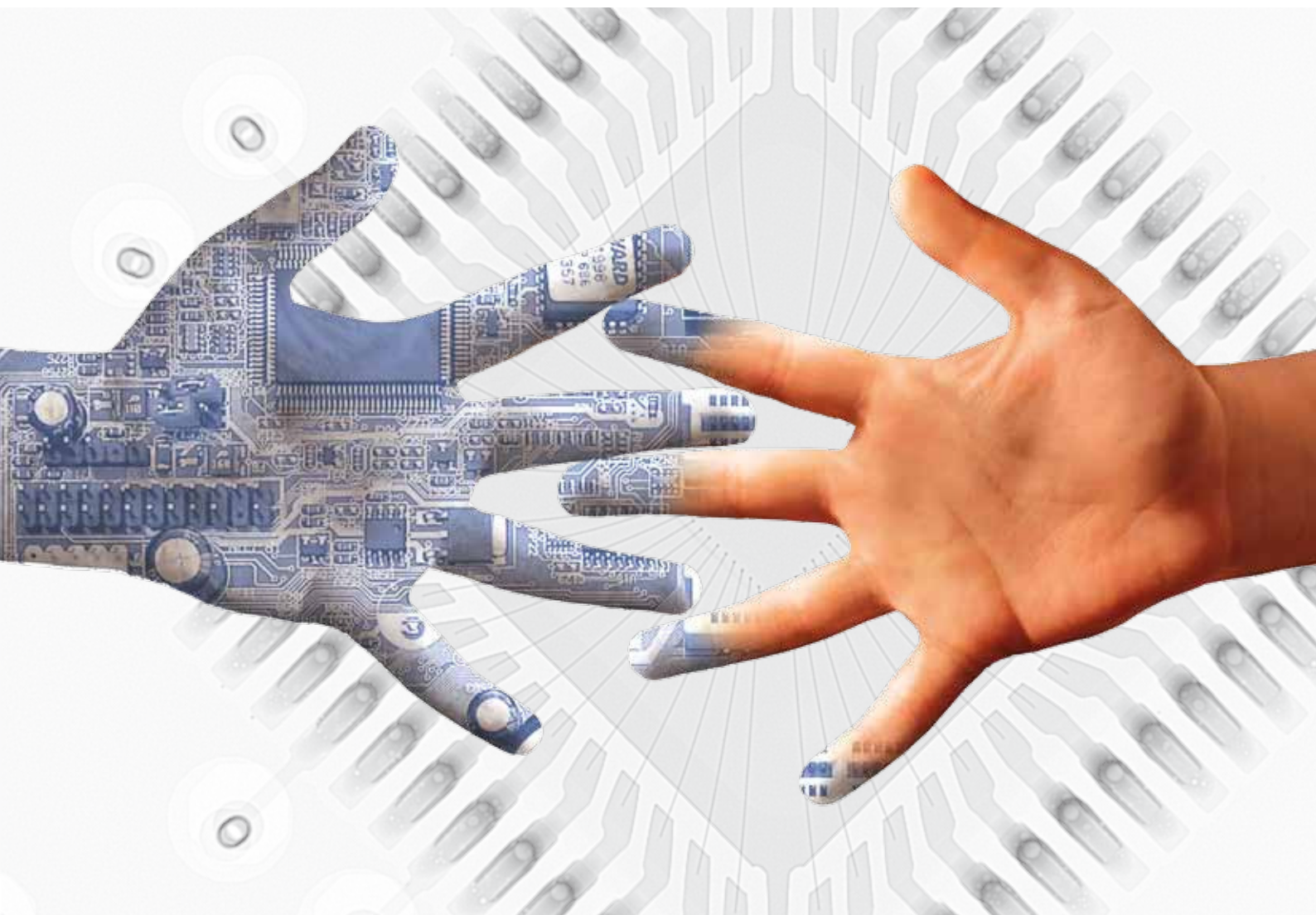


MAN. MACHINE. VISION.  
WITH PASSION FOR TECHNOLOGY.



INTERIM REPORT  
as of 31 March 2017

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# OPERATING FIGURES

## Profit and loss

		3M 2017	3M 2016
Revenues	K€	19,542	11,124
EBIT	K€	2,658	-1,221
Net profit for the period	K€	1,880	-1,326

## Balance sheet and cashflow statement figures

		3M 2017	3M 2016
Total assets	K€	67,440	57,861
Equity ratio	%	80.2	81.5
CF from operating activities	K€	3,971	-423
CF from investing activities	K€	-554	-530
CF from financing activities	K€	0	0
Cash and cash equivalents	K€	9,904	10,862

## Share

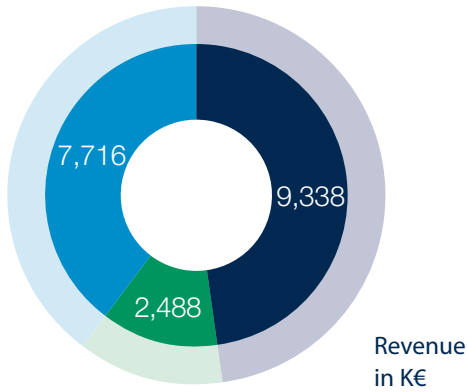
		3M 2017	3M 2016
Result per share	€	0.21	-0.15

## Employees

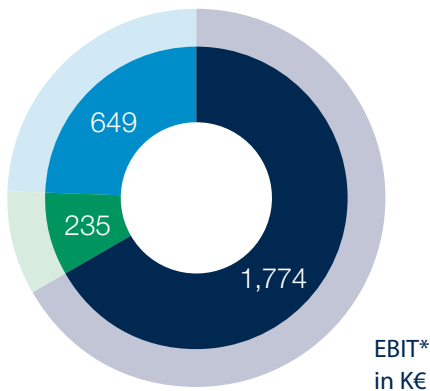
		3M 2017	3M 2016
Employees on 31 March		393	369

