheels for cars in Europe and is one of the few technology leaders worldwide in the aluminum wheel industry.

UNIWHEELS is the third largest European supplier of OEM wheels for the automotive industry as well as the market-leading manufacturer of alloy wheels for the accessories market (AM) in Europe. Well-known Group brands include ATS, RIAL, ALUTEC and ANZIO. The Group currently has four production plants, three of which are in Poland (Stalowa Wola) and one in Germany (Werdohl).

UNIWHEELS sees itself as one of the leading partners of the automotive industry for the optimum reduction of CO<sub>2</sub> emissions by reducing the weight of alloy wheels. As well as weight-optimized construction methods, the following procedures are primarily used: Flow Forming, Lightforming, undercutting and forging.

In 2015 UNIWHEELS Group had with a sales volume of 7.8 million wheels EUR 436.5 million of revenues and an EBITDA of EUR 58.7 million. 2,539 employees worked for the Group.

Since 2015, UNIWHEELS AG is publicly listed on Main Market of Warsaw Stock Exchange. The UNIWHEELS stock is floated under security identification number A13STW, ISIN DE000A13STW4 and ticker symbol UNW.

**1. Selected financials**

		<b>January - September</b>		
		<b>2016</b>	<b>2015</b>	<b>Change</b>
Unit sales of wheels	thousand units	6,384	5,703	11.9%
Revenue	EUR m	334.9	320.2	4.6%
EBITDA	EUR m	51.5	41.6	23.8%
EBIT	EUR m	39.3	30.6	28.4%
EBT	EUR m	39.4	28.1	40.2%
Net profit or loss for the period	EUR m	42.8	27.9	53.4%
Interest expense	EUR m	2.1	3.7	-43.2%
EPS (basic / diluted)	EUR per share	3.45	2.47	39.6%
EBITDA margin	%	15.4	13.0	2.4 pp
EBIT margin	%	11.7	9.6	2.1 pp
EBT margin	%	11.8	8.8	3.0 pp
Cash flow from operating activities	EUR m	43.0	17.2	149.4%
Capital expenditure	EUR m	68.1	29.9	127.8%
Average headcount	No.	2,855	2,529	12.9%
		<b>30 Sep 2016</b>	<b>31 Dec 2015</b>	
Equity ratio	%	59.9	61.6	-1.7 pp
Net debt	EUR m	60.1	10.6	467.0%

## 2. Our share / Investor relations

### Basic data of the UNIWHEELS share:

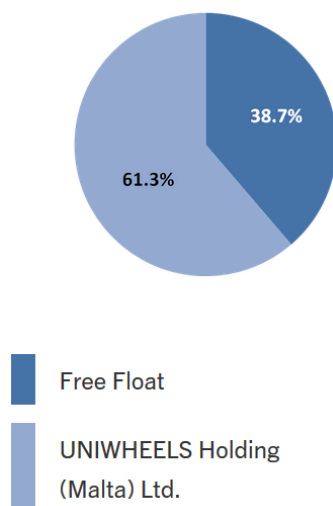
ISIN	DE000A13STW4
Security identification number	A13STW
Ticker symbol	UNW
Type of stock	ordinary bearer shares without nominal value
Stock exchange	Warsaw Stock Exchange
Market segment	Main Market
Index	mWIG40
Number of shares	12.400.000
Free float	38,7%

### 2.1. Shareholder structure

38.7% of UNIWHEELS AG shares are in free float. Approximately 61.3% of the shares are held by the majority shareholder, UNIWHEELS Holding (Malta) Ltd., Sliema, Malta. The largest group of shareholders of shares in free float are institutional investors from Poland (pension funds and investment funds), followed by institutional investors in the UK, Austria and Germany.

On 26 January 2016, UNIWHEELS was informed by Nordea Open Pension Fund, Warsaw, that Nordea held just over 3.32% of the voting rights.

#### Shareholder structure:



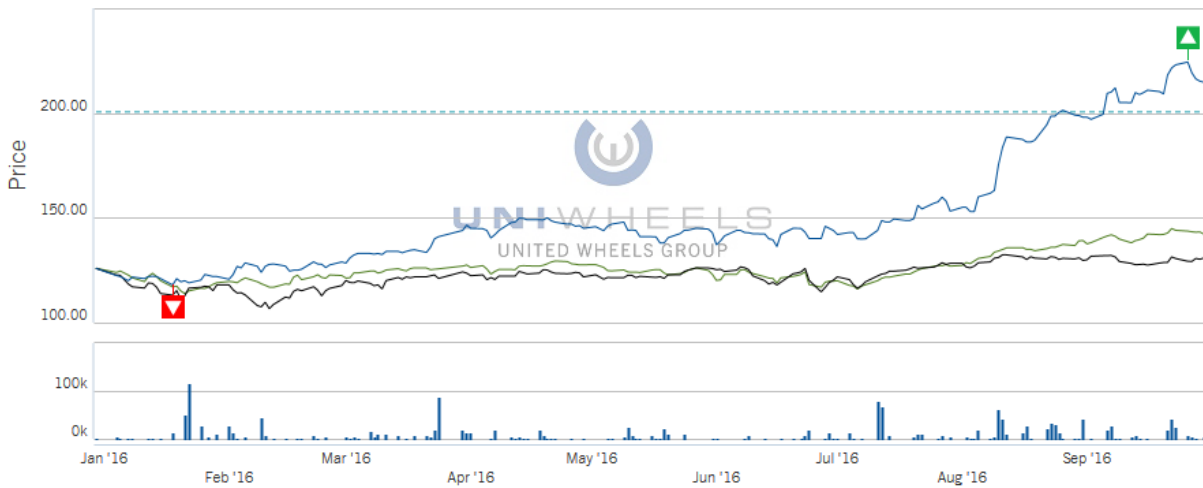
### 2.2. Development of the share price

The closing price of the share on 30 September 2016 was PLN 214.70. This translates into a performance of +70.5% in the first nine months of 2016. Compared to the relevant share index, the mWIG40, the share developed 57.6 per-

centage points better than the market. The UNIWHEELS share even outperformed the MDAX by as much as 66.6 percentage points. The UNIWHEELS share has appreciated by 104.5% since the IPO in May 2015 (issue price) and thus more than doubled within just 17 months.

Market capitalisation at the end of the period came to PLN 2,662 million (EUR 618 million).

