INTERIM FINANCIAL REPORT
2ND QUARTER | 1ST HALF-YEAR 2016

PWO

DEAR SHAREHOLDERS AND BUSINESS ASSOCIATES

The tremendous effort we have put into expanding the Group the past several years is starting to pay off, and we are receiving positive feedback from our customers on several fronts.

Our location in Mexico, which demanded a great deal of our attention during its startup, received the North America Supplier Award 2014/2015 from Bosch in the category "Notable Supplier." The Mexico location was recognized for its superior service in delivering Bosch with electric motor housings. When production of these housings started in 2014, it represented not only a new product for this location but also a higher level of product complexity. We are pleased that our efforts, after just two years, have been recognized with such an award.

Our customers are also showing their trust in us by giving us a wide range of new contracts. New business in the second quarter of 2016 reached a lifetime volume EUR 265 million. At EUR 465 million for the six-month period, we are already close to reaching the record volume achieved in the full 2015 fiscal year.

In China, we will maintain our strong growth and, in Mexico, where we received more than EUR 200 million in new orders in the first half-year, we are picking up speed. We were more cautious in acquiring new business for our Czech Republic location due to the location's extremely high levels of utilization. This is not an indication that we believe the prospects for that location have deteriorated. On the contrary: our return to the customary EBIT margins at that location in the second quarter following a somewhat weaker first quarter has emphatically highlighted this location's performance capabilities once again.

In addition, our locations in Mexico and China both confirmed their turnarounds in the reporting quarter. The Group was able to increase its EBIT before currency effects by almost 40 percent to EUR 6.6 million in the second quarter compared to the first quarter of 2016 and the decline in the tax rate helped net income for the period more than double. We intend to continue this success.

The renewed decline in capital market interest rates added some pressure to our equity's continued expansion. This led to a higher valuation of the defined benefit pension plans, which reduced equity by roughly EUR 9 million during the first half-year alone. We will continue to follow this development closely because valuation issues should not become a limiting factor in the PWO Group's future expansion.

Oberkirch, August 2016

The Management Board

OTHER INFORMATION

Number of shares issued as of June 30, 2016	3,125,000
Treasury shares held as of June 30, 2016	None
Distribution per share for fiscal year 2015	EUR 1.55

CURRENT SHAREHOLDER STRUCTURE

Consult Invest Beteiligungsberatungs-GmbH, Böblingen	**46.62 %**
Free Float	**53.38 %**
thereof Sparkasse Offenburg/Ortenau, Offenburg	6.40 %
thereof Delta Lloyd N.V., Amsterdam, The Netherlands	2.88 %

Source: WpHG notifications, own analyses

PWO SHARES

So far in the 2016 trading year, the German stock market has seen tremendous volatility but has remained flat on balance. After beginning the year faced with growing fears concerning the Chinese economy, the DAX Index recovered from its poor start and 20 percent decline at the start of the year by regaining most of its losses during the period of mid-February to late April. The 2015 year-end closing level of 10,753 points, however, has still not been achieved.

The SDAX price index was also not able to escape initial market weakness and lost similar ground. The small cap index, however, went on to rise significantly higher and marked a new all-time high on June 7 of 4,784 points. The German stock market was temporarily weak again ahead of and after the British referendum. At the end of the first half of 2016, the DAX was quoted 10 percent below its 2015 closing level and the SDAX price index was quoted at 5 percent below its 2015 closing level.

The sustained decline in the Prime Automobile Price Index that started in spring 2015 has continued to persist in 2016. The price decline as the year began, which was in line with the overall market, has not seen much of a recovery in the face of the continued uncertainty following "dieselgate." On June 30, the Prime Automobile Price Index was 18 percent below its 2015 close.

PWO shares were only affected for the first few weeks of 2016 by the development of the overall market and the sector index. Starting at their 2015 year-end level of EUR 36.45, PWO shares initially dropped to a year low of EUR 29.85 on February 10. The ensuing recovery boosted the shares to a year high of EUR 37.66 on May 30. As the overall market corrected following the Brexit vote, PWO shares saw a renewed decline and were quoted at EUR 33.76 at the end of the first half of 2016.

The positive share price performance is all the more impressive in view of the continued reduction in the PWO stake of the former major shareholder Delta Lloyd N.V., Amsterdam, the Netherlands, to less than 3 percent of PWO's share capital. Delta Lloyd began reducing its position in 2015 solely for internal strategic reasons. We have been pleased with the strong interest in PWO shown by both existing and new shareholders during our roadshows in the first half-year. We also have various IR activities planned for the second half of the year, some of which are with new capital market partners.

DIRECTORS' DEALINGS

All notifications received by the Company are published on the Company's website at www.progress-werk.de under "Investor Relations/PWO shares/Directors' Dealings."

NEW REGISTRATIONS/SALES OF PASSENGER VEHICLES IN UNITS
(SOURCES: GERMAN ASSOCIATION OF THE AUTOMOTIVE INDUSTRY, GERMAN FEDERAL MOTOR TRANSPORT AUTHORITY)

Region	**6M 2016**	Change vs. previous year (%)	**6M 2015**	Change vs. previous year (%)
Germany	1,733,839	+7.1	1,618,949	+5.2
Western Europe (EU15 + EFTA)	7,510,800	+8.5	6,919,900	+8.2
Europe (EU28 + EFTA) [1]	8,090,900	+9.1	7,415,000	+8.2
Russia [2]	672,100	–14.1	782,100	-36.4
USA [2]	8,598,300	+1.3	8,485,500	+4.4
China	10,618,600	+12.2	9,466,800	+6.9

[1] Excluding Malta | [2] Light Vehicles

BUSINESS ENVIRONMENT

MACROECONOMIC ENVIRONMENT

The growth outlook for the EU has become bleaker since the outcome of the referendum in Great Britain ("Brexit"). The International Monetary Fund has brought down its forecasts, particularly for the large EU economies, but most of the revisions concern the upcoming year and the British economy.

Forecasts for the current year were somewhat of a positive surprise, especially for Germany and France where the IMF increased its forecasts, which consequently affected the forecast for the euro area as a whole. Economic growth in the United States on the other hand in the midst of a strong US dollar and weaker oil prices did not quite meet expectations. Chinese economic growth was much flatter, as expected.

In Germany, the Federal Government expects growth to continue to trend higher supported by robust domestic demand and strong exports despite the slight slowdown in growth in the second quarter of 2016 compared to the first quarter.

Industrial business expectations have risen considerably since spring, and the continued strength of the job market has resulted in a sharp rise in personal income. Given the low rates of inflation, real purchasing power has grown. However, it still remains to be seen what impact Brexit will have on consumer confidence in continental Europe.