# SEGMENT INFORMATION

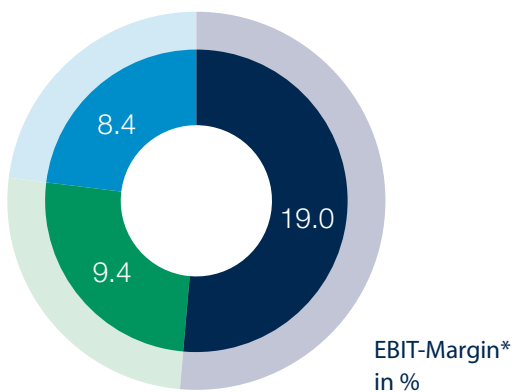
# FIGURES 3M 2017



19,542  
Revenue  
in K€



20,156  
Incoming orders  
in K€



2,658  
EBIT  
in K€

13.6  
EBIT-Margin  
in %

■ Europe ■ Americas ■ Asia

80.2  
Equity Ratio  
in %

\* in consideration of consolidation differences

# FOREWORD FROM THE EXECUTIVE BOARD

*Dear Ladies and gentlemen,*

The Viscom Group enjoyed an excellent start to the 2017 financial year in which it built on the strong performance in 2016. We generated revenue of € 19,542 thousand in the first quarter, up 75.7 % on the same period of the previous year. In the past, and particularly in the first quarter of 2016, the first three months of the financial year have typically seen weaker revenue figures. Instead, we achieved a new record level of revenue this year, improving by some distance on the previous record set in the first quarter of 2015. This was due to the processing of the high order backlog that we had on our books at 31 December 2016 as well as the substantial volume of incoming orders recorded in the first quarter of 2017, some of which resulted in revenue in the period under review.

Incoming orders were also up an encouraging 36 % year-on-year after the first three months of the current financial year, while orders on hand increased by around 21 %. There are currently no signs of a slowdown in demand for inspection systems; instead, we are continuing to benefit from the steady growth in customer interest in our products and services.

We have again succeeded in setting new records and demonstrating that our strategic approach is the right one. All of the segments of the Viscom Group started the new financial year with growth. At around 48 %, Europe was by far the Group's strongest region in terms of total revenue. However, the Asia region also

increased its revenue more than fourfold and generated earnings of € 649 thousand. Developments in the Americas region were characterised in particular by sustained positive business performance in the automotive electronics sector and healthy demand for X-ray inspection systems from US service providers in the high-end consumer, computer and aerospace sector.

As a result of the Group's substantial revenue growth and strong performance in all of its divisions, operating profit increased significantly year-on-year to € 2,658 thousand. At 13.6 %, the EBIT-Margin was up 24.6 percentage points on the prior-year figure of -11.0 %.

Ladies and gentlemen, we are looking forward to the remaining quarters of 2017. We are confident that we will be able to meet your expectations and our targets for the 2017 financial year thanks to our sustainable, market-oriented business policy and the outstanding personal commitment of our employees. We would like to thank you for your interest in our company and the trust you have placed in us.

The Executive Board



Dr. Martin Heuser



Volker Pape



Dirk Schwingel

# VISCOM'S SHARES

## Basic information on Viscom's shares

German Securities Code Number (WKN)	784686
ISIN	DE 000 7846867
Ticker symbol	V6C
Market segment	Regulated market (Prime Standard)
Category	No-par value bearer shares
Share capital (€)	9.02 million
Share capital (units)	9,020,000
Number of voting shares	8,885,060
High on 1 March 2017 *	€ 15.95
Low on 3 January 2017 *	€ 13.85
Market capitalisation as at 31 March 2017	€ million 139.72
Earnings per share	€ 0.21

\* All share price information is based on XETRA daily closing prices

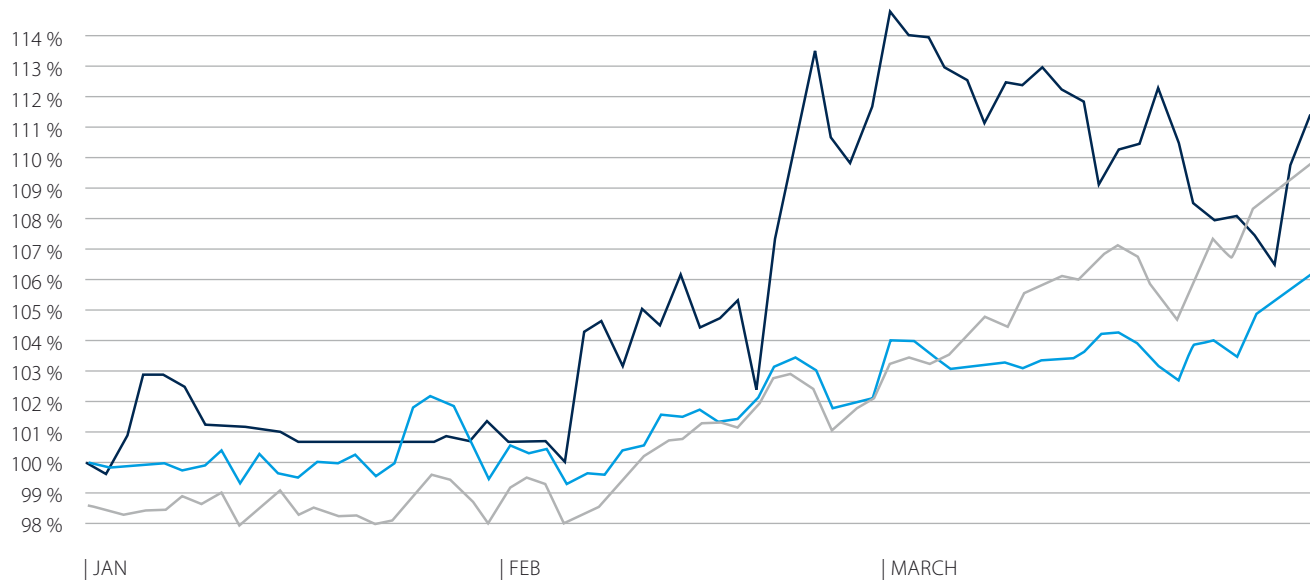
The German stock markets enjoyed a considerably stronger start to 2017 than the previous year. However, the inauguration of President Trump and the resulting policy uncertainty brought the stock markets to something of a standstill during January, and the DAX remained volatile until midway through the month. Despite this, the DAX and TecDAX indices subsequently built on their gains in the following months to reach new highs. The leading German index, the DAX, closed the quarter at a new high for the year of 12,313 points. Meanwhile, the TecDAX closed the quarter at 2,046 points, its highest level for 16 years. This positive scenario was supported by the positive economic outlook – confirmed by the improvement in the ifo Business Climate Index and the upturn in the Purchasing Managers Index – and the declining likelihood of a victory for the right-wing populist in the French presidential election in April.