**Performance of the UNIWHEELS share from 1 January 2016 to 30 September 2016:**



**2.3. Investor relations**

The goal of investor relations at UNIWHEELS is to win the trust of all players on the capital markets by means of reliable open, consistent and prompt reporting and to convince them of the benefits of the business model of UNIWHEELS AG. Close dialogue with the capital markets is of great importance to UNIWHEELS.

New financial reports will be published on the investor relations pages of the UNIWHEELS website along with corporate news releases, presentations and other information. The Investor Relations team welcomes any queries and is happy to serve both institutional and private investors alike.

UNIWHEELS conducted a number of international roadshows in London (2x), Stockholm, Warsaw, Vienna, Zurich and Frankfurt from January through to September. In addition, the Company presented itself at a number of investor conferences. The management addressed present and potential institutional investors in approximately 100 meetings. Moreover, UNIWHEELS offered several factory tours for financial analysts and investors. During numerous international conference calls, institutional investors and analysts were familiarised with the company by the Investor Relations team. On 21 September 2016 UNIWHEELS conducted its first Investor Day. At this event, the full Management Board presented key points of the strategy and technology at the locations in Stalowa Wola, Poland, to institutional investors and financial analysts. Thereafter, the new plant, UPP 3 in Stalowa Wola was inspected. UNIWHEELS has scheduled a number of international roadshows and investor conferences for the rest of the year.

**Analyst coverage (as of 21 October 2016):**

Institution	Analyst	Date	Target Price	Recommendation
mBank Dom Maklerski	Jakub Szkopek	October 19th, 2016	PLN 224.20	<b>ACCUMULATE</b>
Trigon	Łukasz Rudnik	August 25th, 2016	PLN 209.00	<b>BUY</b>
Wood & Company	Maciej Wardejn	August 12th, 2016	PLN 211.50	<b>BUY</b>
Pekao	Tomasz Kucinski	August 11th, 2016	PLN 206.20	<b>BUY</b>
BZ WBK Brokerage	Michał Sopieli	August 5th, 2016	PLN 178.00	<b>BUY</b>

In April 2016, the stockbrokers, Pekao and Trigon began covering the share. At the end of the reporting period, the number of institutes which publish research reports about UNIWHEELS on a regular basis came to six. Other analysts from international institutes have announced they will begin covering the share shortly and have started their research work.

**2.4. Inclusion in the mWIG40 stock index and awards**

Based on a resolution of the Management Board of the Warsaw Stock Exchange on 4 March 2016, the shares of UNIWHEELS AG were added to the mWIG40 mid-cap index of the exchange after the close of trading on 18 March 2016 as part of the annual adjustment process. The adjustment took effect on 21 March 2016. Inclusion in the mWIG40 mid-cap index, the Polish equivalent of the MDAX, occurred just ten months after the IPO of UNIWHEELS AG on the Warsaw stock exchange.

The IPO of UNIWHEELS was awarded a prize for the “Best IPO of the Year” by the reputed Warsaw stock exchange journal, *Parkiet*, on 16 March 2016. On 12 May 2016, UNIWHEELS was awarded the prize “IPO of the Year 2015” by the Warsaw Stock Exchange. In addition, UNIWHEELS was awarded the CEE Capital Markets Awards 2016 in the categories, “Top Foreign Company Listing on a CEE Stock Exchange” and “Top IPO”.

### 3. Interim group management report

#### 3.1. Significant events

On 18 January 2016, the Chairman of the Management Board of UNIWHEELS AG, Mr. Ralf Schmid, announced that he intended to step down from the Management Board effective 21 January 2016 and accept an appointment to the Supervisory Board. On 19 January 2016 UNIWHEELS Holding (Malta) Ltd. appointed Mr. Ralf Schmid to the Supervisory Board, effective 21 January 2016, whereupon he was immediately elected Chairman. On 19 January 2016 the Supervisory Board of UNIWHEELS AG passed a resolution to appoint Dr. Thomas Buchholz as the Chairman of the Management Board effective 21 January 2016. Dr. Buchholz had been the Deputy Chairman since August 2015.

At its meeting on 26 April 2016, the Supervisory Board of UNIWHEELS AG passed a resolution to appoint Dr. Wolfgang Hiller as an additional member to the Management Board. As the Chief Operating Officer (COO), Dr. Hiller is in charge of the production plants and is also assigned responsibility for the Accessory division, effective 1 June 2016.

After just under one year's construction, the new UNIWHEELS Production Poland Sp. z o.o. (UPP 3) plant in Stalowa Wola, Poland, went into operation ahead of schedule. After successfully completing test operation in May, casting operations started successively at the beginning of June. By the end of the year additional capacity of roughly 500,000 wheels should be created. The plant can produce up to 2 million wheels per year, which is also considered in the budget for 2017.

In light of the ongoing high customer demand, UNIWHEELS is currently assessing additional growth options for the following periods after Plant UPP 3 in Poland has gone into full operation. In this respect, feasibility studies are currently being carried out in the global growth markets of all relevant customers of the automobile sector. The Management Board and the Supervisory Board intend to take a decision by March 2017 regarding an additional plant with a further capacity of 2 million units.

The Management Board of the Warsaw Stock Exchange passed a resolution to include the share of UNIWHEELS AG in the mWIG40 mid-cap index of the Warsaw Stock Exchange. This took effect on 21 March 2016.

ITR (Internationale Tourenwagen Rennen e.V.), the umbrella organisation of the DTM (Deutsche Tourenwagen Meisterschaft) and ATS Leichtmetallräder GmbH entered into a cooperation agreement governing the production and delivery of uniform wheels. Commencing in 2017, all of the race cars in the DTM series will be equipped with the new forged wheels from ATS, regardless of the make of the car. The contract has a minimum term of three years.

On 19 July 2016, UPP entered into a loan agreement of EUR 20.0 million. The loan is to be used specifically for machines, equipment and production technology and to be utilised by 31 October 2016. If the loan has not been utilised in full or in part by the specified date, the loan will be reduced accordingly. The loan bears interest at a rate of 1.0% p.a. and has to be repaid in quarterly installments by 31 March 2024.

On 21 September 2016 UNIWHEELS presented its Strategy 2022 at its Investor Day in Stalowa Wola, Poland. In addition to a vision and mission statement, the strategy consists of five strategic fields with a focus on profitable and sustainable growth, product quality, operative excellence and robust financial indicators. You can find more information on Strategy 2022 at: [www.uniwheels.com](http://www.uniwheels.com) -> Investor Relations -> UNWHEELS Profile -> Strategy 2022.

