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TOGETHER.

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INNOVATIVE.

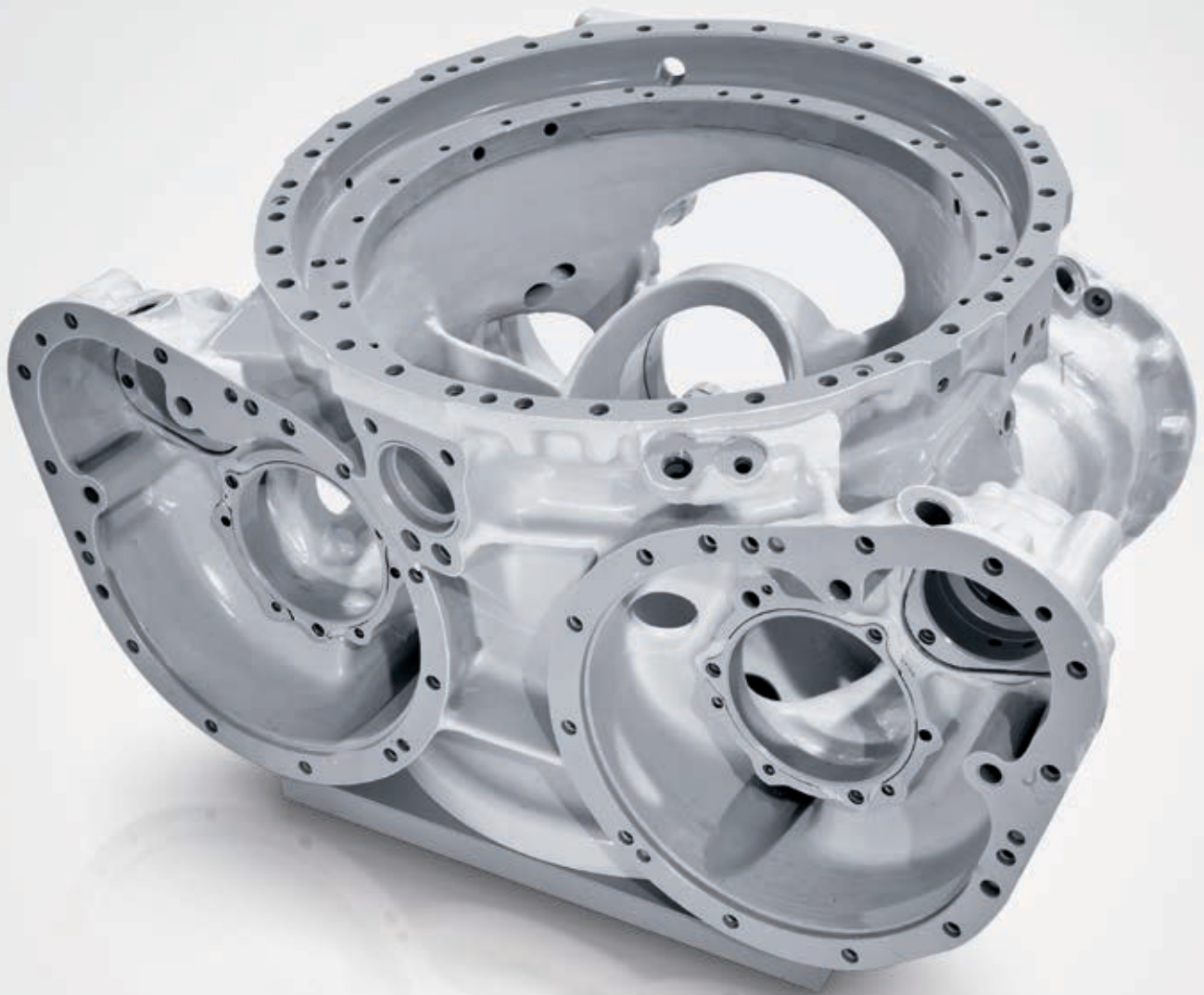
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GLOBAL.

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INNOVATIONS FOR THE AEROSPACE INDUSTRY:  
Complex workpieces made of high quality metals  
are produced on machines from GILDEMEISTER, e.g.  
helicopter drive gear units.



## Dear Shareholders,

the global economy developed relatively stable in the first few months of the year. The unresolved state debt crisis in the eurozone continued to put strain on the economy. In their most recent forecast (April 2013), vdw (German Machine Tool Builders' Association) and Oxford Economics are only expecting growth in the worldwide consumption of machine tools of 2.4% for the current year (October 2012 forecast: +7.6%).

The year began as expected for GILDEMEISTER: Order intake was € 518.7 million; the comparable figure for the previous year's period (€ 605.1 million) was marked by several major orders. Sales revenues rose to € 466.1 million (previous year: € 451.8 million). The earnings situation developed constantly: EBITDA amounted to € 28.1 million (previous year: € 28.6 million), EBIT reached € 17.0 million (previous year: € 18.8 million) and EBT amounted to € 15.1 million (previous year: € 15.0 million). As at 31 March 2013, the group reports earnings after taxes of € 10.4 million (previous year: € 10.3 million).

We are expecting developments in individual markets to diverge further over the course of the year 2013 and competitive pressure to increase. The continued stagnation in the European market and the reluctance to invest in Germany are having a negative impact also on our business. The positive development in the Asian and American markets, as well as in Russia has a compensating effect.

We intend to further consolidate our cooperation with Mori Seiki in the current financial year. We will extend our joint activities to the Chinese and Russian markets. Moreover, we plan to further expand our international production sites. In order to strengthen our brand for the worldwide appearance, we intend to align the names of both companies. Our customers will benefit from us working more closely together in the future by a wider range of services.

GILDEMEISTER is planning order intake of around € 2 billion for the year 2013. Due to these expectations and on the basis of our order backlog, sales revenues shall amount to around € 2 billion. Based on the premise that the market will develop as expected, we are planning to achieve EBT of around € 120 million and as a result, an annual net profit of around € 82 million. Subject to these developments, we are planning to make a dividend payout for financial year 2013.

**KEY FIGURES** — The interim Consolidated Financial Statements of GILDEMEISTER Aktiengesellschaft were prepared in accordance with the International Financial Reporting Standards (IFRS), as applicable within the European Union. The interim financial statements have not been audited.

01 GILDEMEISTER GROUP	31 MARCH 2013	31 DEC. 2012	31 MARCH 2012	Changes 31 MARCH 2013 to 31 MARCH 2012	
	€ MILLION	€ MILLION	€ MILLION	€ MILLION	%
Sales revenues					
Total	466.1	2,037.4	451.8	14.3	3
Domestic	150.9	722.1	183.3	-32.4	-18
International	315.2	1,315.3	268.5	46.7	17
% International	68	65	59		
Order intake					
Total	518.7	2,260.8	605.1	-86.4	-14
Domestic	163.7	735.8	223.6	-59.9	-27
International	355.0	1,525.0	381.5	-26.5	-7
% International	68	67	63		
Order backlog					
Total	1,056.1	1,003.5	964.5	91.6	9
Domestic	265.0	252.2	277.9	-12.9	-5
International	791.1	751.3	686.6	104.5	15
% International	75	75	71		
Investments	12.2*	74.5	11.4	0.8	7
Personnel costs	114.3	440.4	108.8	5.5	5
Personnel ratio in %	23.0	21.4	22.3		
EBITDA	28.1	173.8	28.6	-0.5	
EBIT	17.0	132.9	18.8	-1.8	
EBT	15.1	120.1	15.0	0.1	
Earnings after taxes	10.4	82.4	10.3	0.1	

\* of which € 1.6 million capital inflow to financial assets

	31 MARCH 2013	31 DEC. 2012	31 MARCH 2012	Changes 31 MARCH 2013 to 31 DEC. 2012	
					%
Employees	6,347	6,267	6,082	80	1
plus trainees	201	229	177	-28	-12
Total employees	6,548	6,496	6,259	52	1