THE AUTOMOTIVE INDUSTRY

Demand in the automotive industry in the first half of 2016 was driven by the three major automotive markets. Western Europe reported a year-on-year gain of 9 percent in new vehicle registrations for a total of 7.5 million. China saw growth of 12 percent to 10.6 million vehicles on the back of lower value-added taxes for passenger cars under 1.6 liters and a booming SUV segment. The US reported growth in new light vehicles of a solid one percent to 8.6 million.

Momentum in the new EU countries was particularly strong with passenger cars 17 percent higher for a total of 580,000 units. Above-average performance was seen in Cypress (+40 percent), Latvia (+29 percent), Lithuania (+25 percent), and Hungary (+24 percent).

Russia, in contrast, continued to have major problems, reporting a decline of 14 percent. The same was true for Brazil (-25 percent), which is still in a deep recession. Japan also saw a decline in new registrations of passenger cars of more than 5 percent in the first six months bringing the total market volume down to 2.1 million vehicles.

In Germany, the number of new gas-fueled vehicles increased almost 10 percent in the first half of 2016 and new diesel-fueled vehicles grew 4 percent. The share of gas-fueled vehicles (almost 52 percent) outweighed diesel-fueled vehicles (47 percent). Hybrid vehicles comprised roughly 1 percent of the market and all-electric vehicles comprised 0.3 percent.

The segment with the largest share of the market was again the compact segment with 26 percent, followed by small cars (14 percent), mid-sized vehicles (13 percent) and SUVs (12 percent). SUVs reported the strongest growth at +26 percent, whereas the luxury class (–7 percent) and vans (–3 percent) lost ground. Domestic new registrations increased 7 percent to 1.7 million units in the first half-year. The domestic production of passenger cars rose 4 percent to 3 million units, of which 2.3 million units were exported for a year-on-year rise of 2 percent.

Whereas exports to the EU increased – especially to Italy, Spain, and the new EU countries – exports to China remained at the prior year's level, and exports to the U.S. trended slightly lower (first five months).

RESULTS OF OPERATIONS

In the first six months of 2016, the revenue of the PWO Group increased to EUR 208.7 million (p/y: EUR 200.8 million). Total output was virtually unchanged at EUR 209.9 million (p/y: EUR 209.5 million).

While revenue in the first two quarters of the fiscal year was similar, total output in the second quarter was visibly higher than in the first quarter. This rise reflects current positive market developments as well as our preparations – in the form of higher finished goods and work-in-progress – for the PWO Group's future growth.

Growth rates wereg held back by declining material prices because raw material savings are usually passed on to our customers. This has only a minor effect on EBIT.

The following comments refer to EBIT before currency effects because we believe this figure best reflects the Company's operating development.

In the first six months, EBIT before currency effects was exceptionally strong growing to EUR 11.5 million (p/y: EUR 10.2 million). Currency effects amounted to EUR –1.5 million (p/y: EUR –0.7 million).

Most of the EBIT increase was achieved in the second quarter: At EUR 6.6 million, EBIT was 25 percent higher year-on-year and almost 40 percent higher than its level in the first quarter of 2016.

This strength is a clear reflection of the cost reductions and productivity increases we have now achieved at all of our locations. These improvements impact all of our business processes and, therefore, all of the expense items in our income statement.

The currency effects affect other operating income and expenses and are shown in detail in the notes to this interim report. These effects resulted primarily from the translation-related depreciation of Group loans required to finance our Chinese activities. Because these translation effects are not related to any economic risks, we make only limited use of inter-company loans.

Financial expenses in the second quarter and first half-year were slightly below the levels reported in the same period of the previous year.

The strength of the second quarter is not fully reflected in the moderate rise in net income for the period to EUR 4.8 million (p/y: EUR 4.7 million) nor in the earnings per share of EUR 1.55 (p/y: EUR 1.50) in the half-year period.

In addition to the operating improvements, an isolated look at the tax rate decline in the second quarter to 30.1 percent (p/y: 38.5 percent) gives an indication of the Group's future earnings potential when tax loss carryforwards are used abroad, and currency pressures ease. In the second quarter, net income for the period and earnings per share each more than doubled to EUR 3.5 million (p/y: EUR 1.5 million) and EUR 1.12 (p/y: EUR 0.49), respectively.

SELECTED GROUP AND SEGMENT INFORMATION

EURK

1st Half-year 2016	Germany	Rest of Europe	NAFTA Area	Asia	Consolidation effects	Group
Total revenue	121,887	37,357	45,724	13,467	–9,774	208,661
Total output	124,467	36,325	45,675	13,301	–9,832	209,936
EBIT before currency effects	6,026	2,973	2,383	256	–167	11,471
EBIT including currency effects	5,799	2,970	1,890	–502	–154	10,003
Investments	7,760	2,978	604	193	0	11,535
1st Half-year 2015						
Total revenue	122,743	33,347	46,382	7,801	–9,485	200,788
Total output	126,180	33,572	48,227	10,808	–9,250	209,537
EBIT before currency effects	5,408	4,167	2,057	–1,447	57	10,242
EBIT including currency effects	5,001	3,791	1,160	–417	27	9,562
Investments	4,427	7,768	1,156	2,457	0	15,808

SEGMENTS

The total revenue and total output of our home location Oberkirch, which comprises the Germany segment, in the first half of 2016 and the course of the six-month period generally remained stable at previous year levels. EBIT was also stable. The improvements reported for the half-year were mainly due to the weak second quarter in the prior year.

Overall, the results correspond to our long-term expectations for this location's future development. Limited market growth and persistent cost pressure, which is typical for a high-wage country, shape the environment for our operations in Germany.

The Czech location that forms the Rest of Europe segment continued to grow during the first six months of 2016. After a weak first quarter and EBIT of just EUR 1.0 million, the Czech location reported a strong improvement in the second quarter reaching EBIT of EUR 2.0 million and returning it to its customary EBIT margin of prior years.

The NAFTA Area, which contains our Canadian and Mexican locations, contributed to the Group's solid performance in the reporting quarter.

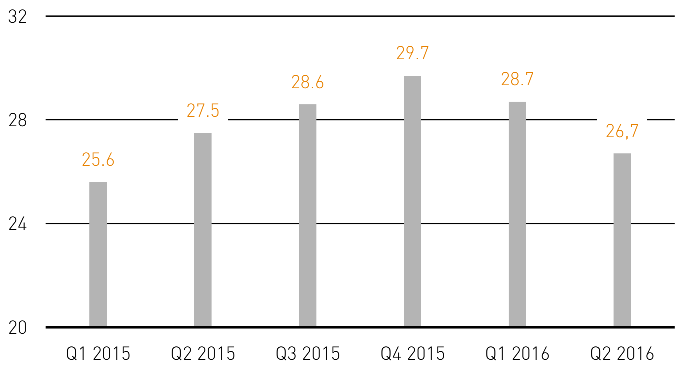
The Canadian location made a good contribution to earnings with the usual consistency and amid continued high capacity utilization. Despite weak sales figures of a major customer in Mexico, total revenue and total output at this location were better than expected thanks to the start-ups and ramp-ups of series productions. Based on this performance, we can now confirm this location's turnaround.