#### 3.2. Business development

Unit sales of wheels developed as follows:

	January - September		Change	Q 3		Change
	2016	2015		2016	2015	
	thousand units		%	thousand units		%
Accessory	1,085	955	13.6	422	345	22.3
Automotive	5,299	4,748	11.6	1,693	1,474	14.9
	<b>6,384</b>	<b>5,703</b>	<b>11.9</b>	<b>2,115</b>	<b>1,819</b>	<b>16.3</b>



The UNIWHEELS Group has managed to steadily increase its unit sales of alloy wheels for a number of years. Compared to 6.4 million wheels in 2012, over 7.8 million wheels were sold in 2015. The first nine months of 2016 were again very successful for the UNIWHEELS Group.

In the period from January to September 2016 unit sales of wheels rose by 12.0% on the comparable period of the prior year to 6.4 million wheels.

In the **Accessory** division unit volume rose by 13.6% which is due to the continuation of successful sales activities. Unit sales of wheels to two major customers abroad could be increased significantly. In addition, other new projects were won in Austria and Sweden.

In the **Automotive** division, unit sales of wheels increased by 11.6% compared to the same period of the prior year. This was primarily driven by a sustained rise in demand from European automobile manufacturers. The UNIWHEELS Group was able to diversify and build on its extremely successful customer relationships with a focus on the premium segment of the automobile industry. While further growth was hemmed by capacity restrictions in the first six months of 2016, UNIWHEELS was able to tap significantly higher production capacity once the new plant UPP 3 came on line in Poland. UNIWHEELS met the increase in demand from its customers by making efficiency gains and increasing capacity at its existing plants, Werdohl in particular.

### 3.3. Financial performance

The **consolidated revenue** of the UNIWHEELS Group increased to EUR 334.9 million in the first nine months of 2016. In comparison to the comparable period of the prior year, this represents a rise of EUR 14.7 million or 4.6%. The main factors in the rise in revenue are the 11.9% increase in unit volume and the improved product mix. The decrease in aluminium prices was passed through to our OEM customers during the quarterly price adjustments. The revenue of the **Automotive** division rose by 3.6% to EUR 271.8 million. The revenue of the **Accessory** division amounted to EUR 57.8 million, which represents an increase of 9.1% on the prior year.

	January - September		Change	Q 3		Change
	2016	2015		2016	2015	
	EUR m		%	EUR m		%
Accessory	57.8	53.0	9.1	21.4	19.0	12.6
Automotive	271.8	262.4	3.6	87.9	82.9	6.0
Other	5.3	4.8	10.4	2.6	1.3	100.0
	<b>334.9</b>	<b>320.2</b>	<b>4.6</b>	<b>111.9</b>	<b>103.2</b>	<b>8.4</b>

**Other income** decreased by EUR 1.5 million to EUR 1.8 million. The decrease is predominantly due to a fall in realised foreign exchange gains.

#### Key expense items

	January - September		Change	Q 3		Change
	2016	2015		2016	2015	
	EUR m		%	EUR m		%
Cost of material	188.1	199.6	-5.8	63.0	59.0	6.8
Personnel expenses	55.1	48.7	13.1	18.9	15.0	26.0
Other expenses	44.8	41.7	7.4	16.1	13.2	22.0
Depreciation and amortisation	12.2	11.0	10.9	4.4	3.7	18.9
Interest expense	2.1	3.7	-43.2	0.8	0.8	0.0

The **cost of material** of the UNIWHEELS Group decreased by 5.8% to EUR 188.1 million. The reduction in the cost of material is primarily due to the fall in the prices of raw materials in comparison to the comparative period of the prior year, aluminium in particular. The cost of energy also decreased by EUR 0.1 million. The cost of paint, on the other



hand, rose by EUR 1.4 million. The background to the increase lies in the significant rise in production volume. A detailed breakdown of the cost of material can be found in Note 4.8.2 of the notes to these interim financial statements.

**Personnel expenses** increased by EUR 6.4 million or 13.1% to EUR 55.1 million. The reason for the rise lies in the addition of 326 employees in comparison to the same period of the prior year, 2015. The significant increase in personnel is related to the new plant, UPP 3, which went into operation in June.

**Other expenses** rose by 7.4% to EUR 44.8 million. Please see Note 4.8.6 in the notes to these interim financial statements for a breakdown of other expenses.

**Depreciation and amortisation** of non-current assets rose by 10.9% to EUR 12.2 million in the first nine months of 2016, mainly on account of UPP 3 going into operation.

**Interest expenses** decreased by EUR 1.6 million to EUR 2.1 million. The main factor in the decline is a much lower interest margin arranged on the syndicated loan, which was reduced from 2.20% to 0.95%.

**Other finance revenue/costs** increased on the prior year mainly on account of a positive change in the market value of aluminium futures, used to secure the price of aluminium, which rose from EUR 1.3 million to EUR 2.0 million. See Note 4.8.7 in the notes to these interim financial statements for a detailed breakdown of other finance revenue/costs.

## Earnings situation

### Key earnings indicators

	January - September		Change	Q 3		Change
	2016	2015		2016	2015	
	EUR m		%	EUR m		%
EBITDA	51.5	41.6	23.8	15.3	13.8	10.9
EBIT	39.3	30.6	28.4	10.9	10.1	7.9
Net profit for the period	42.8	27.9	53.4	13.7	8.6	59.3
	%		Percentage points	%		Percentage points
EBITDA margin	15.4	13.0	2.4	13.7	13.4	0.3
EBIT margin	11.7	9.6	2.2	9.7	9.8	0.0
	January - September			Q 3		
	2016	2015		2016	2015	
	EUR per share		EUR per share			
EPS (basic / diluted)	3.45	2.47	1.10	0.75		

Earnings before interest, taxes, depreciation and amortisation (**EBITDA**) increased by 23.8% on the prior year to EUR 51.5 million. This increase in EBITDA can be attributed primarily to the increase in revenue due to higher unit sales of wheels and a reduction in the cost of material due to lower prices of raw materials. The EBITDA margin increased from 13.0% to 15.4%.

With increased depreciation and amortisation, earnings before interest and taxes (**EBIT**) rose by 28.4% to EUR 39.3 million compared to the prior year. The EBIT margin improved from 9.6% to 11.7%.