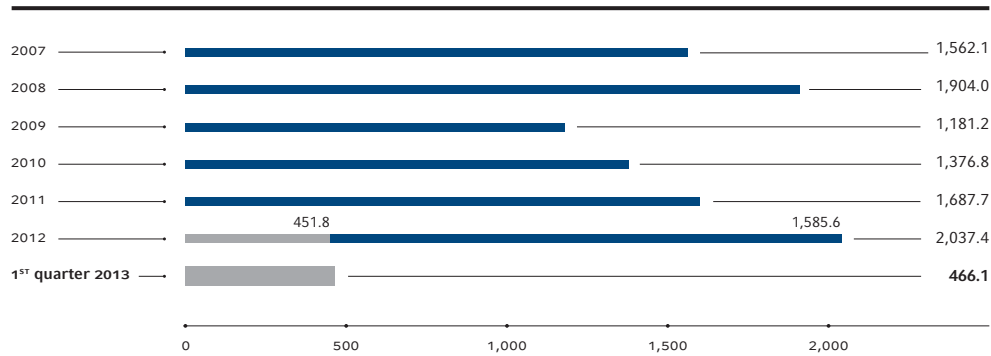
#### Page reference

**P** Page reference for further information in the Interim Report

**G** Reference to a diagram or table providing visual representation

**I** Reference to further / updated information in the internet

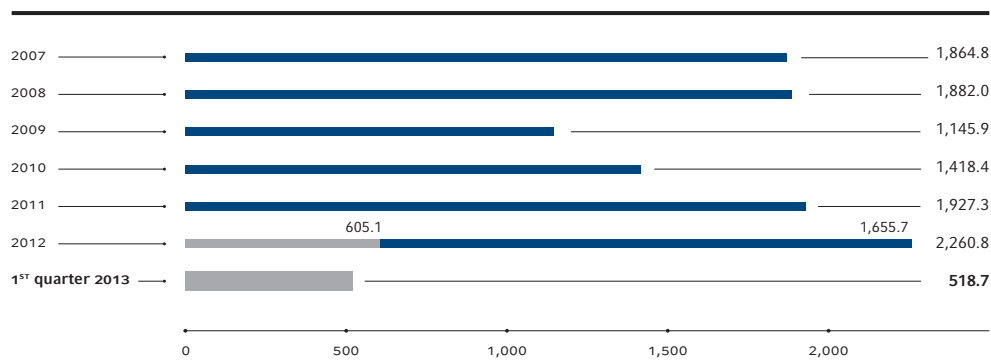
02 SALES REVENUES IN € MILLION



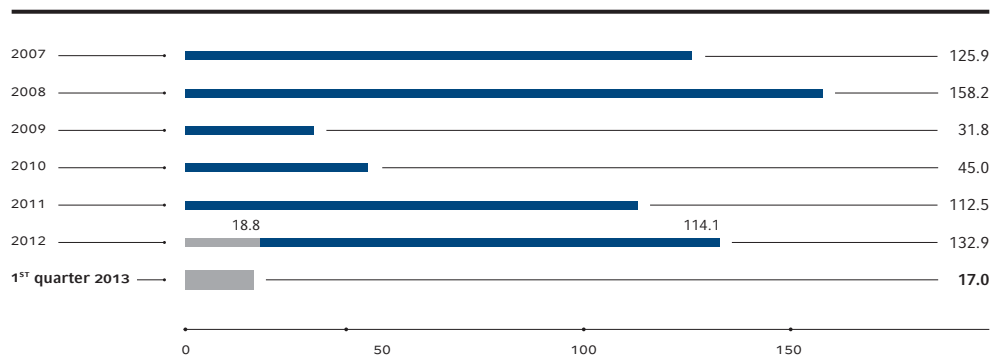
◀ GILDEMEISTER group  
Key Figures

◀ Sales Revenues  
Order Intake  
EBIT  
Employees

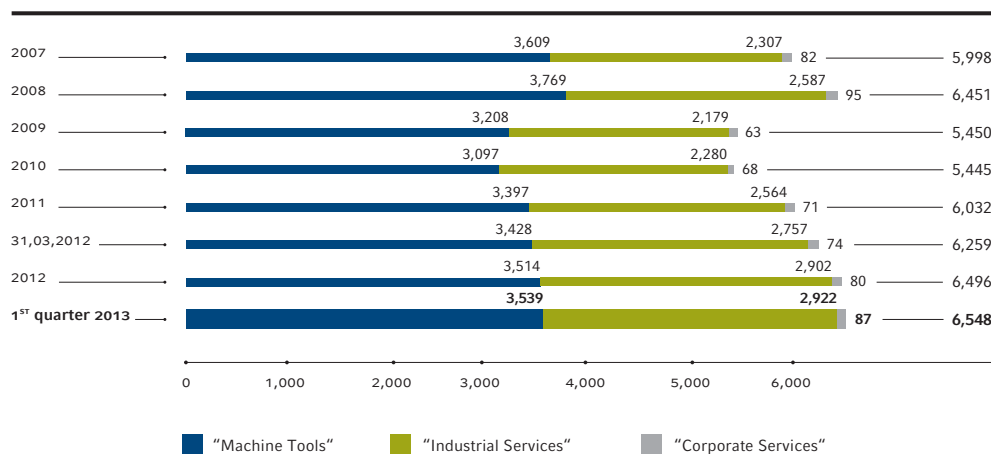
03 ORDER INTAKE IN € MILLION



04 EBIT IN € MILLION



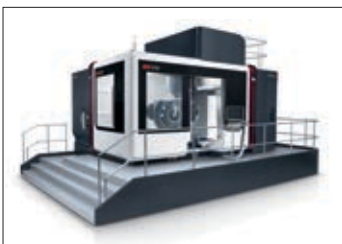
05 NUMBER OF EMPLOYEES INCL. TRAINEES



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COVER IMAGE // Top performance for the Aerospace Industry: *DIXI* 210



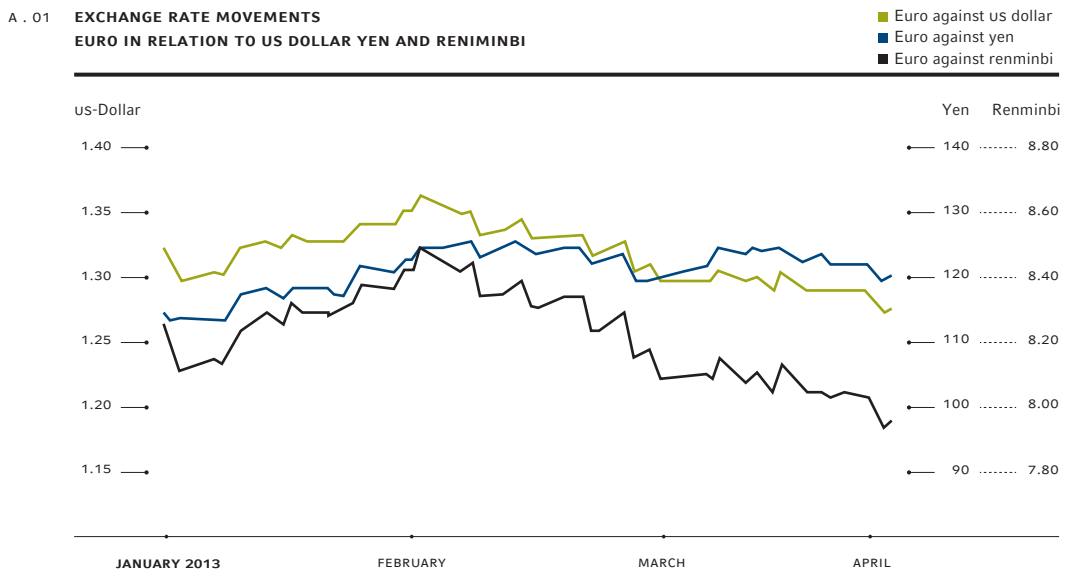
As current cooperation project from GILDEMEISTER and Mori Seiki, the *DIXI* 210, combines precision technology with the portal milling machine DMU 210 P from DECKEL MAHO Pfronten GmbH. This universal milling machine is used among other things to manufacture parts for the aerospace industry for e.g. helicopter drive gear units.

(Source cover picture top left: ADAC)

**Overall economic development** progressed at a steady pace in the first quarter 2013. Leading indicators for the world economy initially improved at the beginning of the year. However, economic development is still being affected by the continued state debt crisis in the eurozone. Positive stimuli continue to come from **Asia**. There was a slight significant increase in economic expansion in China in the first few months. In Japan, the government is providing an additional boost to the economy with economic recovery plans. In the **USA**, the forecast improved in the first few months of the year, but economic development is affected by fiscal policy. In **Europe**, southern European countries are still in recession and even some key European countries – e.g. France – are stagnating economically. **Germany** showed restrained positive growth at the beginning of the year. According to the economic barometer of the German Economic Research Institute (DIW), the German economy has grown by 0.3% (compared to the previous quarter).

GILDEMEISTER'S international business is affected by the euro's exchange rate. The US dollar, Chinese renminbi and Japanese yen are of particular importance. In comparison to the previous year's quarter, the value of the euro developed unevenly in the first quarter 2013 compared to these **currencies**. Compared to the average value of the euro, the US dollar was 1.32 USD (previous year's quarter: 1.31 USD). Thus the euro was slightly up against the USD. The average value of the Chinese renminbi was 8.22 renminbi (previous year's quarter: 8.27 renminbi) and thus the euro was slightly lower against the renminbi. The prices of our products from our European production remained stable for customers in the USA, in dollar-dependent markets and in China. The average value of the yen fell against the euro by 17.1% and was quoted at 121.8 yen (previous year's quarter: 104.0 yen), this means we were able to purchase products in the yen zone at more favourable prices.