## Viscom's share price performance in the first three months of 2017

After opening the year at € 13.50, Viscom's shares enjoyed positive price performance. In the wake of the ad hoc publication of the company's preliminary figures for 2016 on 21 February 2017, the share price climbed to a high of € 15.95 on 1 March 2017 before returning to more volatile territory. The shares hit a low for the year on 3 January 2017 with a daily closing price of € 13.85. Viscom's shares hovered at around an average of € 14.72 in the first three months of the year before closing the quarter at € 15.49 on 31 March 2017.

## Development of Viscom's shares in the first three months of 2017

■ Viscom (Xetra): 111.4 %   ■ DAX (Xetra): 106.2 %   ■ TecDAX (Perf.) (Xetra): 111.2 %



## Shareholder structure

The shareholder structure of Viscom AG is characterised by the high degree of involvement on the part of the Company founders and Executive Board members Dr. Martin Heuser and Volker Pape. 59.6 % of the shares are held by Dr. Martin Heuser and Volker Pape, either directly or via HPC Vermögensverwaltung GmbH. Viscom AG holds 1.5 % of its own shares, which the Company repurchased in 2008/2009 as part of a share buy-back programme. 9.5 % of the shares are held by Allianz. The 29.4 % of shares that are in free float are spread primarily among investors in Germany and other European countries.

## Investor relations

The objective of our investor relations activities is to enable all capital market participants to evaluate Viscom AG objectively.

We achieve this by means of continuous, open communication. All information on Viscom's shares is published as it becomes available in the Investor Relations section of our website at [www.viscom.de](http://www.viscom.de).

You can also contact our Investor Relations department directly at the following address:

Viscom AG  
Investor Relations  
Anna Borkowski  
Carl-Buderus-Straße 9-15  
D-30455 Hannover  
E-Mail: [investor.relations@viscom.de](mailto:investor.relations@viscom.de)  
Tel.: +49 (0)511 94996-861  
Fax: +49 (0)511 94996-555



# INTERIM REPORT

## BASIC INFORMATION ON THE GROUP

### Business model of the Group

#### Structure of the company and its investees

Viscom AG, Hanover (hereinafter: Viscom AG), is the parent company of the Viscom Group (hereinafter referred to as Viscom). With subsidiaries in Asia, America, Europe and Africa that are directly or indirectly wholly-owned by Viscom AG, the Group has an efficient, market-oriented organisational structure. All of the companies are focused on their respective customer groups and their requirements. This enables them to act and respond quickly and in a flexible manner. They also benefit from the advantages of belonging to a larger group, thus allowing mutual exchange and utilisation of knowledge and experience. Production takes place exclusively in the Group's home base, Hanover. This means that Viscom enjoys the production advantages of one of the most highly developed industrial locations, allowing it to guarantee a very high quality level for its products.

In 2001, Viscom GmbH changed its legal form to that of a German stock corporation (Aktiengesellschaft) and became Viscom AG. The company's share capital is divided into 9,020,000 shares, of which 59.64 % are held directly or indirectly through HPC Vermögensverwaltung GmbH by the company's founders and Executive Board members Dr. Martin Heuser and Volker Pape. 9.51 % of the shares are held by Allianz.

On 29 July 2008, the Executive Board, with the approval of the Annual General Meeting on 12 June 2008 and after consultation with the Supervisory Board, decided to acquire up to 902,000 of the company's own shares by 31 March 2009. By the reporting date of 31 March 2009, the company had bought back 134,940 shares. As of 31 March 2017, Viscom AG held approximately 1.50 % of its own shares.

The Executive Board of Viscom AG consisted of three members as of 31 March 2017:

Dr. Martin Heuser: Technology

Volker Pape: Sales

Dirk Schwingel: Finance

The Executive Board is monitored by the three members of the Supervisory Board:

Bernd Hackmann (Chairman)

Klaus Friedland (Deputy Chairman)

Prof. Dr. Ludger Overmeyer

#### Segments and key locations

Viscom develops, manufactures and sells high-quality automated inspection systems for use in industrial production. The company's business activities are broken down on the basis of work required for the project-specific adaptation of standard components and systems, as well as the technology used to identify potential production errors using the inspection systems.

In geographical terms, the company's business incorporates the European market with its headquarters in Hanover and a subsidiary in Paris, France; the American market with its subsidiary in Atlanta, USA; and the Asian market with its subsidiary in Singapore, which in turn has its own subsidiary in Shanghai, China. The sales company in Tunis, Tunisia, a subsidiary of the French subsidiary, is allocated to the geographical segment Europe. The company is developing the North African sales market.

There were no changes in the Group's activities or structure during the reporting period.

#### Business processes

The inspection systems are developed and produced at Viscom AG's headquarters in Hanover. This is where all the centralised functions, such as business administration, development, production, marketing and sales management, are based.

The company's product development activities are focused on fundamental development work for future generations of inspection systems, as well as project-specific development for the adaptation of basic machine types to meet customer-specific requirements.



A large part of production is order-based. This draws on in-house pre-production of various assemblies.

Sales activities are performed by sales employees of Viscom AG and its Group companies, as well as by agents acting on the market as industry representatives for mechanical engineering firms.

Major business processes are managed and supported with the help of the business software proALPHA. The order processing module included in this system is used by all Viscom locations around the world.

#### **Legal and economic factors**

There have been no fundamental changes in the legal and economic framework which had a material effect on the company in the first quarter of 2017. For more details regarding the development of the overall economy, please refer to the economic report below.

#### **Management system**

The key performance indicators according to which the Viscom Group is managed are incoming orders, revenue, EBIT (operating profit or segment earnings) and the EBIT-Margin (EBIT/revenue).