The **net profit for the period** increased by 53.4% to EUR 42.8 million compared to the prior year. This increase is due to the improved operating result and income from deferred tax assets of EUR 4.5 million.

The net profit for the period comprises the following **extraordinary items**:

	January - September		Q 3	
	2016	2015	2016	2015
	EUR m	EUR m	EUR m	EUR m
Exchange rate effects	0.1	0.5	0.2	-0.2
Expenses from the IPO	0.0	2.3	0.0	0.0
Other finance revenue/costs	2.0	0.7	3.9	-0.9
	<b>2.1</b>	<b>-1.1</b>	<b>4.1</b>	<b>-1.1</b>

### 3.4. Capital expenditure

An amount of EUR 68.1 million was invested in the intangible assets and property, plant and equipment of the group in the first nine months of 2016. Of this total, EUR 52.4 million was invested in expanding production capacity with the construction of UPP 3. In addition, EUR 1.8 million was invested to acquire developed land at the Polish company UPP to close the gap between the plants. Due to the usufruct right over 99 years in connection with this developed land, it is recognised as a right of use under rights and licenses. The remainder of the capital expenditure includes the development of diecasts (coquilles), optimising casting technology and machining.

As a result, capital expenditure in the first nine months of 2016 was significantly higher than depreciation and amortisation of EUR 12.2 million.

The ratio of capital expenditure to revenue comes to 20.3% (prior year: 9.3%).

The capital expenditure budgeted for the rest of the fiscal year 2016 mainly relates to the second stage of UPP 3 in Stalowa Wola, Poland, which comprises the development of coquilles, quality assurance and modernisation work.

### 3.5. Composition of assets, equity and liabilities

The **total assets** reported in the consolidated statement of financial position as of 30 September 2016 come to EUR 370.7 million (prior year: EUR 324.4 million), consisting of non-current assets of EUR 246.7 million (prior year: EUR 186.4 million) and current assets of EUR 124.0 million (prior year: EUR 138.0 million).

**Non-current assets** primarily consist of other intangible assets of EUR 8.3 million (prior year: EUR 8.0 million), property, plant and equipment of EUR 195.7 million (prior year: EUR 140.4 million) and deferred tax assets of EUR 40.3 million (prior year: EUR 35.8 million).

**Current assets** mainly consist of inventories of EUR 61.4 million (prior year: EUR 56.2 million). Current assets also include trade receivables of EUR 50.0 million (prior year: EUR 34.3 million) and cash and cash equivalents of EUR 3.0 million (prior year: EUR 39.3 million). The increase in trade receivables is largely a result of higher unit sales of wheels in the first nine months of 2016 compared to the same period of the prior year.

The reduction in **cash and cash equivalents** can be attributed to the rise in capital expenditures in the fiscal year to date and the dividend payment.

The **capital tied up** in current assets (inventories plus trade receivables less trade payables) increased slightly by EUR 14.3 million in the first nine months of the year to EUR 49.8 million.

**Equity** increased from EUR 199.9 million to EUR 222.1 million. Nevertheless, the equity ratio fell from 61.6% to 59.9% on account of the rise in the balance sheet total.

As in the prior year, **non-current trade payables** relate solely to liabilities towards UNIWHEELS Holding (Malta) Ltd., Sliema, Malta (UHM), carried by individual entities of the group.

**Current provisions** increased from EUR 1.9 million to EUR 6.3 million, mainly on account of provisions for adjustments with respect to the aluminium price which have not been made.

The increase of EUR 16.9 million in **financial liabilities** to EUR 27.1 million mainly results from an amount of EUR 15.0 million drawn on the revolving facility.

### 3.6. Financial position

A repayment of EUR 4.1 million was made on the **syndicated loan** in the first nine months of 2016 as arranged.

**Net debt** (calculated as current and non-current financial liabilities less cash and cash equivalents) increased from EUR 10.6 million in 2015 to EUR 60.1 million. This is primarily due to a fall in cash and cash equivalents on account of the high level of capital expenditures and dividends paid to the shareholders. In addition, an amount of EUR 15.0 million was drawn on the revolving facility on 11 May 2016.

More information on the liquidity and cash position of the group can be found in the cash flow statement in Section 4.4.

### 3.7. Risk and opportunities report

As of 30 September 2016, there were no significant changes to the risks and opportunities for the UNIWHEELS Group as discussed in the group management report for fiscal year 2015. At present, there are no risks that are likely to jeopardise the ability of the group to continue in business as a going concern.

### 3.8. Outlook

Upon the first phase of the plans to expand production being completed with Plant UPP 3 in Stalowa Wola, Poland, going into operation, additional production capacity of roughly 500,000 wheels has come on line with which UNIWHEELS will be better able to meet the sustained high level of demand from its customers for top quality alloy wheels from our company. In 2017 the annual capacity of UNIWHEELS will be subsequently ramped up by a total of 2 million units or 25%.

Taking the anticipated growth of the automobile industry into account and the pleasing earnings in the first nine months of 2016, the management **confirms the guidance for the full year 2016 published in the interim report for the first six months with the lower limit of the forecast range being raised once again.**

On this basis, an **increase in the group's annual production of wheels of between 10% and 12%** is forecast for fiscal year 2016. **Consolidated revenue** is expected to **grow by between 5% and 6%**. In terms of cost factors, management continues to believe that the average price of aluminium on the LME (London Metal Exchange) in 2016 will come to roughly EUR 1,400 per metric ton, after translation into EUR. UNIWHEELS has budgeted start-up costs at an appropriate amount for the progressive commissioning of Plant UPP 3. The management of the UNIWHEELS Group is now targeting an increase in **consolidated EBITDA of between 16% and 18%**. This does not consider foreign exchange differences, which cannot be planned in advance, and other income. Moreover, the cost-savings conducted in the prior year and the streamlining of production are expected to make the cost structures more flexible in future. This is expected to have a positive impact on the group's earnings.

The management of the UNIWHEELS Group plans a significant increase in investment activity also for the remaining fiscal year 2016, mainly on account of Plant UPP 3 coming on line and the fact that the second expansion phase has been brought forward. The investments will be predominantly made directly in the production division and result from the plans to expand capacity and meet the high quality standards of the UNIWHEELS Group, on top of the continuous improvement of production processes. The expansion in production capacity will become manifest in 2017 when the second stage of finishing the new plant UPP 3 is completed.

