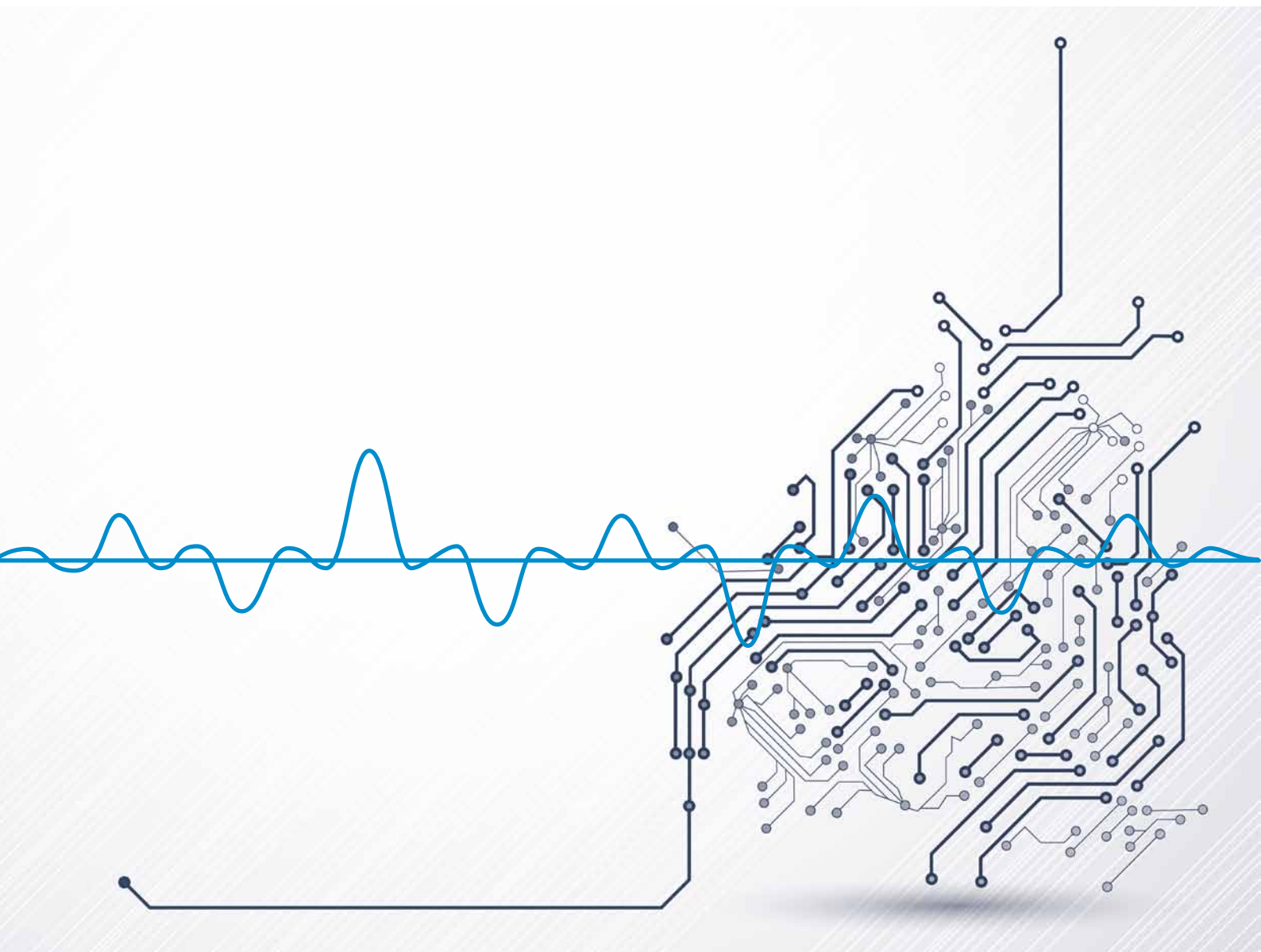


WE TAKE A CLOSER LOOK.  
SOLUTIONS FOR ME.



INTERIM REPORT  
as of 30 June 2018

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# OPERATING FIGURES

## Profit and loss

		6M 2018	6M 2017
Revenues	K€	42,892	39,895
EBIT	K€	4,602	5,701
Net profit for the period	K€	3,578	4,122

## Balance sheet and cashflow statement figures

		6M 2018	6M 2017
Total assets	K€	77,558	64,385
Equity ratio	%	71.0	80.7
CF from current business	K€	-5,779	8,828
CF from investment	K€	-2,634	-917
CF from financing	K€	-5,342	-3,984
End of period capital	K€	-2,189	10,251

## Shares

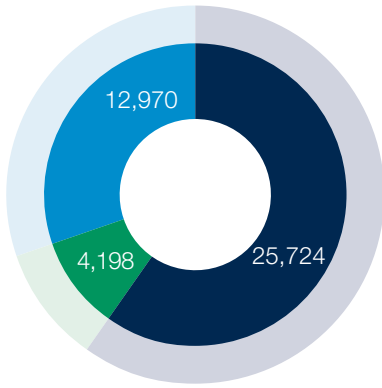
		6M 2018	6M 2017
Result per share	€	0.40	0.46

