



UNI WHEELS
UNITED WHEELS GROUP

Consolidated Interim Report



as of 31 March 2016
UNI WHEELS AG

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UNIWHEELS AG as of 31 March 2016**

The UNIWHEELS Group is one of the leading manufacturers of aluminum wheels for cars in Europe and is one of the few technology leaders worldwide in the aluminum wheel industry.

UNIWHEELS is Europe's third largest manufacturer of wheels supplying OEMs in the automobile industry and is the leading producer of alloy wheels for the aftermarket in Europe. The group's most well-known proprietary brands are ATS, RIAL, ALUTEC and ANZIO. Currently the group has three production plants of which two are in Poland (Stalowa Wola) and one in Germany (Werdohl). The new plant (No. 4) will go into operation in the middle of the year and increase the group's maximum annual production capacity by roughly 2 million wheels. In the middle of the year, operations will commence at the new facility (Plant No. 4) in Poland raising the annual maximum production of the Group by up to roughly 2 million wheels.

UNIWHEELS sees itself as one of the leading partners of the automotive industry for the optimum reduction of CO₂ emissions by reducing the weight of alloy wheels. As well as weight-optimized construction methods, the following procedures are primarily used: Flowforming, Lightforming, Undercut and Forgecut.

In 2015 the UNIWHEELS Group generated sales of EUR 436.5 million from unit sales of 7.8 million wheels. EBITDA came to EUR 58.7 million. The headcount of the group comes to 2,539.

Shares in UNIWHEELS AG have been listed on the Warsaw stock exchange since 2015. UNIWHEELS stock is floated under security identification number A13STW, ISIN DE000A13STW4 and ticker symbol UNW.

1. Selected financials

		Q1 2016	Q1 2015	Change
Unit sales - wheels	thousand units	2,087	1,885	10.7%
Sales	EUR m	109.1	104.9	4.0%
EBITDA	EUR m	14.1	13.2	6.8%
EBIT	EUR m	10.2	9.6	6.3%
EBT	EUR m	10.7	13.7	-21.9%
Net profit or loss	EUR m	10.5	13.4	-21.6%
Interest expense	EUR m	0.6	1.4	-57.1%
EPS (basic / diluted)	EUR per share	0.85	1.34	-36.5%
EBITDA margin	%	12.9	12.6	0.3 pp
EBIT margin	%	9.3	9.2	0.1 pp
EBT margin	%	9.8	13.1	-3.3 pp
Cash flow from operating activities	EUR m	17.6	2.4	633.3%
Capital expenditure	EUR m	23.3	4.3	441.9%
		31 Mar 2016	31 Dec 2015	
Equity ratio	%	60.9	61.6	-0.8 pp
Net debt	EUR m	16.3	10.6	54.4%
Average headcount	No.	2,743	2,466	11.2%

2. Our share / Investor relations

Basic data of the UNIWHEELS share:

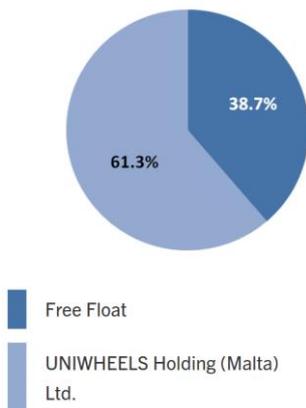
ISIN	DE000A13STW4
Security identification number	A13STW
Ticker symbol	UNW
Type of stock	ordinary bearer shares without nominal value
Stock exchange	Warsaw Stock Exchange
Market segment	Main Market
Index	mWIG40
Number of shares	12.400.000
Free float	38,7%

2.1. Shareholder composition

38.7% of UNIWHEELS AG shares are in free float. Approximately 61.3% of the shares are held by the majority shareholder, UNIWHEELS Holding (Malta) Ltd., Sliema, Malta. The largest group of shareholders of shares in free float are institutional investors from Poland (pension funds and investment funds), followed by institutional investors in the UK, Austria and Germany.

On 26 January 2016, UNIWHEELS was informed by Nordea Open Pension Fund, Warsaw, that Nordea held just over 3.32% of the voting rights.

