2013

REPORT FOR THE 1ST QUARTER

Gigaset

THE WAY AHEAD

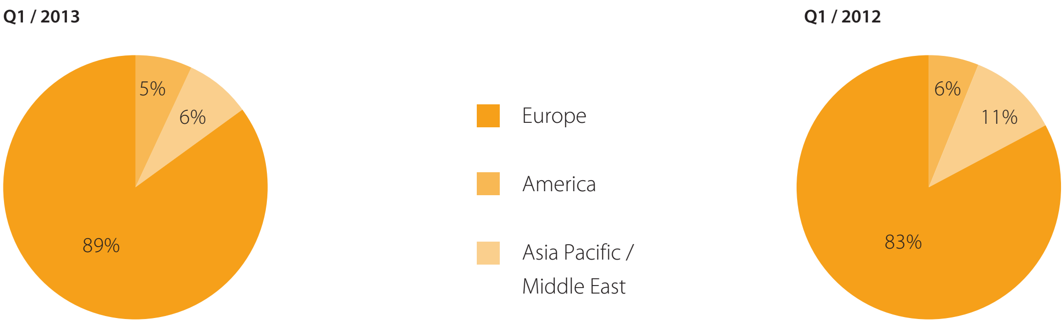
Key Figures

EUR million	01/01/-03/31/2013	01/01/-03/31/2012
Consolidated revenues	89.1	120.0
Earnings before interest, taxes, depreciation and amortization (EBITDA)	3.9	10.8
Earnings before interest and taxes (EBIT)	-2.1	5.0
Consolidated profit	-3.3	3.9
Free cash flow	-24.4	-16.3
Earnings per share (diluted) EUR	-0.07	0.07
EUR million	**03/31/2013**	**12/31/2012**
Total assets	270.9	302.4
Shareholders' equity	23.3	26.6
Equity ratio (%)	8.6	8.8

Information on the Gigaset share

The Gigaset Share	Q1 / 2013	Q1 / 2012
Closing rate in EUR (at the end of the period)	0.97	2.70
Maximum rate in EUR (in the period)	1.27	3.33
Minimum rate in EUR (in the period)	0.96	2.16
Number of shares in issue (at the end of the period)	50,014,911	50,014,911
Market capitalization in EUR Million (at the end of the period)	48.514	135.040

Sales by Region



Significant events in the first quarter of 2013

The insolvency administrator of Sommer Road Cargo Solutions GmbH & Co. KG filed suit against Gigaset AG and its former Executive Board member Dr. Martin Vorderwülbecke

The insolvency administrator of Sommer Road Cargo Solutions GmbH & Co. KG ("Sommer") brought charges against Gigaset AG and its former Executive Board member Dr. Martin Vorderwülbecke at the end of 2012. Sommer was an investee of ARQUES Industries AG from October 2005 until March 2009. The plaintiff demands that the defendant pay EUR 3 million on a joint and severally liable basis. The plaintiff alleges that, as the group parent company of the Sommer Group at the time in 2007, ARQUES Industries AG unlawfully demanded that Sommer repay a loan and/or carried out a constructive distribution of dividends from Sommer Group's assets in the form of contractual terms inconsistent with arm's length standards and thus, among other things, violated the applicable capital maintenance rules. Sommer thereby incurred a loss equal at least to the amount in dispute, for which Gigaset in its present form should be jointly and severally liable together with the managing director at the time and Executive Board member Dr. Vorderwülbecke. Insolvency proceedings were initiated against Sommer on December 31, 2009. Gigaset AG considers the alleged facts and circumstances in this matter to be incomplete and inaccurately presented and considers the complaint to be groundless. In addition, the receivables in question fall under the statute of limitations and any deadline for appeal against the insolvency has expired, since the essence of the claims dates back to 2007. Therefore, Gigaset AG will defend itself against the complaint.

The charges against Gigaset AG as the secondary participant in a criminal process were dropped in exchange for an administrative fine.

The district attorney of Munich accused two former members of the Company's Executive Board of breach of fiduciary duty and aiding and abetting the breach of fiduciary duty in 2009. One former Executive Board member is accused of allowing disbursements in violation of the capital maintenance rules pursuant to section 30 of the German

Limited Liability Companies Act (Gesetz betreffend die Gesellschaften mit beschränkter Haftung, "GmbHG") in his parallel role as the managing director of Gigaset Communications GmbH; the other Executive Board member is accused of aiding the disbursements. The Company is a secondary participant in the proceedings. An administrative fine of EUR 350,000 was levied against Gigaset AG as a secondary participant in the proceedings in a decision handed down on January 29, 2013. The decision concludes a longstanding legal dispute. The Company had recognized provisions in the corresponding amount in prior years; as a result, its earnings were not impacted in fiscal year 2013.

Chairman of Gigaset AG Supervisory Board resigns for personal reasons

Rudi Lamprecht, Member of the Gigaset AG Supervisory Board since June 10, 2011 and Chairman of the Supervisory Board, resigns his position as Chairman of the Supervisory Board with notice dated March 11, 2013 for purely personal and private reasons and left the Supervisory Board. As the elected substitute member of the Gigaset AG Supervisory Board, Ms Barbara Münch, néeThätig will succeed Mr Lamprecht. The Supervisory Board probably elects a new chairman at their regular meeting on March 22, 2013.

Gigaset expands communication channels

Gigaset has been represented in social media for some time. As a premium brand with a strong customer focus, the communication has so far focused primarily on Facebook and the dialogue regarding the products. With its new corporate blog (blog.gigaset.com) Gigaset now also presents classic corporate communication topics in social media. The new blog deals with corporate and board related topics, refers to relevant financial market news and highlights new technological trends and developments. Gigaset focuses on personal contact with the blog visitors. The blog aims at allowing a variety of Gigaset experts to have their say.

The official Gigaset social media channels are integrated in the blog. The posts can also be subscribed via RSS feed or via the official Gigaset Twitter account. In addition to the corporate website and the existing Facebook and YouTube channels, the blog constitutes a further basis for Gigaset's social media activities.

Interested parties can also access corporate news regarding Gigaset on:
Twitter: http://www.twitter.com/Gigaset
Xing: https://www.xing.com/companies/gigasetag (for news regarding Gigaset AG)
Xing: https://www.xing.com/companies/gigasetcommunicationsgmbh (for news regarding Gigaset Communications GmbH)
LinkedIn: http://www.linkedin.com/company/gigaset

Combined Management Report as of March 31, 2013

1. Business model

Gigaset AG is a global enterprise with activities in the field of telecommunications. Based in Munich and with its main production facility in Bocholt, the company is, based on total sales, the leading manufacturer for DECT telephones in Western Europe. Based on sold basis station Gigaset ranks in second place word wide. The premium vendor enjoyed a market presence in more than 70 countries and employed approximately 1,700 people as of December 31, 2012.

The Gigaset Group is divided globally into regional segments. In this context, the Europe segment, especially Germany and France, represents comfortably the largest share of total business activity. Most of the total sales are made in the Consumer product business and thus in the cordless voice business.

The company is represented in the Americas region by separate legal units in the United States, Brazil and Argentina. In the Asia-Pacific / Middle East region, separate legal units have been set up in China and the United Arab Emirates. Gigaset markets its products through both a direct and an indirect distribution structure

The Group covers a broad market base across its three divisions: Consumer Products, Business Customers and Home Networks. Gigaset is renowned for its high quality, future-looking products for the fixed-line telephony segment.

1.1 Consumer Products

Gigaset is the European market leader, technology leader and price leader in DECT, which stands for Digital Enhanced Cordless Telecommunications, the most successful telecommunications standard for cordless telephones in the world. Gigaset helped to shape the DECT standard in the 1990s, since when the company has maintained its position as the market, technology, and price leader for DECT telephony in Europe. Market coverage is a key factor behind the company's success: a Gigaset phone is found in one in every four homes in Europe and one in every two in Germany. Gigaset enjoys a brand awareness level of over 80% in Germany. All of its proprietary products are manufactured predominantly in the highly automated Bocholt plant, which has won several awards.

1.2 Business Customers

The company has created an attractive offering for small and medium-sized enterprises with the "Gigaset pro" product line. The constantly growing portfolio of Gigaset pro products is geared to the needs of the SME segment. The Gigaset pro series provides the kind of versatility and reliability that commercial users need in their day-to-day operations.These telephones are widely appreciated for their simple administration and installation. Due to the depth that is required for commercial products, Gigaset only distributes the pro line through value-added resellers (VARs).

Gigaset has thus greatly expanded its product range with the Gigaset pro, enabling it to tap new customer groups. The company markets a product line which, in addition to the private customers that it has traditionally served with great success, now also includes small offices and home offices (known as the SOHO market) and the fast-growing, high-potential SME market for professional IP telephone systems. The intention is to turn Gigaset pro into a second pillar of the company in this growing SME market over the coming years that will contribute a significant proportion of revenues in the future.

1.3 Home Networks

Also Gigaset plans to offer a modular smart home system, called "Gigaset elements". The system is designed to enable the user to respond adequately to unforeseen events, such as burglaries. The company plans to offer products and services in the areas of security solutions in private homes, services for elderly people and solutions for energy management. The company has presented the first prototypes to the public on the IFA 2012 in Berlin.

2. General economic environment and industry environment

2.1 General economic environment

The global economy recovered slightly early in 2013. The expectations of companies and consumers had already improved in fall 2012 and both industry production as well as global trading rose in the past months. After the ECB's interventions, the risk of the eurozone splitting up is considered to be significantly lower. The brightened mood does not appear to have changed much as a result of the banking and financial crisis in Cyprus. After two decreases in a row, the indicator for the ifo global economic climate rose once again. While the assessment of the current situation only improved a little, in particular the considerably more positive expectations for the following six months contributed to the indicator's rise.