## Employees

		6M 2018	6M 2017
Employees on 30 June		458	397

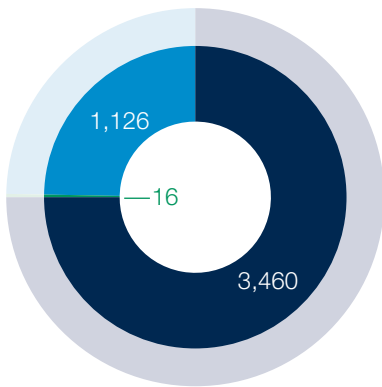
# SEGMENT INFORMATION

# FIGURES 6M 2018



Revenue  
in K€

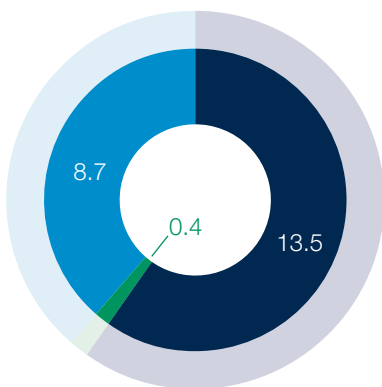
48,789  
Incoming Orders  
in K€



EBIT\*  
in K€

42,892  
Revenue  
in K€

4,602  
EBIT  
in K€



EBIT-Margin\*  
in %

10.7  
EBIT-Margin  
in %

■ Europe ■ Americas ■ Asia

71.0  
Equity Ratio  
in %

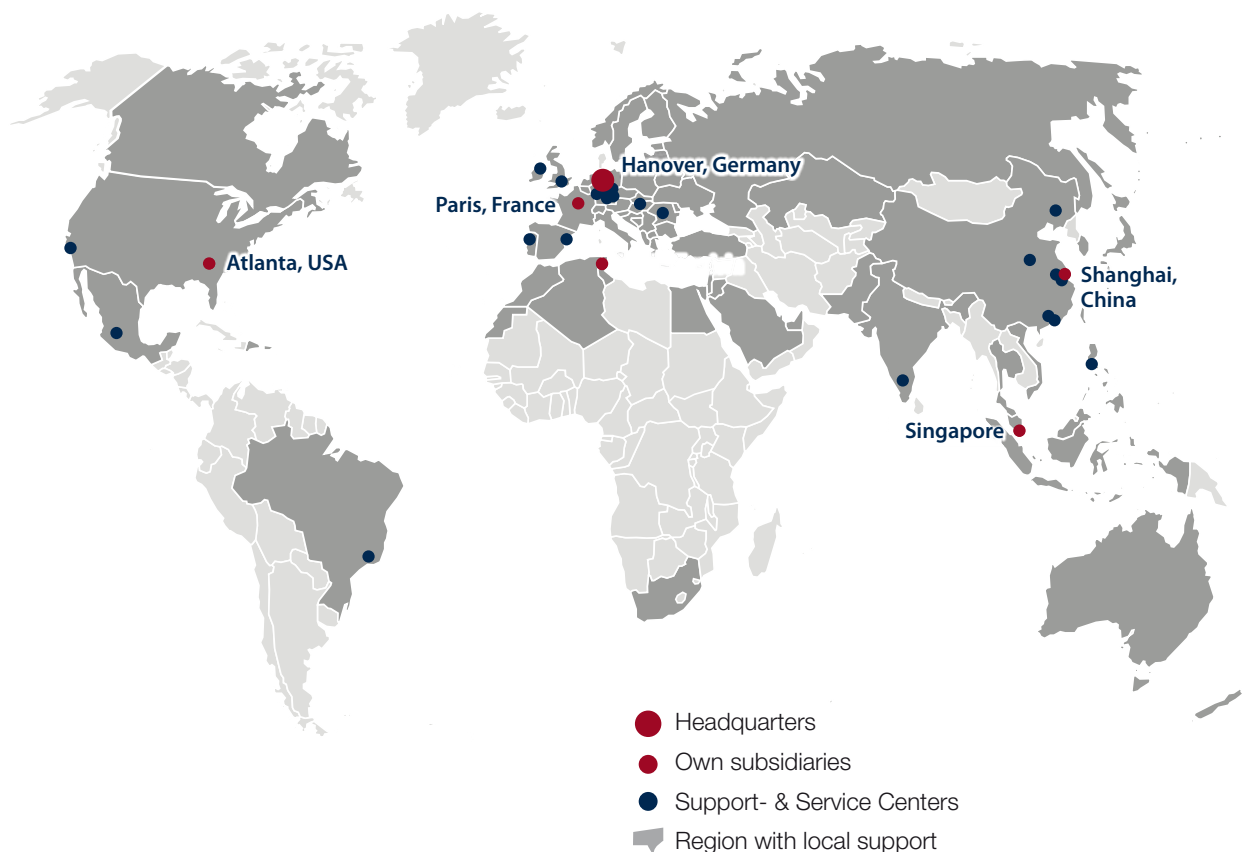
\* in consideration of consolidation differences

# VISCOM. VISION TECHNOLOGY.

Viscom has been successfully represented on the market with its inspection solutions since 1984. From its origins as a pioneer in the field of industrial image processing, it has grown into a company with 458 employees and revenue of around € 42.9 million in the first six months of the financial year 2018. Its portfolio focuses on high-quality inspection systems for the electronics industry, especially automated optical inspection systems, solder paste inspection and mounting and solder joint inspection, as well as X-ray inspection. The company is now one of the leading

global providers and the European market leader in this area. With its core competency of component inspection, Viscom is a specialist for quality assurance in electronics production. The company offers series systems and customer-specific inspection solutions.

Viscom systems are leading-edge technological products that are used successfully around the world by high-profile companies across a wide range of industries.



# FOREWORD FROM THE EXECUTIVE BOARD

*Dear Ladies and gentlemen,*

After 34 years accompanying the Company's growth, Volker Pape, co-founder of Viscom AG, stood down from the Executive Board in mid-May 2018. Carsten Salewski and Peter Krippner took up their positions on the Executive Board with effect from 1 June 2018. Together with co-founder and Chief Development Officer Dr. Martin Heuser and Chief Financial Officer Dirk Schwingel, they complete the Company's new Executive Board.

Carsten Salewski is a graduate electrical engineer (Dipl.-Ing.) who joined Viscom in 1993. His previous responsibilities have included the Industrial Image Processing (IBV) business area and he has been the Managing Director of the US subsidiary in Atlanta since 2004. He is the Chairman of the IPC SMEMA Council within the IPC, a major US association for the electronics industry, and has served as an honorary board member of the German American Chamber of Commerce in Atlanta since 2015. In his role on the Executive Board, Carsten Salewski is now responsible for sales, marketing and international business.

Peter Krippner is also a graduate electrical engineer (Dipl.-Ing.) and joined Viscom in 1988. He took over as head of software development in 1995 and assumed responsibility for projects and applications in the area of solder joint inspection in 1998. He has been the head of the Serial Products (SP) business area since 2001. In his role on the Executive Board, Peter Krippner is now responsible for operations.

Volker Pape, co-founder and former Executive Board member with responsibility for sales, marketing and international

business, was elected to the Supervisory Board of Viscom AG by the Annual General Meeting on 30 May 2018. Prof. Michèle Morner was also elected to the Supervisory Board and, at the constituent meeting of the Supervisory Board on the same day, was elected as the new Chair of the Supervisory Board. Prof. Michèle Morner holds the Chair for Management, Personnel and Decision-Making in the Public Sector at the German University of Administrative Sciences in Speyer. She is also a member of the nominating committee of the Financial Reporting Enforcement Panel (FREPE) in Berlin. She was a member of the Supervisory Board of KUKA AG, Augsburg, until June 2018. Prof. Ludger Overmeyer remains in his position as the third member of the Supervisory Board. In order to allow the Supervisory Board to make a fresh start in terms of its composition, the members Bernd Hackmann and Klaus Friedland stepped down with effect from the end of this year's Annual General Meeting.

As previously, Viscom AG's strategy is focused on generating profitable growth through innovation and technology leadership. We remain on a clear, growth-oriented course for the future. The foundation for our success are our customers, whom we will continue to provide with cutting-edge solutions. We seek to strengthen our business with new customers and expanding our presence in future-oriented segments. With the new composition of its Supervisory Board and Executive Board, Viscom AG has established an excellent managerial base with which to achieve its goals and continue its positive business development.

The shareholder structure of Viscom AG is characterised by the high degree of involvement on the part of the Company founders 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. Despite the reorientation of the Executive Board and Supervisory Board, no changes to the shareholder structure are planned at present. "We intend to continue to hold a majority of Viscom's shares," commented Dr. Martin Heuser.