The management of the Group is based on a reporting system that takes the form of monthly reports submitted to management and the heads of the business areas. These monthly reports include the consolidated income statement and individual breakdowns for the various Group companies.

The reports also include a detailed presentation of the cost structure at Viscom AG and its Group companies. They provide information on revenue in the Group's machine installation regions, incoming orders, the order backlog, the number of

employees, cash and cash equivalents, total receivables and receivables from subsidiaries, orders placed for the purchase of goods and inventories of goods as well as completed and partially completed systems.

In addition, they provide an overview of employee turnover, sickness absence rate and per capita revenue, as well as key indicators for project management, product development, production and logistics.

The statements contained in the monthly reports are analysed in regular meetings between the company's management and the heads of the business areas. Any action that may be necessary results in decisions which are usually implemented in the short term.

#### **Research and development**

The main focus of development activities is on the further development of existing system solutions as well as the implementation of new market requirements in the field of optical and X-ray inspection processes. This area also focuses on the definition of new products and machines.

The orientation of these activities is described in detail on pages 36–38 of the Annual Report 2016 and did not change during the first three months of the current year.

Expenditure for research and development, excluding constructive changes for customer-specific adaptations, remained at the previous year's level. Development costs totalling € 347 thousand were capitalised in the first three months of 2017 (previous year: € 387 thousand). Capitalised development costs were written down as scheduled in the amount of € 313 thousand (previous year: € 276 thousand).

# ECONOMIC REPORT

## Macroeconomic and sector development

### Macroeconomic development

The global economy developed well in spite of a number of risk factors.

Economic performance in the euro zone successfully resisted the risks arising from the United Kingdom's withdrawal from the EU and other international political issues. Order books were filled, and employment and private consumption both enjoyed positive development. In the latest report by the Kiel Institute for the World Economy (IfW), Stefan Kooths from IfW states that the consolidation observed in 2016 was followed by acceleration in the first months of this year.

The German economy also refused to let itself be put off by the prevailing risk factors. In March 2017, the most important barometer of economic sentiment – the ifo Business Climate Index – reached its highest level since July 2011. Economic growth was driven by increased global trade, the strength of the construction sector and pronounced domestic demand.

Companies in the USA mainly expressed their confidence about future economic development in the form of investments.

China halted the slowdown in growth for the time being, with the economy expanding by almost 7 % in the first quarter.

In the emerging economies, the outlook for commodity-exporting nations in particular improved thanks to the sharp rise in commodity prices.

### Sector development

The inspection of electronic assemblies is Viscom's main revenue segment. Consequently, Viscom is primarily represented in the automotive supplier segment within the electronics industry, one of the largest branches of industry in the world.

Technical developments in the electronics industry have been an innovation driver for Viscom over the last few years. The volumes and quality requirements of increasingly complex and ever-smaller electronic assemblies are seeing constant growth, meaning that they can be reliably tested only using automated inspection systems. The automotive electronics sector is the main market for Viscom's products.

In recent years, Viscom has intensified its efforts to gain a foothold in other industries such as telecommunication, industrial electronics and semiconductor production. The company has already established itself with a broader base among SMEs in Europe. At the same time, it is continuing to focus on electronic manufacturing services (EMS) in the computers, communication and consumer (3C) sector in Asia in particular.

The German mechanical engineering sector is heavily dependent on international markets and, according to the German Mechanical Engineering Industry Association (VDMA), the trend towards the internationalisation of German mechanical engineering and the corresponding customer industries remains intact.

### Target sectors, target markets and target customers

The inspection systems manufactured by Viscom are employed primarily within the electronics industry. Producers of electronic

components are the main customer segment, accounting for 76 % of revenue (previous year: 85 %). Some of these companies are involved in production for end consumers. However, the majority of Viscom's customers are suppliers for other companies that manufacture products such as electronic assemblies which are integrated into end products as supplier parts – for example, motor controllers in vehicles. The remaining 24 % of revenue (previous year: 15 %) is attributable to manufacturers from other industries, such as household and consumer electronics and medical technology.

In addition, an increasing proportion of customers are from the EMS sector. These are companies that do not have their own branded products, but instead serve exclusively as an extended workbench for product suppliers.

With the increasing use of in-car electronics and the high reliability requirements for vehicle systems, the automotive industry has developed into one of the most significant customer groups for the inspection of electronic assemblies. These assemblies, which often take the form of safety-related components, such as ABS, ESP, or airbags, are typically inspected using systems such as those offered by Viscom.

Due to rising technological demands, including in the consumer goods industry, quality pressure is a great deal higher than in previous years. The emphasis is placed on process quality, since a stable process improves delivery quality. In particular, however, this also means fewer rejects and hence higher levels of production efficiency. At the same time, electronics manufacturers from Asia in particular that were still seen as low-price suppliers just a few years ago are increasingly seeking to position themselves as premium suppliers.

Close, long-term customer contacts form the basis for comprehensive and customised service. The results of this cooperation are incorporated into the development of new system solutions and the refinement of proven systems. This allows Viscom to develop new solutions and open up future markets thanks to a high degree of innovation and customer proximity.

#### **Customer structure**

Viscom generated approximately 57 % of its revenue with its five largest customers (previous year: 63 %). A further 30 % of revenue was generated with 22 customers (previous year: 15 customers). The remaining revenue was generated with a total of 244 different customers (previous year: 158 customers).

#### **Markets**

With its optical, X-ray and combined inspection systems, Viscom is particularly well represented in production operations with the very highest quality requirements. Accordingly, the main customers are companies that make product safety and reliability top priorities. The automotive electronics sector accounts for a particularly high volume of business in this respect.

Technological developments and the accompanying technical and economic progress, combined with its international sales and service presence, have helped Viscom to expand its market position and achieve long-term customer retention.

By continuously developing its products, improving its business processes and adapting its sales organisation to reflect changing conditions, Viscom is in a position to address the challenges of the future and thus maintain and expand its market position.

# SUMMARY ANALYSIS OF THE COMPANY'S NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS AND COURSE OF BUSINESS

## Results of operations

### Incoming orders/order backlog

Orders totalling € 20,156 thousand (previous year: € 14,792 thousand) were received in the first three months of the year. This represents a significant year-on-year increase of 36.3 %.