The most significant increase in the economic climate indicator was recorded by Asia, which was once again above its long-term average at the end of the reporting period. In North America, the improved assessment of the economic situation in particular contributed to the economic climate indicator's rise. Consumption increased despite the persistent uncertainty with respect to the US fiscal and budget policies, in particular in the automotive sector. Compared to the rest of the world, Europe remained weak. The sustained austerity policies to reduce the budget deficits negatively impacted the economy.

In contrast, the German economy rose once again in spring 2013. The mood in the German economy brightened considerably since last fall. This development can be attributed to the easing of tension in the financial markets after the decrease in uncertainty regarding the future of the Economic and Monetary Union of the European Union. According to the consumer researcher Gesellschaft für Konsumforschung (GfK), the consumer confidence trend stopped rising at a high level. In March, the indicators for consumer confidence were all over the board. However, consumers expected the economy to gain momentum again after the sluggishness at the beginning of the year. The mood was also boosted by a stable labor market. Researchers therefore expect that consumer spending in Germany will increase by one percent in 2013.

2.2 Telecommunications market

2.2.1 Cordless Voice Telecommunications market

The first quarter of 2013 continued to be characterized by consumers' restrained propensity to consume. This was especially influenced by the weak economic conditions in numerous European countries. The market as a whole for cordless telephones in Europe declined by just under 13% in the months of January and February in the markets observed by Gigaset. This picture was seen in all of the observed markets.

At the same time, Gigaset increased its market share in Europe overall by 3% year-on-year – both with respect to units sold as well as sales revenue. All regions observed by Gigaset participated in the growth.

2.2.2 Business Customers market

According to market studies, development in the European telecommunications market is leaning heavily in the direction of IP telephony. Demand for hybrid IP systems already constitutes 90% of total demand and will further increase in the next four years. Online telephone systems – so-called "hosted PBX" – are also increasing in importance. This offers customers the advantage of not purchasing or leasing a telephone system, but rather procuring the entire telephony from one supplier. Gigaset is active in both industries and serves the growing demand for Internet-based communications solutions.

The market as a whole continues to be characterized by heterogeneity. There are currently no signs of consolidation.[1]

3. Business Development

3.1 Consumer Products

The first quarter of 2013 reflected consumers' continued restraint. The market as a whole for cordless telephones in Europe declined by 15% in the months of January and February measured in units sold. The market has shown a continuous decline since the beginning of 2012 both with respect to units sold as well as sales revenue. This applies for all the countries observed by Gigaset, whereby Gigaset was able to expand its market share by 3% year-on-year both with respect to units sold as well as sales revenue and thus remains the market consolidation winner. Gigaset's market share in Europe in the first two months of the year was 35%. Thus, Gigaset further expanded its position as the European market leader. Moreover, as a premium brand, the Company continued to realize considerably higher average sales prices than the competitors.

The "Gigaset Service Portal" was introduced in March to enhance online customer service. Our customers are focusing increasingly online even when it comes to customer service. The service portal offers customers the advantage of being able to initiate the repair process free of charge at any time if service is needed.

The authorization concept for dealers introduced in August bolstered the sales and distribution of our products through qualified merchants. In the meantime, the network includes around 13,000 contractually integrated sales partners.

1) Source: MZA PBX/IP PBX Annual Fast View CY 2012 – Published January 2013.

3.2 Business Customers

First quarter sales revenue in the Business Customers segment increased by 41% year-on-year. This increase can be attributed in particular to the business products introduced in 2011 under the Gigaset pro brand. This product line's sales organization was expanded in the first quarter in particular in the regions of France, Austria, Switzerland, the United Kingdom and the Nordics. The business with customer-specific products (OEM business with so-called White Label products) also developed positively in the first three months of the fiscal year.

Gigaset moved into the production center in Düsseldorf at the beginning of the first quarter. The optimized geographical location enables substantial increases in efficiency in the independently operating business line.

3.3 Home Networks

Preparations for the introduction of "Gigaset elements" in the second quarter are well underway. Phase I of the alpha test for the new products was completed successfully, so that phase II can now take place with an expanded group of participants. The new business line is already being introduced to consumers under https://www.gigaset-elements.de. Interested parties and future customers can find information here in the trailer "All is good", the Blog, and Frequently Asked Questions (FAQ). Thus, Gigaset elements is already directed at users with an affinity for the Internet who will obtain the new products in Gigaset's own online shop in the future.

4. The capital market and the Gigaset share

The mood in the international financial markets has improved considerably since last fall. Investors' uncertainties in the eurozone due to the persistent sovereign debt crisis faded considerably. Share prices rose sharply in advanced economies since the middle of last year and have recently reached the highest level seen in many years in some countries. In January, the DAX, Dow Jones, and S&P 500 reached new five year highs and the Nikkei 225 also exceeded the 11,000 point level once again for the first time since April 2010. In February, the pending parliamentary elections in Italy dominated the financial markets, while the solution to the "fiscal cliff" in the USA was not yet in sight. However, hope for a relaxation of Japanese monetary policy had an overall positive effect. In addition, Italy and Spain once again succeeded in taking advantage of both long and short-term funds from the monetary and financial markets, even if the countries had to pay corresponding premiums. In March, the rising trend at first continued, but the rescue plans for Cyprus once again provided for renewed uncertainties on the financial markets. As a result, the euro fluctuated broadly against the US dollar and marked its monthly low of USD 1.2752 on March 27.

The Gigaset share started 2013 successfully and recorded considerable gains on exchange in the first half of January. The share price climbed to EUR 1.28 by the middle of January and thus to the highest level in the reporting period. Following a weak start in February, the price rose to EUR 1.25 and trading volume increased with the publication of preliminary figures for the 2012 fiscal year. However, the share came under pressure in the last trading days of the month and fell to EUR 1.01 over the course of February 28. The price recovered in the first trading days in March and climbed to EUR 1.12. The share stabilized and fluctuated sideways around the EUR 1.08 level by the middle of the month. However, the price level decreased successively and even fell below the level of EUR 1.00 for a while. With the publication of the results for 2012 on the last trading day of the reporting period, the share fell again below the level of EUR 1.00 after recovering slightly and closed at EUR 0.97.

5. Gigaset AG – Interim Group Financial Statements

5.1 Financial performance

The Gigaset Group generated **sales revenue** in the amount of EUR 89.1 million (prior year: EUR 120.0 million) in the first three months of fiscal year 2013. EUR 2.3 million of which can be attributed to discontinued and deconsolidated business segments (prior year: EUR 7.8 million). Sales revenues from continuing operations result from the core Gigaset segment and are subject to the seasonal fluctuations typical in the consumer business. The first quarter of 2013 was not able to repeat the exceptionally strong results as of March 31 of the prior year. In Europe, the decline in sales due to the decreasing market as a whole for cordless telephones was only partially compensated by the increase in market share. Overall, sales revenue in Europe fell by 17.6% to EUR 76.4 million compared to the first quarter of 2012. The significant decrease in sales in America can be attributed in particular to the new import regulations in Argentina, as well as high inflation and increased competition in South America's declining telecommunications market. Sales revenue also decreased in the Asia-Pacific/Middle East region, whereby political unrest in the Middle East is primarily responsible.

The results can be broken down as follows:

Sales revenues in € millions	Q1 2013	Q1 2012	Change
Europe	76.4	92.7	-17.6%
America	4.6	6.8	-32.4%
Asia-Pacific / Middle East	5.8	12.6	-54.0%
Gigaset Total	86.8	112.1	-22.6%
Holding	0.0	0.1	-100.0%
Other	2.3	7.8	-70.5%
Total	**89.1**	**120.0**	**-25.6%**
Continuing operations	86.8	112.2	22.6%
Discontinued operations	2.3	7.8	-70.5%

Other **own work capitalized** in the amount of EUR 5.3 million (prior year: EUR 4.6 million) mainly includes costs related to the development of innovative products. Investments in the future are at a high level and were increased even further compared to the previous year.

Other operating income amounts to EUR 8.3 million and is thus EUR 3.4 million higher than in the first quarter of 2012. The main items include exchange rate gains in the amount of EUR 4.6 million (prior year: EUR 1.9 million), income from the reversal of other value adjustments and the derecognition of liabilities in the amount of EUR 1.7 million (prior year: EUR 0.9 million), income from derivative financial instruments in the amount of EUR 1.1 million (prior year: EUR 1.0 million), and income from the release of provisions in the amount of EUR 0.3 million (prior year: EUR 0.5 million).

The **cost of materials** for raw materials, merchandise, finished goods, and purchased services was EUR 43.1 million – a decrease of EUR 16.1 million from EUR 59.2 million in the previous year. The cost of materials rate fell from 52.3% to 50.8% including changes in inventories.

Personnel expenses for wages, salaries, social security contributions and old age pensions were EUR 25.9 million and were thus down 2.6% from the previous year's amount of EUR 26.6 million for the first three months. The decline reflects the beginning of the implementation of the restructuring program. At the start of the new year, 52 employees left the Company. The further reduction in personnel will be phased over the fiscal year until December 31, 2013.

Other operating expenses in the amount of EUR 27.7 million were incurred in the reporting period (prior year: EUR 29.5 million). These include in particular marketing expenses, exchange rate losses (EUR 4.8 million; prior year: EUR 1.1 million), general administrative expenses, and transport and advisory fees. The cost-saving measures begun in the previous year are being consistently implemented.