Sources: German Economic Research Institute (DIW), Berlin  
 ifo Economic Research Institute (ifo), Munich  
 Institute for World Economics (IfW), Kiel



Sources: European Central Bank, Deutsche Bundesbank (German Federal Bank)

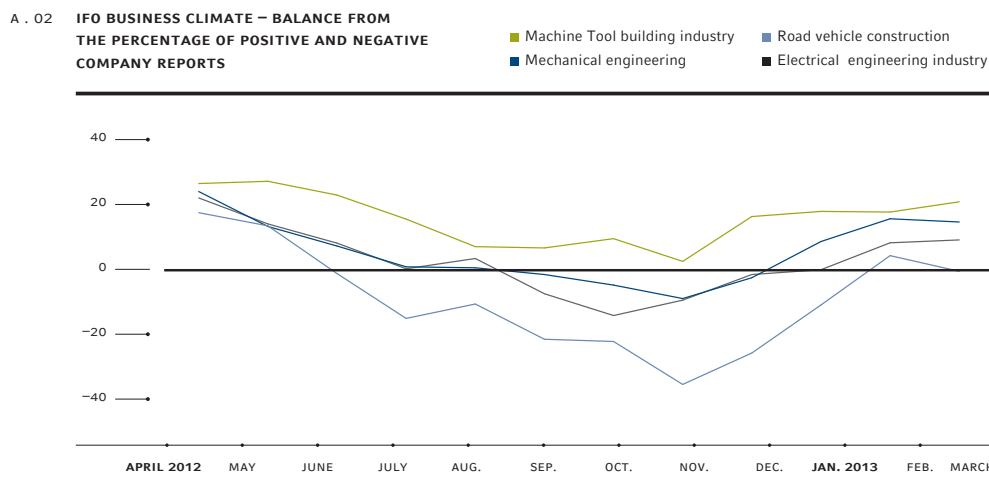
Overall Economic  
Development  
Development of the Machine  
Tool Industry

On the whole, the **worldwide market for machine tools** should experience slight growth in 2013. The German Machine Tool Builders' Association (vbw) and the British Economic Research Institute, Oxford Economics, are only expecting **2.4% growth in world consumption** to € 67.9 billion in their most recent forecast (status: April 2013). The growth rate was therefore revised down by more than 5 percentage points compared to the forecast in autumn (October 2012: +7.6%). Developments in individual markets are likely to diverge further from each other. In Asia, according to current forecasts, there should be a 3.9% rise in demand, making it significantly higher than world consumption. Stable consumption (+0.5%) is forecast for America. In contrast, demand for machine tools in Europe is now likely to fall by 1.4%.

The **German machine tool market** will develop more weakly than the world market. Order intake of the German machine tool manufacturers was declining at the beginning of the year (-19%) compared to the high figures of the corresponding previous year's period. However, Oxford Economics is forecasting relatively stable consumption for the year as a whole on the same level as the previous year (-0.3%; 2012: € 4.9 billion).

The **ifo business climate index** rose slightly at the beginning of the year. The main consumer sector is rating the current business situation somewhat more positively than in previous months.

Source: Oxford Economics, vbw (German Machine Builders' Association)



B . 01

## The GILDEMEISTER group

### CORPORATE SERVICES

#### GILDEMEISTER Aktiengesellschaft (Bielefeld)

### MACHINE TOOLS

#### GILDEMEISTER Beteiligungen GmbH (Bielefeld)

Turning Association	Milling Association	Milling and Processing Association
GILDEMEISTER Drehmaschinen GmbH (Bielefeld)	DECKEL MAHO Pfronten GmbH (Pfronten)	DECKEL MAHO Seebach GmbH (Seebach)
GRAZIANO Tortona S.r.l. (Tortona / Italy)	SAUER GmbH (Idar-Oberstein, Pfronten)	FAMOT Pleszew Sp. z o.o. (Pleszew / Poland)
GILDEMEISTER Italiana S.p.A. (Bergamo / Italy)		

The GILDEMEISTER group including GILDEMEISTER Aktiengesellschaft comprised 106 entities as of 31 March 2013. Thus, when compared to 31 December 2012, the number of group companies has increased by one company: In March, a+f GmbH founded the GILDEMEISTER energy efficiency GmbH based in Stuttgart. This new company develops concepts and solutions for increasing the energy efficiency of industrial companies.

**P** P. 27

Notes to the Interim Consolidated Financial Statements

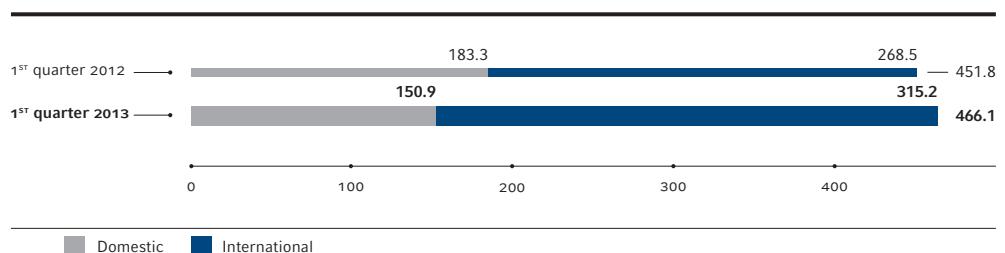
### Sales revenues

Sales revenues in the first quarter were € 466.1 million and thus exceeded the previous year's figure by € 14.3 million (€ 451.8 million).

In the "Machine tools" segment, sales revenues rose by € 10.8 million to € 270.4 million (previous year: € 259.6 million). Sales revenues in the "Industrial Services" segment reached € 195.6 million (previous year: € 192.1 million).

Domestic sales revenues were € 150.9 million, the group's international sales revenues rose by 17% to € 315.2 million. The export share rose to 68% (previous year: 59%).

B . 02 SALES REVENUES GILDEMEISTER GROUP  
IN € MILLION



**P** P. 11 – 15

Segments

■ Domestic ■ International



Sales revenues  
Order intake

## INDUSTRIAL SERVICES

## Sales and Service locations worldwide (136)

ECOLINE-Association	Electronics	DMG / MORI SEIKI Deutschland Stuttgart (8)	DMG / MORI SEIKI Europe Dübendorf / Switzerland (33)	DMG / MORI SEIKI Services Bielefeld, Pfronten (22)
DMG ECOLINE GmbH (Klaus / Austria)	DMG Electronics GmbH (Pfronten)	DMG / MORI SEIKI America Itasca / Illinois (4)	DMG / MORI SEIKI Asien Shanghai, Singapore (48)	a+f GmbH Würzburg (6)
DECKEL MAHO GILDEMEISTER (Shang- hai) Machine Tools Co., Ltd., (Shanghai / China)		DMG / MORI SEIKI USA* (10)	DMG / MORI SEIKI Asia / Australia* (5)	
Ulyanovsk Machine Tools ooo (Ulyanovsk / Russia)				

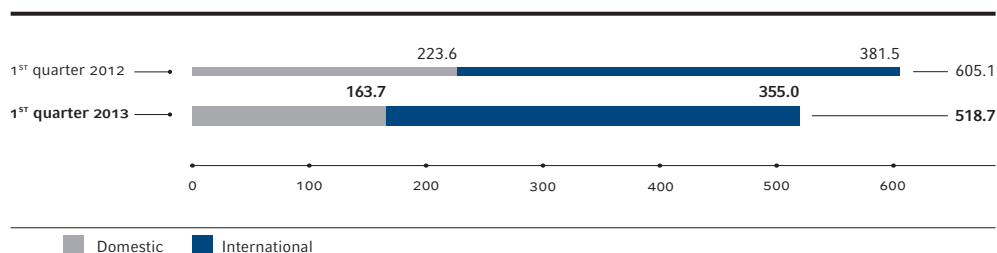
\* These markets are served and consolidated by our cooperation partner Mori Seiki.

## Order intake

Order intake in the first quarter was € 518.7 million and as expected was below the previous year's record figure (€ 605.1 million). Orders in the "Machine Tools" segment amounted to € 284.1 million; the previous year's quarter (€ 359.9 million) was marked by several major orders. Order intake for "Industrial Services" amounted to € 234.5 million (previous year: € 245.1 million), € 217.2 million (previous year: € 235.8 million) of this was attributable to Services. The sales of Mori Seiki machines are also accounted for here – the orders amounted to € 74.1 million. Order intake for Energy Solutions rose to € 17.3 million (previous year: 9.3 million).