EBIT in the six month period for the segment as a whole was 15.8 percent higher year-on-year.

And finally, we are very pleased with our development in China. Our continued strong revenue growth led to a level of positive EBIT in the second quarter of 2016 that enabled this segment to close the first half-year as a whole above break-even on an operating basis.

With EBIT of EUR 0.3 million in the six-month period, we generated a substantial increase in earnings compared to the previous year's figure of EUR –1.4 million and with it also achieved a turnaround at this location.

EQUITY RATIO
IN PERCENT



NET ASSETS AND FINANCIAL POSITION

The development of the total assets in the first half-year was mainly characterized by an increase in pension provisions of EUR 13.1 million, or almost 30 percent. This rise was mainly a result of falling interest rates on the capital markets, which led to a higher valuation of defined benefit pension plans placing a burden on equity. This brought down the equity ratio from 29.7 percent at the end of December 2015 to a level of 26.7 percent at the end of June 2016.

We are keeping a tight rein on the remaining balance sheet items in order to offset this development. As a result, non-current assets and inventories as per June 30 were at the same level where they started the year. We limited the increases in receivables and other assets through the use of factoring, among others things.

Cash and cash equivalents on the reporting date increased to EUR 12.0 million from EUR 4.2 million on December 31, 2015. Total assets increased overall from EUR 346.8 million to EUR 358.8 million.

Net debt declined slightly from EUR 132.8 million to EUR 126.3 million, whereas trade payables reported a temporary sharp rise.

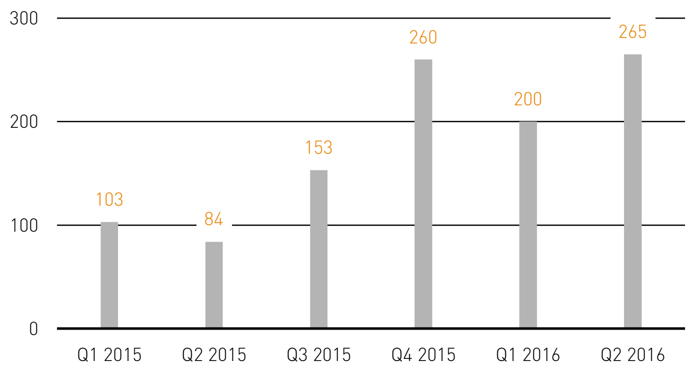
Cash flow from operating activities improved to EUR 24.3 million (p/y: EUR 3.5 million) in the reporting period. This improvement was supported by a lower rise in current assets than in the previous year's comparable period as well as proceeds from higher non-current liabilities (excluding financial liabilities), which compared to an outflow in the previous year. In contrast to the same period in the prior year, other non-cash expenses/income put visible pressure on cash flow.

Cash flow from investing activities amounted to EUR –11.4 million (p/y: EUR –15.7 million) in the half-year reporting period. The investments made during the period are described below. Free cash flow after interest paid and received totaled EUR 10.9 million (p/y: EUR –14.4 million).

The change in cash and cash equivalents amounted to EUR 3.9 million (p/y: EUR –10.0 million) and included a dividend payment in the second quarter following the Annual General Meeting and the repayment of borrowings of a net EUR 2.1 million (p/y: assumption of borrowings of a net EUR 9.0 million).

We are pleased with the high level of positive free cash flow generated in the first half-year. This level should not, however, be extrapolated for the full year because only just a third of this year's investment budget was utilized in the first six months. We continue to expect positive free cash flow in the low single-digit million euros for fiscal year 2016.

NEW BUSINESS (LIFETIME VOLUME OF SERIES AND TOOL ORDERS)
IN EUR MILLION



INVESTMENT

As shown in the segment report, we invested a total of EUR 11.5 million in the first half of 2016 (p/y: EUR 15.8 million), of which EUR 5.8 million (p/y: EUR 9.5 million) was invested in the second quarter. The majority of investment this fiscal year will be made in our Germany and Czech Republic locations. The invested funds were distributed accordingly.

In the fourth quarter, we plan to move into our new administration building in Oberkirch. In addition, we have invested in a new production cell at this location as well as in the modernization and optimization of the presses. A substantial investment was made in the purchase of an additional forming press and a milling machine for the Czech Republic. Total investment of roughly EUR 35 million is planned for the current fiscal year.

NEW BUSINESS

In the second quarter of 2016, we again won a high volume of new contracts for series productions amounting to EUR 240 million as well as related tool volumes of roughly EUR 25 million. This means after the first six months we have already received a lifetime volume totaling EUR 465 million. This compares to a total volume of EUR 600 million for the year 2015 as a whole.

We would like to highlight that these figures include several large and medium-sized contracts for gearbox housings and structural components won by our Mexican location. Roughly half of the second quarter's volume of new business was derived from Mexico.

We are also very pleased with the solid new business generated at our German location which included, among others, two major contracts. These contracts were for steering components and an additional instrument panel carrier. We also received an order for an instrument panel carrier in China.

Most of the new series productions are scheduled to begin in the 2017 and 2018 fiscal years. One of the major contracts for Germany will not begin until 2020. Most series productions have a duration of 7 to 9 years.

For the remainder of 2016, we expect new business to remain brisk so that we can match the volumes acquired in 2015. We will also adjust our sales strategy to align with the earnings contributions and investment required for individual orders.

REPORT ON OPPORTUNITIES AND RISKS

The opportunities and risks presented in the Annual Report 2015 for the development of the PWO Group and its segments remain valid.

The continued positive development of our locations in Mexico and China has allowed us to reduce significant risks within the Group. This applies both to the burden of ongoing operating losses and the risk of the potential need to impair the carrying amounts of these locations' fixed assets.

Before the Brexit vote, positive stimulus was expected from overall economic developments and the sector.

The near- and medium-term impact of this vote remains to be seen. Expert opinions vary greatly – particularly because Great Britain is one of the major industrial countries in Europe. Even if the negative scenarios fail to materialize, we should still expect volatility in the global economy's development to continue to increase. And this at a time when there is already substantial economic and political uncertainty and upheaval.

The strong momentum in the German automotive industry prompted the German Association of the Automotive Industry (Verband der Deutschen Automobilindustrie – VDA) in early May to raise its estimates for new registrations for the year 2016 to 3.3 million (+3 percent) after previously expecting only a minor rise of one percent. Production volumes are forecast to rise one percent to 5.8 million units, whereas exports are expected to remain stable at 4.4 million units. German manufacturers' foreign production in 2016 is expected to increase 3 percent to 9.7 million passenger cars due to the positive development in both China and the United States.

Because the PWO Group does not generate any substantial revenue in Great Britain, the Brexit decision is not expected to have much of a direct impact.

