



## Q1 Results 2013

15 May 2013

## Operational Highlights Q1 2013

### Consumer Products

Increase of market share in Europe of three percent in units and in value

Gigaset was able to strengthen its position as a market leader and continues to achieve significant higher average selling prices

### Business Customers

Business Customers with a significant increase in sales compared to the first quarter of 2012

Further expansion of the sales organization especially in France, Austria, Switzerland, the UK and the Nordic countries.

### Home Networks

Gigaset elements is nearing launch. Initial test for the new products were successfully completed.

Consumers can already inform themselves on [www.gigaset-elements.de](http://www.gigaset-elements.de). The starter kit will be available in the online store in Q 2.

# Financial Highlights in Q1 2013

## efficiency program shows first effects

- The core business market, Consumer Products, is still challenging and influenced by weak consumer electronics market
- Gigaset further increased its market share in Europe by three percent both in units and in value
- Sales volumes from continued operations in Q1 2013 amount to EUR 86.7 million (Q1 2012: EUR 112.2 million)
- EBITDA once again positive: 4.6 million (Q1 2013: EUR 11.0) due to positive effects from cost-cutting and efficiency program
- Business Customers division achieved 41 % growth in sales compared to the first quarter of 2012
- Free cash flow of EUR -24.4 m in Q1 2012 compared to EUR -16.3 m in Q1 2013 mainly due to seasonal factors

**Again positive EBITDA due to positive effects from cost-cutting and efficiency program**

# Consolidated Income Statement\*

## Continued Operations

in EUR million	Q1/2013	Q1/2012	Change
Group Sales	86.7	112.2	-23 %
Change in finished goods & work in progress	-2.1	-3.5	-40%
Other own work capitalised	5.3	4.5	+18%
Other operating income	7.2	4.2	+71%
Cost of materials	-42.0	-55.4	- 24%
Personnel expenses	-25.3	-25.8	-2 %
Other operating expenses	-25.2	-25.2	0 %
EBITDA	4.6	11.0	-58 %
EBIT	-2.0	5.3	-138 %
Net income	-3.3	4.2	-179 %
EPS (diluted in EUR)	-0.07	0.08	n/a

\*Rounded figures may not add up

## Consolidated Statement of Financial Position\*

in EUR million	03/31/2013	12/31/2012	Change
Balance sheet total	270.9	302.4	-10 %
Non-current assets	117.3	116.1	+1 %
Current assets	153.6	186.3	-18 %
thereof inventories	32.4	33.4	- 3 %
thereof trade receivables	47.5	51.0	-7 %
thereof cash & cash equivalents	31.0	54.7	-43 %
Equity	23.3	26.6	-12 %
Equity ratio	8,6 %	8,8%	- 2 %
Non-current liabilities	98.9	97.8	+ 1 %
Current liabilities	148.7	178.0	-16 %
thereof financial liabilities	0.4	0.3	+33 %
thereof trade payables	66.9	86.6	-23 %
thereof provisions	35.9	41.3	-13 %

\*Rounded figures may not add up

## Consolidated Cash Flow Statement\*

in EUR million	Q1 2013	Q1 2012	Change
Cash flow from operating activities	-21.9	-14.0	- 56 %
Cash flow from investing activities	-2.5	-2.3	+ 9 %
Cash flow from financing activities	0.1	2.3	- 96 %
Net change in cash & cash equivalents	-24.3	-14.0	-74%
Free cash flow	-24.4	-16.3	- 50 %