EBITDA as of March 31, 2013, amounted to EUR 3.9 million (prior year: EUR 10.8 million).

The results can be broken down as follows:

EBITDA in € millions	Q1 2013	Q1 2012	Change
Europe	6.2	10.5	-41.0%
America	-0.7	-0.2	250.0%
Asia-Pacific / Middle East	0.6	1.9	-68.4%
Gigaset Total	6.1	12.2	-50.0%
Holding	-1.5	-1.2	25.0%
Other	-0.7	-0.2	250.0%
Total	**3.9**	**10.8**	**-63.9%**
Continuing operations	4.6	11.0	-58.2%
Discontinued operations	-0.7	-0.2	250.0%

Depreciation and amortization in the current reporting period amounted to EUR 6.6 million (prior year: EUR 5.8 million) and result entirely from continuing operations. Impairment write-downs in the amount of EUR 0.7 million can be attributed to the reversal of impairment of SM Electronic GmbH's assets resulting from the measurement at the net realizable value less costs to sell.

EBIT can be broken down as follows:

EBIT in € millions	Q1 2013	Q1 2012	Change
Europe	-0.4	4.8	-108.3%
America	-0.7	-0.1	600.0%
Asia-Pacific / Middle East	0.6	1.8	-66.7%
Gigaset Total	-0.5	6.5	-107.7%
Holding	-1.5	-1.2	25.0%
Other	0.0	-0.3	-100.0%
Total	**-2.0**	**5.0**	**-140.0%**
Continuing operations	-2.0	5.3	-137.7%
Discontinued operations	0.0	-0.3	-100.0%

Compared to the first quarter of 2012, **net financial income** decreased from EUR -0.2 million to EUR -0.5 million, driven primarily by the utilization of the syndicated loan.

The **consolidated net loss for the year** after non-controlling interest as of March 31, 2013, amounts to EUR 3.3 million and can be explained primarily by declining sales revenue. In the previous year, a consolidated net profit for the fiscal year after non-controlling interests was realized in the amount of EUR 3.9 million.

This results in **earnings per share** of EUR -0.07 (prior year: EUR 0.07).

5.2 Cash flow

Cashflow in € millions	Q1 2013	Q1 2012
Cash flow from operating activities	-21.9	-14.0
Cash flow from investing activities	-2.5	-2.3
Free cash flow	-24.4	-16.3
Cash flow from financing activities	0.1	2.3

In the fiscal year just ended, the Gigaset Group recorded a **cash outflow from continuing operations** of EUR 21.9 million (prior year: EUR -14.0 million). The first quarter's typical cash outflow was characterized by the seasonal business and resulted mainly from the repayment of liabilities to suppliers as well as lower cash inflows from trade receivables. Furthermore, severance payments under the restructuring program led to disbursements in the first quarter.

The **cash outflow from investing activities** amounts to EUR 2.5 million and is at the same level as the previous year's amount of EUR 2.3 million. The cash outflows relate primarily to capital expenditures for property, plant and equipment.

Thus, **free cash flow** amounted to EUR -24.4 million compared to EUR -16.3 million in the first quarter of 2012.

A **cash inflow** amounting to EUR 0.1 million is to be recorded as of March 31, 2013 (prior year: cash inflow of EUR 2.3 million).

Please refer to the cash flow statement presented in the notes for a detailed development of **cash and cash equivalents**.

The cash flow attributable to discontinued operations was EUR 0.6 million and is presented in detail in the notes. In addition, cash flow includes changes in exchange rates in the amount of EUR 0.3 million.

Cash and cash equivalents amounted to EUR 31.0 million as of March 31, 2013 (prior year: EUR 54.7 million).

5.3 Financial position

Net assets were influenced mainly by the retrospective adjustment of amendments to the accounting standard IAS 19 "Employee Benefits". Please refer to our disclosures under Note 3 for a detailed breakdown of the individual effects. Adjustment of comparative information in the consolidated interim financial statements as of March 31, 2012.

The Gigaset Group's total assets as of March 31, 2013, amounted to around EUR 270.9 million and thus decreased by approximately 10.4% compared to December 31, 2012.

At EUR 117.3 million, non-current assets increased slightly compared to December 31, 2012. The increase resulted mainly from recognition of intangible assets. Depreciation charges on property, plant and equipment partially offset this increase.

Current assets account for 56.7% of total assets. Compared to the 2012 annual financial statements, they fell by EUR 32.7 million and now amount to EUR 153.6 million. Inventories fell by EUR 1.0 million to EUR 32.4 million as a result of the flexible production planning. Trade receivables decreased compared to the beginning of the year from EUR 51.0 million to EUR 47.5 million due to the seasonality of the consumer goods market. The decrease in other assets from EUR 26.4 million to EUR 22.4 million resulted primarily from fewer factoring receivables. Cash and cash equivalents decreased year-on-year by EUR 23.6 million to EUR 31.0 million. A detailed development of cash and cash equivalents is presented in the statement of cash flows in the notes.

The SM Electronic Group's assets are presented under the item "Assets held for sale". Please refer to the disclosures in the notes for the breakdown of this balance sheet item.

Total liabilities amount to EUR 247.6 million, 54.9% of which are current. The Group's total debt was decreased by an additional EUR 28.2 million in the current fiscal year following the significant reduction of debt in the preceding fiscal years.

The Gigaset Group's equity amounted to around EUR 23.3 million as of March 31, 2013, and is EUR 3.3 million lower than at the beginning of the year. Correspondingly, equity as a percentage of assets amounts to 8.6% compared to 8.8% as of December 31, 2012.

Non-current liabilities mainly include pension obligations, liabilities from the utilization of the syndicated loan, and deferred tax liabilities as well as non-current provisions for personnel expenses and provisions for guarantees. The EUR 1.0 million increase in non-current liabilities resulted mainly from the continuation of partial retirement agreements.

At EUR 148.7 million, current liabilities are around 16.4% lower than reported in the annual financial statements as of December 31, 2012. Current provisions decreased mainly due to the utilization of the restructuring provisions in the amount of EUR 3.2 million. Trade payables decreased seasonally from EUR 86.6 million to EUR 66.9 million. The decrease in other liabilities in the amount of EUR 2.1 million to EUR 22.5 million can be mainly attributed to lower personnel-related liabilities.

The item “Liabilities related to assets held for sale” includes the SM Electronic Group’s liabilities. Please refer to the disclosures in the notes for the breakdown of this balance sheet item.

6. Report on opportunities and risks at March 31, 2013

The future business development of the Gigaset Group and its participating interests is associated with entrepreneurial opportunities and risks. The Company’s risk policy consists of taking advantage of existing opportunities and limiting the associated risks with the use of appropriate instruments.

Detailed information regarding the Gigaset Group’s opportunities and risks is presented in Gigaset AG’s 2012 Annual Report.

The process of the Group-wide, systematic risk management system is described in detail in Gigaset AG’s 2012 Annual Report.

7. Events after the reporting date

There are no significant events after the balance sheet date.

8. Outlook for the Gigaset Group

8.1 Outlook for the Gigaset Group

According to experts, the persistently weak economic environment and increasing competition from smartphones and other portable communications devices are contributing to a middle single-digit decline in the market for landline telephony in 2013 and 2014. However, the current forecasts call for this decline to ease slightly in subsequent years. The analog standard and other digital standards will be on the decline worldwide and decrease further in significance, and the market for DECT standards will also shrink slightly in terms of unit sales.

Furthermore, there are signs of lower prices in the years to come in all regions, whereby the DECT market will record the smallest decline in the lower single-digit range.

In the market for business customers, the demand for hybrid IP systems already constitutes 90% of total demand and will further increase in the next four years. Similar trends are expected in the market for IP terminals.

The market for Smart Home Systems & Services (SHSS) in Western Europe is considered to be extremely promising. The number of Smart Home households will increase from 5.8 million in 2012 to 33 million in 2017. The market research institute Strategy Analytics expects the sales potential to triple in the next five years, whereby the provision of hardware will represent the strongest sales component at 62%.

8.2 Expected development of revenues and earnings

Against the backdrop of advancing consolidation in the core market, Gigaset has reorganized itself by means of the cost and efficiency program that was initiated in 2012. The growth divisions Business Customers and Home Networks were added to the business model in the "Gigaset 2015" strategy. The core business was consolidated and supplemented in the Consumer Products division. All the divisions will operate largely autonomously in the future, which will give them the freedom they need to act as appropriate in their respective markets. The goal is to enhance the Company's competitiveness and facilitate future growth. As of January 2013, a new product center in Düsseldorf has underlined Gigaset's new structure. This is intended to yield considerable enhancements to efficiency by means of the optimized geographical setup of the three divisions.

Given the persistently challenging situation in the core markets coupled with the investment required to set up the new divisions, Gigaset expects to see the following developments in the continuing operations during the current fiscal year:

› A further decline in revenues from the core business in the high single-digit to low double-digit percentage range.

› A positive operational EBITDA much improved on the previous year on the back of the expected positive effects of the efficiency program.

› A negative free cash flow in the middle double-digit million range on account of the necessary investments.

The reasons for these developments are as follows:

› Withdrawal from unprofitable regions outside of Europe.

› In particular, Southern European countries and hence important target regions for Gigaset AG like Italy and Spain are heavily affected by the eurozone debt crisis and the resulting reticence on the part of consumers.

› A continued decline in the cordless phone market. .

› Investments in new divisions, innovative products and the further expansion of market share.

Gigaset AG expects the creation of the new divisions to have a significant impact on sales revenues, operating performance and cash flow for the first time in 2014. Consequently, the Company anticipates recording expanded revenues and further improved EBITDA in its continuing operations during the course of 2014.