The German automotive industry has close ties with Great Britain: which represents the top export market for the German auto manufacturers. Weaker consumer sentiment and the current depreciation in the British pound could also lead to a short-term drop in demand.

There is still risk with regard to the future development of exchange rates. Projecting this development is not part of our company forecasts. The main risks relate to Group loans, which are only partially hedged because of the absence of economic risk.

A further risk, despite the extremely low level of interest rates, is that there will be another fall in capital market interest rates, which could put added pressure on our equity and equity ratio as a result of the revaluation of pension provisions.

REPORT ON FORECASTS AND OUTLOOK

We are very pleased with the developments reported in the first half of 2016. Our revenue and EBIT are on the right track.

Based on the financial data already achieved, we will meet our forecasts even if the second half-year proves to be somewhat more subdued because of the typical seasonal slowdown. As a result of the planned further improvements in the profitability of our locations in the second half which will increasingly smooth any temporary slowdown in other areas within the Group.

Based on this, we are confirming our forecast of a slight rise in revenue to around EUR 410 million and an increase in EBIT before currency effects to a total of EUR 20 million.

RESPONSIBILITY STATEMENT

"To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the Group's net assets, financial position and results of operations, and the group interim management report provides 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 Group's expected development during the remainder of the financial year."

Oberkirch, July 14, 2016

The Management Board

Dr. Volker Simon (Speaker)
Bernd Bartmann
Johannes Obrecht

CONSOLIDATED INCOME STATEMENT

EURK

	Q2 2016	% share	Q2 2015	% share
Revenue	104,993	95.7	101,208	95.2
Change in finished goods and work-in-progress / other own work capitalized	4,704	4.3	5,062	4.8
TOTAL OUTPUT	**109,697**	**100.0**	**106,270**	**100.0**
Other operating income	624	0.6	1,447	1.4
Cost of materials	58,209	53.1	58,403	55.0
Staff costs	28,993	26.4	28,415	26.7
Depreciation and amortization	6,430	5.9	6,279	5.9
Other operating expenses	10,286	9.4	10,685	10.1
EBIT	**6,403**	**5.8**	**3,935**	**3.7**
Financial expenses	1,377	1.2	1,460	1.4
EBT	**5,026**	**4.6**	**2,475**	**2.3**
Income taxes	1,515	1.4	952	0.9
NET INCOME FOR THE PERIOD	**3,511**	**3.2**	**1,523**	**1.4**
Earnings per share in EUR [1]	1.12	--	0.49	--

[1] The calculation of earnings per share is discussed in the notes.

CONSOLIDATED INCOME STATEMENT

EURK

	1st HY 2016	% share	1st HY 2015	% share
Revenue	208,661	99.4	200,788	95.8
Change in finished goods and work-in-progress / other own work capitalized	1,275	0.6	8,749	4.2
TOTAL OUTPUT	**209,936**	**100.0**	**209,537**	**100.0**
Other operating income	3,286	1.6	8,461	4.0
Cost of materials	110,717	52.7	113,570	54.2
Staff costs	57,492	27.4	58,182	27.7
Depreciation and amortization	12,620	6.0	12,341	5.9
Other operating expenses	22,390	10.7	24,343	11.6
EBIT	**10,003**	**4.8**	**9,562**	**4.6**
Financial expenses	2,813	1.4	2,887	1.4
EBT	**7,190**	**3.4**	**6,675**	**3.2**
Income taxes	2,359	1.1	2,000	1.0
NET INCOME FOR THE PERIOD	**4,831**	**2.3**	**4,675**	**2.2**
Earnings per share in EUR [1]	1.55	--	1.50	--

[1] The calculation of earnings per share is discussed in the notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EURK

	Q2 2016	Q2 2015
NET INCOME FOR THE PERIOD	**3,511**	**1,523**
Items that may be reclassified to profit and loss in future		
Net losses/gains from cash flow hedges	-429	2,290
Tax effect	126	-597
Unrealized losses/gains from derivative financial instruments	**-303**	**1,693**
Currency translation differences	**294**	**-1,141**
Items that will not be reclassified to profit and loss		
Actuarial losses/gains from defined benefit pension plans	-5,362	10,723
Tax effect	1,550	-3,011
Actuarial losses/gains from defined benefit pension plans	**-3,812**	**7,712**
OTHER COMPREHENSIVE INCOME AFTER TAX	**-3,821**	**8,264**
TOTAL COMPREHENSIVE INCOME AFTER TAX	**-310**	**9,787**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EURK

	1st HY 2016	1st HY 2015
NET INCOME FOR THE PERIOD	**4,831**	**4,675**
Items that may be reclassified to profit and loss in future		
Net gains/losses from cash flow hedges	2,744	-1,169
Tax effect	-745	302
Unrealized gains/losses from derivative financial instruments	**1,999**	**-867**
Currency translation differences	**-163**	**2,286**
Items that will not be reclassified to profit and loss		
Actuarial losses/gains from defined benefit pension plans	-12,711	4,588
Tax effect	3,614	-1,288
Actuarial losses/gains from defined benefit pension plans	**-9,097**	**3,300**
OTHER COMPREHENSIVE INCOME AFTER TAX	**-7,261**	**4,719**
TOTAL COMPREHENSIVE INCOME AFTER TAX	**-2,430**	**9,394**

CONSOLIDATED BALANCE SHEET

ASSETS

EURK

	Jun. 30, 2016	Dec. 31, 2015
Property, plant and equipment	170,542	172,590
Intangible assets	10,707	11,180
Non-current portion of income tax receivables	117	115
Deferred tax assets	15,519	12,257
NON-CURRENT ASSETS	**196,885**	**196,142**
Inventories	82,813	82,043
Receivables and other assets	66,889	63,990
Other financial assets	88	259
Income tax receivables	173	128
Cash and cash equivalents	11,964	4,242
CURRENT ASSETS	**161,927**	**150,662**
TOTAL ASSETS	**358,812**	**346,804**

EQUITY AND LIABILITIES

EURK

	Jun. 30, 2016	Dec. 31, 2015
EQUITY	**95,837**	**103,111**
Non-current financial liabilities	80,932	90,683
Provisions for pensions	61,520	48,413
Other provisions	1,971	2,121
Non-current portion of other liabilities	0	0
Deferred tax liabilities	169	0
NON-CURRENT LIABILITIES	**144,592**	**141,217**
Current portion of provisions for pensions	1,595	1,595
Current portion of other provisions	1,453	1,335
Trade payables and other liabilities	52,971	44,926
Other financial liabilities	5,043	8,224
Current financial liabilities	57,321	46,396
CURRENT LIABILITIES	**118,383**	**102,476**
TOTAL EQUITY AND LIABILITIES	**358,812**	**346,804**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EURK