The Viscom Group again performed extremely well on the market in the first half of the current financial year. Revenue increased by 7.5 % year-on-year to € 42,892 thousand (previous year: € 39,895 thousand). Incoming orders and the order backlog also enjoyed positive development. Incoming orders rose by an impressive 15.4 % year-on-year to € 48,789 thousand (previous year: € 42,270 thousand), while the order backlog of € 25,674 thousand (previous year: € 20,445 thousand) serves to ensure extremely good capacity utilisation in production and all areas of Viscom AG over the coming months. This dynamic business development is also reflected in operating profit (EBIT). EBIT amounted to € 4,602 thousand (previous year: € 5,701 thousand), corresponding to an EBIT-Margin of 10.7 % (previous year: 14.3 %).

In light of this encouraging business performance, we are confirming the forecasts for the year as a whole that were published previously, with revenue of between € 93 million and € 98 million and an EBIT-Margin of between 13 % and 15 %.

We would like to take this opportunity to express our gratitude to Mr. Volker Pape for his outstanding dedication to Viscom for more than three decades, and we appreciate that he will continue to support Viscom AG in an advisory capacity. We would also like to thank Mr. Bernd Hackmann and Mr. Klaus Friedland for their hard work and commitment for the benefit of Viscom as members of the Supervisory Board.

We appreciate the trust you have placed in Viscom AG and look forward to continuing on our path with you in future.

The Executive Board



Carsten Salewski



Peter Krippner



Dr. Martin Heuser



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 22 January 2018 *	€	38.90
Low on 26 June 2018 *	€	20.20
Market capitalisation as at 29 June 2018	€ million	184.46
Earnings per share	€	0.40

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

## Market conditions

The strength of the global economy and the continuing growth of corporate profits spurred on the international stock markets at the start of 2018. Increased profit-taking and fears of tighter monetary policy on the part of the US Fed then put an abrupt end to the stock market rally. A sustainable recovery of the global stock markets towards the end of the first quarter was also hindered by political and economic issues.

The trade dispute between the USA and China and concerns over military intervention by the USA in Syria curbed the mood on the stock markets at the start of the second quarter. Many investors were calmed by the signs of relaxation and de-escalation, with the stock markets returning to a more buyer-friendly mood from mid-April onwards. The majority of companies announced solid figures in the ongoing reporting season, although the extremely cautious forecasts disappointed those

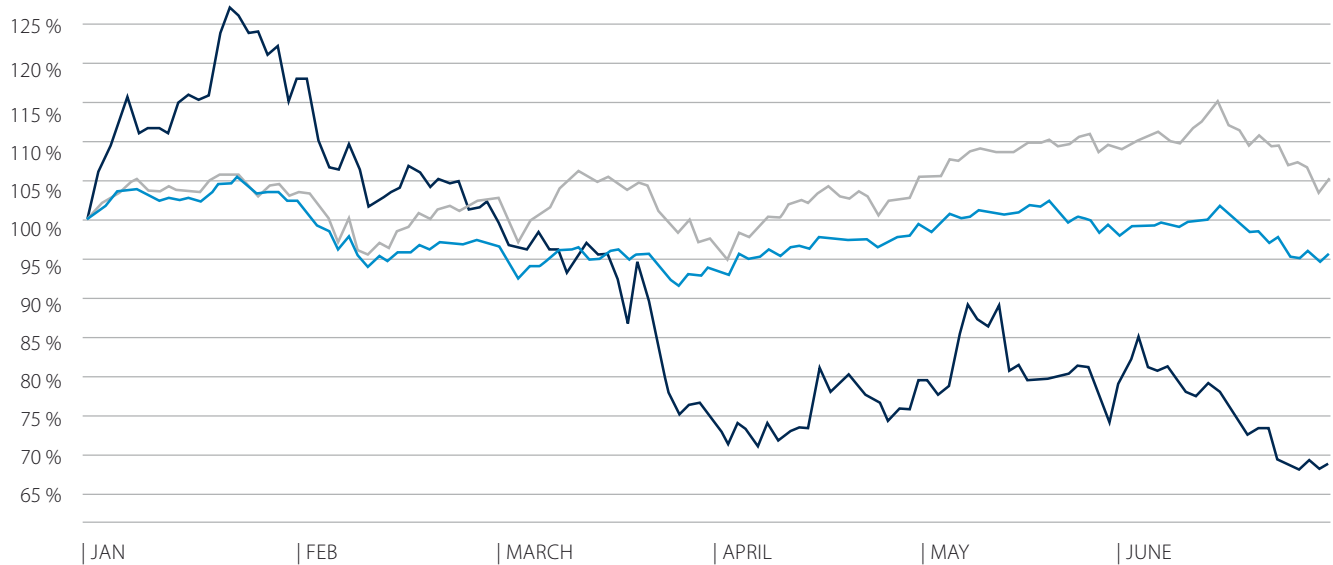
investors who had feared a slowdown in economic momentum over the course of the year. The German stock markets returned to growth in April: the TecDAX led the way with an increase of 5.26 %, while the DAX rose by 4.26 %.

In May, investors focused on geopolitical topics while the stock markets also moved in response to the reporting season. The smouldering trade dispute between the USA on the one hand and China and the EU on the other, as well as the USA's unilateral withdrawal from the nuclear treaty with Iran, led to uncertainty on the market. The political crises in Europe also had negative consequences for sentiment on the stock markets, leading to profit-taking. At USD 1.1510, the euro fell to its lowest level against the US dollar since July 2017. The announcement of punitive tariffs on steel and aluminium put the stock markets under serious pressure on the last trading day in May.



## Share price performance compared with the DAX and TecDAX in the first six months of 2018

■ Viscom (Xetra): 68.8 %    ■ DAX (Xetra): 95.6 %    ■ TecDAX (Perf.) (Xetra): 105.3 %



The formation of a government in Italy with a positive view towards remaining in the euro and the healthy US employment market data initially outweighed concerns about the trade dispute in June and provided relief on the stock markets. The European Central Bank (ECB) announced that it was withdrawing from its expansionary monetary policy. Although this weakened the euro, it also provided momentum for rising share prices thanks to the ECB's commitment to low interest rates until at least the end of September 2019. The international trade conflict intensified towards the end of the first half of 2018, leading to selling off on the stock markets. The customs dispute between the USA and China escalated, stoking fears of a global economic downturn. The ongoing government crisis in Germany concerning asylum policy also curbed sentiment on the stock markets. In addition, the German ifo Institute lowered its growth forecast for Germany from 2.6 % to 1.8 % for 2018 and 2.1 % to 1.8 % for 2019. The German indices lost considerable ground in the last trading week of the first half of the year, with the DAX closing June at 12,306 points, down 2.4 % on May. Following something of a rollercoaster ride, the euro closed June at USD 1.1684.