The order backlog rose to € 18,684 thousand as at 31 March 2017 (previous year: € 15,484 thousand), corresponding to full capacity utilisation for more than three months.

### Revenue development

Viscom's revenue amounted to € 19,542 thousand in the first quarter of 2017, up 75.7 % on the same period of the previous year (€ 11,124 thousand). This was due to the processing of the high order backlog that we had on our books at 31 December 2016 and the substantial volume of incoming orders recorded in the first quarter of 2017, some of which resulted in revenue in the period under review.

### Operating profit/EBIT-Margin

Operating profit (EBIT) amounted to € 2,658 thousand (previous year: € -1,221 thousand). This corresponds to an EBIT-Margin of 13.6 % (previous year: -11.0 %). The increase was due in particular to the higher level of revenue and the below-average rise in the cost of materials, personnel costs and other operating expenses as a proportion of revenue.

### Net profit for the period

Net profit for the period increased from € -1,326 thousand in the previous year to € 1,880 thousand. The effects discussed under operating profit above also had an impact on net profit for the period.

The pre-tax return on sales was 13.6 % (previous year: -11.0 %).

### Earnings per share

On the basis of 8,885,060 shares, earnings per share as of 31 March 2017 amounted to € 0.21 (diluted and undiluted) compared with € -0.15 in the previous year.

### Financial result

As in the corresponding prior-year period, net financial income and expense amounted to € 0 thousand.

### Exchange rate effects

As it operates internationally, Viscom is exposed to exchange rate risks. The relatively low business volume denominated in foreign currency means that the existing level of exchange rate risk is considered acceptable. In the period under review, 7.9 % of total revenue was subject to a direct exchange rate effect (previous year: 7.2 %). Viscom reserves the right to perform exchange rate hedging in individual cases.

### Employees

Viscom had 393 employees (excluding trainees) globally as of 31 March 2017, corresponding to a year-on-year increase of 24 (previous year: 369 employees). Viscom decided to increase its workforce in response to the upturn in incoming orders and the growth forecast for the company, among other things.

As at 31 March 2017	Europe	Americas	Asia	Total
<b>Total</b>	<b>320</b>	<b>20</b>	<b>53</b>	<b>393</b>
of which full-time	288	18	53	359
of which part-time	32	2	0	34
plus: Trainees	11	0	0	11

## Information on the Group's geographical segments by sales market

in K€	Europe		Americas		Asia		Consolidation		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
External sales	9,338	7,817	2,488	1,541	7,716	1,766	0	0	19,542	11,124
Inter-segment sales	5,524	1,778	129	0	485	285	-6,138	-2,063	0	0
Total sales	14,862	9,595	2,617	1,541	8,201	2,051	-6,138	-2,063	19,542	11,124
Segment earnings	1,944	-851	235	-121	649	-271	-170	22	2,658	-1,221

## Regional developments

### Europe

Europe was the Viscom Group's strongest region by some distance, generating revenue of € 9,338 thousand in the first three months of the 2017 financial year (previous year: € 7,817 thousand) and accounting for around 48 % of total revenue. Revenue increased by around 19 % as against the previous year. This was primarily due to higher system sales. Revenue in Germany amounted to € 3,915 thousand (previous year: € 3,840 thousand).

Segment earnings in the Europe region totalled € 1,944 thousand (previous year: € -851 thousand), corresponding to a margin of 20.8 % (previous year: -10.9 %). This increase was primarily attributable to the effects already discussed under operating profit. At an encouraging € 12,061 thousand, incoming orders were up significantly on the same period of the previous year (€ 9,543 thousand).

### Americas

Revenue in the Americas region increased by around 61 % year-on-year to € 2,488 thousand (previous year: € 1,541 thousand). This was due to positive business performance in the automotive electronics sector and healthy demand for X-ray inspection systems from US service providers in the high-end consumer,

computer and aerospace sector. This had a corresponding impact on segment earnings, which were significantly higher than in the same period of the previous year at € 235 thousand (previous year: € -121 thousand). In line with this development, the EBIT-Margin amounted to 9.4 % (previous year: -7.9 %). Incoming orders in this region more than doubled to € 3,500 thousand (previous year: € 1,701 thousand).

### Asia

The Asia region enjoyed extremely strong revenue performance in the first quarter of 2017 thanks to the high order backlog at the end of 2016. At € 7,716 thousand, Group revenue in Asia increased more than fourfold compared with the same period of the previous year (€ 1,766 thousand).

This was also reflected in segment earnings in the region, which amounted to € 649 thousand (previous year: € -271 thousand). This corresponded to an EBIT-Margin of 8.4 % (previous year: -15.3 %).

By contrast, upgrade and service orders were slightly weaker than anticipated, but the sales team did succeed in generating additional orders for the Viscom Group from the automotive supplier sector in particular.

Incoming orders amounting to € 4,595 thousand were up around 30 % year-on-year (previous year: € 3,548 thousand).

Incoming orders from the Computer, Communication and Consumer sector, which are primarily attributable to new customers in Asia, and especially China, are expected to increase in the second quarter following the Nepcon Shanghai trade fair.

## Financial position

### Capital structure/liquidity

Viscom was able to provide the required liquidity from its own funds in the first quarter of 2017. There were no liabilities to banks as of 31 March 2017. The subsidiaries did not require any loans. Liquidity increased compared with 31 December 2016.

### Investments

Investments in property, plant, and equipment and intangible assets totalled € 561 thousand in the first three months of 2017 (previous year: € 541 thousand). At € 347 thousand (previous year: € 387 thousand), the majority of the investments related to own work capitalised, while € 161 thousand (previous year: € 153 thousand) was attributable to operating and office equipment, leasehold improvements, software, technical equipment and machinery.

### Cash and cash equivalents/cash flow

**Cash flow from operating activities** amounted to € 3,971 thousand (previous year: € -423 thousand). This was primarily due to the reduction in liabilities, inventories, receivables and other assets, the net profit for the period and the adjustment of net profit for income tax expense.