8.3 Expected changes in financial position, capital expenditures and liquidity

The Company finances itself in particular through the syndicated credit line of up to EUR 35.0 million secured at the beginning of 2012 as well as through factoring.

As a result of the erratic realization of sales revenue over the course of the year, the liquidity requirements also vary throughout the year and have to be covered by utilizing loans on short notice under certain circumstances. When the general economic environment deteriorates on short notice, coinciding with periods in which Gigaset normally has need of greater liquidity, liquidity reserves can be used up faster than planned. In these cases, Gigaset would have to utilize existing credit lines – if available – or apply for additional loans.

Gigaset has entered into discussions with potential creditors to finance the capital expenditures to expand the Business Customers segment and Home Networks segment. The negotiations are proceeding constructively and the commitment of additional financial funds is being reviewed. In addition, the Company is examining alternative sources of financing such as sale and lease back or advance financing for a portion of inventories.

Considering this, the continued existence of the Group as a going concern depends in particular on the extension of existing financing in connection with the syndicated loan and the factoring arrangement. The Group could be jeopardized as a going concern if the additional procurement of liquidity cannot be implemented as planned.

We will continue to focus on managing liquidity in the coming two fiscal years. The Company's strategy with respect to securing financial stability remains conservative in order to preserve the Group's operational and strategic flexibility.

Gigaset will continue to invest in established markets as part of its investment planning in order to secure market shares as well as to secure and expand competitive advantages. Additional investments will also be made in new product categories and growth segments that will permanently secure the Company's existence and competitiveness.

8.4 Overall view of the Executive Board regarding the likely development of the Group

Enhancing the Company's financial situation and hence ensuring its future security represent some of the most urgent tasks facing the Executive Board. In this context, we are continuing to focus on cost discipline with an unchanged high level of investment in the product portfolio as well as the strategic orientation on promising markets.

Implementation of the announced strategic measures for long-term growth was commenced in 2012. Fiscal 2013 will be the year when the "Gigaset 2015" strategy is consistently implemented and new, innovative products are launched. Already in the second quarter, Gigaset will roll out its new Connected Home solution known as "Gigaset elements." The launch of "Gigaset elements" represents a further step toward a broader base for the product portfolios and enhanced profitability.

Munich, Mai 10, 2013

The Executive Board of Gigaset AG

Charles Fränkl — Dr. Alexander Blum — Maik Brockmann

Income statement for the period from January 1 to March 31, 2013

€ (000)	Jan. 1 - Mar 31, 2013 Continuing operations	Discontinued operations	Total
Sales revenues	86,744	2,349	89,093
Change in inventories of finished goods and work in progress	-2,127	0	-2,127
Other own work capitalized	5,314	0	5,314
Other operating income	7,181	1,094	8,275
Cost of materials	-41,984	-1,107	-43,091
Personnel expenses	-25,315	-586	-25,901
Other operating expenses	-25,197	-2,504	-27,701
EBITDA	**4,616**	**-754**	**3,862**
Depreciation and amortization	-6,647	0	-6,647
Impairment write-downs	0	725	725
EBIT	**-2,031**	**-29**	**-2,060**
Impairment of financial assets	-28	0	-28
Other interest and similar income	130	0	130
Interest and similar expenses	-543	-15	-558
Net financial income	**-441**	**-15**	**-456**
Result from ordinary activities	**-2,472**	**-44**	**-2,516**
Taxes on income	-779	42	-737
Consolidated net profit/loss for the fiscal year	**-3,251**	**-2**	**-3,253**
of which attributable to non-controlling interests in consolidated net profit/loss for the fiscal year	0	0	0
of which interests in consolidated net profit/loss for the fiscal year attributable to the shareholders of Gigaset AG	-3,251	-2	-3,253
Earnings per ordinary share			
- undiluted in EUR	-0.07	0.00	-0.07
- diluted in EUR	-0.07	0.00	-0.07

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012"

Income statement for the period from January 1 to March 31, 2013

Jan. 1 - Mar 31, 2012[1]			
Continuing operations	**Discontinued operations**	**Total**	**€ (000)**
112,220	7,811	120,031	Sales revenues
-3,520	0	-3,520	Change in inventories of finished goods and work in progress
4,551	0	4,551	Other own work capitalized
4,160	729	4,889	Other operating income
-55,348	-3,891	-59,239	Cost of materials
-25,839	-620	-26,459	Personnel expenses
-25,176	-4,309	-29,485	Other operating expenses
11,048	**-280**	**10,768**	**EBITDA**
-5,782	0	-5,782	Depreciation and amortization
0	0	0	Impairment write-downs
5,266	**-280**	**4,986**	**EBIT**
0	0	0	Impairment of financial assets
244	0	244	Other interest and similar income
-403	-33	-436	Interest and similar expenses
-159	**-33**	**-192**	**Net financial income**
5,107	**-313**	**4,794**	**Result from ordinary activities**
-941	0	-941	Taxes on income
4,166	**-313**	**3,853**	**Consolidated net profit/loss for the fiscal year**
0	0	0	of which attributable to non-controlling interests in consolidated net profit/loss for the fiscal year
4,166	-313	3,853	of which interests in consolidated net profit/loss for the fiscal year attributable to the shareholders of Gigaset AG
			Earnings per ordinary share
0.08	-0.01	0.07	- undiluted in EUR
0.08	-0.01	0.07	- diluted in EUR

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. “Adjustment of comparative information in the consolidated financial statements as of March 31, 2012”

Consolidated statement of comprehensive income for the period from January 1 - Jan. 1 - Mar 31, 2013

	Jan. 1 - Mar 31, 2013		
€ (000)	Continuing operations	Discontinued operations	Total
Consolidated net profit/loss for the fiscal year	-3,251	-2	-3.253
Foreign currency gains/losses	-96	7	-89
Total changes recognized in other comprehensive income	-96	7	-89
Total recognized income and expense	-3,347	5	-3.342
of which attributable to non-controlling interests	0	0	0
of which attributable to the shareholders of Gigaset AG	-3,347	5	-3.342

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012"

Consolidated statement of comprehensive income for the period from January 1 - Jan. 1 - Mar 31, 2013

Continuing operations	Jan. 1 - Mar 31, 2012[1] Discontinued operations	Total	€ (000)
4,166	-313	3,853	Consolidated net profit/loss for the fiscal year
-110	-5	-115	Foreign currency gains/losses
-110	-5	-115	Total changes recognized in other comprehensive income
4,056	-318	3,738	Total recognized income and expense
0	0	0	of which attributable to non-controlling interests
4,056	-318	3,738	of which attributable to the shareholders of Gigaset AG

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012"

Consolidated statement of financial position as of March 31, 2013

€ (000)	Mar. 31, 2013	Dec. 31, 2012[1]	Jan. 1, 2012[1]
ASSETS			
Non-current assets			
Intangible assets	45,990	44,226	42,431
Property, plant and equipment	43,541	44,148	45,911
Financial assets	0	0	2,334
Deferred tax assets	27,777	27,754	14,799
Total non-current assets	117,308	116,128	105,475
Current assets			
Inventories	32,412	33,418	35,804
Trade receivables	47,454	50,998	59,723
Other assets	22,425	26,424	27,163
Current tax assets	2,397	2,017	3,076
Cash and cash equivalents	31,017	54,651	62,262
	135,705	167,508	188,028
Assets held for sale	17,862	18,788	20,416
Total current assets	153,567	186,296	208,444
Total assets	**270,875**	**302,424**	**313,919**

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012"

Consolidated statement of financial position as of March 31, 2013

€ (000)	Mar. 31, 2013	Dec. 31, 2012[1]	Jan. 1, 2012[1]
PASSIVA			
Equity			
Subscribed capital	50,015	50,015	50,015
Additional paid-in capital	87,981	87,981	87,981
Revenue reserves	68,979	68,979	22,858
Actuary gains/losses IAS 19	-30,463	-30,463	-8,552
Accumulated other comprehensive income	-153,238	-149,896	-81,707
	23,274	**26,616**	**70,595**
Non-controlling interests	0	0	0
Total equity	**23,274**	**26,616**	**70,595**
Non-current liabilities			
Pension commitments	42,745	42,532	18,810
Provisions	10,146	9,318	7,037
Financial liabilities	32,000	32,000	0
Other liabilities	27	27	35
Deferred tax liabilities	13,967	13,967	15,958
Total non-current liabilities	**98,885**	**97,844**	**41,840**
Current liabilities			
Provisions	35,864	41,284	27,222
Financial liabilities	361	306	6,083
Trade payables	66,890	86,644	96,239
Tax liabilities	5,262	6,384	7,790
Other liabilities	22,477	24,558	41,568
	130,854	**159,176**	**178,902**
Liabilities related to assets held for sale	17,862	18,788	22,582
Total current liabilities	**148,716**	**177,964**	**201,484**
Total assets	**270,875**	**302,424**	**313,919**

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012"

Change in consolidated equity as of March 31, 2013

	€ (000)	Subscribed capital	Additional paid-in capital	Revenue reserves
	January 1, 2012[1]	**50.015**	**87.981**	**22.858**
1	Capital increase	0	0	0
2	Allocation to revenue reserves	0	0	0
3	Change in non-controlling interests	0	0	0
4	Total transactions with owners	0	0	0
5	Consolidated net profit 2012	0	0	0
6	Non-controlling interests	0	0	0
7	Consolidated net profit 2012 after non-controlling interests	0	0	0
8	Foreign currency gains/losses	0	0	0
9	Actuary gains/ Losses IAS 19	0	0	0
10	Total changes recognized in other comprehensive income	0	0	0
11	Total net income (7+10)	0	0	0
12	Mar 31, 2012	50.015	87.981	22.858
	January 1, 2013[1]			
1	Capital increase	50.015	87.981	68.979
2	Allocation to revenue reserves	0	0	0
3	Change in non-controlling interests	0	0	0
4	Total transactions with owners	0	0	0
5	Consolidated net loss 2012	0	0	0
6	Non-controlling interests	0	0	0
7	Consolidated net loss for the fiscal year after non-controlling interests	0	0	0
8	Foreign currency gains/losses	0	0	0
9	Actuary gains/losses IAS 19	0	0	0
10	**Total changes recognized in other comprehensive income**	**0**	**0**	**0**
11	Total net income (7+10)	0	0	0
12	**Mar 31, 2013**	**50.015**	**87.981**	**68.979**

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012"
2) This position will not be reclassified into profit or loss in future periods.