### Viscom's share price performance in the first six months of 2018

After opening the year at € 29.90, Viscom's shares initially enjoyed positive price performance. On 22 January 2018, the share price reached a historic high of € 39.60 and closed the day at € 38.90. Viscom's share price performance largely reflects the development of the stock markets since the start of the year. The record rally reached its high point in January before more or less deflating over the following months. Technology stocks in particular saw above-average losses having previously belonged to the outperformers of the bull market. The view that this upward movement could not continue indefinitely then established itself on the financial markets, with various theories delivering momentum for the negative trend. All in all, the financial markets saw considerable volatility, reflecting investor uncertainty with regard to geopolitical and economic developments. Profit-taking was the order of the day following brief phases of recovery. Viscom's shares were unable to escape this negative trend despite the Company's positive outlook, hitting a low for the year on 26 June 2018 with a daily closing price of € 20.20. Viscom's shares hovered at around an average of € 27.56 in the first six months of the year.

## Analyst recommendations

Three financial analysts cover and comment on Viscom's shares on a regular basis. At 30 June 2018, the share had two buy recommendations and one hold recommendation.

## Annual General Meeting

The Annual General Meeting of Viscom AG was held at the Old Town Hall in Hanover on 30 May 2018. Of the Company's share capital of € 9,020,000.00, divided into 9,020,000 no-par value shares, a total of 6,417,971 no-par value shares with the same number of votes were represented during the voting process; this corresponds to 71.15 % of the share capital. All agenda items were adopted by the shareholders and shareholder representatives with the necessary majority. Among other things, the Annual General Meeting elected Prof. Michèle Morner and Mr. Volker Pape to the Supervisory Board of Viscom AG and resolved the distribution of a dividend of € 0.60 per share.

## Shareholder structure

The shareholder structure of Viscom AG is characterised by the high degree of involvement on the part of the Company founders 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. 7.4 % of the shares are held by Allianz. Viscom AG holds 1.5 % of its own shares, which the Company repurchased in 2008/2009 as part of a share buyback programme. The 31.5 % 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.com](http://www.viscom.com).

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

Viscom AG  
Investor Relations  
Anna Borkowski  
Carl-Buderus-Straße 9-15  
30455 Hanover  
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# INTERIM GROUP MANAGEMENT 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 enabling the 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 Dr. Martin Heuser and Volker Pape. 7.36 % 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 30 June 2018, Viscom AG held approximately 1.50 % of its own shares.

The Executive Board of Viscom AG consisted of four members as of 30 June 2018:

Carsten Salewski: Sales

Peter Krippner: Operations

Dr. Martin Heuser: Development

Dirk Schwingel: Finance

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

Prof. Michèle Morner (since 30 May 2018 - Chair)

Volker Pape (since 30 May 2018 - Deputy Chair)

Prof. Ludger Overmeyer

Bernd Hackmann (until 30 May 2018 - Chair)

Klaus Friedland (until 30 May 2018 - Deputy Chair)

#### 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, service 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.

High reliability is also one of the most important aspects when using an inspection system. This requires regular maintenance, repair and calibration. The Service business area supports Viscom customers with regard to these tasks. Fast reaction times are ensured thanks to the global presence of Viscom's service employees.

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 half of the 2018 financial year. 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 Executive Board, all of the heads of the business areas and the managing directors of the individual branches. Any action that may be necessary results in decisions which are usually implemented in the short term.

#### **Research and development**

Development activities mainly focus 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.

One particularly important aspect is new areas of software development such as artificial intelligence and deep learning. Examples of existing applications include translation and gaming software, where some of the results have been nothing short of astonishing. In the current financial year, Viscom will continue to launch a number of software projects aimed at examining the extent to which these methods can be used in automated PCB inspection. One potential area of application would be improving system operation and making it even easier to optimise the inspection results.

The corresponding future orientation of these activities is described in detail on pages 28-30 of the Annual Report 2017 and did not change during the first six months of 2018.

Expenditure for research and development, excluding constructive changes for customer-specific adaptations, remained at

the previous year's level. Development costs totalling € 1,259 thousand were capitalised in the first six months of 2018 (previous year: € 601 thousand). Capitalised development costs were written down as scheduled in the amount of € 512 thousand (previous year: € 654 thousand).

## ECONOMIC REPORT

### Macroeconomic and sector development

#### Macroeconomic development

The global economy continued to enjoy extremely dynamic development, with the advanced economies seeing steady growth. The upturn in the world economy remains intact, although growth rates are slightly slower than one year ago. World trade also saw extremely positive development, although there was stagnation in the advanced economies due to the USA's announcement of tariffs on steel and aluminium. However, trade in the emerging economies was unaffected and saw extremely healthy growth. Investment activity in the OECD countries also accelerated in line with this basic development in world trade.

#### 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.

#### 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 81 % of revenue (previous year: 82 %). 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.

These supplier parts are integrated into vehicles as end products such as motor controllers. The remaining 19 % of revenue (previous year: 18 %) is attributable to manufacturers from other industries, such as medical technology. In addition, a substantial proportion of customers are from the entertainment and home electronics sector.

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 also far higher than in previous years. However, the emphasis is being placed more on process quality, as a stable process improves the delivery quality and, in particular, results in 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**

In the first half of 2018, Viscom generated around 50 % of its revenue with its five largest customers (previous year: 58 %). A further 30 % of revenue was generated with 20 customers (previous year: 32 customers). The remaining revenue was generated with a total of 278 different customers (previous year: 244 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, its main customers are companies who make product safety a top priority. 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, help 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 € 48,789 thousand (previous year: € 42,270 thousand) were received in the first six months of the year. This represents a significant year-on-year increase of 15.4 %.

The order backlog rose significantly to € 25,674 thousand as at 30 June 2018 (previous year: € 20,445 thousand), corresponding to full capacity utilisation for a good three months.

### Revenue development

The relatively low level of revenue in the first quarter of 2018 was followed by a significant increase to € 26,114 thousand in the second quarter (previous year: € 20,353 thousand). Viscom's revenue amounted to € 42,892 thousand in the first half of 2018, up 7.5 % on the same period of the previous year (€ 39,895 thousand). This revenue growth was driven by a substantial upturn in system sales, particularly in the area of series systems.

### Operating profit (EBIT) / EBIT-Margin

While operating profit (EBIT) in the first quarter of 2018 was negatively influenced by the Company's muted revenue development, the improved revenue situation in the second quarter meant that EBIT increased significantly as a result. EBIT amounted to € 4,602 thousand in the first half of 2018 (previous year: € 5,701 thousand). This corresponds to an EBIT-Margin of 10.7 % (previous year: 14.3 %). The year-on-year decrease was due in particular to the capacity increases made in connection with the Company's high order backlog and forecast growth prospects. These were reflected in increased staff costs and other operating expenses. Earnings were also reduced by the increase in commission expenses as a result of the customer revenue structure, as well as higher expenses for temporary staff.

### Net profit for the period

Net profit for the period fell from € 4,122 thousand in the previous year to € 3,578 thousand. The effects discussed under operating profit above also had an impact on net profit for the

period. Moreover, the reduced income tax expense as a result of the lower earnings and tax refunds for previous years was reflected in higher net profit.