	Equity attributable to PWO AG shareholders						
				Other components of equity items that may be reclassified to profit and loss in future periods			
	Subscribed capital	**Capital reserves**	**Retained earnings**	**Defined benefit pension plans**	**Currency translation differences**	**Cash flow hedges**	**Total**
JANUARY 1, 2015	**9,375**	**37,494**	**65,900**	**-16,517**	**2,485**	**-2,637**	**96,100**
Net income for the period			4,675				4,675
Other comprehensive income				3,300	2,286	-867	4,719
TOTAL COMPREHENSIVE INCOME	**9,375**	**37,494**	**70,575**	**-13,217**	**4,771**	**-3,504**	**105,494**
Dividend payment			-4,531				-4,531
JUNE 30, 2015	**9,375**	**37,494**	**66,044**	**-13,217**	**4,771**	**-3,504**	**100,963**
JANUARY 1, 2016	**9,375**	**37,494**	**68,913**	**-12,003**	**3,382**	**-4,050**	**103,111**
Net income for the period			4,831				4,831
Other comprehensive income				-9,097	-163	1,999	-7,261
TOTAL COMPREHENSIVE INCOME	**9,375**	**37,494**	**73,744**	**-21,100**	**3,219**	**-2,051**	**100,681**
Dividend payment			-4,844				-4,844
JUNE 30, 2016	**9,375**	**37,494**	**68,900**	**-21,100**	**3,219**	**-2,051**	**95,837**

CONSOLIDATED STATEMENT OF CASH FLOWS

EURK

	1st HY 2016	1st HY 2015
Net income for the period	4,831	4,675
Depreciation of property, plant, and equipment and intangible assets, net of write-ups	12,620	12,341
Income tax expense/refund	2,359	2,000
Interest income and expenses	2,813	2,887
Change in current assets	-2,711	-20,394
Change in non-current assets	0	16
Change in current liabilities (excluding financial liabilities)	4,870	8,681
Change in non-current liabilities (excluding financial liabilities)	12,304	-4,890
Income taxes paid	-1,971	-3,521
Other non-cash expenses/income	-10,869	1,744
Gains/losses on disposal of property, plant, and equipment	38	-18
CASH FLOW FROM OPERATING ACTIVITIES	**24,284**	**3,521**
Proceeds from disposal of property, plant, and equipment	25	64
Payments for investments in property, plant, and equipment	-11,085	-15,440
Payments for investments in intangible assets	-295	-350
CASH FLOW FROM INVESTING ACTIVITIES	**-11,355**	**-15,726**
Dividends paid	-4,844	-4,531
Interest paid	-2,058	-2,270
Interest received	8	54
Proceeds from borrowings	10,975	18,407
Repayment of borrowings	-13,098	-9,452
CASH FLOW FROM FINANCING ACTIVITIES	**-9,017**	**2,208**
Net change in cash and cash equivalents	3,912	-9,997
Effect of exchange rates on cash and cash equivalents	13	-135
Cash and cash equivalents as of January 1	-7,308	-5,158
CASH AND CASH EQUIVALENTS AS OF JUNE 30	**-3,383**	**-15,290**
of which cash and cash equivalents	11,964	2,875
of which bank borrowings due on demand	-15,347	-18,165

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

COMPANY INFORMATION

Progress-Werk Oberkirch AG is headquartered in Oberkirch, Germany, and is recorded as HRB 490007 in the commercial register in Freiburg. PWO is an exchange-listed stock corporation and the Company's shares are traded on XETRA, the regulated market in Frankfurt and Stuttgart; and the Regulated Unofficial Market in Berlin, Düsseldorf, Hamburg-Hannover, and Munich. PWO's main business activities are the development and production of sophisticated metal components and subsystems used in lightweight construction for automobile safety and comfort.

The condensed interim consolidated financial statements of Progress-Werk Oberkirch AG (PWO) and its subsidiaries for the second quarter and first half-year of 2016 were authorized by the Management Board on the basis of a resolution passed on July 14, 2016 and were subsequently submitted to the Supervisory Board's Audit Committee for examination.

ACCOUNTING POLICIES

BASIS OF PRESENTATION

These condensed interim consolidated financial statements as of June 30, 2016 were prepared in accordance with IAS 34 "Interim Financial Reporting". All of the International Financial Reporting Standards (IFRS), including the interpretation of the IFRS Interpretations Committee (IFRIC) that were adopted into EU law by the European Commission and which were mandatorily applicable as of the reporting date, were applied as of the reporting date.

These interim consolidated financial statements do not contain all of the information and disclosures required for consolidated financial statements at the end of the financial year, and, therefore, should be read in conjunction with the annual consolidated financial statements as of December 31, 2015. In principle, the accounting policies used in preparing the interim consolidated financial statements are the same as those used for the consolidated financial statements as of December 31, 2015. Detailed explanations are provided on page 80 et sqq. of the notes to the 2015 annual report.

The interim consolidated financial statements and the interim management report are neither subject to an external audit nor to an auditor's review.

CURRENCY TRANSLATION

The financial statements of the companies included in the interim consolidated financial statements that were prepared using foreign currencies were translated using the following exchange rates:

			Closing rate		Average rate
		Jun. 30, 2016	Jun. 30, 2015	1st HY 2016	1st HY 2015
China	CNY	7.38	6.94	7.29	6.94
Canada	CAD	1.44	1.38	1.49	1.38
Mexico	USD	1.11	1.12	1.12	1.12

TAXES

In accordance with IAS 34, income tax expenses in the reporting period were recognized based on the tax rate expected for the full year.

CHANGES IN ACCOUNTING POLICIES

The same accounting methods that were applied in the preparation of the consolidated financial statements as of December 31, 2015 were used in the preparation of the condensed interim consolidated financial statements. The following standards and interpretations that were applied as of January 1, 2016 form an exception to this basic principle:

NEW AND AMENDED STANDARDS AND INTERPRETATIONS

AMENDMENTS TO IAS 1: PRESENTATION OF FINANCIAL STATEMENTS
(INITIATIVE TO IMPROVE DISCLOSURES IN NOTES)

The IASB resolved amendments to IAS 1 – "Presentation of Financial Statements" in December 2014. These amendments are mandatory for fiscal years beginning on or after January 1, 2016. The following amendments should facilitate an improvement in financial reporting concerning the disclosures in the notes. These amendments will not have an effect on the Group's net assets, financial position, or results of operations.

– A stronger focus on the principle of materiality: Disclosures in the notes are only mandatory when they are essential for understanding the financial statements. If necessary, there should be a further breakdown of the minimum classification items in the balance sheet and the statement of subtotals.
– Greater flexibility in the preparation of the notes with respect to the order of the information.
– The suspension of provisions in IAS 1 in relation to the identification of significant accounting policies as part of the notes: The IASB deletes the examples listed in IAS 1.120 and adds a clarification, namely, that the identification of significant accounting policies shall be made based on the company-specific requirements.