**Cash flow from investing activities** amounted to € -554 thousand (previous year: € -530 thousand). This change primarily resulted from the acquisition of non-current assets and the capitalisation of development costs.

**Cash flow from financing activities** amounted to € 0 thousand (previous year: € 0 thousand).

Cash and cash equivalents amounted to € 9,904 thousand (previous year: € 10,862 thousand) and increased by € 3.4 million compared with the end of 2016.

## Net assets

### Non-current assets

In the category of non-current assets, intangible assets included primarily own work capitalised. Intangible assets increased slightly from € 7,923 thousand as at 31 December 2016 to € 7,988 thousand at the end of the first three months of the 2017 financial year.

### Receivables

At € 21,537 thousand, trade receivables were down on the level recorded as of 31 December 2016 (€ 26,202 thousand). Valuation allowances on trade receivables were unchanged as against 31 December 2016 at € 812 thousand.

### Inventories

The carrying amount of inventories was € 23,797 thousand, an increase as against the end of the 2016 financial year (€ 22,822 thousand). This was due to the pre-production of completed systems to satisfy the high order backlog and the expected volume of incoming orders.

### Liabilities

Trade payables decreased slightly from € 2,582 thousand at the end of 2016 to € 2,514 thousand.

### Shareholders' equity

Total shareholders' equity increased from € 52,292 thousand at the end of the 2016 financial year to € 54,111 thousand. This was primarily attributable to the net profit for the period. At 80.2 %, the equity ratio was higher than the figure as at 31 December 2016 (78.5 %). The equity ratio in the corresponding prior-year period was 81.5 %.

## Key figures on the Group's net assets, financial position and results of operations

	31.03.2017 K€	31.12.2016 K€
<b>Tier 1 liquidity</b> (cash and cash equivalents less current liabilities and provisions)	-1,174	-5,530
<b>Tier 2 liquidity</b> (tier 1 liquidity plus receivables and other assets less non-current liabilities)	21,883	21,095
<b>Tier 3 liquidity</b> (tier 2 liquidity plus inventories)	45,680	43,917
<b>Current assets:</b>		
Cash and cash equivalents	9,904	6,517
Receivables and other assets	23,476	27,044
Inventories	23,797	22,822
	<b>57,177</b>	<b>56,383</b>
<b>Liabilities and provisions:</b>		
Current liabilities and provisions	11,078	12,047
Non-current provisions	419	419
	<b>11,497</b>	<b>12,466</b>
<b>Net debt</b>		
Liabilities and provisions (-)	-11,497	-12,466
+ Cash and cash equivalents	9,904	6,517
+ Receivables and other assets	23,476	27,044
= Net debt	21,883	21,095
<b>Working capital</b>		
Current assets - liabilities and provisions	45,680	43,917
<b>Equity ratio</b>		
Shareholders' equity/total assets	80.2 %	78.5 %
	<b>31.03.2017 K€</b>	<b>31.03.2016 K€</b>
<b>Cash flow:</b>		
Net profit for the period after taxes	1,880	-1,326
+ Depreciation and amortisation expense	451	420
	<b>2,331</b>	<b>-906</b>
<b>Return on equity</b>		
Net profit for the period/shareholders' equity	3.5 %	-2.8 %
<b>Return on Investment (ROI)</b>		
Net profit for the period/total assets	2.8 %	-2.3 %
<b>Return on revenue</b>		
EBT/revenue	13.6 %	-11.0 %
<b>Return on Capital Employed (ROCE)</b>		
EBIT/(total assets - cash and cash equivalents - current liabilities and provisions)	5.7 %	-3.2 %



## REPORT ON POST-REPORTING DATE EVENTS

There were no other significant events after the first three months of 2017.

## REPORT ON OPPORTUNITIES AND RISKS

The information on opportunities and risks presented in the Group management report continues to apply. Please refer to pages 48 – 53 of the company's Annual Report 2016.

# REPORT ON FUTURE DEVELOPMENTS IN 2017

## Economic conditions

The statements relating to economic conditions made in the forecast report for 2017 contained in the Annual Report 2016 remain valid in essence. Based on the most recent estimates, there have been no fundamental changes or adjustments to the conditions concerning the forecasts made. Please refer to page 54 of the Annual Report.

## Results of operations

The development of incoming orders and revenue in 2017 will largely depend on the overall economic situation, particularly in the automotive industry. Based on the assumptions described, the forecast performance indicators remain unchanged compared with the end of the 2016 financial year. Assuming revenue in line with forecasts and incoming orders of € 80–85 million, Viscom expects to record significantly positive results of operations once again in 2017.

The EBIT-Margin is likely to be between 13 % and 15 % in the 2017 financial year, which corresponds to EBIT of € 10.4 million to € 12.8 million.

## Financial position

Liquidity for the remaining months of 2017 will be generated exclusively from the Company's own funds and available credit facilities. No borrowings are planned. Liquidity at the subsidiaries, which is invested in instant-access savings and fixed-term deposits, is available at short notice.

The other assumptions and forecasts relating to the economic conditions described in Viscom AG's Annual Report 2016 and on pages 54–56 of this report continue to apply.

# OTHER DISCLOSURES

## Related party disclosures

There are rental agreements for eight properties in Carl-Buderus-Str. and one property in Fränkische Str. in Hanover between the Company and Dr. Martin Heuser / Petra Pape GbR, Hanover, Marina Hettwer / Petra Pape GbR, Hanover and HPC Vermögensverwaltung GmbH, Hanover. All of these contracting parties are classified as related parties within the meaning of IAS 24.

Viscom AG has also concluded leases for company vehicles with HPC Vermögensverwaltung GmbH. HPC Vermögensverwaltung GmbH provides further services such as company childcare, cleaning and other services.

## General information on the Company

Viscom AG is domiciled in Hanover, Germany, and is entered in the local commercial register under HR B 59616. The Company's business address is Viscom AG, Carl-Buderus-Str. 9–15, 30455 Hanover, Germany.

The Company's business activities encompass the development, manufacture and sale of automated inspection systems for industrial production. Inspection is performed by the computer-based optical and/or X-ray comparison of the inspected objects with the specifications defined in the inspection system.