The sales markets of the European automobile sector are also expected to continue developing well in subsequent years. The new plant in Stalowa Wola will provide additional production capacity of roughly 2 million wheels from 2017 onwards. UNIWHEELS expects significant economies of scale from the expansion of production. No more start-up costs are expected from 2017 onwards. In the coming years UNIWHEELS is projecting revenue of at least EUR 520 million and an EBITDA margin of roughly 16%, assuming that aluminium prices remain stable.

### 3.9. Subsequent events

The majority shareholder of UNIWHEELS AG, UNIWHEELS Holding (Malta) Ltd. (UHM), which holds 61.29% of the shares, informed UNIWHEELS AG on the 4 October that it is reviewing various strategic options with regard to its majority holding of UNIWHEELS AG. At the time of the announcement, this process was very much in the early stages but

it does not rule out a partial or full divestment of the majority holding. UHM also announced that it planned to involve an investment bank and legal counsel in this process.

As of 31 October 2016, UPP had fully drawn on the loan of EUR 20.0 million extended by an agreement dated 19 July 2016. The loan bears interest at a rate of 1.0% p.a. and has to be repaid in quarterly instalments by 31 March 2024.

No significant events have occurred subsequent to the closing date which would require additional explanatory disclosures.

## 4. Condensed interim financial statements

### 4.1. Consolidated statement of financial position of UNIWHEELS AG

	Note	30 Sep 2016 EUR m	31 Dec 2015 EUR m
<b>ASSETS</b>			
Goodwill		0.9	0.9
Other intangible assets		8.3	8.0
Property, plant and equipment	4.8.1.	195.7	140.4
Investment property		0.7	0.7
Other non-current financial assets		0.8	0.6
Deferred tax assets	4.8.8.	40.3	35.8
<b>Total non-current assets</b>		<b>246.7</b>	<b>186.4</b>
Inventories	4.8.2.	61.4	56.2
Trade receivables	4.8.2.	50.0	34.3
Other current financial assets		2.0	0.9
Current income tax assets		0.1	0.0
Other current non-financial assets	4.8.3.	7.5	7.3
Cash and cash equivalents		3.0	39.3
<b>Total current assets</b>		<b>124.0</b>	<b>138.0</b>
<b>Total assets</b>		<b>370.7</b>	<b>324.4</b>
<b>EQUITY AND LIABILITIES</b>			
Issued capital	4.8.3.	12.4	12.4
Capital reserve	4.8.3.	198.5	198.5
Revenue reserves	4.8.3.	11.4	-10.9
Other reserves		-0.2	-0.1
<b>Total equity</b>		<b>222.1</b>	<b>199.9</b>
Non-current provisions		3.4	3.3
Non-current financial liabilities	4.8.5.	36.0	39.7
Non-current trade payables		7.3	11.3
Other non-current non-financial liabilities		0.1	0.0
<b>Total non-current liabilities</b>		<b>46.8</b>	<b>54.3</b>
Current provisions		6.3	4.4
Current financial liabilities	4.8.5.	27.1	10.2
Current trade payables		54.3	43.7
Other current non-financial liabilities		12.7	10.9
Current income tax liabilities	4.8.8.	1.4	1.0
<b>Total current liabilities</b>		<b>101.8</b>	<b>70.2</b>
<b>Total equity and liabilities</b>		<b>370.7</b>	<b>324.4</b>

**4.2. Consolidated statement of comprehensive income of UNIWHEELS AG**

	Note	January - September		Q 3	
		2016 EUR m	2015 EUR m	2016 EUR m	2015 EUR m
Revenue	4.8.2.	334.9	320.2	111.9	103.2
Changes in inventories of finished goods and work in progress		2.3	7.6	0.5	-2.4
Own work capitalised		0.5	0.5	0.4	0.1
<b>Total operating performance</b>		<b>337.7</b>	<b>328.3</b>	<b>112.8</b>	<b>100.9</b>
Other income		1.8	3.3	0.5	0.1
Cost of material	4.8.2.	188.1	199.6	63.0	59.0
Personnel expenses		55.1	48.7	18.9	15.0
Other expenses	4.8.6.	44.8	41.7	16.1	13.2
Depreciation, amortisation and impairments		12.2	11.0	4.4	3.7
Interest income		0.2	0.5	0.1	0.2
Interest expense		2.1	3.7	0.8	0.8
Other finance revenue/costs	4.8.7.	2.0	0.7	3.9	-0.9
Profit or loss before tax		<b>39.4</b>	<b>28.1</b>	<b>14.1</b>	<b>8.6</b>
Income taxes	4.8.8.	3.4	-0.2	-0.4	0.0
<b>Net profit or loss for the period</b>		<b>42.8</b>	<b>27.9</b>	<b>13.7</b>	<b>8.6</b>
<b>Items that may be recycled through profit or loss under certain conditions</b>					
Foreign currency translation		0.0	0.0	0.0	0.0
Net gains/losses from cash flow hedges		-0.2	-0.2	0.0	-0.2
<b>Items that may not be recycled through profit or loss</b>					
Actuarial gains/(losses)		0.0	0.0	0.0	0.0
<b>Other comprehensive income after tax</b>		<b>-0.2</b>	<b>-0.2</b>	<b>0.0</b>	<b>-0.2</b>
<b>Comprehensive income</b>		<b>42.6</b>	<b>27.7</b>	<b>13.7</b>	<b>8.4</b>
<b>Earnings per share (EUR)</b>					
basic		<b>3.45</b>	<b>2.47</b>	<b>1.10</b>	<b>0.75</b>
diluted		<b>3.45</b>	<b>2.47</b>	<b>1.10</b>	<b>0.75</b>