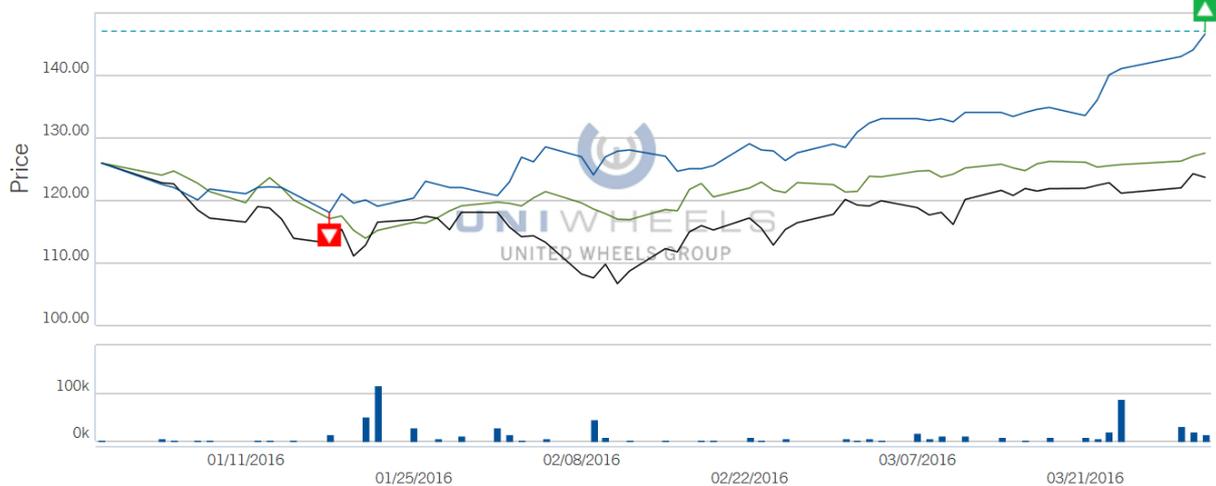
Shareholder composition:



2.2. Development of the share price

The closing price of the share on 31 March was PLN 146.55. This translates into a performance of 16.4% in the first quarter of 2016. Compared to the relevant share index, the mWIG40, the share developed 15.1 percentage points better than the market. In comparison to the MDAX, which decreased slightly over the same period, the UNIWHEELS share rose by 18.2 percentage points. Since the IPO in May 2015, the price of the UNIWHEELS share has risen by roughly 40%.

Market capitalisation at the end of the period came to PLN 1,817 million (EUR 428 million).

Performance of the UNIWHEELS share from 1 January 2016 to 31 March 2016:

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2.3. Investor relations

The goal of investor relations at UNIWHEELS is to win the trust of all players on the capital markets by means of reliable, open, consistent and prompt reporting and to convince them of the business model of UNIWHEELS AG. Close dialogue with the capital markets is of great importance to UNIWHEELS.

New financial reports will be published on the investor relations pages of the UNIWHEELS website along with corporate news releases, presentations and other information. The Investor Relations team welcomes any queries and is happy to serve both institutional and private investors alike.

At the beginning of April, UNIWHEELS conducted a number of international roadshows in London, Stockholm, Warsaw and Frankfurt. The management addressed present and potential institutional investors in approximately 30 meetings. In addition, UNIWHEELS offered several factory tours for financial analysts and investors. During numerous international conference calls, institutional investors and analysts were familiarised with the company by the Investors Relations team. UNIWHEELS has scheduled a number of international roadshows and investor conferences for the rest of the year. For additional information see page 22 of our financial calendar.

Analyst coverage:

Institution	Analyst	Date	Target Price	Recommendation
Trigon	Łukasz Rudnik	April 18, 2016	PLN 193.00	BUY
Pekao	Tomasz Kucinski	April 14, 2016	PLN 148.90	HOLD
mBank Dom Maklerski	Jakub Szkopek	April 13, 2016	PLN 161.30	ACCUMULATE
BZ WBK Brokerage	Michał Sopieli	January 27, 2016	PLN 150.00	BUY
Wood & Company	Maciej Wardejn	October 15, 2015	PLN 142.00	BUY
Bank BPS	Marek Olewiecki	July 9, 2015	PLN 130.00	BUY

In the third quarter, the stockbrokers Wood & Company, BZ WBK and Bank BPS began covering the share and issued targets of between PLN 130.00 and 136.00 and a BUY recommendation. At the end of the reporting period, the number of institutes which publish research reports about UNIWHEELS on a regular basis came to four. Other

analysts from international institutes have announced they will begin covering the share shortly and have started their research work.

2.4. Inclusion in the mWIG40 stock index and award

Based on a resolution of the Management Board of the Warsaw Stock Exchange on 4 March 2016, the shares of UNIWHEELS AG were added to the mWIG40 mid-cap index of the exchange after the close of trading on 18 March 2016 as part of the annual adjustment process. The adjustment took effect on 21 March 2016. Inclusion in the mWIG40 mid-cap index, the Polish equivalent of the MDAX, occurred just ten months after the IPO of UNIWHEELS AG on the Warsaw stock exchange.

The IPO of UNIWHEELS was awarded a prize for the “Best IPO of the Year” by the Warsaw stock exchange journal, Parkiet, on 16 March.