Change in consolidated equity as of March 31, 2013

Actuary gains / losses IAS 19[2]	Accumulated other compre-hensive income[3]	Adjusting items for non-controlling interests	Consolidated equity	€ (000)	
-8.552	**-81.707**	**0**	**70.595**	**January 1, 2012[1]**	
0	0	0	0	Capital increase	1
0	0	0	0	Allocation to revenue reserves	2
0	0	0	0	Change in non-controlling interests	3
0	0	0	0	Total transactions with owners	4
0	3.853	0	3.853	Consolidated net profit 2012	5
0	0	0	0	Non-controlling interests	6
0	3.853	0	3.853	Consolidated net profit 2012 after non-controlling interests	7
0	-115	0	-115	Foreign currency gains/losses	8
0	0	0	0	Actuary gains/ Losses IAS 19	9
0	-115	0	-115	Total changes recognized in other comprehensive income	10
0	3.738	0	3.738	Total net income (7+10)	11
-8.552	-77.969	0	74.333	Mar 31, 2012	12
				January 1, 2013[1]	
-30.463	-149.896	0	26.616	Capital increase	1
0	0	0	0	Allocation to revenue reserves	2
0	0	0	0	Change in non-controlling interests	3
0	0	0	0	Total transactions with owners	4
0	-3.253	0	-3.253	Consolidated net loss 2012	5
0	0	0	0	Non-controlling interests	6
0	-3.253	0	-3.253	Consolidated net profit for the fiscal year after non-controlling interests	7
0	-89	0	-89	Foreign currency gains/losses	8
0	0	0	0	Actuary gains/losses IAS 19	9
0	-89	0	-89	Total changes recognized in other comprehensive income	10
0	-3.342	0	-3.342	Total net income (7+10)	11
-30.463	**-153.238**	**0**	**23.274**	**Mar 31, 2013**	12

3) This position includes positions that will not be reclassified into profit or loss in future periodes as well as positions that might will be reclassified into profit or loss in future periodes. The positions that might will be reclassified into profit or loss in future periodes containing the fx differences amouinting to EUR 924 thousand (as of March 31, 2012 EUR 1.234 thousand). The positions that will not be reclassified into profit or loss in future periodes containing share based payments amounting to EUR 4.070 thousand (as of March 31, 2012 EUR 4.070 thousand) and the accumulated consolidated losses / profits amount to EUR -158.232 thousand (as of March 31, 2012 EUR -83,273 thousand), which also includes the deferred taxes on postion "actuary gains / losses IAS 19 amounting to EUR 9.511 thousand (as of March 31, 2012 EUR 2.670 thousand).

Consolidated statement of cash flows for the period from January 1 – March 31, 2013

€ (000)	Jan. 1 - Mar. 31, 2013	Jan. 1 - Mar. 31, 2012[1]
Result from ordinary activities before taxes on income (EBT)	**-2,516**	**4,794**
Depreciation of property, plant and equipment and amortization of intangible assets	6,647	5,782
Impairment write-downs	-725	0
Addition(+)/decrease (-) in pension provisions	213	380
Gain (-)/loss (+) from the sale of non-current assets	0	-9
Gain (-)/loss (+) from currency translation	218	-499
Other non-cash income and expense	-5,314	-4,551
Net interest income	428	192
Interest received	21	38
Interest paid	-340	-206
Income taxes paid	-2,166	-107
Impairment financial assets	28	0
Increase (-)/decrease (+) in inventories	1,006	-1,249
Increase (-)/decrease (+) in trade receivables and other receivables	7,543	7,629
Increase (+)/decrease (-) in trade payables, other liabilities and other provisions	-26,536	-25,485
Increase (+)/decrease (-) in other balance sheet items	-397	-710
Cash inflow (+)/outflow (-) from continuing operations (net cash flow)	**-21,890**	**-14,001**
Proceeds from disposals of non-current assets	0	9
Payments for investments in non-current assets	-2,522	-2,293
Cash inflow (+)/outflow (-) from investing activities	**-2,522**	**-2,284**
Free cash flow	**-24,412**	**-16,285**

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012"

Consolidated statement of cash flows for the period from January 1 – March 31, 2013

€ (000)	Jan. 1 - Mar. 31, 2013	Jan. 1 - Mar. 31, 2012[1]
Cash flows from the raising (+)/repayment (-) of current financial liabilities	55	2,275
Cash inflow (+)/outflow (-) from financing activities	**55**	**2,275**
Cash and cash equivalents at the beginning of the period	54,145	60,264
Foreign exchange rate gains/losses	260	388
Cash and cash equivalents at the beginning of the period measured at the rate of exchange prevailing at the reporting date of the prior year	53,885	59,876
Increase (-)/decrease (+) in restricted cash	-10,681	926
Change in cash and cash equivalents	-24,357	-14,010
Cash and cash equivalents at the end of the period	**19,107**	**47,180**
Restricted cash	12,478	2,354
Cash and cash equivalents	**31,585**	**49,534**
Cash and cash equivalents presented under "Assets held for sale"	568	1,212
Cash and cash equivalents reported on the statement of financial position	**31,017**	**48,322**

1) Prior year figures are adjusted due to changes in IAS 19. For detailed Information we refer to section 3. "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012"

Notes to the interim financial statements as of March 31, 2013

1. General information regarding accounting policies

The preparation of Gigaset AG's consolidated financial statements as of March 31, 2013, and the presentation of comparative figures from the prior year was carried out in compliance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted and published by the International Accounting Standards Board (IASB) and their interpretation by the Standard Interpretations Committee (SIC) and International Financial Reporting Standards Interpretations Committee (IFRS IC) as they apply in the EU. Accordingly, this unaudited and unreviewed Interim Financial Report as of March 31, 2013, was prepared in accordance with IAS 34. All Standards applicable as of March 31, 2013, whose application is mandatory were taken into account and provide a true and fair view of the Gigaset Group's financial position, financial performance and cash flows.

The notes to the 2012 Consolidated financial statements apply accordingly in particular with respect to the significant accounting policies adopted. The consolidated financial statements are prepared under the premise that the Company will continue as a going concern.

In addition, the following standards and interpretations, which were amended or newly issued by the IASB, had to be applied beginning with the 2013 fiscal year:

› Amendments to IAS 19, Employee Benefits

  The primary change in IAS 19 is that future unexpected fluctuations in pension commitments as well as any plan assets – so-called actuarial gains and losses – will have to be recognized directly in equity under other comprehensive income (OCI). The option previously applied by Gigaset – recognition under the corridor method – is being abolished. This is expected to lead to increasing volatility of equity. Another change in accounting treatment is that interest expense will be derived in the future based on the so-called net defined benefit liability. More comprehensive disclosures will have to be made in the notes under the amended standard than previously required.

  Another significant change in IAS 19 relates to the accounting treatment of partial retirement agreements. With respect to the obligation to pay top-up amounts from partial retirement agreements, as a result of this amendment these payments can no longer be treated as termination benefits in the future. Moreover, the benefits based on the dependency of service rendered in the future and their long-term vesting period are to be recognized as other non-current employee benefits. Due to this change in classification, the expenses are no longer to be recognized in full when the company is irrevocably obligated, but instead based on their vesting period. This change had significant effects as a result of the restructuring measures in the fourth quarter of 2012.

The amendments to IAS 19 have significant effects on Gigaset's consolidated financial statements. The amendments apply for fiscal years beginning on or after January 1, 2013. Earlier adoption is permitted. The effects of the amendments are presented in detail in the notes under the point on the "Adjustment of comparative information in the consolidated financial statements as of March 31, 2012".

› Amendments to IAS 1, Presentation of Financial Statements

According to the amendments to IAS 1, the items presented under other comprehensive income are to be divided into two categories: a) Items that might be reclassified to the income statement in subsequent periods (so-called "recycling") and b) items that will not be reclassified to the income statement in subsequent periods. If these items are presented before taxes, the associated tax amounts of the two categories are to be stated (to the extent that taxes apply). The amendments apply for fiscal years beginning on or after January 1, 2013. Earlier adoption is permitted. The required additional disclosures were taken into account in the Company's financial statements.

› FRS 13, Fair Value Measurement

IFRS 13 describes how fair value is to be determined and expands the existing disclosures regarding fair value. The standard does not specify the cases in which fair value is to be determined – this is based on the requirements of other IFRSs/IASs. The application of IFRS 13 for the determination of fair value is prohibited for individual standards. The new standard requires additional disclosures when fair value is determined. The new standard applies for reporting periods beginning on or after January 1, 2013. Earlier adoption is permitted. The amendments had no effect on the consolidated financial statements.