# IFRS CONSOLIDATED INTERIM FINANCIAL STATEMENTS / CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## Consolidated statement of comprehensive income

01.01.-31.03.2017

01.01.-31.03.2016

	K€	K€
Revenue	19,542	11,124
Other operating income	448	510
	<b>19,990</b>	<b>11,634</b>
Changes in finished goods and work in progress	1,484	2,254
Other own work capitalised	347	387
Cost of materials	-8,429	-5,950
Staff costs	-6,681	-6,023
Depreciation and amortisation	-451	-420
Other operating expenses	-3,602	-3,103
	<b>-17,332</b>	<b>-12,855</b>
<b>Operating profit</b>	<b>2,658</b>	<b>-1,221</b>
Financial income	0	0
Financial expenses	0	0
<b>Financial result</b>	<b>0</b>	<b>0</b>
Income taxes	-778	-105
<b>Net profit for the period</b>	<b>1,880</b>	<b>-1,326</b>
<b>Earnings per share (basic and diluted) in €</b>	<b>0.21</b>	<b>-0.15</b>
<b>Other comprehensive income</b>		
Currency translation differences	-61	-203
Items that can be reclassified to profit or loss	-61	-203
<b>Other comprehensive income after taxes</b>	<b>-61</b>	<b>-203</b>
<b>Total comprehensive income</b>	<b>1,819</b>	<b>-1,529</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION: ASSETS

Assets	31.03.2017 K€	31.12.2016 K€
<b>Current assets</b>		
Cash and cash equivalents	9,904	6,517
Trade receivables	21,537	26,202
Current income tax assets	0	10
Inventories	23,797	22,822
Other financial receivables	95	115
Other assets	1,844	717
<b>Total current assets</b>	<b>57,177</b>	<b>56,383</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,511	1,470
Intangible assets	7,988	7,923
Financial assets	7	7
Loans originated by the Company	14	16
Deferred tax assets	743	838
<b>Total non-current assets</b>	<b>10,263</b>	<b>10,254</b>
<b>Total assets</b>	<b>67,440</b>	<b>66,637</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION: SHAREHOLDERS' EQUITY AND LIABILITIES

Liabilities and shareholders' equity	31.03.2017 K€	31.12.2016 K€
<b>Current liabilities</b>		
Trade payables	2,514	2,582
Advance payments received	186	0
Provisions	1,701	1,847
Current income tax liabilities	624	876
Other financial liabilities	2,957	3,613
Other current liabilities	3,096	3,129
<b>Total current liabilities</b>	<b>11,078</b>	<b>12,047</b>
<b>Non-current liabilities</b>		
Non-current provisions	419	419
Deferred tax liabilities	1,832	1,879
<b>Total non-current liabilities</b>	<b>2,251</b>	<b>2,298</b>
<b>Shareholders' equity</b>		
Issued capital	9,020	9,020
Capital reserve	21,321	21,321
Retained earnings	22,810	20,930
Exchange rate differences	960	1,021
<b>Total shareholders' equity</b>	<b>54,111</b>	<b>52,292</b>
<b>Total shareholders' equity and liabilities</b>	<b>67,440</b>	<b>66,637</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

Consolidated statement of cash flows	01.01.-31.03.2017 K€	01.01.-31.03.2016 K€
<b>Cash flow from operating activities</b>		
Net profit for the period after interest and taxes	1,880	-1,326
Adjustment of net profit for income tax expense (+)	778	105
Adjustment of net profit for interest expense (+)	0	0
Adjustment of net profit for interest income (-)	0	0
Adjustment of net profit for depreciation and amortisation expense (+)	451	420
Increase (+) / decrease (-) in provisions	-143	-213
Gains (-) / losses (+) on the disposal of non-current assets	-2	0
Increase (-) / decrease (+) in inventories, receivables and other assets	2,663	4,867
Increase (+) / decrease (-) in liabilities	-906	-3,688
Income taxes repaid (+) / paid (-)	-750	-588
<b>Net cash used in/from operating activities</b>	<b>3,971</b>	<b>-423</b>
<b>Cash flow from investing activities</b>		
Proceeds (+) from the disposal of non-current assets	7	11
Acquisition (-) of property, plant and equipment and intangible assets	-214	-154
Capitalisation of development costs (-)	-347	-387
<b>Net cash used in investing activities</b>	<b>-554</b>	<b>-530</b>
<b>Cash flow from financing activities</b>		
Dividend payment (-)	0	0
<b>Net cash and cash equivalents from financing activities</b>	<b>0</b>	<b>0</b>
Changes in cash and cash equivalents due to changes in exchange rates	-30	-53
<b>Cash and cash equivalents</b>		
Change in cash and cash equivalents	3,417	-953
Cash and cash equivalents as at 1 January	6,517	11,868
<b>Cash and cash equivalents</b>	<b>9,904</b>	<b>10,862</b>



# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Shareholders' equity	Issued capital K€	Capital reserve K€	Exchange rate differences K€	Retained earnings K€	Total K€
Shareholders' equity at 1 January 2016	9,020	21,321	961	17,355	48,657
Net profit for the period	0	0	0	7,129	7,129
Other comprehensive income	0	0	60	0	60
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>7,129</b>	<b>7,189</b>
Dividends	0	0	0	-3,554	-3,554
Shareholders' equity at 31 December 2016	9,020	21,321	1,021	20,930	52,292
Shareholders' equity at 1 January 2017	9,020	21,321	1,021	20,930	52,292
Net profit for the period	0	0	0	1,880	1,880
Other comprehensive income	0	0	-61	0	-61
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-61</b>	<b>1,880</b>	<b>1,819</b>
Dividends	0	0	0	0	0
Shareholders' equity at 31 March 2017	9,020	21,321	960	22,810	54,111

# SELECTED EXPLANATORY NOTES

## Declaration of compliance

The present consolidated interim financial statements for 2017 have been uniformly prepared in accordance with all of the applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) for interim financial reporting as adopted by the EU as at the reporting date 31 March 2017.

## Basic principles of preparation

The IFRS consolidated interim financial statements are prepared in euros. Figures are generally presented in thousands of euros (€ thousand). The segment report is included in the consolidated interim management report.