**4.3. Consolidated statement of changes in equity of UNIWHEELS AG**

	<b>Issued capital</b>	<b>Capital reserve</b>	<b>Revenue reserves</b>	<b>Other reserves</b>	<b>Total</b>
	EUR m	EUR m	EUR m	EUR m	EUR m
<b>31 December 2014</b>	<b>10.0</b>	<b>114.9</b>	<b>-41.5</b>	<b>0.1</b>	<b>83.5</b>
Net profit or loss for the period			27.9		27.9
Other comprehensive income after tax				-0.3	-0.3
Comprehensive income			27.9	-0.3	27.6
Issue of new shares	2.4				2.4
Conversion of the shareholder loan from UHM		24.7			24.7
Transaction costs		-0.7			-0.7
Capital increase from public floatation		59.6			59.6
Dividends paid			-10.0		-10.0
<b>30 September 2014</b>	<b>12.4</b>	<b>198.5</b>	<b>-23.6</b>	<b>-0.2</b>	<b>187.1</b>
<b>31 December 2015</b>	<b>12.4</b>	<b>198.5</b>	<b>-10.9</b>	<b>-0.1</b>	<b>199.9</b>
Net profit or loss for the period			42.8		42.8
Other comprehensive income after tax				-0.1	-0.1
Comprehensive income			42.8	-0.1	42.7
Dividends paid			-20.5		-20.5
<b>30 September 2016</b>	<b>12.4</b>	<b>198.5</b>	<b>11.4</b>	<b>-0.2</b>	<b>222.1</b>



**4.4. Consolidated statement of cash flows of UNIWHEELS AG**

	Note	January - September	
		2016 EUR m	2015 EUR m
<b>Cash flows from operating activities</b>			
Net profit or loss for the period		42.8	27.9
Income tax through profit or loss		-3.4	0.2
Finance costs through profit or loss		1.8	3.6
Interest income through profit or loss		-0.2	-0.5
Gain/loss on the disposal of non-current assets		0.3	0.0
Depreciation and amortisation of non-current assets		12.2	11.0
Impairment losses on current and non-current assets		0.1	0.7
Other non-cash expenses and income		-0.2	-1.4
<b>Subtotal</b>		<b>53.3</b>	<b>41.5</b>
(Increase)/Decrease of trade and other receivables		-15.8	-19.8
(Increase)/Decrease of inventories		-5.3	-8.5
(Increase)/Decrease of other non-financial assets		-0.1	-2.0
(Increase)/Decrease of other financial assets		-1.3	-0.5
Increase/(Decrease) of trade payables and other liabilities		6.6	5.7
Increase/(Decrease) of provisions		1.9	0.1
Increase/(Decrease) of other non-financial liabilities		1.8	4.6
Increase/(Decrease) of other financial liabilities		2.4	-3.4
<b>Cash inflow from operating activities</b>		<b>43.5</b>	<b>17.7</b>
Income taxes paid		-0.6	-0.5
<b>Net cash inflow from operating activities</b>		<b>42.9</b>	<b>17.2</b>
<b>Cash flows from investing activities</b>			
Cash paid for investments in property, plant and equipment	4.8.1.	-67.0	-28.8
Cash received from disposals of items of property, plant and equipment		0.0	0.3
Cash paid for investments in intangible assets		-1.1	-1.0
Cash received for interest		0.2	0.2
<b>Net cash outflow from investing activities</b>		<b>-67.9</b>	<b>-29.3</b>
<b>Free cash flow</b>		<b>-25.0</b>	<b>-12.1</b>
<b>Cash flow from financing activities</b>			
Issue of new shares		0.0	2.4
Capital increase from public floatation		0.0	59.6
Transaction costs		0.0	-0.7
Cash received from loans	4.8.5.	15.0	0.0
Cash paid for loans	4.8.5.	-4.1	-32.0
Dividends paid to shareholders of the parent company	4.8.3.	-20.5	-10.0
Cash paid for interest		-1.8	-2.6
<b>Net cash outflow from financing activities</b>		<b>-11.4</b>	<b>16.7</b>
<b>Net increase in cash and cash equivalents</b>		<b>-36.4</b>	<b>4.6</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>39.3</b>	<b>20.8</b>
Effect of exchange rate fluctuations on cash and cash equivalents		0.0	1.0
<b>Cash and cash equivalents at the end of the period</b>		<b>3.0</b>	<b>26.4</b>

#### 4.5. General

UNIWHEELS AG (hereinafter referred to as the “company”, the “group” or “UW AG”) is a stock corporation based in Bad Dürkheim, Germany. The interim report covers UW AG and its affiliates (hereinafter referred to as the UNIWHEELS Group). Please refer to Note 3 of the notes to the consolidated financial statements for the year ending 31 December 2015 for a list of the entities in the group.

This quarterly report as of 30 September 2016 is prepared in condensed form in accordance with IAS 34 and the International Financial Reporting Standards as endorsed by the European Union applying on the reporting date.

The explanations in the notes to the consolidated financial statements for the year ending 31 December 2015, particularly with regard to the significant accounting policies, apply accordingly except for any changes to accounting policies due to accounting standards that came into force in the current period.

#### 4.6. Standards to be adopted in the reporting period

The company adopted the following new or amended standards in the reporting period.

Standard/ Amendment/ Interpretation	Content	Mandatory pursuant to IASB from	Mandatory in the EU from
IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation	1 Jan 2016	1 Jan 2016
IAS 19	Employee Benefits	1 Jul 2014	1 Feb 2015
Annual Improvements to IFRSs	2012-2014	1 Jan 2016	1 Jan 2016
Annual Improvements to IFRSs	2010-2012	1 Jul 2014	1 Feb 2015
IAS 1	Disclosure Initiative IFRS	1 Jan 2016	1 Jan 2016

There is no significant impact on the disclosures or amounts presented in the consolidated financial statements from applying these amendments. The applicable standards not listed in the above table are not relevant to UW AG.

#### 4.7. Foreign currency translation

Changes to the underlying parameters mainly relate to exchange rates, which are listed below:

		Closing rates		Average rates January - September	
	1 EUR =	30 Sep 2016	31 Dec 2015	2016	2015
Poland	PLN	4.30	4.26	4.36	4.14
Sweden	SEK	9.63	9.18	9.37	9.34

## 4.8. Significant changes

### 4.8.1. Property, plant and equipment

The change in property, plant and equipment mainly results from depreciation of EUR 12.2 million and additions of EUR 68.1 million of which EUR 52.4 million relates to the construction of UPP 3 in Stalowa Wola, Poland.

Obligations to purchase property, plant and equipment amount to EUR 14.0 million and mainly relate to the second phase of construction at UPP 3 in Stalowa Wola, Poland.

### 4.8.2. Inventories / trade receivables and payables / revenue / cost of material

The increase of EUR 14.7 million in revenue in comparison to the first nine months of 2015 to a total of EUR 334.9 million is due to the growth of the Automotive and Accessory divisions (see the section on segment reporting). In spite of the increase in revenue, there has actually been a reduction in the cost of material mainly on account of lower prices for commodities that are only passed on to customers at a delay. The closing balances of inventories, trade receivables and current trade payables rose in association with the significant improvement in the orders on the books. Details on the changes can be found in the discussion of business development in the management report.