3. Interim group management report as of 31 March 2016

3.1. Significant events

On 18 January 2016, the Chairman of the Management Board of UNIWHEELS AG, Mr. Ralf Schmid, announced that he intended to step down from the Management Board effective 21 January 2016 and accept an appointment to the Supervisory Board. On 19 January 2016 UNIWHEELS Holding (Malta) Ltd. appointed Mr. Ralf Schmid to the Supervisory Board, whereupon he was immediately elected to be the Chairman. On 19 January 2016 the Supervisory Board of UNIWHEELS AG passed a resolution to appoint Dr. Thomas Buchholz Chairman of the Management Board effective 21 January 2016. Dr. Buchholz had been the Deputy Chairman since August 2015.

Due to the ongoing high customer demand development, UNIWHEELS is currently examining further growth options for the next periods after the full commissioning of the new plant 4 in Poland. For this purpose, corresponding locations in the global growth markets of all relevant customers in the automotive industry are under evaluation. A decision for another plant site with an additional capacity of up to 2 million units is aimed at management and supervisory boards within the next 12 months.

The Management Board of the Warsaw Stock Exchange passed a resolution to include the share of UNIWHEELS AG in the mWIG40 mid-cap index of the Warsaw Stock Exchange. This took effect on 21 March 2016.

ITR, the umbrella organisation of the DTM (Deutsche Tourenwagen Meisterschaft) and ATS Leichtmetallräder GmbH entered into a cooperation agreement governing the production and delivery of uniform wheels. Commencing in 2017, all of the race cars in the DTM series will be equipped with the new forged wheels from ATS, regardless of the make of the car. The contract has a minimum term of three years.

3.2. Business development

Unit sales of wheels developed as follows:

	Q1 2016	Q1 2015	Change
	thousand units	thousand units	%
Accessory	305	293	4.1%
Automotive	1,782	1,592	11.9%
	2,087	1,885	10.7%

The UNIWHEELS Group has managed to steadily increase its unit sales of alloy wheels for a number of years. Compared to 6.4 million wheels in 2012, over 7.8 million wheels were sold in 2015. The first quarter of 2016 was again very successful for the UNIWHEELS Group.

In the first three months of 2016 **unit sales** rose by 10.7% on the comparable period of the prior year to 2.1 million wheels.

In the **Accessory** division unit volume rose by 4.1% despite a stagnating market. This is partly due to the Easter holidays falling in March, earlier than usual, as this is a date when many consumers switch to summer wheels.

In the **Automotive** division, 11.9% more wheels were sold than in the comparative period of the prior year. This was primarily driven by a sustained rise in demand from European automobile manufacturers. The UNIWHEELS Group was again able to diversify and build on its extremely successful customer relationships with a focus on the premium segment of the automobile industry. UNIWHEELS met the increase in demand from its customers by making efficiency gains and increasing capacity at its existing plants, Werdohl, in particular.

3.3. Financial performance

The **consolidated revenue** of the UNIWHEELS Group increased to EUR 109.1 million in the first quarter of 2016. In comparison to the comparable period of the prior year, this represents a rise of EUR 4.2 million or 4.0%. The main factors in the increase are the higher unit volume and the improved product mix. On the other hand, the quarterly price adjustments arranged with OEM customers led to fall in prices on account of the drop in the price of aluminium. The revenue of the **Automotive** division rose by 5.0% to EUR 90.7 million. The revenue of the **Accessory** division amounted to EUR 17.4 million, which represents an increase of 6.7% on the prior year.

	Q1 2016	Q1 2015	Change
	EUR m	EUR m	%
Accessory	17.4	16.3	6.7
Automotive	90.7	86.4	5.0
Other	1.0	2.2	-54.5
	109.1	104.9	4.0

Other operating income decreased by EUR 1.3 million to EUR 0.5 million. The decrease is predominantly due to a fall in realised foreign exchange gains.

Key expense items

Key expense items	Q1 2016	Q1 2015	Change
	EUR m	EUR m	%
Cost of material	64.3	69.2	-7.1
Personnel expenses	17.9	16.7	7.2
Other operating expenses	15.2	14.2	7.0
Depreciation and amortisation	3.9	3.6	8.3
Interest expense	0.6	1.4	-57.1

The **cost of material** of the UNIWHEELS Group decreased by 7.1% to EUR 64.3 million. The reduction in the cost of material is primarily due to the fall in the prices of raw materials in comparison to the comparative period of the prior year, aluminium in particular. The cost of energy also decreased by EUR 0.4 million. The cost of paint on the other hand rose by EUR 0.6 million. A detailed breakdown of the cost of material can be found in Note 4.8.2 of the notes to these interim financial statements.

Personnel expenses increased by EUR 1.2 million or 7.2% to EUR 17.9 million. The main reasons for the rise lie in the addition of 277 employees in comparison to the same period of the prior year, 2015.

The increase of 7.0% in **other operating expenses** to EUR 15.2 million is due to realised exchange rate losses of EUR 1.3 million. See Note 4.8.6 in the notes to the consolidated financial statements of this interim report for a more detailed breakdown of other operating expenses.

Depreciation, amortisation and write-downs of non-current assets rose by 8.3% to EUR 3.9 million in the first three months of 2016.

