

Figures for the first half of 2013 Gigaset AG

Munich, August 7, 2013



Disclaimer

This presentation may contain forward-looking statements about the business, financial condition, results of operations and earnings outlook of Gigaset AG.

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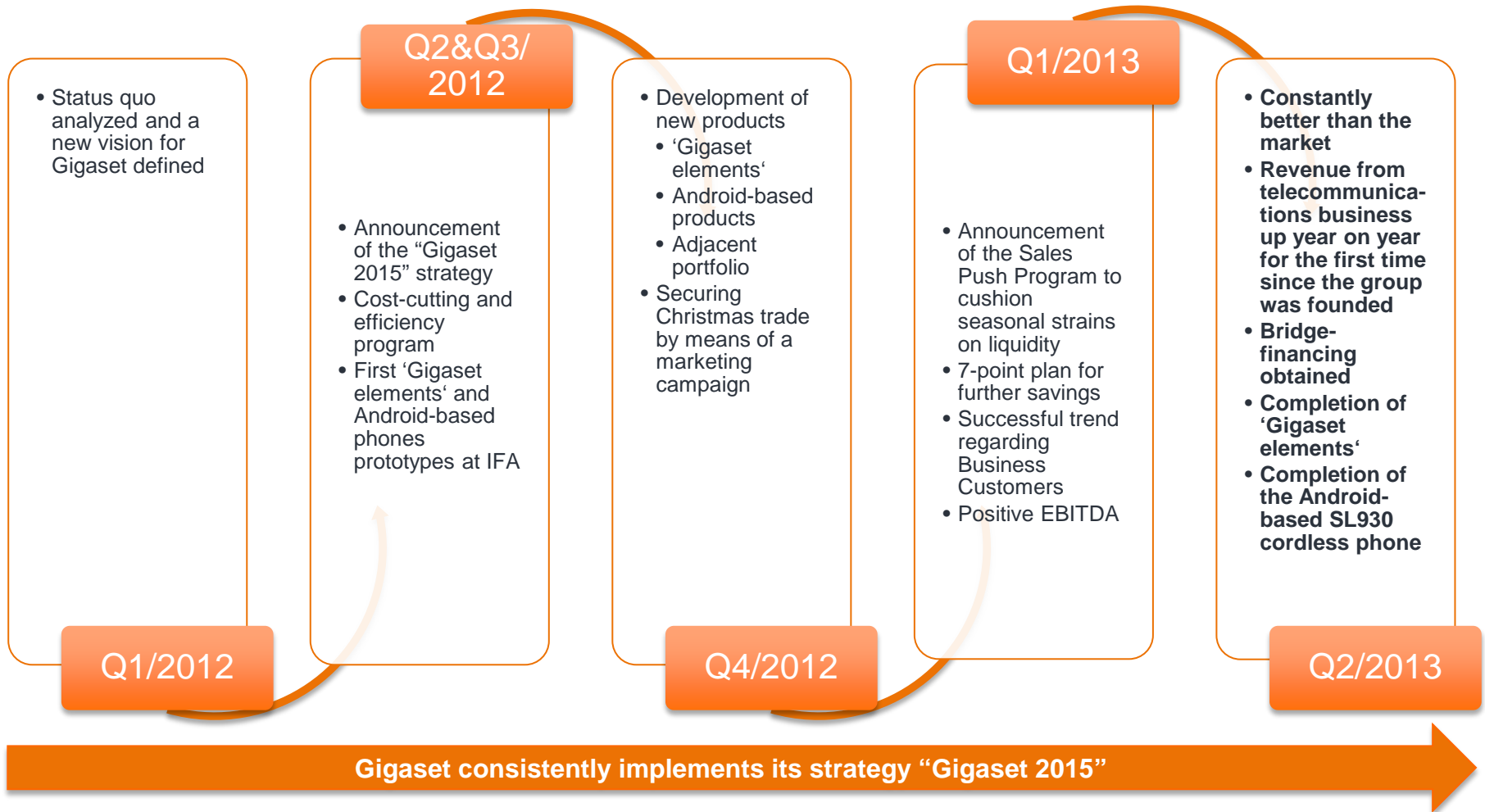
Such risks and uncertainties include actual customer behaviour, increased competition and pricing pressure, the availability of products, the stability and reliability of our technology, the financial climate and accessibility of financing, general conditions in the macro-economy, the payment behaviour of our customers, variability and availability of interest rates, general economic conditions being less favorable than expected, and other factors.