The cost of material breaks down as follows:

	January - September		Q 3	
	2016 EUR m	2015 EUR m	2016 EUR m	2015 EUR m
Aluminium (incl. strontium, titanium, boron)	125.3	145.0	38.9	41.3
Energy (incl. electricity, gas, water, heating)	16.1	16.2	5.3	4.7
Paint	11.9	10.5	4.0	3.3
Other cost of material	34.8	27.9	14.8	9.7
	<b>188.1</b>	<b>199.6</b>	<b>63.0</b>	<b>59.0</b>

### 4.8.3. Equity

The change in equity is primarily due to the net profit generated for the year and the dividend paid. For details please see the statement of changes in shareholders' equity in Note 4.3.

### 4.8.4. Provisions

Current provisions increased from EUR 1.9 million to EUR 6.3 million, mainly on account of provisions for adjustments with respect to the aluminium price which have not been made.

### 4.8.5. Financial liabilities

The increase of EUR 13.2 million in financial liabilities to EUR 63.1 million mainly results from taking out a short-term revolving facility of EUR 15.0 million which was partly offset by scheduled repayments of EUR 4.1 million on the syndicated bank loan.

#### 4.8.6. Other expenses

Other expenses changed in comparison to the comparative period of the prior year as follows:

	January - September		Q 3	
	2016 EUR m	2015 EUR m	2016 EUR m	2015 EUR m
Repairs and maintenance	13.3	11.0	6.0	4.6
Selling expenses	8.6	6.6	2.9	1.9
Legal expenses and consulting fees	3.2	3.4	0.8	1.0
Leases and rental agreements	2.6	2.9	0.9	0.9
Rents of buildings and rent incidentals	2.7	2.4	1.0	0.8
Advertising and travel expenses	1.4	1.5	0.5	0.6
Administrative expenses	1.4	1.4	0.5	0.5
Other (individual line items < EUR 0.8 million)	11.6	12.5	3.5	2.8
	<b>44.8</b>	<b>41.7</b>	<b>16.1</b>	<b>13.2</b>

#### 4.8.7. Other finance revenue/costs

Other finance revenue/costs break down as follows:

	January - September		Q 3	
	2016 EUR m	2015 EUR m	2016 EUR m	2015 EUR m
Income from fair value measurements of currency derivatives	0.9	1.4	0.8	-0.7
Expenses from fair value measurements of currency derivatives	0.1	0.0	-2.9	0.0
Income from fair value measurements of aluminium derivatives	1.2	0.0	0.2	0.0
Expenses from fair value measurements of aluminium derivatives	0.0	0.7	0.0	0.2
	<b>2.0</b>	<b>0.7</b>	<b>3.9</b>	<b>-0.9</b>

Other finance revenue/costs also include the unrealised effects from fair value measurements of currency and aluminium derivatives. For this reason, they are in part subject to significant fluctuations.

The corresponding realised effects from fair value measurements of currency derivatives are included in other income and other expenses, and the effects from aluminium derivatives are included in cost of material.

#### 4.8.8. Income taxes

Due to the continuing high profitability of UNIWHEELS Production (Germany) GmbH (UPG), the German controlling company, UW AG, recognised additional deferred tax assets of EUR 2.9 million on the unused tax losses and interest expenses carried forward based on the projected taxable income over a four-year planning horizon and taking account of the deferred tax assets already recognised on temporary differences and the loss history in the past.

On account of the tax credits on the annual profits generated, the Polish production entity UPP recognised deferred tax assets of EUR 1.6 million. These were based on the expected tax credits on the expected taxable results over a four-year planning horizon.

The deferred taxes presented in the income statement break down as follows:

	January - September		Q 3	
	2016	2015	2016	2015
	EUR m	EUR m	EUR m	EUR m
Tax expense for the period	-1.2	-0.3	-0.5	0.0
Adjustments to current taxes in other periods	0.1	0.0	0.1	0.0
	<b>-1.1</b>	<b>-0.3</b>	<b>-0.4</b>	<b>0.0</b>
Deferred tax expenses recorded in the reporting year	-0.1	0.0	0.0	0.0
Deferred tax income recorded in the reporting year	-4.6	-0.1	0.0	0.0
	<b>4.5</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>
Income taxes recorded in the income statement	<b>3.4</b>	<b>-0.2</b>	<b>-0.4</b>	<b>0.0</b>

#### 4.9. Segment reporting

The UNIWHEELS Group is managed as a business unit that operates in the field of wheel production. The monthly reporting is prepared at group level accordingly.

The primary management indicators of the UNIWHEELS Group pursuant to IFRS are as follows:

	January - September		Q 3	
	2016	2015	2016	2015
External revenue (EUR m)	334.9	320.2	111.9	103.2
Unit sales of wheels (in thousands)	6,384	5,703	2,115	1,819
EBITDA (EUR m)	51.5	41.6	15.3	13.8

The allocation of revenue and non-current assets to geographical regions is based on the country in which the group entity is based. A breakdown of revenue and non-current assets (excluding financial instruments and deferred tax assets) by region follows:

External revenue - total	January - September		Q 3	
	2016	2015	2016	2015
	EUR m	EUR m	EUR m	EUR m
Germany	132.7	123.4	45.0	42.8
Poland	202.2	196.8	66.9	60.4
	<b>334.9</b>	<b>320.2</b>	<b>111.9</b>	<b>103.2</b>

#### Non-current assets pursuant to IFRS 8

30 Sep 2016	31 Dec 2015
EUR m	EUR m

Germany	30.2	28.0
Poland	175.4	122.1
	<b>205.6</b>	<b>150.1</b>

Revenue and unit sales figures for wheels break down by division (Automotive and Accessory) as follows:

External revenue - wheels	January - September		Q 3	
	2016	2015	2016	2015
	EUR m	EUR m	EUR m	EUR m
Accessory	57.8	53.0	21.4	19.0
Automotive	271.8	262.4	87.9	82.9
	<b>329.6</b>	<b>315.4</b>	<b>109.3</b>	<b>101.9</b>