The pre-tax return on sales was 10.7 % (previous year: 14.3 %).

### Earnings per share

On the basis of 8,885,060 shares, earnings per share as of 30 June 2018 amounted to € 0.40 (diluted and basic) compared with € 0.46 in the previous year.

### Financial result

Financial income amounted to € 13 thousand (previous year: € 0 thousand) and was largely attributable to interest on tax refunds. Financial expenses of € 26 thousand (previous year: € 0 thousand) resulted from the discounting of anniversary provisions and interest due to the utilisation of the available credit facilities.

### 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, 6.7 % of total revenue was subject to a direct exchange rate effect (previous year: 10.3 %). Viscom reserves the right to perform exchange rate hedging in individual cases.

### Employees

Viscom had 458 employees (excluding trainees) globally as at 30 June 2018, corresponding to a year-on-year increase of 61 (previous year: 397 employees). The reason for this increase included the response to the upturn in incoming orders and the growth forecast for the Company.

As at 30 June 2018	Europe	Americas	Asia	Total
<b>Total</b>	<b>374</b>	<b>20</b>	<b>64</b>	<b>458</b>
of which full-time	340	19	64	423
of which part-time	34	1	0	35
plus: Trainees	11	0	0	11

## Regional developments

### Information on the Group's geographical segments by sales market as at 30 June

in K€	Europe		Americas		Asia		Consolidation		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
External sales	25,724	20,912	4,198	6,497	12,970	12,486	0	0	42,892	39,895
Inter-segment sales	10,725	10,874	195	204	1,103	860	-12,023	-11,938	0	0
Total sales	36,449	31,786	4,393	6,701	14,073	13,346	-12,023	-11,938	42,892	39,895
Segment earnings	3,740	4,181	16	642	1,126	1,136	-280	-258	4,602	5,701

#### Europe

Europe was the Viscom Group's strongest region by some distance, generating revenue of € 25,724 thousand in the first six months of the 2018 financial year (previous year: € 20,912 thousand) and accounting for around 60 % of total revenue. Revenue increased by around 23 % as against the previous year. This was primarily due to higher system sales with European key accounts, particularly in the area of series inspection systems. Revenue in Germany amounted to € 12,556 thousand (previous year: € 8,781 thousand).

Segment earnings in the Europe region totalled € 3,740 thousand (previous year: € 4,181 thousand), corresponding to an EBIT-Margin of 14.5 % (previous year: 20.0 %). This decrease was primarily attributable to the effects already discussed under operating profit. At an encouraging € 33,116 thousand, incoming orders were up significantly on the same period of the previous year (€ 23,345 thousand).

#### Americas

Segment revenue in the Americas region declined by around 35 % year-on-year to € 4,198 thousand (previous year: € 6,497 thousand). Segment earnings amounted to € 16 thousand (previous year: € 642 thousand), corresponding to an EBIT-Margin of 0.4 % (previous year: 9.9 %). Revenue development reflected the muted incoming orders in the first quarter of 2018 and fell below the expectations. In addition, the comparative figures for the first half of 2017 were unusually strong.

The propensity to invest among customers in Mexico was restrained in the first half of 2018. However, some orders from

the region were received in the second quarter. Viscom is positive with regard to the realisation of this and other projects in the course of the year. Viscom expects to see a growing recovery in Mexico and are observing healthy demand in the USA and Canada. Incoming orders in the Americas region amounted to € 4,388 thousand in the first six months of the 2018 financial year (previous year: € 7,937 thousand).

#### Asia

Viscom generated segment revenue of € 12,970 thousand in the Asia region (previous year: € 12,486 thousand) and segment earnings of € 1,126 thousand (previous year: € 1,136 thousand), thereby maintaining the high level recorded in the previous year. This represents an extremely encouraging development in light of the personnel measures implemented at the start of the year, which are already being reflected in expenses. The EBIT-Margin amounted to 8.7 % (previous year: 9.1 %).

Viscom generated robust incoming orders of € 11,285 thousand in the Asia region in the first half of 2018 (previous year: € 10,988 thousand). These orders are primarily driven by technology, with the desire to consolidate their market position prompting more and more customers to invest in combined optical/X-ray inspection in SMT production.

## Financial position

#### Capital structure / liquidity

Viscom was able to ensure the required liquidity at all times in the first half of 2018. As of 30 June 2018, overdrafts in the form of available credit facilities were utilised in the amount of € 7,544



thousand (previous year: € 0 thousand). Viscom is taking advantage of the low interest rate environment to refinance outstanding liabilities in its operating business. Taking into account cash and cash equivalents of € 5,355 thousand, the Company had net bank balances of € -2,189 thousand at the reporting date (previous year: € 10,251 thousand). The moderate revenue recorded at the start of the current financial year resulted in relatively low cash inflows in the first half of 2018. The subsidiaries did not require any loans.

### Investments

Investments in property, plant, and equipment and intangible assets totalled € 2,743 thousand in the first six months of 2018 (previous year: € 941 thousand). At € 1,259 thousand (previous year: € 601 thousand), some of the investments related to own work capitalised, while € 1,484 thousand (previous year: € 340 thousand) was attributable to operating and office equipment, land, leasehold improvements, software, technical equipment and machinery.

### Cash and cash equivalents / cash flow

**Cash flow from operating activities** amounted to € -5,779 thousand (previous year: € 8,828 thousand). This was primarily due to the increase in inventories, receivables and other assets, which was partially offset by the net profit for the period and the increase in liabilities.

**Cash flow from investing activities** amounted to € -2,634 thousand (previous year: € -917 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 € -5,342 thousand (previous year: € -3,984 thousand). This change was due to the dividend distribution for the 2017 financial year in June 2018.

Cash funds, which comprised cash and cash equivalents (€ 5,355 thousand; previous year: € 10,251 thousand) and current loans (€ 7,544 thousand; previous year: € 0 thousand), amounted to € -2,189 thousand as of 30 June 2018 (previous year: € 10,251 thousand) and hence were down on the end of the 2017 financial year (€ 11,506 thousand).

## Net assets

### Non-current assets

In the category of non-current assets, intangible assets included primarily own work capitalised. Intangible assets increased from € 8,913 thousand as at 31 December 2017 to € 9,715 thousand at the end of the first six months of the 2018 financial year. The rise in property, plant and equipment from € 1,859 thousand to € 2,855 thousand was primarily due to the purchase of land and the parking areas constructed on this land, as well as the construction of an X-ray laboratory and the fitting out of additional office space.

### Receivables

At € 24,790 thousand, trade receivables were up on the level recorded as at 31 December 2017 (€ 22,488 thousand). Valuation allowances on trade receivables decreased by € 252 thousand to € 988 thousand as at 30 June 2018.

### Inventories

The carrying amount of inventories was € 31,178 thousand, an increase as against the end of the 2017 financial year (€ 24,521 thousand). This was due to the pre-production of partially completed and completed systems and the procurement of raw materials and supplies to satisfy the high order backlog and the expected volume of incoming orders.