AMENDMENTS TO IAS 16 AND IAS 38: CLARIFICATION OF ACCEPTABLE METHODS OF DEPRECIATION AND AMORTIZATION

In May 2014, the IASB published amendments to IAS 16: "Property, Plant and Equipment" and IAS 38: "Intangible Assets" with regard to the acceptability of revenue-based depreciation and amortization methods, to be applicable for fiscal years starting on or after January 1, 2016. IAS 16 now contains the clarification that revenue-based depreciation or amortization that stem from an activity that involves the use of the assets to be depreciated/amortized is not appropriate. The justification for this decision is that revenues portray the generation of an economic benefit but not its consumption. IAS 38 includes the refutable assumption that revenue-based depreciation/amortization is not appropriate for the reasons mentioned above. These amendments will not affect the Group's net assets, financial position, or results of operations because revenue-based depreciation/amortization was not carried out.

ANNUAL IMPROVEMENTS TO IFRS 2010-2012

The improvements to IFRS 2010-2012 is a collection of standards consisting of various IFRS amendments. The majority of these amendments are applicable with retrospective effect for fiscal years beginning on or after February 1, 2015. The amendments relevant to the Group concern:

IFRS 8: OPERATING SEGMENTS

Expands the disclosure requirements with the inclusion of a description of the combined business segments and discloses the economic characteristics used as a basis to determine whether the relevant segments are "comparable". This amendment does not affect the Group's net assets, financial position, or results of operations.

IFRS 8: OPERATING SEGMENTS

Clarifies that a reconciliation of the total assets of the reportable business segments to the group's total assets is only to be presented in the financial statements when the chief decision maker is regularly informed about the segments' assets. This amendment does not affect the Group's net assets, financial position, or results of operations.

IFRS 13: MEASUREMENT OF FAIR VALUE

Clarifies that current receivables and payables with no fixed interest rate may be measured at the invoice amount if the effect of discounting is immaterial. This amendment does not affect the Group's net assets, financial position, or results of operations because it has been accounted for accordingly.

ANNUAL IMPROVEMENTS TO IFRS 2012-2014

The improvements to IFRS 2012-2014 is a collection of standards consisting of various IFRS amendments. These amendments are applicable with retrospective effect for fiscal years beginning on or after July 1, 2016. The amendments relevant to the Group concern:

IAS 19: DISCOUNT RATE

According to the clarification, an entity that determines the discount rate for the accounting of post-employment benefits may also consider fixed-rate, high-quality corporate bonds issued by entities operating in another country, provided these bonds are denominated in the same currency as the payments to be made. As a result, the market depth for high-quality, fixed-interest corporate bonds is to be assessed based on the currency (e.g., EUR) and not on the country of issue. This clarification will not affect the Group's net assets, financial position, or results of operations because the discount rate is already determined on the basis of the currency.

IAS 34: DISCLOSURE OF INFORMATION "ELSEWHERE IN THE INTERIM FINANCIAL REPORT"

This amendment defines the phrase "elsewhere in the interim financial report" in relation to the disclosure of information. Furthermore, it is noted that when entities disclose required information "elsewhere in the interim financial report" (e.g., in the interim management report), it is mandatory that they include a cross-reference in the interim financial statements that indicates the information's location. The amendment will not impact the Group's net assets, financial position, and results of operations, but may make it necessary to provide additional references in the report.

The following new provisions are not applicable to the Group and, therefore, have no effect on its net assets, financial position, and results of operations:

Description	**Applicable as of**
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Jan. 1, 2016
Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Application of the Consolidation Exception	Jan. 1, 2016
IFRS 14 – Regulatory Deferral Accounts	Jan. 1, 2016
Amendments to IFRS for SMEs	Jan. 1, 2017

NOTES TO THE INCOME STATEMENT

REVENUE

The breakdown of Group revenue by location is shown in the segment reporting. Revenue in the reporting period was reduced by EURk 724 (p/y: EURk 1,036) due to the realization of hedging transactions.

OTHER OWN WORK CAPITALIZED

Own work capitalized is comprised of EURk 181 (p/y: EURk 96) of development costs subject to mandatory capitalization according to IAS 38. These development costs are particularly related to investments in the development of cross-members.

OTHER OPERATING INCOME

Other operating income primarily comprises currency gains in the amount of EURk 2,520 (p/y: EURk 7,257).

OTHER OPERATING EXPENSES

Other operating expenses primarily comprise the following items:

EURK

	1st HY 2016	1st HY 2015
Costs for temporary employees	6,242	5,214
Currency losses	3,987	6,035
Maintenance costs	2,963	3,117
Outgoing freight	1,517	2,017
Leasing costs/rents	1,345	1,274

INCOME TAXES

The income tax reported in the consolidated income statement is comprised as follows:

EURK

	1st HY 2016	1st HY 2015
Actual taxes	2,416	2,071
Deferred taxes	-57	-71
Total	**2,359**	**2,000**

EARNINGS PER SHARE

Earnings per share is computed by dividing net income for the period attributable to the shareholders of PWO AG by the weighted average number of shares outstanding. Actions resulting in dilution effects did not occur.

EURK	Q2 2016	Q2 2015
Net income for the period	3,511	1,523
Average number of no-par value shares	3,125,000	3,125,000
Earnings per share in EUR	**1.12**	**0.49**

EURK	1st HY 2016	1st HY 2015
Net income for the period	4,831	4,675
Average number of no-par value shares	3,125,000	3,125,000
Earnings per share in EUR	**1.55**	**1.50**

NOTES TO THE BALANCE SHEET

GOODWILL

An impairment test relating to goodwill is performed annually (as per December 31). An impairment test is also performed if there are indications that goodwill might be impaired. When testing for impairment of goodwill and intangible assets with a finite useful life, the PWO Group assesses the value in use. The main assumptions for determining the recoverable amount for the various cash-generating units are provided in the consolidated financial statements as of December 31, 2015. As of June 30, 2016, there were no indications requiring an impairment test and therefore no need for impairment.

RECEIVABLES AND OTHER ASSETS

A factoring agreement has been in place since June 2015 that authorizes the factor to purchase trade receivables. PWO AG has transferred all of the material risks to the factor and is only responsible for the costs related to late payment risk. In the context of factoring, PWO AG sold receivables to the factor with a nominal value of EURk 18,117 as at June 30, 2016 (p/y: EURk 9,765). The transferred receivables are short-term receivables where the carrying amount corresponds to the fair value of the assets transferred.

CASH AND CASH EQUIVALENTS

The amount of cash and cash equivalents reported in the consolidated statement of cash flows as of June 30, 2016 of EURk 11,964 (p/y: EURk 2,875) is composed of cash on hand and short-term bank deposits.

EQUITY

SUBSCRIBED CAPITAL

As of the June 30, 2016 reporting date, the fully paid-up and subscribed capital amounted to EURk 9,375 (p/y: EURk 9,375), and was divided into 3,125,000 no-par value shares (p/y: 3,125,000 no-par value shares).