As a matter of principle, the same accounting policies were applied as in the 2016 consolidated financial statements.

The income statement was prepared in accordance with the nature of expense format.

In accordance with IAS 1, assets and liabilities reported on the face of the statement of financial position are classified as either current or non-current. Current assets or liabilities are those intended to be sold or redeemed within a period of one year.

The preparation of the consolidated interim financial statements requires certain assumptions and estimates to be made which affect the amount and classification of the assets, liabilities, income, expenses and contingent liabilities recognised. The actual amounts may differ from these estimates.

## Disclosures concerning financial instruments and financial risk management

### Presentation of the categories of financial instruments and the corresponding net profit in accordance with IFRS 7

The following presentation provides information on the carrying amounts of the individual measurement categories. The fair

values for each class of financial instrument are also shown. The presentation is intended to enable a comparison of the carrying amounts and fair values.

#### Assets

	Measurement category	Total		Nominal value		Amortised cost	
		Carrying amount	Fair value	Liquid assets / cash reserve		Loans and receivables (LaR)	
				Carrying amount	Fair value	Carrying amount	Fair value
<b>31.03.2017 in K€</b>							
Financial assets and other receivables	LaR	1,168	1,168	0	0	1,168	1,168
Trade receivables	LaR	21,537	21,537	0	0	21,537	21,537
Cash and cash equivalents	LaR	9,904	9,904	9,904	9,904	0	0
<b>Total</b>		<b>32,609</b>	<b>32,609</b>	<b>9,904</b>	<b>9,904</b>	<b>22,705</b>	<b>22,705</b>

#### Liabilities and shareholders' equity

	Measurement category	Total		Amortised cost	
		Carrying amount	Fair value	Financial liabilities (FL)	
				Carrying amount	Fair value
<b>31.03.2017 in K€</b>					
Trade payables	FL	2,514	2,514	2,514	2,514
Other financial liabilities	FL	2,860	2,860	2,860	2,860
<b>Total</b>		<b>5,374</b>	<b>5,374</b>	<b>5,374</b>	<b>5,374</b>

## Assets

	Measurement category	Total		Nominal value		Amortised cost	
		Carrying amount	Fair value	Liquid assets / cash reserve		Loans and receivables (LaR)	
				Carrying amount	Fair value	Carrying amount	Fair value
<b>31.12.2016</b>							
<b>in K€</b>							
Financial assets and other receivables	LaR	290	290	0	0	290	290
Trade receivables	LaR	26,202	26,202	0	0	26,202	26,202
Cash and cash equivalents	LaR	6,517	6,517	6,517	6,517	0	0
<b>Total</b>		<b>33,009</b>	<b>33,009</b>	<b>6,517</b>	<b>6,517</b>	<b>26,492</b>	<b>26,492</b>

## Liabilities and shareholders' equity

	Measurement category	Total		Amortised cost	
		Carrying amount	Fair value	Financial liabilities (FL)	
				Carrying amount	Fair value
<b>31.12.2016</b>					
<b>in K€</b>					
Trade payables	FL	2,582	2,582	2,582	2,582
Other financial liabilities	FL	3,493	3,493	3,493	3,493
<b>Total</b>		<b>6,075</b>	<b>6,075</b>	<b>6,075</b>	<b>6,075</b>

Please refer to pages 107–110 of Viscom AG's Annual Report 2016 for more information on financial instruments.

### Events after the reporting date

There were no significant events after the first three months of 2017.

### Audit

As was the case for the previous consolidated interim financial statements, the consolidated interim report as at 31 March 2017 has not been audited or reviewed by an auditor.

# RESPONSIBILITY STATEMENT

"To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting and proper accounting standards, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities

and risks associated with the expected development of the Group for the remaining months of the financial year."

Hanover, 11 May 2017

Dr. Martin Heuser

Volker Pape

Dirk Schwingel



## FINANCIAL CALENDAR 2017

11.05.2017	Interim Report 3M/2017, Analyst Telephone Conference	Hanover
31.05.2017	Annual General Meeting	Hanover
09.08.2017	Interim Report 6M/2017, Analyst Telephone Conference	Hanover
14.11.2017	Interim Report 9M/2017, Analyst Telephone Conference	Hanover

# VISCOM STRUCTURE

Supervisory Board	Bernd Hackmann (Chairman) Klaus Friedland (Deputy Chairman) Prof. Dr. Ludger Overmeyer
Executive Board	Dr. Martin Heuser Volker Pape Dirk Schwingel
Headquarters	Carl-Buderus-Straße 9-15, 30455 Hanover, Germany Commercial Register of Hanover District Court HR B 59616
Subsidiaries	Viscom France S.A.R.L., Cergy Pontoise Cedex, France Viscom Inc., Atlanta, Georgia, USA Viscom Machine Vision Pte Ltd., Singapore
Subsidiary of Viscom Machine Vision Pte Ltd., Singapore	Viscom Machine Vision (Shanghai) Trading Co., Ltd.
Subsidiary of Viscom France S.A.R.L., France	Viscom Tunisie S.A.R.L., Tunis, Tunisia

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## PUBLISHER

Viscom AG, Carl-Buderus-Straße 9 - 15, 30455 Hanover, Germany  
Tel.: +49 (0) 511 94996-0, Fax: +49 (0) 511 94996-900  
info@viscom.de, www.viscom.com

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## RESPONSIBLE

Viscom AG, represented by the Executive Board

## EDITORIAL STAFF

Dr. Martin Heuser (Executive Board)  
Volker Pape (Executive Board)  
Dirk Schwingel (Executive Board)  
Anna Borkowski (Investor Relations)

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**Headquarters:**

**Viscom AG**

Carl-Buderus-Straße 9 -15 · 30455 Hanover · Germany  
Tel.: +49 (0) 511 94996-0 · Fax +49(0) 511 94996-900  
info@viscom.de

**Contact Investor Relations:**

**Viscom AG, Anna Borkowski**

Carl-Buderus-Straße 9 -15 · 30455 Hanover · Germany  
Tel.: +49 (0) 511 94996-861 · Fax +49(0) 511 94996-555  
investor.relations@viscom.de

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