› Amendments to IAS 32, Financial Instruments: Presentation

The revision of the application guidance for IAS 32 clarifies some provisions regarding the offsetting of financial assets and financial liabilities in the statement of financial position. More extensive disclosures must also be made in the notes than previously required for offset amounts. The amendments apply for fiscal years beginning on or after January 1, 2013. Earlier adoption is permitted. The amendments had no effect on the consolidated financial statements.

› Amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards

A new exemption rule after severe hyperinflation was introduced, a few fixed dates for first-time adopters were removed, and simplifications with respect to the accounting treatment of government loans were added under the amendments to IFRS 1. The amendments apply for fiscal years beginning on or after January 1, 2013. Earlier adoption is permitted. The amendments had no effect on the consolidated financial statements.

› Amendments to IAS 12, Income Taxes

The amendment to IAS 12 includes a partial clarification regarding the treatment of temporary tax differences related to the application of the fair value model in IAS 40. With respect to investment property, it is often difficult to assess whether existing differences reverse over a period of continued use or as a result of a sale. Therefore, the amendment specifies that the general assumption is reversal through sale. The amended standard applies for reporting periods beginning on or after January 1, 2013. Earlier adoption is permitted. The amendments had no effect on the consolidated financial statements.

› Annual improvements to IFRSs (2009 – 2011 cycle)

The annual improvements (2009 – 2011) were adopted by the European Commission on March 28, 2013, and relate to clarifications within the following standards:

- IAS 1 Presentation of Financial Statements (clarification of disclosure requirements for comparative information if a third statement of financial position is required or prepared voluntarily).
- IAS 16 Property, Plant and Equipment (clarification regarding replacement parts and servicing equipment and their recognition as property, plant and equipment or inventories)
- IAS 32 Financial Instruments (clarification regarding the recognition of the tax effects of dividends and transaction costs from the issue or repurchase of equity instruments)
- IAS 34 Interim Financial Reporting (clarification regarding the disclosure of segment assets and liabilities in interim financial reports)
- IFRS 1 First-time Adoption of International Financial Reporting Standards (various clarifications)

The amended standards apply for reporting periods beginning on or after January 1, 2013. Earlier adoption is permitted. The amendments had no effect on the consolidated financial statements.

› IFRIC 20, Recognition of Stripping Costs in the Production Phase of a Surface Mine

The interpretation specifies rules for the recognition of stripping costs in the production phase of a surface mine and applies for fiscal years beginning on or after January 1, 2013. Earlier adoption is permitted. The amendments had no effect on the consolidated financial statements.

The following standards and interpretations already adopted, revised, or newly issued by the IASB were not yet required to be applied in fiscal year 2013:

Standards		Application requirement for Gigaset starting	Adopted by EU Commission
IFRS 10	Consolidated Financial Statements	1/1/2014[1]	Yes[1]
IFRS 11	Joint Arrangements	1/1/2014[1]	Yes[1]
IFRS 12	Disclosure of Interests in Other Entities	1/1/2014[1]	Yes[1]
IAS 27	Separate Financial Statements	1/1/2014[1]	Yes[1]
IAS 28	Investments in Associates and Joint Ventures	1/1/2014[1]	Yes[1]
IAS 32	Amendments to Offsetting Financial Assets and Financial Liabilities	1/1/2014	Yes
IFRS 9	Financial Instruments	1/1/2015	No
IFRS 9 / IFRS 7	Amendments to Mandatory Effective Date and Transition Disclosures	1/1/2015	No
Interpretations			
	-		

1) The original rules in the IASB's provisions specified mandatory application already starting in fiscal year 2013. However, the European Commission normalized a first-time application date for the changes for fiscal years beginning on or after January 1, 2014, in the Official Journal of the European Union L360 dated December 29, 2012.

The effects of the first-time application of the other revised or newly issued standards and interpretations cannot be reliably estimated at this time. However, the Company assumes in particular that the new standards IFRS 10, IFRS 11, and IFRS 12 will not have a significant impact.

2. Consolidated group

In addition to the parent company, 45 group companies were included in Gigaset's consolidated financial statements as of March 31, 2013; 18 of which domestic and 27 of which foreign companies.

There were no changes in the consolidated group compared to December 31, 2012.

As of March 31, 2013, no companies were included in the consolidated financial statements using equity method accounting.

One company with an insignificant influence on the financial position, financial performance and cash flows separately and as a whole was not consolidated. This subsidiary is recognized at amortized cost.

3. Adjustment of comparative information in the consolidated financial statements as of March 31, 2012

The amendments to IAS 19, Employee Benefits, which are applicable starting January 1, 2013, have a significant impact on the Gigaset Group's financial position, financial performance and cash flows. The new provisions of IAS 19 are to be applied retroactively and therefore also have an impact on the amounts and disclosures of fiscal year 2012.

The primary change in IAS 19 is that future unexpected fluctuations in pension commitments as well as any plan assets – so-called actuarial gains and losses – will have to be recognized directly in equity under other comprehensive income (OCI). The option previously applied by Gigaset – recognition under the corridor method – is being abolished. This is expected to lead to increasing volatility of equity. Another change in accounting treatment is that interest expense will be derived in the future based on the so-called net defined benefit liability. More comprehensive disclosures will have to be made in the notes under the amended standard than previously required.

Actuarial gains or losses are recognized based on their amount in a separate item under equity. The item is designated as "Actuarial effects IAS 19".

Another significant change in IAS 19 relates to the accounting treatment of partial retirement agreements. With respect to the obligation to pay top-up amounts from partial retirement agreements, as a result of this amendment these payments can no longer be treated as termination benefits in the future. Moreover, the benefits based on the dependency of service rendered in the future and their long-term vesting period are to be recognized as other non-current employee benefits. Due to this change in classification, the expenses are no longer to be recognized in full when the company is irrevocably obligated, but instead based on their vesting period. This change had significant effects as a result of the restructuring measures in the fourth quarter of 2012.

The amendments to IAS 19 are to be applied retrospectively and therefore the disclosures of the prior period were to be adjusted. The adjustments related to the following components:

› Income statement for the period from January 1 to March 31, 2012

› Consolidated statement of financial position as of January 1, 2012

› Consolidated statement of financial position as of December 31, 2012

› Consolidated equity as of January 1, 2012

› Consolidated equity as of December 31, 2012

› Consolidated statement of cash flows for the period from January 1 to March 31, 2012

The adjusted calculation of consolidated earnings for the interim financial statements as of March 31, 2012, based on the new provisions under IAS 19 are presented below:

				Adjustment IAS 19 Change in methods
Jan. 1 – Mar. 31, 2012 in € (000)	**Continuing operations**	**Discontinued operations**	**Total**	**Continuing operations**
Sales revenue	112,220	7,811	120,031	
Change in inventories of finished goods and work in progress	-3,520	0	-3,520	
Other own work capitalized	4,551	0	4,551	
Other operating income	4,160	729	4,889	
Cost of materials	-55,348	-3,891	-59,239	
Personnel expenses	-26,222	-620	-26,842	383
Other operating expenses	-25,176	-4,309	-29,485	
EBITDA	10,665	-280	10,385	383
Depreciation and amortization	-5,782	0	-5,782	
Impairment write-downs	0	0	0	
EBIT	4,883	-280	4,603	383
Impairment of financials assets	0	0	0	
Other interest and similar income	244	0	244	
Interest and similar expenses	-403	-33	-436	
Net financial income	**-159**	**-33**	**-192**	
Result from ordinary activities	**4,724**	**-313**	**4,411**	**383**
Taxes on income	-821	0	-821	-120
Consolidated net profit for the fiscal year	**3,903**	**-313**	**3,590**	**263**
of which attributable to non-controlling interests	0	0	0	0
of which attributable to the shareholders of Gigaset AG	3,903	-313	3,590	263
Earnings per ordinary share				
- undiluted in EUR	0.08	-0.01	0.07	0.00
- diluted in EUR	0.08	-0.01	0.07	0.00

Adjustment IAS 19 Change in methods					
Discontinued operations	Total	Continuing operations	Discontinued operations	Total	Jan. 1 – Mar. 31, 2012 in € (000)
		112,220	7,811	120,031	Sales revenue
		-3,520	0	-3,520	Change in inventories of finished goods and work in progress
		4,551	0	4,551	Other own work capitalized
		4,160	729	4,889	Other operating income
		-55,348	-3,891	-59,239	Cost of materials
0	383	-25,839	-620	-26,459	Personnel expenses
		-25,176	-4,309	-29,485	Other operating expenses
0	**383**	**11,048**	**-280**	**10,768**	**EBITDA**
		-5,782	0	-5,782	Depreciation and amortization
		0	0	0	Impairment write-downs
0	**383**	**5,266**	**-280**	**4,986**	**EBIT**
		0	0	0	Impairment of financials assets
		244	0	244	Other interest and similar income
		-403	-33	-436	Interest and similar expenses
		-159	**-33**	**-192**	**Net financial income**
0	**383**	**5,107**	**-313**	**4,794**	**Result from ordinary activities**
0	-120	-941	0	-941	Taxes on income
0	**263**	**4,166**	**-313**	**3,853**	**Consolidated net profit for the fiscal year**
0	0	0	0	0	of which attributable to non-controlling interests
0	0	4,166	-313	3,853	of which attributable to the shareholders of Gigaset AG
					Earnings per ordinary share
0.00	0.00	0.08	-0.01	0.07	- undiluted in EUR
0.00	0.00	0.08	-0.01	0.07	- diluted in EUR

The effects on the statement of financial position as of January 1, 2012, based on the amendment of IAS 19 are presented below:

€ (000)	Jan. 1, 2012	Adjustment IAS 19 Change in methods	Jan. 1, 2012
ASSETS			
Non-current assets			
Intangible assets	42,431		42,431
Property, plant and equipment	45,911		45,911
Financial assets	2,334		2,334
Deferred tax assets	12,240	2,559	14,799
Total non-current assets	102,916	2,559	105,475
Current assets			
Inventories	35,804		35,804
Trade receivables	59,723		59,723
Other assets	27,163		27,163
Current tax assets	3,076		3,076
Cash and cash equivalents	62,262		62,262
	188,028	0	188,028
Assets held for sale	20,416		20,416
Total current assets	208,444	0	208,444
Total assets	**311,360**	**2,559**	**313,919**

€ (000)	Jan. 1, 2012	Adjustment IAS 19 Change in methods	Jan. 1, 2012
EQUITY & LIABILITIES			
Equity			
Subscribed capital	50,015		50,015
Additional paid-in capital	87,981		87,981
Revenue reserves	22,858		22,858
Actuarial effects IAS 19	0	-8,552	-8,552
Accumulated other comprehensive income	-84,621	2,914	-81,707
	76,233	-5,638	70,595
Non-controlling interests	0		0
Total equity	76,233	-5,638	70,595
Non-current liabilities			
Pension obligations	10,258	8,552	18,810
Provisions	7,392	-355	7,037
Financial liabilities	0		0
Other liabilities	35		35
Deferred tax liabilities	15,958		15,958
Total non-current liabilities	33,643	8,197	41,840
Current liabilities			
Provisions	27,222		27,222
Financial liabilities	6,083		6,083
Trade payables	96,239		96,239
Tax liabilities	7,790		7,790
Other liabilities	41,568		41,568
	178,902	0	178,902
Liabilities related to assets held for sale	22,582		22,582
Total current liabilities	201,484	0	201,484
Total Liabilities	**311,360**	**2,559**	**313,919**

The effects on the statement of financial position as of December 31, 2012, based on the amendment of IAS 19 are presented below:

€ (000)	Dec. 31, 2012	Adjustment IAS 19 Change in methods	Dec. 31, 2012
ASSETS			
Non-current assets			
Intangible assets	44,226		44,226
Property, plant and equipment	44,148		44,148
Financial assets	0		0
Deferred tax assets	19,316	8,438	27,754
Total non-current assets	107,690	8,438	116,128
Current assets			
Inventories	33,418		33,418
Trade receivables	50,998		50,998
Other assets	26,424		26,424
Current tax assets	2,017		2,017
Cash and cash equivalents	54,651		54,651
	167,508	0	167,508
Assets held for sale	18,788		18,788
Total current assets	186,296	0	186,296
Total assets	**293,986**	**8,438**	**302,424**

€ (000)	Dec. 31, 2012	Adjustment IAS 19 Change in methods	Dec. 31, 2012
EQUITY & LIABILITIES			
Equity			
Subscribed capital	50,015		50,015
Additional paid-in capital	87,981		87,981
Revenue reserves	68,979		68,979
Actuarial effects IAS 19	0	-30,463	-30,463
Accumulated other comprehensive income	-161.771	11,875	-149,896
	45,204	**-18,588**	**26,616**
Non-controlling interests	0		0
Total equity	**45,204**	**-18,588**	**26,616**
Non-current liabilities			
Pension obligations	12,069	30,463	42,532
Provisions	12,755	-3,437	9,318
Financial liabilities	32,000		32,000
Other liabilities	27		27
Deferred tax liabilities	13,967		13,967
Total non-current liabilities	**70,818**	**27,026**	**97,844**
Current liabilities			
Provisions	41,284		41,284
Financial liabilities	306		306
Trade payables	86,644		86,644
Tax liabilities	6,384		6,384
Other liabilities	24,558		24,558
	159,176	**0**	**159,176**
Liabilities related to assets held for sale	18,788		18,788
Total current liabilities	**177,964**	**0**	**177,964**
Total liabilities	**293,986**	**8,438**	**302,424**

The effects on consolidated equity as of January 1, 2012, based on the amendment of IAS 19 are presented below:

€ (000)	Jan. 1, 2012	Adjustment IAS 19 Change in methods	Jan. 1, 2012
Subscribed capital	50,015		50,015
Additional paid-in capital	87,981		87,981
Revenue reserves	22,858		22,858
Actuarial effects IAS 19	0	-8,552	-8,552
Accumulated other comprehensive income	-84,621	2,914	-81,707
Adjusting items for non-controlling interests	0		0
Consolidated equity	**76,233**	**-5,638**	**70,595**

The effects on consolidated equity as of December 31, 2012, based on the amendment of IAS 19 are presented below:

€ (000)	Dec. 31, 2012	Adjustment IAS 19 Change in methods	Dec. 31, 2012
Subscribed capital	50,015		50,015
Additional paid-in capital	87,981		87,981
Revenue reserves	68,979		68,979
Actuarial effects IAS 19	0	-30,463	-30,463
Accumulated other comprehensive income	-161,771	11,875	-149,896
Adjusting items for non-controlling interests	0		0
Consolidated equity	**45,204**	**-18,588**	**26,616**

The effects on the consolidated statement of cash flows for the period from January 1, 2012, to March 31, 2012, based on the amendment of IAS 19 are presented below:

€ (000)	Jan. 1 - Mar 31, 2012	Adjustment IAS 19 Change in methods	Jan. 1 - Mar 31, 2012
Result from ordinary activities before taxes on income (EBT)	4,411	383	4,794
Depreciation of property, plant and equipment and amortization of intangible assets	5,782		5,782
Addition (+)/decrease (-) in pension provisions	380		380
Gain (-)/loss (+) from the sale of non-current assets	-9		-9
Gain (-)/loss (+) from currency translation	-499		-499

€ (000)	Jan. 1 - Mar 31, 2012	Adjustment IAS 19 Change in methods	Jan. 1 - Mar 31, 2012
Other non-cash income and expenses	-4,551		-4,551
Net interest income	192		192
Interest received	38		38
Interest paid	-206		-206
Income taxes paid	-107		-107
Increase (-)/decrease (+) in inventories	-1.249		-1.249
Increase (-)/decrease (+) in trade receivables and other receivables	7,629		7,629
Increase (+)/decrease (-) in trade payables, other liabilities and other provisions	-25,102	-383	-25,485
Increase (+)/decrease (-) in other balance sheet items	-710		-710
Cash inflow (+)/outflow (-) from continuing operations (net cash flow)	**-14,001**	**0**	**-14,001**
Proceeds from the disposal of non-current assets	9		9
Payments for investments in non-current assets	-2,293		-2,293
Cash inflow (+)/outflow (-) from investing activities	**-2,284**	**0**	**-2,284**
Free cash flow	**-16.285**	**0**	**-16.285**
Cash flows from the raising (+)/repayment (-) of current financial liabilities	2,275		2,275
Cash inflow (+)/outflow (-) from financing activities	**2,275**	**0**	**2,275**
Cash and cash equivalents at the beginning of the period	60,264		60,264
Foreign exchange rate gains/losses	388		388
Cash and cash equivalents at the beginning of the period measured at the rate of exchange prevailing at the balance sheet date of the prior year	59,876		59,876
Increase (-)/decrease (+) in restricted cash	926		926
Change in cash and cash equivalents	-14,010		-14,010
Cash and cash equivalents at the end of the period	**47,180**	**0**	**47,180**
Restricted cash	2,354		2,354
Cash and cash equivalents	**49,534**	**0**	**49,534**
Cash and cash equivalents presented under "Assets held for sale"	1,212		1,212
Cash and cash equivalents reported on the statement of financial position	**48,322**	**0**	**48,322**

4. Seasonal effects

The core business of Gigaset Communications GmbH is subject to distinct seasonal fluctuations due to regularly varying consumer behavior over the course of a calendar year. The highest sales are realized during the Christmas shopping season, which is why the fourth quarter is traditionally very strong. In contrast, the first quarter serves the restocking of warehouses following the Christmas business and in our experience fluctuates around the same level as the third quarter. Sales for the Christmas season are already affecting inventory levels in the warehouses of distributors and retailers beginning in the third quarter; however, July and August count among the weak summer months with a typically low propensity to spend on the part of consumers. In light of this, the third quarter is normally weaker than the fourth. The second quarter is already characterized by seasonal consumer restraint in the early summer months of May and June; at the same time, distributors and retailers are adjusting their inventory levels to the weak summer months. Therefore, the second quarter is traditionally the weakest sales quarter of the entire fiscal year.

In addition to the traditional general seasonal fluctuations, there are country and region-specific seasonalities, such as sales promotions related to specific trade fairs (e.g. CEBIT, IFA), back-to-school activities, or the Chinese New Year.

5. Restructuring

The restructuring begun in the fourth quarter of 2012 was continued as planned. In the first quarter of 2013, there was a cash outflow of EUR 3.3 million as a result of these restructuring measures.

6. Financial assets and liabitilies

The fair values of financial assets and liabilities as of March 31 essentially correspond to the carrying amounts. There were no changes in non-current financial assets and liabilities compared to December 31 of the prior year; as a result, the fair values of these items was essentially the same as their carrying amounts, as was the case at the end of the year. The carrying amounts of the current financial assets and liabilities also correspond essentially to their fair values. There were also no changes with respect to the measurement and fair value hierarchy of the financial assets and liabilities compared to the end of the year.

7. Non-current assets held for sale and discontinued operations

In accordance with IFRS 5, non-current assets and disposal groups are presented separately in the statement of financial position if they can be sold in their current condition and the sale is highly probable. For classification as "held for sale", the corresponding assets are recognized at fair value less costs to sell if this is lower than their carrying amount. Directly related liabilities are presented separately under liabilities as "held for sale" according to their classification.