Interest expenses decreased by EUR 0.8 million to EUR 0.6 million. The main factors in the decline are the much improved financing structure and a much lower interest margin arranged on the syndicated loan, which was reduced from 2.53% to 0.95%. **Other finance revenue/costs** mainly originate from fair value adjustments of EUR 1.1 million to currency derivatives.

Earnings situation

Key earnings indicators

	Q1 2016	Q1 2015	Change
	EUR m	EUR m	%
EBITDA	14,1	13,2	6,8%
EBIT	10,2	9,6	6,3%
Net profit or loss	10,5	13,4	-21,6%
	%	%	Percentage points
EBITDA margin	12,9	12,6	0,3
EBIT margin	9,3	9,2	0,1
	EUR per share	EUR per share	
Earnings per share (basic)	0,85	1,34	
Earnings per share (diluted)	0,85	1,34	

Earnings before interest, taxes, depreciation and amortization (**EBITDA**) increased by 6.8% on the prior year to EUR 14.1 million. This increase in EBITDA can be attributed to the increase in revenue due to higher unit sales and a decline in material costs due to lower raw material costs. The EBITDA margin increased from 12.6% to 12.9%.

With marginally higher depreciation and amortization of non-current assets, earnings before interest and taxes (**EBIT**) rose by 6.3% to EUR 10.2 million. The EBIT margin therefore improved slightly from 9.2% to 9.3%.

The **net profit for the period** has been mainly influenced by other finance revenue/costs. In comparison to the first three months of the prior year, gains from currency derivatives decreased by EUR 3.7 million. As a result, the net profit for the period declined by 21.6% to EUR 10.5 million.

3.4. Capital expenditure

An amount of EUR 23.3 million was invested in the intangible assets and property, plant and equipment of the Group in the first three months of 2016. Of this total, EUR 10.1 million was invested in expanding production capacity with the construction of Plant No. 4. The remainder of the investments include the development of diecasts (coquilles), optimising casting technology and machining.

As a result, capital expenditure in the first three months of 2016 was significantly higher than depreciation and amortisation of EUR 3.9 million.

The ratio of capital expenditure to revenue comes to 21.3% (prior year: 4.1%).

The investments planned for fiscal year 2016 still mainly relate to the construction of Plant No. 4 at the Polish entity, UNIWHEELS Production (Poland) sp. z o.o. (UPP), Stalowa Wola, Poland, the development of coquilles, quality assurance and modernisation work.

3.5. Composition of assets, equity and liabilities

The total assets reported in the consolidated statement of financial position as of 31 March 2016 come to EUR 345.6 million (prior year: EUR 324.4 million), consisting of non-current assets of EUR 207.2 million (prior year: EUR 186.4 million) and current assets of EUR 138.4 million (prior year: EUR 138.0 million).

Non-current assets primarily consist of other intangible assets of EUR 7.7 million (prior year: EUR 8.0 million), property, plant and equipment of EUR 160.2 million (prior year: EUR 140.4 million) and investment property of EUR 0.7 million (prior year: EUR 0.7 million) and deferred tax assets of EUR 35.9 million (prior year: EUR 35.8 million).

Current assets mainly consist of inventories of EUR 56.7 million (prior year: EUR 56.2 million). Current assets also include trade receivables of EUR 39.8 million (prior year: EUR 34.3 million) and cash and cash equivalents of EUR 32.0 million (prior year: EUR 39.3 million). The increase in trade receivables is largely a result of higher unit sales in the first quarter of 2016 compared to the same period of the prior year.

The reduction in cash and cash equivalents can be attributed to the rise in capital expenditures in the fiscal year to date.

The capital tied up in current assets (inventories plus trade receivables less trade payables) decreased by EUR 1.9 million in the first quarter to EUR 44.9 million.

The equity ratio came to 60.9% on 31 March 2016 (prior year: 61.6%).

Non-current trade payables relate solely to liabilities towards UHM carried by individual entities of the group for which a letter of subordination was issued within the framework of the refinancing arranged in fiscal 2014.

3.6. Cash position

A repayment of EUR 1.4 million was made on the syndicated loan in the first quarter of 2016 as arranged.

Net debt (calculated as current and non-current financial liabilities less cash and cash equivalents) increased from EUR 10.6 million in 2015 to EUR 16.3 million. This is primarily due to a fall in cash and cash equivalents on account of the higher level of capital expenditures.

Equity increased from EUR 199.9 million to EUR 210.3 million. Nevertheless, the equity ratio fell marginally from 61.6% to 60.9% on account of the rise in the balance sheet total.

More information on the liquidity and cash position of the Group can be found in the cash flow statement in Note 4.4.

3.7. Risk and opportunities report

As of 31 March 2016 there were no significant changes to the risks and opportunities for the UNIWHEELS Group compared to those discussed in the group management report for fiscal year 2015. At present, there are no risks that are likely to jeopardise the ability of the group to continue in business as a going concern.