### Liabilities

Trade payables increased from € 2,609 thousand at the end of 2017 to € 2,984 thousand.

Contract liabilities in the amount of € 518 thousand (previous year: € 0 thousand) include delivery and performance obligations from contracts with customers in accordance with IFRS 15.

### Shareholders' equity

Total shareholders' equity decreased slightly from € 56,760 thousand at the end of the 2017 financial year to € 55,049 thousand. This change was primarily due to the net profit for the period and the dividend distribution for the 2017 financial year. At 71.0 %, the equity ratio was therefore lower than the figure as at 31 December 2017 (79.6 %). The equity ratio in the corresponding prior-year period was 80.7 %.

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

	30.06.2018 K€	31.12.2017 K€
<b>Tier 1 liquidity</b> (cash and cash equivalents less current liabilities and provisions)	-14,193	-298
<b>Tier 2 liquidity</b> (tier 1 liquidity plus receivables and other assets less non-current liabilities)	12,951	23,089
<b>Tier 3 liquidity</b> (tier 2 liquidity plus inventories)	44,129	47,610
<b>Current assets</b>		
Cash and cash equivalents	5,355	11,506
Receivables and other assets	27,641	23,862
Inventories	31,178	24,521
	<b>64,174</b>	<b>59,889</b>
<b>Liabilities and provisions</b>		
Current liabilities and provisions	19,548	11,804
Non-current provisions	497	475
	<b>20,045</b>	<b>12,279</b>
<b>Net debt</b>		
Liabilities and provisions (-)	-20,045	-12,279
+ Cash and cash equivalents	5,355	11,506
+ Receivables and other assets	27,641	23,862
= Net debt	12,951	23,089
<b>Working capital</b>		
Current assets - liabilities and provisions	44,129	47,610
<b>Equity ratio</b>		
Shareholders' equity/total assets	71.0 %	79.6 %

	30.06.2018 K€	30.06.2017 K€
<b>Cash flow</b>		
Net profit for the period after taxes	3,578	4,122
+ Depreciation and amortisation expense	879	934
	<b>4,457</b>	<b>5,056</b>
<b>Return on equity</b>		
Net profit for the period/shareholders' equity	6.5 %	7.9 %
<b>Return on Investment (ROI)</b>		
Net profit for the period/total assets	4.6 %	6.4 %
<b>Return on revenue</b>		
EBT/revenue	10.7 %	14.3 %
<b>Return on Capital Employed (ROCE)</b>		
EBIT/(total assets - cash and cash equivalents - current liabilities and provisions)	8.7 %	13.0 %

# REPORT ON POST-REPORTING DATE EVENTS

There were no other significant events after the first six months of 2018.

# REPORT ON OPPORTUNITIES AND RISKS

The information on opportunities and risks presented in the Group management report continues to apply. Please refer to pages 40 – 45 of the Company's Annual Report 2017.

# REPORT ON FUTURE DEVELOPMENTS IN 2018

## Economic conditions

The global economy continued to enjoy extremely dynamic development, with the advanced economies seeing steady growth. This upturn is set to continue over the course of the current year, although the pace of growth in global macro-economic output is likely to be slightly more moderate than in 2017. However, the economic situation is also subject to risks and uncertainties. The USA's foreign trade and security policy, the more restrictive monetary policy adopted by China and the imponderables concerning the European Union could limit investment and significantly curb economic performance.

The International Monetary Fund (IMF) is forecasting growth in global production of 3.8 % in 2018 and 3.6 % in 2019. For the USA, the IMF is forecasting growth of 2.8 % in 2018 and 2.3 % in 2019. The IMF remains optimistic about forecasts for China's economic development and expects growth of 6.5 % this year and 6.3 % next year. The IMF has set its 2018 growth forecast for the euro zone at 2.1 %. Growth of 2.0 % is still predicted for next

year. For this year, the IMF expects Germany's gross domestic product (GDP) to increase by 2.5 %. The institution left the forecast for German growth in 2019 at 2.0 %.

The economic boom enjoyed by Germany since last year has lost momentum. The ifo Institute expects real GDP to increase by 1.8 % both this year and next year. The excess utilisation of macroeconomic capacities is likely to increase substantially and wage and price growth to keep intensifying. As the global economy is losing momentum, foreign demand will make only a minor contribution to the upturn in the German economy, which will instead be primarily driven by the strength of domestic demand and the construction industry.

## Results of operations

The development of incoming orders and revenue in 2018 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 2017 financial year. With budgeted

revenue and incoming orders of € 93 to 98 million, Viscom still expects results of operations to be significantly positive in 2018.

The EBIT-Margin for the 2018 financial year is likely to be between 13 % and 15 %, corresponding to EBIT of between € 12.1 million and € 14.7 million.

#### **Financial position**

Liquidity for the remaining months of 2018 will be generated exclusively from the Company's own funds and available credit facilities. No long-term borrowings are planned. Liquidity at the subsidiaries, which is invested in instant-access savings and fixed-term deposits, is available at short notice.

## OTHER DISCLOSURES

### Related party disclosures

There are rental agreements for eight properties in Carl-Buderus-Straße and one property in Fränkische Straße 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-Straße 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.-30.06.2018 K€	01.01.-30.06.2017 K€
Revenue	42,892	39,895
Other operating income	1,240	892
	<b>44,132</b>	<b>40,787</b>
Changes in finished goods and work in progress	4,061	3,725
Other own work capitalised	1,259	601
Cost of materials	-19,513	-17,400
Staff costs	-15,644	-13,503
Depreciation and amortisation	-879	-934
Other operating expenses	-8,814	-7,575
	<b>-39,530</b>	<b>-35,086</b>
<b>Operating profit</b>	<b>4,602</b>	<b>5,701</b>
Financial income	13	0
Financial expenses	-26	0
<b>Financial result</b>	<b>-13</b>	<b>0</b>
Income taxes	-1,011	-1,579
<b>Net profit for the period</b>	<b>3,578</b>	<b>4,122</b>
<b>Earnings per share (diluted and basic) in €</b>	<b>0,40</b>	<b>0,46</b>
<b>Other comprehensive income</b>		
Currency translation differences	121	-438
Items that can be reclassified to profit or loss	121	-438
<b>Other comprehensive income after taxes</b>	<b>121</b>	<b>-438</b>
<b>Total comprehensive income</b>	<b>3,699</b>	<b>3,684</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION: ASSETS

Assets	30.06.2018 K€	31.12.2017 K€
<b>Current assets</b>		
Cash and cash equivalents	5,355	11,506
Trade receivables	24,790	22,488
Current income tax assets	519	109
Inventories	31,178	24,521
Other financial receivables	111	145
Other assets	2,221	1,120
<b>Total current assets</b>	<b>64,174</b>	<b>59,889</b>
<b>Non-current assets</b>		
Property, plant and equipment	2,855	1,859
Intangible assets	9,715	8,913
Financial assets	6	6
Loans originated by the Company	81	15
Deferred tax assets	727	660
<b>Total non-current assets</b>	<b>13,384</b>	<b>11,453</b>
<b>Total assets</b>	<b>77,558</b>	<b>71,342</b>