AUTHORIZED CAPITAL

By resolution of the Annual General Meeting of May 19, 2015, and subject to the consent of the Supervisory Board, the Management Board is authorized to increase the Company's share capital once or several times by up to EUR 4,687,500.00 (Authorized Capital 2015) by issuing new no-par value bearer shares against contribution in cash and/or in kind until and including the date of May 18, 2020.

RETAINED EARNINGS AND OTHER EQUITY

As of June 30, 2016, Group equity includes income and expenses arising from the currency translation of foreign subsidiaries of EURk 3,219 (p/y: EURk 4,771) and income and expenses from cash flow hedges of EURk –2,051 (p/y: EURk –3,504).

NOTIFICATIONS PURSUANT TO SECTION 21 (1) WPHG

In the first half of 2016, the Company received the following notifications concerning shareholdings in Progress-Werk Oberkirch AG. Changes in the voting rights not required to be reported to the Company may have occurred after the dates indicated.

On February 19, 2016, we were notified by Delta Lloyd Europees Deelnemingen, Amsterdam, Netherlands, that its voting rights in Progress-Werk Oberkirch AG, Oberkirch, Germany, fell below the 5% threshold on February 17, 2016 and on this date amounted to 4.97% (155,452 voting rights).

On February 4, 2016, we were notified by Delta Lloyd L SICAV, Luxembourg, Grand Duchy of Luxembourg, that its voting rights in Progress-Werk Oberkirch AG, Oberkirch, Germany, fell below the 3% threshold on February 2, 2016 and on this date amounted to 2.99% (93,525 voting rights).

On June 2, 2016, we were notified by Delta Lloyd N.V., Amsterdam, Netherlands, that its voting rights in Progress-Werk Oberkirch AG, Oberkirch, Germany, fell below the 5% threshold on May 30, 2016 and on this date amounted to 4.97% (155,337 voting rights).

LIABILITIES

PENSION PROVISIONS

Provisions for pensions and similar obligations are recognized on the basis of pension plan entitlements for retirement, invalidity, and survivor dependent's benefits. The retirement benefits are based on salary and length of service. The obligations include those arising from current pensions as well as benefits for pensions and retirement allowances payable in the future. Plan assets to meet pension obligations do not exist.

Defined benefit obligations have been measured on the basis of the following actuarial assumptions:

	Jun. 30, 2016	Dec. 31, 2015
Discount rate	1.3 %	2.5 %
Employee turnover rate	2.5 %	2.5 %
Future salary trend > 40 years	2.5 %	2.5 %
Future salary trend < 40 years (career trend)	3.5 %	3.5 %
Future pension adjustments	1.75 %	1.75 %

The adjustment in the discount rate to the level of the market interest rate applicable as of the reporting date has resulted in a change to estimates. The reduction of 1.2 percentage points led to an increase in pension provisions of EURk 13,107.

OTHER PROVISIONS

The provisions recognized in the balance sheet primarily include provisions for employees (obligations for age-related, part-time working and anniversary bonuses) and provisions for contingent losses.

FINANCIAL INSTRUMENTS

The following table lists the carrying amounts and fair values according to valuation categories and classes:

EURK

	Valuation category pursuant to IAS 39	Carrying amount		Fair value	
		Jun. 30, 2016	Dec. 31, 2015	Jun. 30, 2016	Dec. 31, 2015
ASSETS					
Trade receivables and other receivables	LaR	57,188	55,301	57,188	55,301
Other financial assets		88	259	88	259
of which derivatives with hedging relationship	n.a.	55	159	55	159
of which derivatives without hedging relationship	FAHfT	33	100	33	100
of which deposits > 3 months	LaR	0	0	0	0
Cash and cash equivalents	LaR	11,964	4,242	11,964	4,242
LIABILITIES					
Financial liabilities		138,253	137,079	147,647	145,927
Bank borrowings	FLAC	71,144	68,967	73,733	70,824
of which variable interest rate		23,326	20,758	23,326	20,758
of which fixed interest rate		47,818	48,209	50,407	50,066
Liabilities from promissory notes	FLAC	59,858	59,837	64,649	65,058
of which variable interest rate		24,941	24,932	24,941	24,932
of which fixed interest rate		34,917	34,905	39,708	40,126
Liabilities to leasing companies	n.a.	7,251	8,275	9,265	10,045
of which variable interest rate		0	0	0	0
of which fixed interest rate		7,251	8,275	9,265	10,045
Trade payables	FLAC	34,329	26,045	34,329	26,045
Other financial liabilities		5,043	8,224	5,043	8,224
of which derivatives with hedging relationship	n.a.	3,058	5,733	3,058	5,733
of which derivatives without hedging relationship	FLHfT	1,985	2,491	1,985	2,491
of which aggregated according to IAS 39 measurement categories:					
Loans and Receivables (LaR)		69,152	59,543	69,152	59,543
Financial Assets Held for Trading (FAHfT)		33	100	33	100
Financial Liabilities Measured at Amortized Cost (FLAC)		165,332	154,849	173,011	161,927
Financial Liabilities Held for Trading (FLHfT)		1,985	2,491	1,985	2,491

The EURk 3,181 decrease in other financial liabilities mainly resulted from the appreciation of the euro against the US dollar during the first half of 2016 and the derecognition of derivatives through profit and loss.

According to IFRS 13, all assets and liabilities that are carried at fair value are allocated to Level 2 of the valuation hierarchy. In the reporting period, there were no changes to the valuation methods applied and no reclassifications between the hierarchy levels.

Derivative financial instruments are mainly concluded with financial institutions. Derivatives measured by applying a measurement method using input factors observable in the market, primarily comprise interest-rate swaps, foreign exchange swaps, and foreign exchange forward contracts. Forward price models and swap models based on net present value calculations are the most frequently used measurement methods. These models incorporate various input factors such as the counterparty's credit risk, spot and forward rates, yield curves of selected foreign currencies, currency spreads between selected foreign currencies, and yield curves.

ADDITIONAL INFORMATION

RELATED PARTY DISCLOSURES

Related parties include the Group's parent company, Consult Invest Beteiligungsberatungs-GmbH, Böblingen, as well as the members of the Management Board and Supervisory Board. In the reporting period, there were no transactions between the Group and the parent company. There were no relationships with related parties with regard to the supply of goods or the rendering of services.

ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

In the statement of cash flows, cash flows are presented on the basis of IAS 7. Cash and cash equivalents reported in the cash flow statement comprise cash and cash equivalents as well as bank borrowings due on demand. The bank borrowings payable on demand, amounting to EURk 15,347 (p/y: EURk 18,165) have been included in the balance sheet under "current financial liabilities".