3.8. Outlook

In light of the high demand for top quality wheels from UNIWHEELS, we are very positive about **production commencing at Plant No. 4** in Stalowa Wola in the near future. In the first phase of the plant's commissioning, additional production of approximately 500,000 wheels will come on line in 2016. At the beginning of 2017, the annual capacity of UNIWHEELS will then be subsequently increased by up to a total of 2 million units or 25%.

Taking account of the growth forecasts for the industry and the increase in production capacity of 500,000 wheels in 2016, management is also budgeting for an **increase in performance from the three existing production plants**, particularly at Plant No. 3 in Werdohl. For this reason, management has **increased its forecast slightly in comparison to the outlook made in the management report for 2015**.

On this basis, a significant **increase in the Group's annual production of wheels of between 8% and 12%** is forecast for fiscal year 2016. In terms of **consolidated revenue**, a **growth rate ranging in high single digits** has been targeted. In terms of cost factors, management believes the average price of aluminium on the LME (London Metal Exchange) in 2016 will come to roughly EUR 1,550 per metric ton, after translation into EUR. UNIWHEELS has budgeted start-up costs at an appropriate amount for the commissioning of the first and second stages of Plant No. 4. For this reason, the management of the UNIWHEELS Group is targeting an increase in **consolidated EBITDA of between 8% and 12%** based on the improvement in total operating performance. This does not consider foreign exchange differences, which cannot be planned in advance, and other operating income. Moreover, the cost-savings conducted in the prior year and the streamlining of production are expected to make the cost structures more flexible in future. This will have a positive impact on the group's earnings.

The management of the UNIWHEELS Group plans a significant increase in investment activity in fiscal year 2016, mainly on account of Plant No. 4 coming on line. The investments will be predominantly made directly in the production division and result from the plans to expand capacity and meet the high quality standards of the UNIWHEELS Group, on top of the continuous improvement of production processes. The expansion in capacity is manifest in the construction of a new plant in Stalowa Wola, Poland.

3.9. Subsequent events

At its meeting on 26 April 2016, the Supervisory Board of UNIWHEELS AG passed a resolution to appoint Dr. Wolfgang Hiller as an additional member to the Management Board effective 1 June 2016. As the Chief Operating Officer (COO), Dr. Hiller will be in charge of the production plants and is also assigned responsibility for the Accessory division.

Other than the above, no other significant events have occurred subsequent to the closing date that would require additional explanatory disclosures.

4. Condensed interim financial statements of UNIWHEELS AG as of 31 March 2016

4.1. Consolidated statement of financial position of UNIWHEELS AG

	Note	31 Mar 2016 EUR m	31 Dec 2015 EUR m
ASSETS			
Goodwill		0.9	0.9
Other intangible assets		7.7	8.0
Property, plant and equipment	4.8.1.	160.2	140.4
Investment property		0.7	0.7
Other non-current financial assets		1.8	0.6
Deferred tax assets		35.9	35.8
Total non-current assets		207.2	186.4
Inventories	4.8.2.	56.7	56.2
Trade receivables	4.8.2.	39.8	34.3
Other current financial assets		1.4	0.9
Other current non-financial assets	4.8.3.	8.5	7.3
Cash and cash equivalents		32.0	39.3
Total current assets		138.4	138.0
Total assets		345.6	324.4
EQUITY AND LIABILITIES			
Issued capital	4.8.4.	12.4	12.4
Capital reserve	4.8.4.	198.5	198.5
Revenue reserves	4.8.4.	-0.4	-10.9
Other reserves		-0.2	-0.1
Total equity		210.3	199.9
Non-current provisions		3.3	3.3
Non-current financial liabilities	4.8.5.	38.9	39.7
Non-current trade payables		10.3	11.3
Total non-current liabilities		52.5	54.3
Current provisions		8.1	4.4
Current financial liabilities	4.8.5.	9.4	10.2
Current trade payables		51.6	43.7
Other current non-financial liabilities		13.1	10.9
Current income tax liabilities		0.6	1.0
Total current liabilities		82.8	70.2
Total equity and liabilities		345.6	324.4

4.2. Consolidated statement of comprehensive income of UNIWHEELS AG

	Note	Q1	
		2016 EUR m	2015 EUR m
Revenue	4.8.2.	109.1	104.9
Changes in inventories of finished goods and work in progress		1.8	6.5
Own work capitalised		0.1	0.1
Total operating performance		111.0	111.5
Other operating income		0.5	1.8
Cost of material	4.8.2.	64.3	69.2
Personnel expenses		17.9	16.7
Other expenses	4.8.6.	15.2	14.2
Depreciation, amortisation and impairments		3.9	3.6
Interest income		0.1	0.1
Interest expense		0.6	1.4
Other finance revenue/costs	4.8.7.	1.0	5.4
Profit or loss before tax		10.7	13.7
Income taxes		0.2	0.3
Net profit for the period		10.5	13.4
Items that may be recycled through profit or loss under certain conditions			
Net gains/losses from cash flow hedges		-0.1	-0.1
Other comprehensive income after tax		-0.1	-0.1
Comprehensive income		10.4	13.3
Earnings per share (EUR)			
basic		0.85	1.34
diluted		0.85	1.34
EBITDA (EUR k)		14.1	13.2