Domestic orders amounted to € 163.7 million (previous year: € 223.6 million). They were affected by the general reluctance to invest in Germany. International orders amounted to € 355.0 million (previous year: € 381.5 million). The share of foreign business rose to 68% (previous year: 63%).

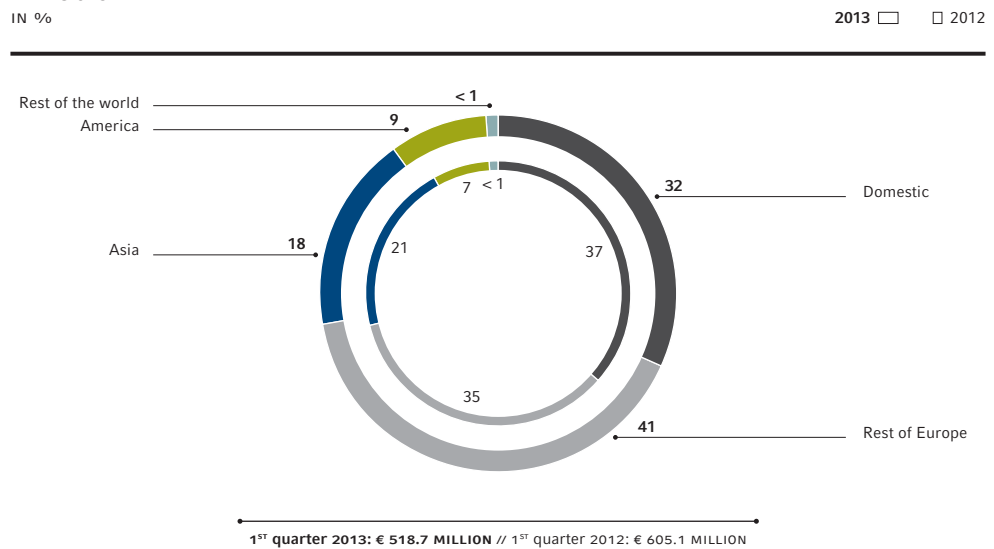
B . 03 ORDER INTAKE GILDEMEISTER GROUP  
IN € MILLION



Events at the beginning of the year played a key role in the first quarter: At the traditional open house exhibition in Pfronten (29 Jan. – 2 Feb. 2013), we sold 574 machines worth € 150.5 million.

In the first quarter competitive pressure in some world markets further increased. In the individual market regions, order intake developed as follows:

B . 04 **ORDER INTAKE GILDEMEISTER GROUP  
BY REGIONS**  
IN %

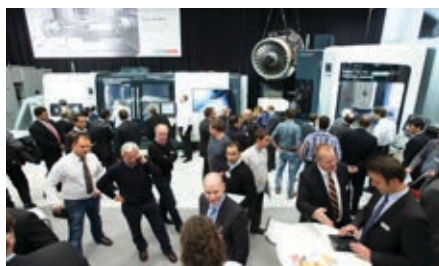


### Order backlog

On 31 March 2013, order backlog within the group was € 1,056.1 million (31 Dec. 2012: € 1,003.5 million). Domestic order backlog increased by € 12.8 million to € 265.0 million compared to the end of the year 2012. The backlog for international orders rose by € 39.8 million to € 791.1 million. International orders account for 75% of existing orders.

Due to unusually high sickness absence levels at the beginning of the year caused by a serious flu epidemic at our production sites, the order backlog could not yet be reduced.

### Open house exhibition at DECKEL MAHO in Pfronten

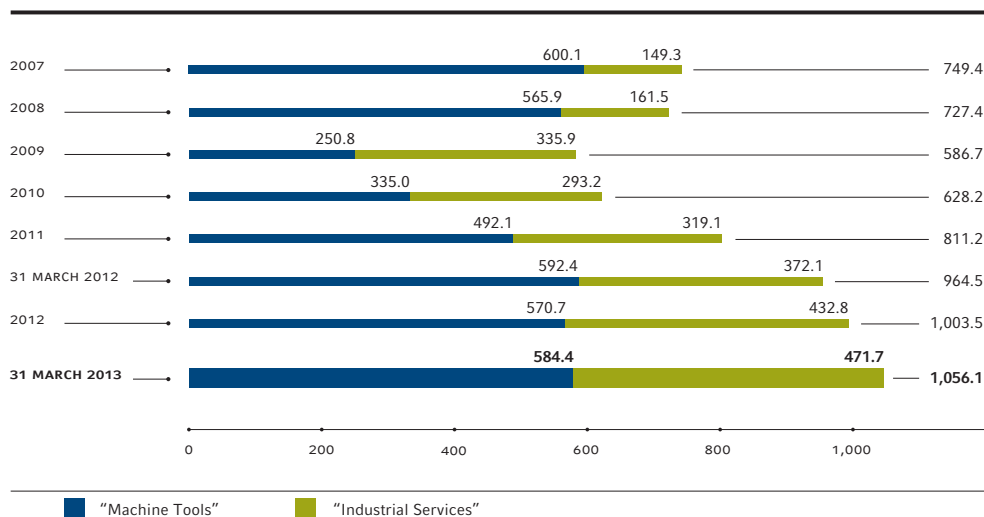


GILDEMEISTER presented 72 exhibits at its traditional open house exhibition, including 6 world premieres.

Order backlog  
Results of Operations, Net  
worth and Financial Position

The backlog development differed in the individual segments as follows:

B . 05 ORDER BACKLOG GILDEMEISTER GROUP  
IN € MILLION



The order backlog for “Machine Tools” gives rise to a calculated production capacity utilisation of an average of approximately five months. The individual production companies show different capacity levels.

### Results of Operations, Net Worth and Financial Position

The profit situation of the GILDEMEISTER group developed constantly in the first quarter. **EBITDA** was € 28.1 million (previous year: € 28.6 million), **EBIT** reached € 17.0 million (previous year: € 18.8 million) and **EBT** was € 15.1 million (previous year: € 15.0 million). As at 31 March 2013, the group recorded **earnings after taxes** of € 10.4 million (previous year: € 10.3 million).

Sales revenues rose to € 466.1 million (previous year: € 451.8 million). Total operating revenue rose to € 496.3 million (previous year: € 486.9 million). The cost of materials amounted to € 280.3 million (previous year: € 275.3 million). The materials ratio was 56.5% (previous year: 56.5%). Gross profit rose by € 4.4 million to € 216.0 million (previous year: € 211.6 million). Personnel expenses rose by € 5.5 million to € 114.3 million (previous year: € 108.8 million) and the personnel ratio was 23.0% (previous year: 22.3%).

The balance of other income and expenses amounted to € 73.6 million (previous year: € 74.2 million). Depreciation rose to € 11.1 million (previous year: € 9.8 million). The financial result improved in the first quarter to € -1.9 million (previous year: € -3.8 million). Earnings after taxes amounted to € 10.4 million (previous year: € 10.3 million), this results in a tax expense in the first quarter of € 4.7 million (previous year: € 4.7 million). The tax ratio is 31.0% (previous year: 31.5%).

B . 06

	31 MARCH 2013 € MILLION	31 DEC. 2012* € MILLION	31 MARCH 2012* € MILLION
<b>Net worth</b>			
Long-term assets	579.6	564.6	537.3
Short-term assets	1,045.6	1,056.0	1,003.5
Equity	799.4	775.2	725.7
Outside capital	825.8	845.4	815.1
<b>Balance sheet total</b>	<b>1,625.2</b>	<b>1,620.6</b>	<b>1,540.8</b>

\* adjusted as a result of first time application of IAS 19 (rev. 2011)

As of 31 March 2013, balance sheet total amounted to € 1,625.2 million (31 Dec. 2012: € 1,620.6 million).

Under **assets**, long-term assets rose by € 15.0 million to € 579.6 million. This increase was mainly attributable to the valuation of shares in Mori Seiki Co., Ltd.

Short-term assets fell by € 10.4 million to € 1,045.6 million. Inventories rose by € 58.0 million to € 544.3 million. Raw materials, consumables and supplies rose to € 210.5 million (€ +10.2 million); this increase was mainly attributable to the takeover of Mori Seiki's spare parts business in Europe. Inventories of goods in progress rose to € 133.1 million (€ +10.0 million) and inventories of finished goods and merchandise rose to € 192.1 million (€ +35.5 million); this increase is a result of advance payments for the planned sales revenues and trade show machines. The turnover rate of inventories was 3.4 (previous year: 3.5). Trade debtors fell by € 6.0 million to € 222.6 million. Cash and cash equivalents amounted to € 102.1 million (31 Dec. 2012: € 173.3 million) due to the development of free cash flow. Under **equity and liabilities**, equity rose by € 24.2 million to € 799.4 million. The equity

Results of Operations, Net  
worth and Financial Position

ratio amounted to 49.2% (31 Dec. 2012: 47.8%). Outside capital fell to € 825.8 million (31 Dec. 2012: € 845.4 million). Provisions fell by € 10.0 million to € 246.6 million; this included, in particular, a decline in provisions for bonuses and premiums as well as provisions. Trade creditors fell by € 2.4 million to € 327.3 million.