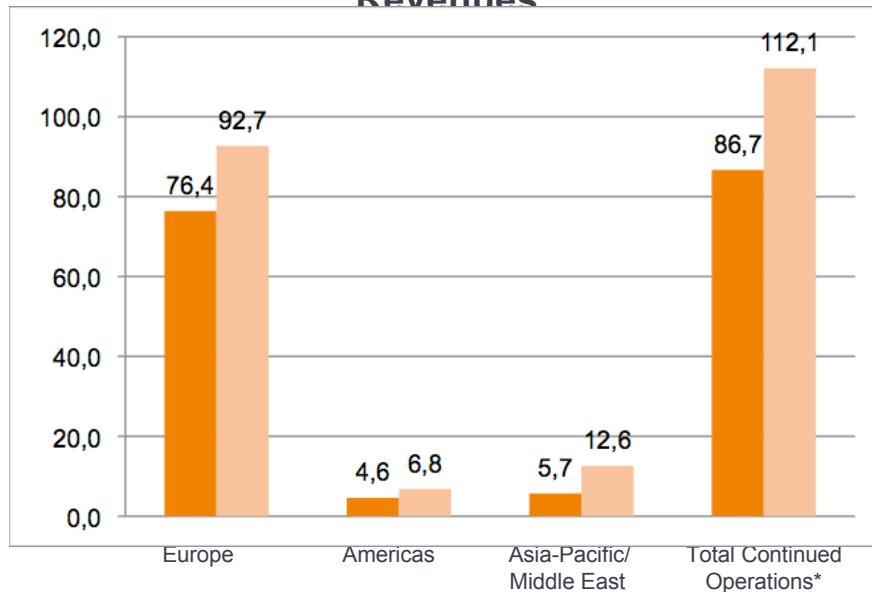
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# Regional revenues and EBITDA

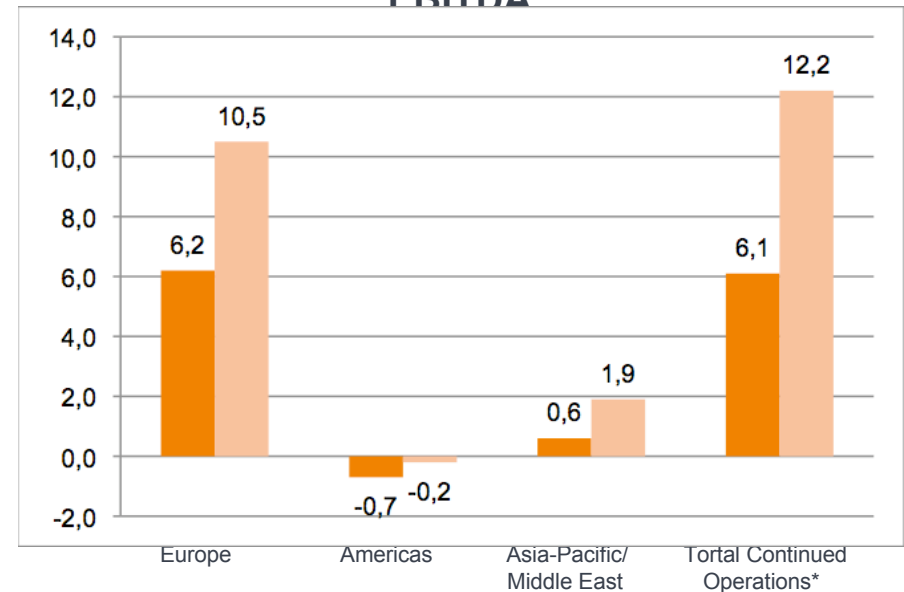
## Sales decrease regionally different

- **Europe:** loss of revenue due to the declining overall market for cordless phones could only be partially compensated by the increase in market share
- **America:** restrictive import and customs regulations in Argentina and Brazil increased competition in declining telecommunications market in South America
- **Asia Pacific/Middle East:** Political unrest

Revenues



EBITDA



■ Q1 2013  
■ Q1 2012

\*w/o Holding activities

## Outlook 2013 & Targets 2014

**Due to ongoing, challenging developments in our core markets and the necessary investments in growth platforms, we expect:**

### 2013

- Further **decreasing turnover** in our core business in a high single-digit or low double-digit percentage range.
- A significantly improved and again **positive EBITDA** compared to previous year's levels due to positive effects of the efficiency program.
- A **negative free cash flow** in the mid-double-digit million range due to necessary investments

### 2014

- First significant positive impacts on sales, earnings and cash flow from established new business units
- Increase in sales and a further improved operational EBITDA in continued operations



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