4.3. Consolidated statement of changes in equity of UNIWHEELS AG

	Issued capital EUR m	Capital reserve EUR m	Revenue reserves EUR m	Other reserves EUR m	Total EUR m
31 Dec 2014	10.0	114.9	-41.5	0.1	83.5
Net profit for the period			13.4		13.4
Other comprehensive income after tax				-0.1	-0.1
Comprehensive income			13.4	-0.1	13.3
Dividends paid			-10.0		-10.0
31 Mar 2015	10.0	114.9	-38.1	0.0	86.8
31 Dec 2015	12.4	198.5	-10.9	-0.1	199.9
Net profit for the period			10.5		10.5
Other comprehensive income after tax				-0.1	-0.1
Comprehensive income			10.5	-0.1	10.4
31 Mar 2016	12.4	198.5	-0.4	-0.2	210.3

4.4. Consolidated statement of cash flows of UNIWHEELS AG

	Note	Q1	
		2016 EUR m	2015 EUR m
Cash flows from operating activities			
Net profit for the period		10.5	13.4
Income tax through profit or loss		0.2	0.3
Finance costs through profit or loss		0.6	1.5
Interest income through profit or loss		-0.1	-0.1
Depreciation and amortisation of non-current assets		3.9	3.5
Impairment losses on current and non-current assets		0.2	0.3
Other non-cash expenses and income		-0.6	-0.1
Subtotal		14.7	18.8
(Increase)/Decrease of trade and other receivables		-5.6	-13.0
Increase)/Decrease of inventories		-0.6	-5.6
(Increase)/Decrease of other non-financial assets		-1.2	-0.4
(Increase)/Decrease of other financial assets		-1.6	-4.2
Increase/(Decrease) of trade payables and other liabilities		6.8	3.5
Increase/(Decrease) of provisions		3.7	2.1
Increase/(Decrease) of other non-financial liabilities		2.1	3.0
Increase/(Decrease) of other financial liabilities		-0.2	-1.3
Cash inflow from operating activities		18.1	2.9
Income taxes paid		-0.5	-0.5
Net cash inflow from operating activities		17.6	2.4
Cash flows from investing activities			
Cash paid for investments in property, plant and equipment	4.8.1.	-23.4	-4.2
Cash received from disposals of items of property, plant and equipment		0.0	0.3
Cash paid for investments in intangible assets		0.0	-0.1
Net cash outflow from investing activities		-23.3	-4.0
Free cash flow		-5.7	-1.6
Cash flow from financing activities			
Cash received from loans		0.0	4.6
Cash paid for loans	4.8.5.	-1.4	-1.6
Dividends paid to shareholders of the parent company	4.8.4.	0.0	-10.0
Cash paid for interest		-0.6	-1.0
Net cash outflow from financing activities		-2.0	-8.0
Net increase in cash and cash equivalents		-7.7	-9.6
Cash and cash equivalents at the beginning of the period		39.3	20.8
Effect of exchange rate fluctuations on cash and cash equivalents		0.4	0.0
Cash and cash equivalents at the end of the period		32.0	11.2

4.5. General

UNIWHEELS AG (hereinafter referred to as the “Company”, the “Group” or “UW AG”) is a stock corporation based in Bad Dürkheim, Germany. The interim report covers UW AG and its affiliates (hereinafter referred to as the UNIWHEELS Group). Please refer to Section 3 of the Notes to the Consolidated Financial Statements for the year ending 31 December 2015 for a list of the entities in the Group.

This quarterly report as of 31 March 2016 is prepared in condensed form in accordance with IAS 34 and the International Financial Reporting Standards as endorsed by the European Union applying on the reporting date. The monthly reporting is prepared at Group level.

The explanations in the notes to the consolidated financial statements for the year ending 31 December 2015, particularly with regard to the significant accounting policies, apply accordingly except for any changes to accounting policies due to accounting standards that came into force in the current period.

4.6. Standards to be adopted in the reporting year and changes in presentation

The Company adopted the following new or amended standards in the reporting period.

Standard/ Amendment/ Interpretation	Content	Mandatory pursuant to IASB from	Mandatory in the EU from
IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation	1 Jan 2016	1 Jan 2016
IAS 19	Employee Benefits	1 Jul 2014	1 Feb 2015
Annual Improvements to IFRSs	2012-2014	1 Jan 2016	1 Jan 2016
Annual Improvements to IFRSs	2010-2012	1 Jul 2014	1 Feb 2015
IAS 1	Disclosure Initiative IFRS	1 Jan 2016	1 Jan 2016

There is no significant impact on the disclosures or amounts presented in the consolidated financial statements from applying these amendments. The applicable standards not listed in the above table are not relevant to UW AG.