The group's financial position developed in the first quarter as follows: **Cash flow** from operating activities amounted to € -59.5 million (previous year: € -74.0 million) as of 31 March 2013. Based on earnings before taxes (EBT) of € 15.1 million (previous year: € 15.0 million), depreciation (€ +11.1 million) and the decline in trade debtors (€ +5.8 million) contributed positively to cash flow. The increase in inventories of € 59.1 million and the decline in trade creditors of € 2.3 million reduced cash flow.

Cash flow from investment activity amounted to € -11.4 million (previous year: € -9.2 million). Cash flow from financing activity was € +0.2 million (previous year: € +40.7 million).

In the first quarter, **free cash flow** amounted to € -69.3 million (previous year: € -83.2 million); due to the known cyclicality of our business we are building up stock value in the first quarter for the planned sales revenues. In the second half of the year, we are expecting an increase in cash surpluses and also anticipating a positive free cash flow of more than € 75 million for the year as a whole.

As of 31 March 2013, we recorded a cash surplus of € 89.9 million (previous year net debt: € -5.8 million) due to the development of cash flow.

B . 07

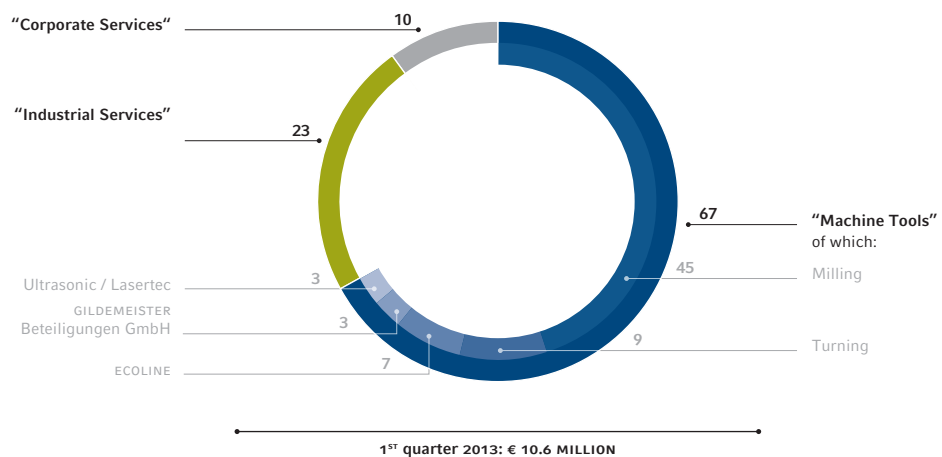
	2013 1 <sup>st</sup> Quarter € MILLION	2012 1 <sup>st</sup> Quarter € MILLION
<b>Cashflow</b>		
Cash flow from operating activities	-59.5	-74.0
Cash flow from investment activity	-11.4	-9.2
Cash flow from financing activity	0.2	40.7
Changes in cash and cash equivalents	-71.2	-42.8
Liquid funds at the start of the reporting period	173.3	105.2
Liquid funds at the end of the reporting period	102.1	62.4

## Investments

Investments in property, plant and equipment and in intangible assets amounted to € 10.6 million (previous year's figure: € 11.4 million) in the first three months. The new, state-of-the-art Spare Parts Center at our Geretsried site was completed in April. This step was an important element for a more rapid and efficient spare parts logistics service. Furthermore, we have also incorporated the supply of spare parts for Mori Seiki machines across Europe. Other focal points were the development of our innovative products and supply of tools, models and equipment required for production.

Capital inflow to financial assets amounted to € 1.6 million as a result of the increased shareholding in MG Finance GmbH of 33.0% to 42.5%. In the first three months, investments amounted to € 12.2 million in total (previous year's figure: € 11.4 million).

B . 08 CONTRIBUTION OF EACH SEGMENT / DIVISION TO INVESTMENTS  
IN FIXED ASSETS AND INTANGIBLE ASSETS  
IN %



Investments  
Segmental Reporting

### Segmental Reporting

Our business activities include the “Machine Tools” and “Industrial Services” segments. “Corporate Services” mainly comprise GILDEMEISTER Aktiengesellschaft with its groupwide holding functions.

The selected Mori Seiki machines produced by us under licence are included in “Machine Tools”. The trade and services for Mori Seiki machines are booked under “Industrial Services”.

The breakdown of sales revenues, order intake and EBIT for the individual segments is presented as follows:

B . 09	SEGMENT KEY FIGURES OF THE GILDEMEISTER GROUP	31 MARCH 2013	31 DEC. 2012	31 MARCH 2012	Changes 31 MARCH 2013 to 31 MARCH 2012	
		€ MILLION	€ MILLION	€ MILLION	€ MILLION	%
	<b>Sales Revenues</b>	<b>466.1</b>	<b>2,037.4</b>	<b>451.8</b>	<b>14.3</b>	<b>3</b>
	Machine Tools	270.4	1,175.0	259.6	10.8	4
	Industrial Services	195.6	862.2	192.1	3.5	2
	Corporate Services	0.1	0.2	0.1	0.0	
	<b>Order Intake</b>	<b>518.7</b>	<b>2,260.8</b>	<b>605.1</b>	<b>-86.4</b>	<b>-14</b>
	Machine Tools	284.1	1,253.6	359.9	-75.8	-21
	Industrial Services	234.5	1,007.0	245.1	-10.6	-4
	Corporate Services	0.1	0.2	0.1	0.0	
	<b>EBIT</b>	<b>17.0</b>	<b>132.9</b>	<b>18.8</b>	<b>-1.8</b>	
	Machine Tools	7.8	69.3	2.2	5.6	
	Industrial Services	16.7	88.4	21.7	-5.0	
	Corporate Services	-7.1	-25.5	-4.8	-2.3	

EBIT in the “Machine Tools” and “Industrial Services” segments was affected by the change of the internal transfer pricing structures. Compared to the previous year, this leads to an improvement in EBIT in the “Machine Tools” segment and to a decline in the “Industrial Services” segment. Thus preconditions were created to be able to invest more strongly in state-of-the-art production concepts and trendsetting product developments.

### “Machine Tools”

The “Machine Tools” segment is our core segment and includes the group’s new machines business with the turning and milling, ultrasonic / lasertec, as well as ECOLINE and electronics business units.

B . 10	KEY FIGURES “MACHINE TOOLS” SEGMENT	31 MARCH 2013	31 DEC. 2012	31 MARCH 2012	Changes 31 MARCH 2013 to 31 MARCH 2012	
		€ MILLION	€ MILLION	€ MILLION	€ MILLION	%
Sales revenues						
Total	270.4	1,175.0	259.6	10.8	4	
Domestic	78.2	396.9	79.8	-1.6	-2	
International	192.2	778.1	179.8	12.4	7	
% International	71	66	69			
Order intake						
Total	284.1	1,253.6	359.9	-75.8	-21	
Domestic	81.9	386.3	123.5	-41.6	-34	
International	202.2	867.3	236.4	-34.2	-14	
% International	71	69	66			
Order backlog						
Total	584.4	570.7	592.4	-8.0	-1	
Domestic	133.9	130.2	184.5	-50.6	-27	
International	450.5	440.5	407.9	42.6	10	
% International	77	77	69			
Investments	7.1	47.6	6.8	0.3	4	
EBIT	7.8	69.3	2.2	5.6		
	31 MARCH 2013	31 DEC. 2012	31 MARCH 2012	Changes 31 MARCH 2013 to 31 DEC. 2012		
					%	
Employees	3,346	3,293	3,252	53	2	
plus trainees	193	221	176	-28	-13	
Total employees	3,539	3,514	3,428	25	1	

The “Machine Tools” segment developed as follows in the first quarter: **Sales revenues** reached € 270.4 million and thus in total were 4% above the comparable period in the previous year (€ 259.6 million). In the first quarter, the “Machine Tools” segment had a percentage share of turnover of 58% (previous year: 57%).