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

Liabilities and shareholders' equity	30.06.2018 K€	31.12.2017 K€
<b>Current liabilities</b>		
Trade payables	2,984	2,609
Contract liabilities	518	0
Current loans	7,544	0
Advance payments received	391	220
Provisions	1,470	1,719
Current income tax liabilities	844	1,088
Other financial liabilities	3,049	3,575
Other current liabilities	2,748	2,593
<b>Total current liabilities</b>	<b>19,548</b>	<b>11,804</b>
<b>Non-current liabilities</b>		
Non-current provisions	497	475
Deferred tax liabilities	2,464	2,303
<b>Total non-current liabilities</b>	<b>2,961</b>	<b>2,778</b>
<b>Shareholders' equity</b>		
Issued capital	9,020	9,020
Capital reserve	21,321	21,321
Retained earnings	24,173	26,005
Exchange rate differences	535	414
<b>Total shareholders' equity</b>	<b>55,049</b>	<b>56,760</b>
<b>Total shareholders' equity and liabilities</b>	<b>77,558</b>	<b>71,342</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

Consolidated statement of cash flows	01.01.-30.06.2018 K€	01.01.-30.06.2017 K€
<b>Cash flow from operating activities</b>		
Net profit for the period after interest and taxes	3,578	4,122
Adjustment of net profit for income tax expense (+)	1,011	1,579
Adjustment of net profit for interest expense (+)	26	0
Adjustment of net profit for interest income (-)	-13	0
Adjustment of net profit for depreciation and amortisation expense (+)	879	933
Increase (+)/decrease (-) in provisions	-229	-201
Gains (-)/losses (+) on the disposal of non-current assets	-65	2
Increase (-)/decrease (+) in inventories, receivables and other assets	-10,529	5,756
Increase (+)/decrease (-) in liabilities	601	-2,013
Income taxes repaid (+)/paid (-)	-1,038	-1,350
<b>Net cash used in/from operating activities</b>	<b>-5,779</b>	<b>8,828</b>
<b>Cash flow from investing activities</b>		
Proceeds (+) from the disposal of non-current assets	130	24
Acquisition (-) of property, plant and equipment and intangible assets	-1,483	-340
Capitalisation of development costs (-)	-1,259	-601
Disbursements of loans granted (-)	-36	0
Receipts from the repayment of loans granted (+)	1	0
Interest received (+)	13	0
<b>Net cash used in investing activities</b>	<b>-2,634</b>	<b>-917</b>
<b>Cash flow from financing activities</b>		
Dividend payment (-)	-5,331	-3,984
Interest paid (-)	-11	0
<b>Net cash and cash equivalents from financing activities</b>	<b>-5,342</b>	<b>-3,984</b>
Changes in cash and cash equivalents due to changes in exchange rates	60	-193
<b>Cash and cash equivalents</b>		
Change in cash and cash equivalents	-13,755	3,927
Cash and cash equivalents as at 1 January	11,506	6,517
<b>Cash and cash equivalents as at 30 June</b>	<b>-2,189</b>	<b>10,251</b>



# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Shareholders' equity	Issued capital	Capital reserve	Exchange rate differences	Retained earnings	Total
	K€	K€	K€	K€	K€
Shareholders' equity at 01.01.2017	9,020	21,321	1,021	20,930	52,292
Net profit for the period	0	0	0	9,073	9,073
Other comprehensive income	0	0	-607	0	-607
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-607</b>	<b>9,073</b>	<b>8,466</b>
Dividends	0	0	0	-3,998	-3,998
Shareholders' equity at 31.12.2017	9,020	21,321	414	26,005	56,760
Remeasurement as per IFRS 9 and IFRS 15	0	0	0	-79	-79
Shareholders' equity at 01.01.2018	9,020	21,321	414	25,926	56,681
Net profit for the period	0	0	0	3,578	3,578
Other comprehensive income	0	0	121	0	121
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>121</b>	<b>3,578</b>	<b>3,699</b>
Dividends	0	0	0	-5,331	-5,331
Shareholders' equity at 30.06.2018	9,020	21,321	535	24,173	55,049

# SELECTED EXPLANATORY NOTES

## Declaration of compliance

The present consolidated interim financial statements for 2018 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 30 June 2018.

## Changes or additions to IFRS and changes to reporting, recognition or measurement as a result

Compared with the consolidated financial statements dated 31 December 2017, the following standards and interpretations have changed or become mandatory as a result of their adoption under EU law or following the effective date of the provisions:

### IFRS 9 – Financial Instruments

The standard published by the IASB on 24 July 2014 is a three-phase project superseding IAS 39 - Financial Instruments: Recognition and Measurement and was adopted under EU law with the announcement in the EU official gazette on 22 November 2016; application is mandatory for financial years beginning on or after 1 January 2018. Viscom applied the standard retroactively according to the simplified transition method and recognised the cumulative effect of the first-time application as at 1 January 2018 as an adjustment of the opening carrying amount of retained earnings. The following changes were made to recognition and measurement:

Financial instruments (financial assets and financial liabilities) within the meaning of IAS 32 and IFRS 9 are divided into the following categories:

- Measurement at amortised cost (AC)
- Measurement at fair value through other comprehensive income (FVtOCI)
- Measurement at fair value through profit or loss (FVtPL)

The classification of a financial asset essentially depends on two criteria:

- Business model test: classification is contingent on the nature of the business model in which the financial instrument is held.
- Cash flow characteristics test: classification is determined by the characteristics of the contractual cash flows.

The Company determines the classification of financial assets on initial recognition.

These financial assets and liabilities are carried on initial recognition at their fair value as at the trade date, with the exception of trade receivables without a significant financing component, which are measured at their transaction price. After initial recognition, different measurement methods apply to the various categories of financial assets and liabilities. These are described in the accounting policies for the respective statement of financial position items. Foreign currency items are translated at the middle rate prevailing at the reporting date. Gains and losses due to changes in the fair value of financial instruments are recognised in profit or loss.

Financial assets are derecognised when the Company loses control of the contractual rights underlying the respective asset. Financial liabilities are derecognised when the corresponding contractual obligations are met or cancelled or they expire.