4.7. Foreign currency translation

Changes to the underlying parameters mainly relate to exchange rates, which are listed below:

	1 EUR =	Closing rates		Average rates January - March	
		31 Mar 2016	31 Dec 2015	2016	2015
Poland	PLN	4.24	4.26	4.37	4.19
Sweden	SEK	9.33	9.18	9.24	9.38

4.8. Significant changes

4.8.1. Property, plant and equipment

The change in property, plant and equipment mainly results from depreciation of EUR 3.9 million and additions of EUR 23.3 million of which EUR 10.4 million relates to the construction of another plant in Poland at UNIWHEELS Production (Poland) Sp. z o.o. (UPP).

4.8.2. Inventories / trade receivables / revenue / cost of material

The increase of EUR 4.2 million in revenue in comparison to Q1 2015 to a total of EUR 109.1 million is mostly due to external sales of the Automotive and Accessory divisions (see the section on segment reporting). In spite of the increase in revenue, there has actually been a reduction in the cost of material mainly on account of lower prices for commodities that are only passed on to customers at a delay. The closing balances of inventories and trade receivables both rose in association with the significant improvement in the orders on the books. Details on the changes can be found in the discussion of business development management report.

The cost of material breaks down as follows:

	Q1	
	2016	2015
	EUR m	EUR m
Aluminum (incl. strontium, titanium, boron)	43.8	50.0
Energy (incl. electricity, gas, water, heating)	5.4	5.8
Paint	3.9	3.3
Other cost of material	11.2	10.1
	64.3	69.2

4.8.3. Other current non-financial assets

Other current non-financial assets break down as follows:

Other current non-financial assets	31 Mar 2016	31 Dec 2015
	EUR m	EUR m
VAT refunds	6.9	6.3
Other prepaid expenses	0.9	0.5
Other items	0.7	0.5
	8.5	7.3

4.8.4. Equity

The change in equity is primarily due to the net profit generated for the year. For details please see the statement of changes in shareholders' equity in Note 4.3.

4.8.5. Financial liabilities

The decrease of EUR 0.8 million in financial liabilities to EUR 41.9 million mainly results from repayment of EUR 1.4 million of the syndicated loan.

4.8.6. Other expenses

Other expenses changed in comparison to the comparative period of the prior year as follows:

	Q1	
	2016	2015
	EUR m	EUR m
Repairs and maintenance	4.3	4.1
Selling expenses	2.5	2.1
Legal expenses and consulting fees	1.0	2.1
Leases and rental agreements	0.9	0.9
Advertising and travel expenses	0.4	0.7
Exchange rate losses	1.3	0.0
Other (individual line items < EUR 2 million)	4.5	4.1
	<u>15.2</u>	<u>14.2</u>

4.8.7. Other finance revenue/costs

The other financial result breaks down as follows:

	Q1	
	2016	2015
	EUR m	EUR m
Income from fair value measurements of currency derivatives	1.2	4.9
Expenses from fair value measurements of currency derivatives	-0.1	0.0
Income from fair value measurements of aluminium derivatives	-0.3	0.5
	<u>1.0</u>	<u>5.4</u>

Finance revenue/costs also include the unrealised effects from fair value measurements of currency and aluminium derivatives. For this reason, they are in part subject to significant fluctuations.

The corresponding realised effects from fair value measurements of currency derivatives are included in other operating income and other expenses, and the effects from aluminium derivatives are included in cost of material.

In respect of interest derivatives, both unrealised and realised effects from fair value measurements are presented in financial revenue/costs.

4.9. Segment reporting

The UNIWHEELS Group is managed as a business unit that operates in the field of wheel production. The monthly reporting is prepared at Group level accordingly.

The primary management indicators of the UNIWHEELS Group pursuant to IFRS are as follows:

	Q1	
	2016	2015
External sales (EUR m)	109.1	104.9
Unit sales (in thousands)	2,087	1,885
EBITDA (EUR m)	14.1	13.2

The allocation of revenue and non-current assets to geographical regions is based on the country in which the group entity is based. A breakdown of revenue and non-current assets (excluding financial instruments and deferred tax assets) by region follows:

External revenue - total

	Q1	
	2016	2015
	EUR m	EUR m
Germany	43.4	39.8
Poland	65.7	65.1
	109.1	104.9

Non-current assets pursuant to IFRS 8

	31 Mar 2016	31 Dec 2015
	EUR m	EUR m
Germany	28.1	28.0
Poland	141.4	122.1
	169.5	150.1

Revenue and unit sales figures for wheels break down by distribution channel (Automotive and Accessory) as follows:

External revenue - wheels

	Q1	
	2016	2015
	EUR m	EUR m
Accessory	17.4	16.3
Automotive	90.7	86.4
	108.1	102.7

Unit figures

	Q1	
	2016	2015
	thousand units	thousand units
Accessory	305	293
Automotive	1,782	1,592
	2,087	1,885

Of the total revenue of EUR 48.1 million (Q1 2015: EUR 44.4 million), approximately 10% is accounted for by the following key customers:

	Q1	
	2016	2015
	EUR m	EUR m
Customer A	17.7	20.8
Customer B	15.9	12.5
Customer C	14.5	11.2
	48.1	44.5

4.10. Financial instruments

Management considers the carrying amounts of the financial assets and financial liabilities presented in the following table as a good approximation of their fair values or, as in the case of derivatives, they are actually carried at fair value. The following table therefore lists financial liabilities that are not regularly remeasured at fair value but which need to be disclosed at fair value.

	31 Mar 2016		31 Dec 2015	
	Carrying amount EUR m	Fair value EUR m	Carrying amount EUR m	Fair value EUR m
Financial liabilities				
Financial liabilities measured at amortised cost				
- Bank loans	41.1	41.0	42.4	41.5
Total	41.1	41.0	42.4	41.5

	31 Mar 2016			
	Level 1 EUR m	Level 2 EUR m	Level 3 EUR m	Total EUR m
Financial liabilities				
Financial liabilities measured at amortised cost				
- Bank loans	0.0	41.0	0.0	41.0
Total	0.0	41.0	0.0	41.0

	31 Dec 2015			
	Level 1 EUR m	Level 2 EUR m	Level 3 EUR m	Total EUR m
Financial liabilities				
Financial liabilities measured at amortised cost				
- Bank loans	0.0	41.5	0.0	41.5
Total	0.0	41.5	0.0	41.5

The fair value of the above level 2 financial liabilities has been determined in accordance with the discounted cash flow method which is widely accepted. A key input in the valuation is the discount rate. Instruments have been allocated to the fair value hierarchy on 31 March 2016 in the same fashion as the allocation on 31 December 2015, without any change.

The following table contains information on how the Group measures the fair value of various financial assets and financial liabilities that are regularly measured at fair value, in particular the techniques used and the associated inputs. Fair value measurement on 31 March 2016 is unchanged on the methods applied as of 31 December 2015.

Financial assets / financial liabilities	Fair value		Hierarchy	Valuation techniques and significant inputs	Significant non- observable inputs	Ratio of non- observable inputs to fair value
	31 Mar 2016	31 Dec 2015				
1) Forward exchange contracts	Assets: EUR 2.5 million	Assets: EUR 0.7 million	Level 2	Discounted cash flow method: future cash flows estimated on the basis of forward rates (observable on the reporting date) and agreed forward exchange rates and discounted using interest curves published on the reporting date	n/a	n/a
	Liabilities EUR 0.9 million	Liabilities EUR 0.7 million				
2) Interest swaps	Liabilities EUR 0.6 million	Liabilities EUR 0.4 million	Level 2	Discounted cash flow method: future cash flows estimated on the basis of forward interest rates (observable interest curves on the reporting date) and agreed forward interest rates and discounted using interest curves published on the reporting date	n/a	n/a
3) Commodity swaps	Liabilities EUR 1.0 million	Liabilities EUR 0.6 million	Level 2	Discounted cash flow method: future cash flows estimated on the basis of forward prices (observable commodity prices on the reporting date) and agreed forward prices and discounted using interest curves published on the reporting date	n/a	n/a

No transfers were made between level 1 and 2 in the interim reporting period.

4.11. Related party transactions

The receivables from and liabilities to related parties have not changed significantly since 31 December 2015.

4.12. Subsequent events

There were no events after the close of the first quarter ending 31 March 2016 which would be significant for assessing the net assets, financial position and results of operations of UW AG.

UNIWHEELS AG
Bad Dürkheim, 10 May 2016

The Management Board

Dr. Thomas Buchholz

Dr. Karsten Obenaus

Financial calendar



24.03.2016	Publication of the Annual Report 2015
05. - 12.04.2016	Roadshow Europe (BZWBK, mBank, Wood)
06.04.2016	Wood Polish Innovation and Growth (Stockholm)
18.04.2016	Pekao Industrials Day (Warsaw)
10.05.2016	Publication Q1 final report 2016
19.05.2016	Annual General Meeting, Frankfurt am Main
10.08.2016	Publication H1 final report 2016
09.11.2016	Publication 9M final report 2016

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Forward-looking statements:

This interim report contains statements relating to the future that are based on current assumptions and projections of the management of the UNIWHEELS Group. Various known and unknown risks, uncertainties and other factors mean that the actual results, financial position, development or performance of the company may diverge materially from the estimates made here. The Company assumes no obligation of any kind to update future-oriented statements or to adjust them to reflect future events or developments.

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