Unit figures	January - September		Q 3	
	2016	2015	2016	2015
	thousand	thousand	thousand	thousand
	units	units	units	units
Accessory	1,085	955	422	345
Automotive	5,299	4,748	1,693	1,474
	<b>6,384</b>	<b>5,703</b>	<b>2,115</b>	<b>1,819</b>

Of the total revenue of EUR 334.9 million (9M 2015: EUR 320.2 million) 10% or more is attributable to the following key customers:

	January - September		Q 3	
	2016	2015	2016	2015
	EUR m	EUR m	EUR m	EUR m
Customer A	56.0	64.1	19.4	20.8
Customer B	46.3	38.9	15.4	11.7
Customer C	43.1	34.6	12.8	12.0
	<b>145.4</b>	<b>137.6</b>	<b>47.6</b>	<b>44.5</b>

#### 4.10. Financial instruments

Apart from the financial assets and liabilities presented in the following table, management considers the carrying amounts of the financial assets and financial liabilities in the consolidated statement of financial position as a good approximation of their fair values or, as in the case of derivatives, they are actually carried at fair value. The following table therefore lists all financial liabilities which are not regularly measured at fair value but whose fair values must be presented:

	30 Sep 2016		31 Dec 2015	
	Carrying amount EUR m	Fair value EUR m	Carrying amount EUR m	Fair value EUR m
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost				
- Bank loans	38.5	38.6	42.4	41.5
- Loans from affiliates	0.0	0.0	0.0	0.0
Total	<b>43.9</b>	<b>38.6</b>	<b>42.4</b>	<b>41.5</b>

	30 Sep 2016			
	Level 1 EUR m	Level 2 EUR m	Level 3 EUR m	Total EUR m
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost				
- Bank loans	0.0	38.6	0.0	38.6
Total	<b>0.0</b>	<b>38.6</b>	<b>0.0</b>	<b>38.6</b>

	31 Dec 2015			
	Level 1 EUR m	Level 2 EUR m	Level 3 EUR m	Total EUR m
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost				
- Bank loans	0.0	41.5	0.0	41.5
- Loans from affiliates	0.0	0.0	0.0	0.0
Total	<b>0.0</b>	<b>41.5</b>	<b>0.0</b>	<b>41.5</b>

The fair value of the above level 2 financial liabilities has been determined in accordance with the discounted cash flow method which is widely accepted. A key input in the valuation is the discount rate. Instruments have been allocated to the fair value hierarchy on 30 September 2016 in the same fashion as the allocation on 31 December 2015, without any change.



The following table contains information on how the group measures the fair value of various financial assets and financial liabilities that are regularly measured at fair value, in particular the techniques used and the associated inputs. Fair value measurement on 30 September 2016 is unchanged on the methods applied as of 31 December 2015.

<b>Financial assets / financial liabilities</b>	Fair value		Hierarchy	Valuation techniques and significant inputs	Significant non-observable inputs	Ratio of non-observable inputs to fair value
	30 Sep 2016	31 Dec 2015				
1) Forward exchange contracts	Assets: EUR 1.6 million	Assets: EUR 0.7 million	Level 2	Discounted cash flow method: future cash flows estimated on the basis of forward rates (observable on the reporting date) and agreed forward exchange rates and discounted using interest curves published on the reporting date	n/a	n/a
	Liabilities EUR 0.6 million	Liabilities EUR 0.7 million				
2) Interest swaps	Liabilities EUR 0.6 million	Liabilities EUR 0.4 million	Level 2	Discounted cash flow method: future cash flows estimated on the basis of forward interest rates (observable interest curves on the reporting date) and agreed forward interest rates and discounted using interest curves published on the reporting date	n/a	n/a
3) Commodity swaps	Assets: EUR 0.5 million	Assets: EUR 0.0 million	Level 2	Discounted cash flow method: future cash flows estimated on the basis of forward prices (observable commodity prices on the reporting date) and agreed forward prices and discounted using interest curves published on the reporting date	n/a	n/a
	Liabilities EUR 0.0 million	Liabilities EUR 0.6 million				

No transfers were made between level 1 and 2 in the interim reporting period.

#### **4.11. Related party transactions**

The receivables from and liabilities to related parties have not changed significantly since 31 December 2015.

#### **4.12. Subsequent events**

The majority shareholder of UNIWHEELS AG, UNIWHEELS Holding (Malta) Ltd. (UHM), which holds 61.29% of the shares, informed UNIWHEELS AG on 4 October that it is reviewing various strategic options with regard to its majority holding of UNIWHEELS AG. At the time of the announcement, this process was very much in the early stages but it does not rule out a partial or full divestment of the majority holding. UHM also announced that it planned to involve an investment bank and legal counsel in this process.

As of 31 October 2016, UNIWHEELS Production Poland Sp. z o.o. (UPP) had fully drawn on the loan of EUR 20.0 million extended by an agreement dated 19 July 2016. The loan bears interest at a rate of 1.0% p.a. and has to be repaid in quarterly instalments by 31 March 2024.

There were no events after 30 September 2016 which would be significant for assessing the net assets, financial position and result of operations of UW AG.

UNIWHEELS AG

Bad Dürkheim, 9 November 2016

The Management Board

Dr. Thomas Buchholz

Dr. Wolfgang Hiller

Dr. Karsten Obenaus

## 5. Financial calendar



24.03.2016	Publication of the Annual Report 2015	✓
05. - 12.04.2016	Roadshow Europe (BZWBK, mBank, Wood)	✓
06.04.2016	Wood Polish Innovation and Growth (Stockholm)	✓
18.04.2016	Pekao Industrials Day (Warsaw)	✓
10.05.2016	Publication Q1 final report 2016	✓
19.05.2016	Annual General Meeting, Frankfurt am Main	✓
17.06.2016	Commerzbank / mBank Industrials Day (Warsaw)	✓
10.08.2016	Publication H1 final report 2016	✓
09.11.2016	Publication 9M final report 2016	✓
23.03.2017	Publication of the Annual Report 2016	
10.05.2017	Publication Q1 final report 2017	
09.08.2017	Publication H1 final report 2017	
09.11.2017	Publication 9M final report 2017	

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**Forward-looking statements:**

This interim report contains statements relating to the future that are based on current assumptions and projections of the management of the UNIWHEELS Group. Various known and unknown risks, uncertainties and other factors mean that the actual results, financial position, development or performance of the company may diverge materially from the estimates made here. The company assumes no obligation of any kind to update future-oriented statements or to adjust them to reflect future events or developments.