SEGMENT REPORTING

SEGMENT INFORMATION BY LOCATION (1ST HALF-YEAR 2016)

EURK

	Germany	Rest of Europe	NAFTA Area	Asia	Consolidation effects	Group
Total revenue	121,887	37,357	45,724	13,467	0	218,435
Inter-segment revenue	-6,448	-2,058	-66	-1,202	0	-9,774
EXTERNAL REVENUE	**115,439**	**35,299**	**45,658**	**12,265**	**0**	**208,661**
TOTAL OUTPUT	**124,467**	**36,325**	**45,675**	**13,301**	**-9,832**	**209,936**
Other income (aggregated)	3,397	129	1,330	118	-1,688	3,286
Other expenses (aggregated)	115,688	31,446	42,122	12,695	-11,352	190,599
Depreciation and amortization	6,377	2,038	2,993	1,226	-14	12,620
EARNINGS BEFORE INTEREST AND TAXES (EBIT)	**5,799**	**2,970**	**1,890**	**-502**	**-154**	**10,003**
Interest income	1,639	0	0	1	-1,632	8
Interest expenses	2,167	620	878	744	-1,588	2,821
EARNINGS BEFORE TAXES (EBT)	**5,271**	**2,350**	**1,012**	**-1,245**	**-198**	**7,190**
Income taxes	1,961	-62	448	0	12	2,359
NET INCOME FOR THE PERIOD	**3,310**	**2,412**	**564**	**-1,245**	**-210**	**4,831**
Assets	190,421	83,802	75,390	52,437	-43,238	358,812
of which non-current assets	71,221	43,467	36,233	30,469	-141	181,249
Liabilities	28,872	44,825	55,465	54,539	79,274	262,975
Investments	7,760	2,978	604	193	0	11,535
Employees (as of June 30)	1,486	665	694	276	--	3,121

Of the reported revenues as of June 30, 2016, two customers accounted for more than 10% of revenues each, spread across all of the segments. As of June 30, 2015, one single customer was identified with whom the Group had achieved slightly more than 10% of revenues.

SEGMENT REPORTING

SEGMENT INFORMATION BY LOCATION (1ST HALF-YEAR 2015)

EURK

	Germany	Rest of Europe	NAFTA Area	Asia	Consolidation effects	Group
Total revenue	122,743	33,347	46,382	7,801	0	210,273
Inter-segment revenue	-6,545	-1,853	-94	-993	0	-9,485
EXTERNAL REVENUE	**116,198**	**31,494**	**46,288**	**6,808**	**0**	**200,788**
TOTAL OUTPUT	**126,180**	**33,572**	**48,227**	**10,808**	**-9,250**	**209,537**
Other income (aggregated)	5,978	302	1,292	2,487	-1,598	8,461
Other expenses (aggregated)	120,637	28,419	45,133	12,757	-10,851	196,095
Depreciation and amortization	6,520	1,664	3,226	955	-24	12,341
EARNINGS BEFORE INTEREST AND TAXES (EBIT)	**5,001**	**3,791**	**1,160**	**-417**	**27**	**9,562**
Interest income	1,394	46	0	1	-1,387	54
Interest expenses	2,145	560	890	733	-1,387	2,941
EARNINGS BEFORE TAXES (EBT)	**4,250**	**3,277**	**270**	**-1,149**	**27**	**6,675**
Income taxes	1,641	123	204	0	32	2,000
NET INCOME FOR THE PERIOD	**2,609**	**3,154**	**66**	**-1,149**	**-5**	**4,675**
Assets	192,553	86,637	76,943	52,073	-41,051	367,155
of which non-current assets	69,085	41,033	40,751	34,238	-187	184,920
Liabilities	35,398	42,509	50,761	49,835	87,689	266,192
Investments	4,427	7,768	1,156	2,457	0	15,808
Employees (as of June 30)	1,511	588	763	260	--	3,122

Breakdown of assets as of December 31, 2015 and December 31, 2014:

EURK

	Germany	Rest of Europe	NAFTA Area	Asia	Consolidation effects	Group
Segment assets as of December 31, 2015	184,965	82,842	76,200	52,749	-49,952	346,804
of which non-current assets	69,852	42,528	38,639	32,908	-157	183,770
Segment assets as of December 31, 2014	187,189	74,266	69,623	46,218	-35,836	341,460
of which non-current assets	71,184	34,930	40,362	30,133	-212	176,397

SUBSEQUENT EVENTS

No significant events that require reporting have occurred after the balance sheet date.

REPORT OF THE SUPERVISORY BOARD'S AUDIT COMMITTEE

The interim financial report for the second quarter and first half-year of 2016 was presented to the Supervisory Board's Audit Committee and explained by the Management Board. The Audit Committee concurred with the interim financial report.

Oberkirch, July 28, 2016

The Chairman of the Audit Committee
Dr. Georg Hengstberger

GOVERNING BODIES

The changes made to the composition of the Management Board and Supervisory Board during and after the reporting period are as follows:

MEMBERS OF THE MANAGEMENT BOARD
- Dr. Volker Simon | Speaker
- Bernd Bartmann
- Dr. Winfried Blümel (until June 30, 2016)
- Johannes Obrecht | Deputy Member (since July 1, 2016)

MEMBERS OF THE SUPERVISORY BOARD
- Dieter Maier | Chairman (until May 31, 2016)
- Karl M. Schmidhuber | Chairman (since May 31, 2016)
- Dr. Gerhard Wirth | Deputy Chairman
- Dr. Georg Hengstberger
- Herbert König | Employee representative
- Ulrich Ruetz
- Franz Schmidt | Employee representative (until May 31, 2016)
- Gerhard Schrempp | Employee representative (since May 31, 2016)

FINANCIAL CALENDAR AND CONTACTS

Nov. 3, 2016 Quarterly statement for the 3rd Quarter and 9 Months of 2016

Nov. 2016 German Equity Forum, Frankfurt/Main

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FORWARD-LOOKING STATEMENTS AND FORECASTS

This interim financial report contains forward-looking statements that are based on current assumptions, expectations, estimates, forecasts and other information currently available to the PWO Management Board, and on assumptions, expectations, estimates, forecasts and budgets that are derived from these. The forward-looking statements should not be understood as guarantees of future developments and results that are mentioned therein. Various known and unknown risks and uncertainties as well as other factors may result in actual developments and results diverging significantly from estimates that are mentioned here explicitly or are contained implicitly. These factors include those that PWO has described in published reports, and which are available on the PWO website at www.progress-werk.de. Irrespective of statutory regulations, PWO accepts no obligation to update such forward-looking statements, and to adjust them to future events or developments.

DISCLAIMER

Figures in this report are typically presented on EURk and EUR million. Differences in comparison to the actual number in euro may emerge in individual figures due to rounding. Such differences are not of a significant nature. For improved readability, individuals are sometimes referred to in this report using solely the masculine form, which explicitly refers to men and women equally.