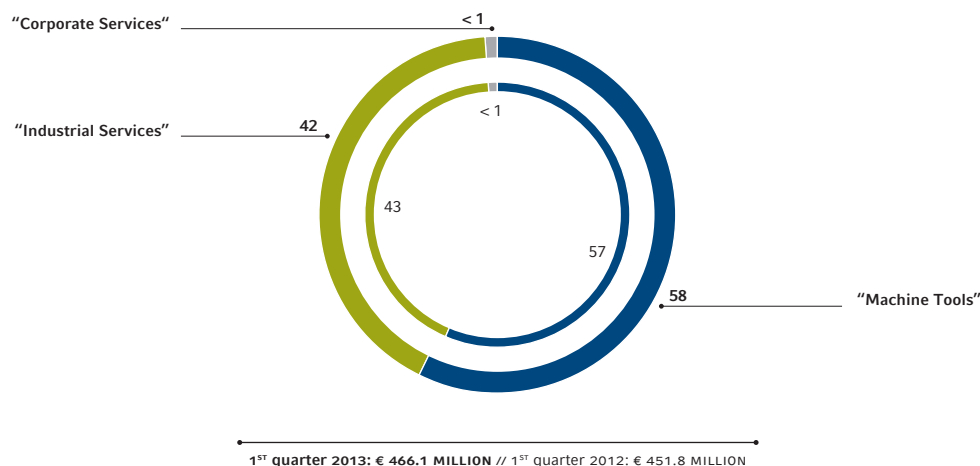
Segmental Reporting  
 "Machine Tools"  
 "Industrial Services"

In relation to the total sales revenues of the group, "Machine Tools", "Industrial Services" and "Corporate Services" contributed as follows:

B . 11 DISTRIBUTION OF SALES REVENUES BY SEGMENTS  
 WITHIN THE GILDEMEISTER GROUP

IN %

2013  2012



**Order intake** in the "Machine Tools" segment amounted to € 284.1 million and thus was below the previous year's quarterly figure (€ 359.9 million), which was marked by several major orders. As of 31 March 2013, domestic order intake was affected by the general reluctance to invest in Germany. Domestic orders fell by 34% or € 41.6 million to € 81.9 million (previous year: € 123.5 million), while order intake abroad fell by 14% or € 34.2 million to € 202.2 million (previous year: € 236.4 million). "Machine Tools" accounted for 55% of all incoming orders in the group (previous year: 59%). **Order backlog** was € 584.4 million on 31 March (31 Dec. 2012: € 570.7 million). **EBIT** rose to € 7.8 million (previous year: € 2.2 million). As of 31 March, the "Machine Tools" segment had 3,539 **employees** (31 Dec. 2012: 3,514).

#### "Industrial Services"

The "Industrial Services" segment includes the divisions Services and Energy Solutions:

In the **Services** division, we have combined the sales and services activities for machine tools as well as all products linked to our machine tools. Assisted by DMG / MORI SEIKI Life Cycle Services, our customers optimise the productivity rate of their machine tools over their entire life cycle – from machine commissioning right through to part exchange as a used machine. The wide range of training, repair and maintenance services offered to our customers ensures maximum cost-efficiency for their machine tools.

**Energy Solutions** comprises the five business units, Energy Efficiency, SunCarrier, Cellstrom, Service and Components. Its optimised product and service portfolio has a greater focus on new markets, as well as industrial customers and investors. In the first quarter 2013, we expanded our activities in the energy efficiency sector and are developing specific sets of measures for our customers which will help to decrease energy consumption.

B . 12

KEY FIGURES "INDUSTRIAL SERVICES" SEGMENT					
	31 MARCH 2013 € MILLION	31 DEC. 2012 € MILLION	31 MARCH 2012 € MILLION	Changes 31 MARCH 2013 to 31 MARCH 2012	
				MIO €	%
Sales revenues					
Total	195.6	862.2	192.1	3.5	2
Domestic	72.6	325.0	103.4	-30.8	-30
International	123.0	537.2	88.7	34.3	39
% International	63	62	46		
Order intake					
Total	234.5	1,007.0	245.1	-10.6	-4
Domestic	81.7	349.3	100.0	-18.3	-18
International	152.8	657.7	145.1	7.7	5
% International	65	65	59		
Order backlog					
Total	471.7	432.8	372.1	99.6	27
Domestic	131.1	122.0	93.4	37.7	40
International	340.6	310.8	278.7	61.9	22
% International	72	72	75		
Investments	2.4	17.6	4.2	-1.8	-43
EBIT	16.7	88.4	21.7	-5.0	
	31 MARCH 2013	31 DEC. 2012	31 MARCH 2012	Changes 31 MARCH 2013 to 31 DEC. 2012	
					%
Employees	2,914	2,894	2,756	20	1
plus trainees	8	8	1	0	0
Total employees	2,922	2,902	2,757	20	1

Segmental Reporting  
 "Industrial Services"  
 "Corporate Services"

**Sales revenues** in the Industrial Services segment amounted to € 195.6 million (previous year: € 192.1 million). The Services sector recorded sales revenues of € 182.7 million (previous year: € 182.2 million). Sales revenues in the Energy Solutions division were € 12.9 million (previous year: € 9.9 million). In total, "Industrial Services" accounted for a 42% share of group sales revenues (previous year: 43%). **Order intake** amounted to € 234.5 million (previous year: € 245.1 million). "Industrial Services" accounted for 45% of incoming orders within the group (previous year: 41%). The share attributed to Services amounted to € 217.2 million (previous year: € 235.8 million), the Energy Solutions division contributed to this figure with € 17.3 million (previous year: € 9.3 million). Order backlog was € 471.7 million (31 Dec.2012: € 432.8 million). In the first three months, **EBIT** amounted to € 16.7 million (previous year: € 21.7 million). It was influenced by the changes of the internal pricing structures – as described on page 11. At the end of the first quarter, the number of **employees** in the "Industrial Services" segment was 2,922 (31 Dec. 2012: 2,902).

### "Corporate Services"

B . 13

KEY FIGURES "CORPORATE SERVICES" SEGMENT				
	31 MARCH 2013 € MILLION	31 DEC. 2012 € MILLION	31 MARCH 2012 € MILLION	Changes 31 MARCH 2013 to 31 MARCH 2012 € MILLION
Sales Revenues	0.1	0.2	0.1	0.0
Order intake	0.1	0.2	0.1	0.0
Investments	2.7*	9.3	0.4	2.3
EBIT	-7.1	-25.5	-4.8	-2.3
*of which € 1.6 million capital inflow to financial assets				

	31 MARCH 2013	31 DEC. 2012	31 MARCH 2012	Changes 31 MARCH 2013 to 31 DEC. 2012 %
Employees	87	80	74	7

The „Corporate Services" segment comprises GILDEMEISTER Aktiengesellschaft with its group-wide holding functions. **EBIT** was € -7.1 million (previous year: € -4.8 million). This includes increased personnel and consultancy expenses as well as project costs for the development of the group. The financial result improved by € 1.6 million to € 1.3 million (previous year: € -0.3 million). **EBT** was € -5.8 million (previous year: € -5.0 million).

## Employees

On 31 March 2013, GILDEMEISTER had 6,548 employees, of which 201 were trainees (31 Dec. 2012: 6,496). Thus, the number of employees rose by 52. The increase in personnel was mainly a result of 25 trainees being taken on at our production sites in Germany, as well as the expansion of our sales and service companies. At the end of the first quarter, our domestic companies had 3,755 employees (57%) and our foreign companies had 2,793 employees (43%). Personnel expenses amounted to € 114.3 million (previous year's period: € 108.8 million). The personnel ratio was 23.0% (previous year's period: 22.3%).

## GILDEMEISTER Share

At the beginning of the year the price of the GILDEMEISTER share was € 16.38 (2 Jan. 2013) and € 16.39 at the end of the first quarter 2013 (28 March 2013). The current share price is € 17.72 (2 May 2013). Actually the company is analysed by 14 banking institutes, five of which recommend buying the share and two advise to overweight. One bank recommends to accumulate the share and six analysts recommend to hold the paper.

B . 14 THE GILDEMEISTER SHARE IN COMPARISON WITH THE MDAX\*\*\* JANUARY 2010 TO MAY 2013  
IN %



\* 04 January 2010 = 100, stock performances indexed, XETRA stock prices / Source: Deutsche Börse Group

\*\* An industry index has not been included due to a lack of comparability of the included shares in relation to GILDEMEISTER Aktiengesellschaft.

Employees  
GILDEMEISTER Share

For the first three months, based on the number of shares of 60.2 million, a turnover rate of 0.4 times (weighted previous year's period: 0.5 times) has been calculated. The trading volume averaged 368,000 shares per trading day (previous year: 422,000 shares).