### IFRS 15 – Revenue from Contracts with Customers

The standard published by the IASB on 28 May 2014 supersedes the existing standards on revenue, IAS 18 and IAS 11, and was adopted under EU law with the announcement in the EU official gazette on 22 September 2016; application is mandatory for financial years beginning on or after 1 January 2018. In accordance with IFRS 15.C3(b), Viscom applied the standard retroactively according to the simplified transition method and recognised the cumulative effect of the first-time application as

at Selected explanatory notes 23 1 January 2018 as an adjustment of the opening carrying amount of retained earnings. The following changes were made to recognition and measurement:

- Subsequent work

After the delivery of a system, subsequent work is often required in order to integrate the system for the customer as ordered. The services are part of the system delivery, but are performed after control over the system is passed to the customer. Previously, the full revenue for the system delivery including subsequent work was recognised after control over the system had passed to the customer. For the outstanding subsequent work, a provision for the expected future expenses was recognised for each system. According to IFRS 15, the portion of the revenue attributable to the subsequent work is now recognised over the time of the subsequent work and in the event of earlier invoicing carried as a contract liability. The partial revenue comprises the expected expenses for the subsequent work – on the basis of past experience – and an average margin. The provision for subsequent work of € 276 thousand as at 31 December 2017 is recognised as a contract liability of € 359 thousand as at 1 January 2018.

- Deferred revenue

Previously, payments for services under contracts with customers received before the reporting date that constituted income for a specific period after this date were recognised as other current liabilities. According to IFRS 15, they are now reported as a contract liability, provided they relate to revenue in accordance with IFRS 15 (as at 1 January 2018: € 106 thousand).

## 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 interim Group management report.

Apart from the changes described below, the same accounting policies were applied as in the 2017 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 due to the first-time application of IFRS 9 and IFRS 15

### Trade receivables

Viscom applies the simplified approach for expected credit losses according to IFRS 9, which allows the recognition of full lifetime expected losses for all trade receivables. To measure the expected credit losses, the trade receivables were grouped according to shared credit risk characteristics and days past due. The expected credit losses also include forward-looking information.

Value adjustments on trade receivables developed as follows:

	K€
<b>As at 31.12.2017 (IAS 39)</b>	<b>1,240</b>
Adjustment of retained earnings	34
<b>As at 01.01.2018 (IFRS 9)</b>	<b>1,274</b>
Addition to value adjustments on receivables	0
Reversal of value adjustments no longer required	286
<b>As at 30.06.2018</b>	<b>988</b>

### Contract liabilities

This item includes delivery and performance obligations from contracts with customers in accordance with IFRS 15.

### Reconciliation of adjusted items of the statement of financial position (IFRS 9 and IFRS 15)

Retained earnings decreased by € 79 thousand to € 25,926 thousand as at 1 January 2018 as a result of first-time application (31 December 2017: € 26,005 thousand).

K€	31.12.2017	Reclassification	Evaluation	01.01.2018	Change in retained earnings
Trade receivables	22,488	0	-34	22,454	-34
Other current liabilities	2,593	-106	0	2,487	0
Provisions	1,719	-276	0	1,443	0
Contract liabilities	0	382	83	465	-83
Deferred tax assets	660	0	27	687	27
Deferred tax liabilities	2,303	0	-11	2,292	11

If IFRS 15 had not been applied, the figures for the current reporting period would have been as follows:

- Revenue would have amounted to € 42,946 thousand (with IFRS 15: € 42,892 thousand) and other operating expenses would have amounted to € 8,856 thousand (with IFRS 15: € 8,814 thousand).
- Income taxes would have amounted to € 1,015 thousand (with IFRS 15: € 1,011 thousand) and deferred tax assets would have amounted to € 758 thousand (with IFRS 15: € 727 thousand).
- This would have resulted in EBIT of € 4,614 thousand (with IFRS 15: € 4,602 thousand) and a net profit for the period of € 3,586 thousand (with IFRS 15: € 3,578 thousand).
- There would have been no contract liabilities as of 30 June 2018 (with IFRS 15: € 518 thousand), while provisions would have been higher (€ 1,787 thousand; with IFRS 15: € 1,470 thousand), as would other current liabilities (€ 2,854 thousand; with IFRS 15: € 2,748 thousand).
- Shareholders' equity would have amounted to € 55,113 thousand as of 30 June 2018 (with IFRS 15: € 55,049 thousand).

# NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## Revenue

The Group's revenue can be broken down as follows:

Revenue	30.06.2018 K€	30.06.2017 K€
Construction and delivery of machines	34,054	30,238
Services/replacement parts	8,623	9,223
Rentals	215	434
<b>Total</b>	<b>42,892</b>	<b>39,895</b>

The categories "Construction and delivery of machines" and "Services/replacement parts" are revenue from contracts with customers as per IFRS 15.

## 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.

At the date of first-time application, 1 January 2018, the Group's financial instruments were reclassified as follows in accordance with IFRS 9:

01.01.2018 in K€	Measurement category		Carrying amount			Fair Value		
	IAS 39	IFRS 9	IAS 39	IFRS 9	Difference	IAS 39	IFRS 9	Difference
<b>Assets</b>								
Financial assets and other receivables	LaR	AC	327	327	0	327	327	0
Trade receivables	LaR	AC	22,488	22,454	-34	22,488	22,454	-34
Cash and cash equivalents	LaR	AC	11,506	11,506	0	11,506	11,506	0
			<b>34,321</b>	<b>34,287</b>	<b>-34</b>	<b>34,321</b>	<b>34,287</b>	<b>-34</b>
<b>Liabilities and shareholders' equity</b>								
Trade payables	FL	AC	2,609	2,609	0	2,609	2,609	0
Other financial liabilities	FL	AC	3,476	3,476	0	3,476	3,476	0
			<b>6,085</b>	<b>6,085</b>	<b>0</b>	<b>6,085</b>	<b>6,085</b>	<b>0</b>

The categories and measurement of financial assets and liabilities as at 30 June 2018 are shown in the following table:

30.06.2018 in K€	Measurement category	Carrying amount	Fair Value
<b>Assets</b>			
Financial assets and other receivables	AC	1,633	1,633
Trade receivables	AC	24,790	24,790
Cash and cash equivalents	AC	5,355	5,355
<b>Total</b>		<b>31,778</b>	<b>31,778</b>
<b>Liabilities and shareholders' equity</b>			
Current loans	AC	7,544	7,544
Trade payables	AC	2,984	2,984
Other financial liabi- lities	AC	3,008	3,008
<b>Total</b>		<b>13,536</b>	<b>13,536</b>

Please refer to pages 97–100 of Viscom AG's Annual Report 2017 for more information on financial instruments.

## Events after the reporting date

There were no significant events after the end of the first six months of 2018.

## Audit

As was the case for the previous consolidated interim financial statements, the consolidated interim report as at 30 June 2018 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, 14 August 2018



Carsten Salewski



Peter Krippner



Dr. Martin Heuser



Dirk Schwingel



## FINANCIAL CALENDAR 2018

14.08.2018	Interim Report 6M/2018	Hanover
13.11.2018	Interim Report 9M/2018	Hanover
27.11.2018	German Equity Forum 2018	Frankfurt/Main

# VISCOM STRUCTURE

Supervisory Board	Prof. Michèle Morner (Chair) Volker Pape (Deputy Chair) Prof. Ludger Overmeyer
Executive Board	Carsten Salewski Peter Krippner Dr. Martin Heuser Dirk Schwingel
Registered office	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



# LEGAL NOTICE

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