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Gigaset 2015:

The measures are having an impact



Overview of the second quarter of 2013

- The cordless phone market remains under pressure in key markets
- Nevertheless, Gigaset constantly outperformed the market for 5 quarters
- Revenue from continuing operations in Q2 higher than in previous year quarter by about €3.4 million (+3.6%)
- EBITDA improved by around €6.1 million in the second quarter
- Free cash flow is negative, but improved slightly by €0.8 million compared with the same quarter of the previous year
- Initial products from strategy “Gigaset 2015” have been completed: Gigaset elements; the SL930 Android phone; baby phones



**The efficiency program and “Gigaset 2015” strategy
are having an impact.**

■ Stabilization of our financial base

- Agreement on bridge financing of €10.4 million concluded with a syndicate of banks
- Seasonal easing of the liquidity situation in H2 expected
- Focus on profitable markets:
 - Exit from cordless voice business in Brazil
 - Management buy-out of activities in MEA
 - Turnaround in Turkey
- Successful Sales Push Program in Q2
- Consistent implementation of the cost-cutting and efficiency program:
The savings in fiscal year 2013 are expected to amount to around €24 million
As of 2014, total savings of €30 million a year are to be achieved

We consider all strategic options to effectively strengthen our capital base and liquidity.

Consolidated Income Statement*

Continued Operations

in EUR millions	Q2/2013	Q2/2012	Change	H1/2013	H1/2012	Change
Group Sales	96.8	93.4	+4%	183.5	205.6	-11%
Change in finished goods & work in progress	-6.4	-1.3	-392%	-8.5	-4.8	-77%
Other own work capitalised	5.6	4.1	+37%	10.9	8.7	+25%
Other operating income	5.8	5.2	+12%	13.0	9.4	+38%
Cost of materials	-42.5	-47.5	-11%	-84.5	-102.9	-18%
Personnel expenses	-27.0	-27.5	-2%	-52.3	-53.3	-2%
Other income & expenses	-25.9	-26.1	-1%	-51.1	-51.4	-1%
EBITDA	6.4	0.3	+2033%	11.0	11.3	-3%
EBIT	-0.5	-6.0	+92%	-2.5	-0.7	-257%
Net income	-9.4	-3.6	-161%	-12.7	0.6	n/a
EPS (diluted in EUR)	-0.18	-0.07	-157%	-0.25	0.01	n/a

*Rounded figures may not add up

07/08/2013

Consolidated Statement of Financial Position*

in EUR millions	30/06/2013	31/12/2012	Change
Balance sheet total	254.3	302.4	-16%
Non-current assets	109.4	116.1	-6%
Current assets	144.9	186.3	-22%
thereof inventories	26.8	33.4	-20%
thereof trade receivables	59.4	51.0	+16%
thereof cash & cash equivalents	18.9	54.7	-65%
Equity	13.3	26.6	-50%
Equity ratio	5.2%	8.8%	-41 %
Non-current liabilities	100.4	97.8	+3%
Current liabilities	140.6	178.0	-21%
thereof financial liabilities	0.4	0.3	+33%
thereof trade payables	64.0	86.6	-26%
thereof provisions	30.5	41.3	-26%

*Rounded figures may not add up

Consolidated Cash Flow Statement*

in EUR millions	H1 2013	H 1 2012	Change
Cash flow from operating activities	-31.4	-24.5	-28%
Cash flow from investing activities	-4.1	-4.5	+9%
Cash flow from financing activities	0.1	3.0	-97%
Net change in cash & cash equivalents	-35.4	-26.0	-36%
Free cash flow	-35.5	-29.0	-22%
Cash & cash equivalents at June 30	18.9	37.0	-49%