The Supervisory Board approved the sale of the SM Electronic Group in December 2011 and sales efforts began immediately. Since the SM Electronic Group fulfills the criteria of immediate marketability specified under IFRS 5 and its sale can be regarded as highly probable, the SM Electronic Group was classified as a disposal group as defined under IFRS 5.

The SM Electronic Group's objectives include the trading and distribution of receiver technology and accessories.

The assets and liabilities of the disposal group SM Electronic ("Other" segment) can be broken down as follows as of March 31, 2013:

€ (000)	Amount prior to impairment 3/31/2013	Impairment under IFRS 5 2013	Amount after impairment 12/31/2013	Amount as of 12/31/2012
Assets				
Deferred tax assets	3,247	-1,210	2,037	1,312
Inventories	3,439	0	3,439	3,853
Current receivables and other assets	11,818	0	11,818	12,592
Cash and cash equivalents	568	0	568	1,031
Total	**19,072**	**-1,210**	**17,862**	**18,788**
Liabilities				
Provisions	290		290	400
Other liabilities	14,141		14,141	14,883
Deferred tax liabilities	3,431		3,431	3,505
Total	**17,862**	**0**	**17,862**	**18,788**

The impairment recognized as of December 31, 2012, amounted to EUR 1,935 thousand and was reduced in the first quarter of 2013 by EUR 725 thousand to a total of EUR 1,210 thousand. The reduction of the recognized impairment is reported as a positive amount in the income statement item "Impairment write-downs" under discontinued operations.

The SM Electronic Group is presented under discontinued operations both in fiscal year 2013 as well as fiscal year 2012, because it represents a major business line based on total assets and/or sales revenues.

Cash flows attributable to discontinued operations can be broken down as follows:

€ (000)	Mar. 31, 2013	Mar. 31, 2012
Cash inflow (+)/outflow (-) from operating activities	-459	318
Cash inflow (+)/outflow (-) from investing activities	-4	0
Cash inflow (+)/outflow (-) from financing activities	0	0
Change in cash and cash equivalents	**-463**	**318**

8. Changes in the consolidated group

There were no changes in the consolidated group in the first quarter of 2013.

9. Segment reporting

Due to the reorientation of the Gigaset Group's business model in 2010, the segment reporting was adjusted accordingly. The activities of Gigaset and the holding company are presented separately from one another. The Gigaset Group is also presented based on geographic regions as a result of the information applied in Gigaset's internal management.

Gigaset's geographic regions whose main activities lie in the area of communications technology include the following:

- "Europe"

  The geographic region "Europe" includes all operating activities of the Gigaset Group in European countries as well as its operating activities in Russia, since they are jointly managed by the European companies. Thus, this area includes the operating activities in Germany, France, the United Kingdom, Italy, the Netherlands, Austria, Poland, Russia, Sweden, Switzerland, Spain, and Turkey.

- "America"

  The geographic region "America" includes the Gigaset Group's operating activities in the USA, Brazil, and Argentina.

- "Asia-Pacific / Middle East"

  The geographic region "Asia-Pacific / Middle East" includes the operating activities in China and the United Arab Emirates.

Since not all of the businesses belonging to the core activities were or are to be discontinued or sold, the affected groups are presented in the "Other" segment.

Transfer pricing between the segments corresponds to the prices realized with third parties. The cost of administrative services is passed on via cost allocation.

As of March 31, 2013, the Other segment includes the SM Electronic Group held for sale as in the previous year.

The allocation to the individual geographic regions is made based on the country of residence of the respective legal unit. Therefore, sales revenues and earnings are allocated in the segment reporting based on the legal units according to the internal segment reporting.

January 1 to March 31, 2013	Europe	Americas	Asia-Pacific/ Middle East	Gigaset Total
Revenues				
External revenues	76,420	4,577	5,747	86,744
Continuing operations	76,420	4,577	5,747	86,744
Discontinued operations	0	0	0	0
Internal revenues	0	0	0	0
Continuing operations	0	0	0	0
Discontinued operations	0	0	0	0
Total revenues	76,420	4,577	5,747	86,744
Continuing operations	76,420	4,577	5,747	86,744
Discontinued operations	0	0	0	0
Segment EBITDA	6,233	-731	612	6,114
Continuing operations	6,233	-731	612	6,114
Discontinued operations	0	0	0	0
Depreciation and amortization	-6,638	-5	-3	-6,646
Continuing operations	-6,638	-5	-3	-6,646
Discontinued operations	0	0	0	0
Impairments	0	0	0	0
Continuing operations	0	0	0	0
Discontinued operations	0	0	0	0
Segment EBIT	-405	-736	609	-532
Continuing operations	-405	-736	609	-532
Discontinued operations	0	0	0	0
Impairment on financial assets				
Net interest income/expenses				
Income/expenses from ordinary activities				
Income taxes				
Consolidated net income				
Non-controlling interests				
Consolidated net income attributable to shareholders of Gigaset AG				

Holding	Other	Eliminations	Consolidated	January 1 to March 31, 2013
				Revenues
0	2,349	0	89,093	External revenues
0	0	0	86,744	Continuing operations
0	2,349	0	2,349	*Discontinued operations*
0	45	-45	0	Internal revenues
0	0	0	0	Continuing operations
0	45	-45	0	*Discontinued operations*
0	2,394	-45	89,093	Total revenues
0	0	0	86,744	Continuing operations
0	2,394	-45	2,349	*Discontinued operations*
-1,498	-754	0	3,862	Segment EBITDA
-1,498	0	0	4,616	Continuing operations
0	-754	0	-754	*Discontinued operations*
-1	0	0	-6,647	Depreciation and amortization
-1	0	0	-6,647	Continuing operations
0	0	0	0	*Discontinued operations*
0	725	0	725	Impairments
0	0	0	0	Continuing operations
0	725	0	725	*Discontinued operations*
-1,499	-29	0	-2,060	Segment EBIT
-1,499	0	0	-2,031	Continuing operations
0	-29	0	-29	*Discontinued operations*
			-28	Impairment on financial assets
			-428	Net interest income/expenses
			-2,516	Income/expenses from ordinary activities
			-737	Income taxes
			-3,253	**Consolidated net income**
			0	Non-controlling interests
			-3,253	Consolidated net income attributable to shareholders of Gigaset AG

January 1 to December 31, 2012	Europe	Americas	Asia-Pacific/ Middle East	Gigaset Total
Revenues				
External revenues	92,742	6,818	12,564	112,124
Continuing operations	92,742	6,818	12,564	112,124
Discontinued operations	0	0	0	0
Internal revenues	2,791	0	0	2,791
Continuing operations	2,791	0	0	2,791
Discontinued operations	0	0	0	0
Total revenues	95,533	6,818	12,564	114,915
Continuing operations	95,533	6,818	12,564	114,915
Discontinued operations	0	0	0	0
Segment EBITDA	10,516	-158	1,909	12,267
Continuing operations	10,516	-158	1,909	12,267
Discontinued operations	0	0	0	0
Depreciation and amortization	-5,709	-6	-66	-5,781
Continuing operations	-5,709	-6	-66	-5,781
Discontinued operations	0	0	0	0
Impairments	0	0	0	0
Continuing operations	0	0	0	0
Discontinued operations	0	0	0	0
Segment EBIT	4,807	-164	1,843	6,486
Continuing operations	4,807	-164	1,843	6,486
Discontinued operations	0	0	0	0
Impairment on financial assets				
Net interest income/expenses				
Income/expenses from ordinary activities				
Income taxes				
Consolidated net income				
Non-controlling interests				
Consolidated net income attributable to shareholders of Gigaset AG				

Holding	Other	Eliminations	Consolidated	January 1 to December 31, 2012
				Revenues
96	7,811	0	120,031	External revenues
96	0	0	112,220	Continuing operations
0	7,811	0	7,811	*Discontinued operations*
100	0	-2,891	0	Internal revenues
100	0	-2,891	0	Continuing operations
0	0	0	0	*Discontinued operations*
196	7,811	-2,891	120,031	Total revenues
196	0	-2,891	112,220	Continuing operations
0	7,811	0	7,811	*Discontinued operations*
-1,219	-280	0	10,768	Segment EBITDA
-1,219	0	0	11,048	Continuing operations
0	-280	0	-280	*Discontinued operations*
-1	0	0	-5,782	Depreciation and amortization
-1	0	0	-5,782	Continuing operations
0	0	0	0	*Discontinued operations*
0	0	0	0	Impairments
0	0	0	0	Continuing operations
0	0	0	0	*Discontinued operations*
-1,220	-280	0	4,986	Segment EBIT
-1,220	0	0	5,266	Continuing operations
0	-280	0	-280	*Discontinued operations*
			0	Impairment on financial assets
			-192	Net interest income/expenses
			4,794	Income/expenses from ordinary activities
			-941	Income taxes
			3,853	**Consolidated net income**
			0	Non-controlling interests
			3,853	Consolidated net income attributable to shareholders of Gigaset AG

10. Related party disclosures

There were no significant transactions between the Group and its related parties.

11. Significant events after the reporting period

There were no significant events after the balance sheet date.

Munich, Mai 10, 2013

The Executive Board of Gigaset AG

Charles Fränkl Dr. Alexander Blum Maik Brockmann

Financial Calendar (remaining)

August 7, 2013

- 2nd quarterly report for the fiscal year 2013

August, 2013

- Annual General Meeting in Munich, Germany

November 11, 2013

- 3rd quarterly report for the fiscal year 2013

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