#### **GILDEMEISTER and Mori Seiki deepen their cooperation**

On 20 March, GILDEMEISTER Aktiengesellschaft announced there were plans to further deepen its long-standing cooperation with Mori Seiki Co., Ltd., Nagoya (Japan). A corresponding cooperation agreement was signed by both companies on 20 March 2013. According to this agreement, Mori Seiki's stake in GILDEMEISTER is to be increased in the near term to 24.9% of the voting shares. GILDEMEISTER, in turn, has a right to increase its participation in Mori Seiki to 10.1%. The increase of Mori Seiki's stake in GILDEMEISTER is expected to take place through a combination of capital increases for cash and contributions in kind. In the first step, Mori Seiki is to contribute shares in companies in the important markets of the United States and Japan to GILDEMEISTER and in exchange is to receive a total of up to 3,247,162 new shares in GILDEMEISTER (up to approximately 5.40% of the existing share capital) through a capital increase for contributions in kind. In the second step, all shareholders will have the opportunity to participate in a capital increase for cash with subscription rights in order to continue to share in the development of GILDEMEISTER. The total amount of both capital increases will not exceed 30% of the current share capital. The planned deepening of their cooperation, including the measures described above, are subject to approval by the responsible competition authorities due to the resulting acquisition of control as defined in competition law.

## Research and Development

In the first quarter, expenditure for research and development amounted to € 13.2 million (previous year: € 13.8 million). At our traditional open house exhibition at DECKEL MAHO Pfronten at the beginning of the year, we presented six world premieres – two of them are cooperation machines, the DIXI 210 for high precision cutting and the NLX 2500SY/700. In 2013 we are planning a **total of 20 new developments**, of these we develop five machines together with our partner Mori Seiki.

In the **milling technology division**, we have extended the product range of our ultraflexible 5-axis machines by adding an automatic pallet changer to the DMC 65 FD MONOBLOCK and expanding the DMU 125 FD MONOBLOCK as a universal machining centre – with an optional heavy-duty machining function. The DMC 80 H *linear* has been added to the series for maximum precision and highly dynamic machining in up to 5 axes.

In the **turning technology division**, the CTX BETA 2000 completes the CTX series. This newly designed machine model is considered the next generation of the successful CTX 620 with enhancements made to the working space, main spindle and turret. As part of our successful cooperation with Mori Seiki, the universal turning machine, the NLX 2500 SY/700 was built for the European market at GILDEMEISTER Italiana S.p.A.

A total of 507 employees are working on developing our new products – this is 15% of the workforce at our plants. The 20 new developments for 2013 will be presented at 70 international and national trade shows, as well as open house exhibitions in the current year. Over the course of the year, the presentation of our world premieres will be focused on the industry highlight in September, the **EMO in Hanover**. Besides 14 world premieres, we will also be presenting technological solutions for milling applications and innovative software tools – three new developments are made together with Mori Seiki.

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### DMC 80 H *linear*



25% more productivity and precision with an optional four or five-axis system as manufacturing solution for the automotive industry.

The DMC 80 H *linear* was presented in February at the open house exhibition in Pfronten. The innovative linear motor technology used means maximum dynamics and permanent precision, e.g. for machining engine blocks and clutch housings.

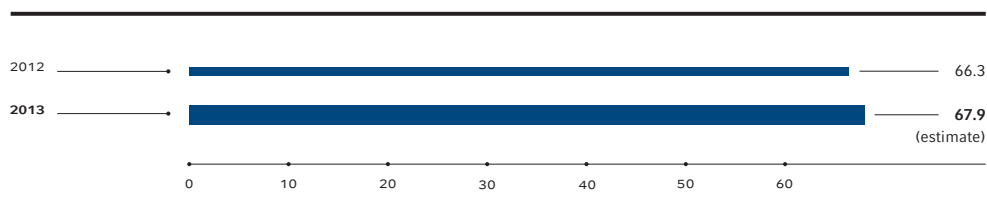
## Forecast

The **world economy** will continue to grow according to current forecasts. The Institute for the World Economy (IfW) is forecasting a 3.4% increase in global gross domestic product (GDP). China will maintain its position as the main driver of the world economy. According to current forecasts, GDP in the USA will continue to grow. Europe will face economic stagnation this year: Economic researchers are expecting the GDP of European countries to fall by 0.2% in 2013. Positive growth of 0.6% is being forecast for Germany.

The **worldwide market for machine tools** will still show a slight overall improvement in 2013. According to the most recent forecast of the German Machine Tool Builders' Association (VDW) and the British Economic Research Institute, Oxford Economics (status: April 2013), growth in world consumption is only expected to rise by 2.4% to € 67.9 billion. The growth rate was therefore revised down by more than 5 percentage points compared to the forecast in autumn (October 2012: +7.6%).

Developments in individual markets are likely to diverge considerably from each other over the course of the year: In **Asia**, according to current forecasts, there should be a 3.9% rise in demand, making it higher than world consumption. Stable consumption (+0.5%) is being forecast for **America**. In contrast, demand in **Europe** is now likely to fall by 1.4%. For **Germany** a relatively stable consumption level (−0.3%) is expected.

C. 01 MACHINE TOOLS CONSUMPTION WORLDWIDE  
IN € BILLION



Source: vdw (German Machine Tool Builders' Association), Oxford Economics, Institute for World Economy (IfW)

## Latest news



As the largest foreign exhibitor, DMG and Mori Seiki exhibited jointly for the first time at the CIMT. From 23 to 27 April 2013 33 machines were presented in live operation, six of which were Asia premieres. With order intake of € 56.6 million and 237 machines sold, GILDEMEISTER takes positive stock of the most important machine tool trade fair in Asia.

**GILDEMEISTER** intends to further extend its global market position, particularly in the fast-growing markets in Asia and Russia. Here we see **future sales markets** with growth potential. The planned expansion of the sales and service cooperation with Mori Seiki to the markets in China and Russia, as well to Canada and South America, will play a key role. With our international centers of excellence we are targeting at specific growing industries like the aerospace, automotive, medical technology and energy.

Our motto for the current financial year is: **together. innovative. global.** With this as our focal point, we will extent our cooperation with Mori Seiki. Our worldwide customers will benefit from an even wider range of services. We have set further important milestones in the company's long-term business strategy and will continue to increase our joint activities. With a continuing consistent service- and innovation-orientated company strategy we lay the foundation for consolidating our profitability and thus securing the company's future. The Energy Solutions division has been complemented by an energy efficiency advice service for industrial companies.

#### **Future Business Development**

In **financial year 2013**, we are expecting that the stagnation in the European market and the reluctance to invest in Germany will continue. In comparison, further positive development is expected in the Asian and American markets, as well as in Russia.

We see potential in our innovations and the cooperation projects with Mori Seiki. In order to consolidate our cooperation, we are planning to increase the shareholdings in each other's companies over the course of the year.

Despite the increasing competitive pressure we stick to our targeted order intake for the whole year: Following the highest order intake in the history of the company in 2012, we are planning **order intake** of around € 2 billion for this year. A significant contribution to order intake shall be made during the upcoming leading trade fairs of the machine tools industry: At the **Metallobrabotka in Moscow** (27 – 31 May 2013) we will present 18 high tech machines for the Russian market. The **EMO in Hanover**



Machine Tools Consumption

Future Business  
Development

(16 – 21 Sep. 2013) will play a key role in our international sales activities in the current year: As the largest exhibitor, DMG / MORI SEIKI will be presenting 14 further world premieres to a wide range of trade visitors.

Based on current business developments and our order backlog **sales revenues** shall amount to around € 2 billion. In the current year, we will start to build up and expand our production capacities in strategically important markets. We are anticipating positive free cash flow of more than € 75 million for the whole of 2013.

Based on the premise that the market will develop as expected, we are planning to achieve **EBT** of around € 120 million and as a result, an **annual net profit** of around € 82 million. Subject to these developments, we are planning to make a **dividend payout** for financial year 2013.

The general economic conditions for **2014** are difficult to forecast at present. The vdw (German Machine Tool Builders' Association) and Oxford Economics are again predicting growth in worldwide machine tool consumption for 2014. If the world economy develops in line with current forecasts, we are expecting to achieve moderate growth in financial year 2014. We are constantly working towards increasing the flexibility of our cost structure and the production processes, in order to be able to respond to economic influences.