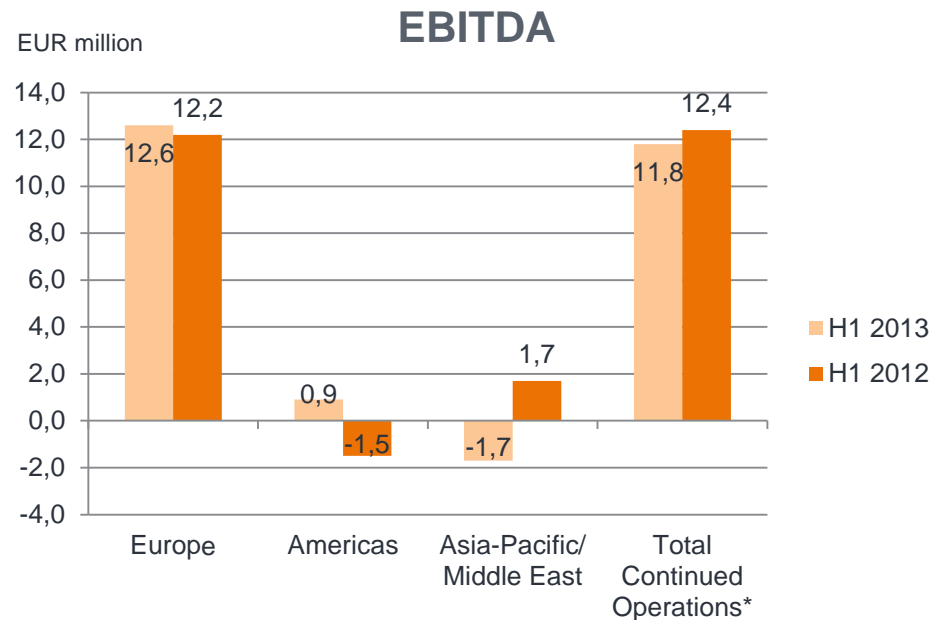
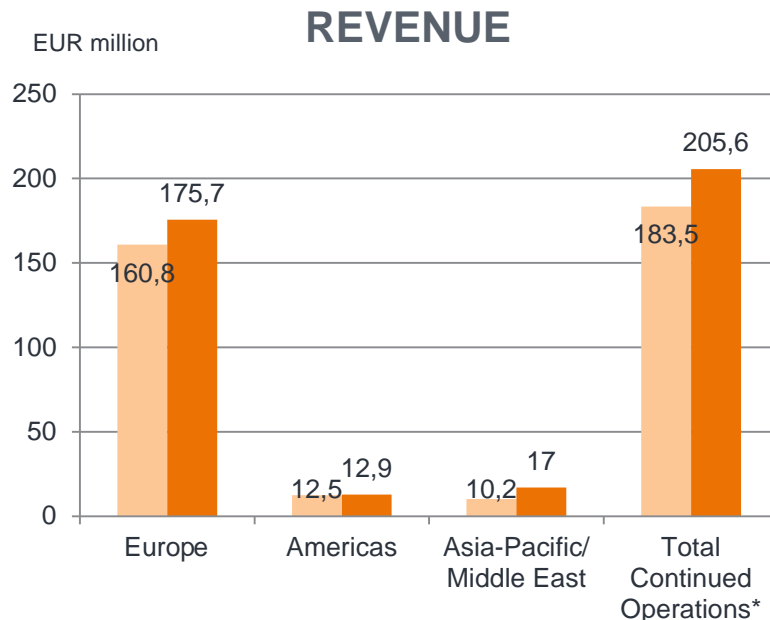
- Still negative free cash flow due to settlement of payments to suppliers and and restructuring payments
- An improved liquidity situation is expected in the second half for seasonal reasons due to less need for funds and a higher cash inflow

*Rounded figures may not add up

07/08/2013

Revenue and EBITDA by region

- Further gains in share in the core market of Europe
- Focus on profitable markets and therefore review of the profitability of non-European activities
- Americas region operating profitably again



*w/o holding activities

Outlook confirmed

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 presumably again **positive EBITDA** compared to previous year's levels due to positive effects of the efficiency program.
- A **negative free cash flow** in around 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

“Gigaset 2015”:

Implementation in full swing

Cordless Voice Market

- **Constantly outperforming the market:** market share gains in Europe¹
- **31 percent higher average revenue** per unit than usual in the market¹

Consumer Products

- **Product drive** also in adjacent business
- **First shipments** of the Android-based **SL930** to a large network operator in August

Business Customers

- Revenue in **Q2 around 47% higher** year on year
- Launch of **Maxwell** based on the Android 4.2 at the turn of the year

Home Networks

- **‘Gigaset elements’ finalized in Q2:** shipment to first customers
- Large-scale retail-start after IFA in Q3 in time for Christmas business

Gigaset 2015:

The move to the new Gigaset

Creation of new revenue streams
Securing sustainable profitable growth

Manufacturer
of phones



Leading provider of
integrated
communications solutions
(hardware & Internet
services)

2012



Year of
realignment

2013

Year of
implementation
and further
development

2014

Year of
implementation
and further
development

2015

Gigaset 2015
Sustainable
profitable growth