### Consolidated Income Statements

D . 01

1 <sup>ST</sup> QUARTER	2013		2012		Changes	
	01 JAN. – 31 MARCH		01 JAN. – 31 MARCH		2013 against 2012	
	€ MILLION	%	€ MILLION	%	€ MILLION	%
<b>Sales Revenues</b>	466.1	93.9	451.8	92.8	14.3	3.2
Changes in finished goods and work in progress	28.1	5.7	33.9	7.0	-5.8	-17.1
Own work capitalised	2.1	0.4	1.2	0.2	0.9	75.0
<b>Total Work Done</b>	496.3	100.0	486.9	100.0	9.4	1.9
Cost of materials	-280.3	-56.5	-275.3	-56.5	-5.0	-1.8
<b>Gross Profit</b>	216.0	43.5	211.6	43.5	4.4	2.1
Personnel costs	-114.3	-23.0	-108.8	-22.3	-5.5	-5.1
Other income and expenses	-73.6	-14.9	-74.2	-15.3	0.6	0.8
Depreciation	-11.1	-2.2	-9.8	-2.0	-1.3	-13.3
<b>Financial Result</b>	-1.9	-0.3	-3.8	-0.8	1.9	50.0
<b>EBT</b>	15.1	3.1	15.0	3.1	0.1	
Income Taxes	-4.7	-1.0	-4.7	-1.0	0.0	
<b>Earnings after taxes</b>	10.4	2.1	10.3	2.1	0.1	
Profit share of shareholders of GILDEMEISTER Aktiengesellschaft	9.2	1.8	9.5	2.0	-0.3	
Profit share attributed to minority interests	1.2	0.3	0.8	0.1	0.4	
<b>Earnings per share pursuant to IAS 33 (in euros)</b>						
Undiluted	0.16		0.16			
Diluted	0.16		0.16			

### Group Statement of Comprehensive Income

D . 02

	2013	2012*
	01 JAN. – 31 MARCH € MILLION	01 JAN. – 31 MARCH € MILLION
<b>Earnings after taxes</b>	<b>10.4</b>	<b>10.3</b>
<b>Other comprehensive income</b>		
Differences from currency translation	-4.4	-5.8
Changes in market value of derivative financial instruments	-1.8	3.1
Changes in the fair value measurement of available-for-sale assets	19.5	5.7
Actuarial gains / losses	0.0	-1.2
Income tax expense on other comprehensive income	0.5	-0.5
<b>Other comprehensive income for the period after taxes</b>	<b>13.8</b>	<b>1.3</b>
<b>Total comprehensive income for the period</b>	<b>24.2</b>	<b>11.6</b>
Profit share of shareholders of GILDEMEISTER Aktiengesellschaft	22.4	10.8
Profit share attributed to minority interests	1.8	0.8

\* adjusted as a result at first time application of IAS 19 (rev. 2011)

Consolidated Income  
Statement

Consolidated Balance Sheet

**Consolidated Balance Sheet**

D . 03

<b>ASSETS</b>	<b>31 MARCH 2013</b>	<b>31 DEC. 2012*</b>	<b>31 MARCH 2012*</b>
	<b>€ MILLION</b>	<b>€ MILLION</b>	<b>€ MILLION</b>
<b>Long-term assets</b>			
Goodwill	119.6	119.5	113.5
Other intangible assets	66.1	65.1	63.5
Tangible assets	261.9	263.2	230.1
Equity accounted investments	9.5	7.6	7.0
Other equity investments	61.2	45.3	52.6
Trade debtors	1.1	0.5	2.9
Receivables from associated companies	0.0	0.0	4.7
Other long-term financial assets	8.4	9.8	12.5
Other long-term assets	3.9	4.1	1.1
Deferred taxes	47.9	49.5	49.4
	<b>579.6</b>	<b>564.6</b>	<b>537.3</b>
<b>Short-term assets</b>			
Inventories	544.3	486.3	523.3
Trade debtors	208.3	195.6	244.8
Receivables from at equity accounted companies	6.0	12.0	5.1
Receivables from related parties	5.8	19.7	10.5
Receivables from associated companies	1.4	0.8	6.4
Other short-term financial assets	70.7	61.0	71.8
Other short-term assets	51.7	51.5	34.8
Cash and cash equivalents	102.1	173.3	62.4
Long-term assets held for sale	55.3	55.8	44.4
	<b>1,045.6</b>	<b>1,056.0</b>	<b>1,003.5</b>
	<b>1,625.2</b>	<b>1,620.6</b>	<b>1,540.8</b>

\* adjusted as a result of first time application of IAS 19 (rev. 2011)

<b>EQUITY AND LIABILITIES</b>	<b>31 MARCH 2013</b>	<b>31 DEC. 2012*</b>	<b>31 MARCH 2012*</b>
	<b>€ MILLION</b>	<b>€ MILLION</b>	<b>€ MILLION</b>
<b>Equity</b>			
Subscribed capital	151.7	151.7	151.7
Capital provision	257.2	257.2	257.2
Revenue provisions	304.1	281.7	236.1
<b>Total equity of shareholders of GILDEMEISTER Aktiengesellschaft</b>	<b>713.0</b>	<b>690.6</b>	<b>645.0</b>
Minority interests' share of equity	86.4	84.6	80.7
<b>Total equity</b>	<b>799.4</b>	<b>775.2</b>	<b>725.7</b>
<b>Long-term liabilities</b>			
Long-term financial debts	3.1	3.2	14.5
Pension provisions	39.7	39.8	36.5
Other long-term provisions	20.0	19.9	17.3
Trade creditors	0.2	0.2	0.4
Other long-term financial liabilities	7.3	8.3	14.8
Other long-term liabilities	2.6	2.7	2.5
Deferred taxes	5.8	7.5	7.4
	<b>78.7</b>	<b>81.7</b>	<b>93.7</b>
<b>Short-term liabilities</b>			
Short-term financial debts	9.1	9.1	53.7
Tax provisions	31.8	34.5	14.5
Other short-term provisions	155.1	162.4	144.3
Payments received on account	153.7	155.8	152.2
Trade creditors	230.7	264.5	251.7
Liabilities to at equity accounted companies	0.0	0.1	0.0
Liabilities to associated companies	23.7	8.9	10.4
Liabilities to related parties	72.7	56.0	20.1
Other short-term financial liabilities	21.9	25.9	33.3
Other short-term liabilities	37.1	35.6	29.8
Liabilities in connection with assets held for sale	11.3	10.9	11.4
	<b>747.1</b>	<b>763.7</b>	<b>721.4</b>
	<b>1,625.2</b>	<b>1,620.6</b>	<b>1,540.8</b>

\* adjusted as a result of first time application of IAS 19 (rev. 2011)

Consolidated Balance Sheet

Consolidated  
Cash Flow Statement

## Consolidated Cash Flow Statement

D. 04

	2013 01 JAN. – 31 MARCH € MILLION	2012 01 JAN. – 31 MARCH € MILLION
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Earnings before tax (EBT)	15.1	15.0
Income taxes	-4.7	-4.7
Depreciation	11.1	9.8
Change in deferred taxes	-0.2	-4.2
Change in long-term provisions	-0.4	0.8
Other income and expenses not affecting payments	-0.1	-1.0
Change in short-term provisions	-10.0	-4.1
Changes in inventories, trade debtors and other assets	-61.4	-72.6
Changes in trade creditors and other liabilities	-8.9	-13.0
	<b>-59.5</b>	<b>-74.0</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITY</b>		
Amounts paid out for investments in intangible and tangible assets	-10.6	-11.7
Amounts paid out for investments in financial assets	-1.6	0.0
Cash inflows on disposal of the property, plant and equipment	0.8	2.5
	<b>-11.4</b>	<b>-9.2</b>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Cash inflows for borrowings	0.2	36.5
Cash outflows for changes in interests of subsidiaries	0.0	-2.5
Changes to consolidated companies	0.0	6.7
	<b>0.2</b>	<b>40.7</b>
Changes affecting payments	-70.7	-42.5
Effects of exchange rate changes on financial securities	-0.5	-0.3
Cash and cash equivalents at the beginning of the period	173.3	105.2
Cash and cash equivalents at the end of the period	102.1	62.4

## Development of Group Equity

D . 05

	Subscribed capital € MILLION	Capital provision € MILLION	Revenue provisions* € MILLION	Total equity of shareholders of GILDEMEISTER Aktiengesellschaft € MILLION	Minority interests' share of equity € MILLION	Total equity € MILLION
As at 1 Jan. 2013	151.7	257.2	281.7	690.6	84.6	775.2
Total comprehensive income	0.0	0.0	22.4	22.4	1.8	24.2
Consolidation measures / Other changes	0.0	0.0	0.0	0.0	0.0	0.0
<b>As at 31 March 2013</b>	<b>151.7</b>	<b>257.2</b>	<b>304.1</b>	<b>713.0</b>	<b>86.4</b>	<b>799.4</b>

	Subscribed capital € MILLION	Capital provision € MILLION	Revenue provisions* € MILLION	Total equity of shareholders of GILDEMEISTER Aktiengesellschaft € MILLION	Minority interests' share of equity € MILLION	Total equity € MILLION
As at 1 Jan. 2012	151.7	257.2	225.3	634.2	12.1	646.3
Total comprehensive income	0.0	0.0	10.8	10.8	0.8	11.6
Consolidation measures / Other changes	0.0	0.0	0.0	0.0	67.8	67.8
<b>As at 31 March 2012</b>	<b>151.7</b>	<b>257.2</b>	<b>236.1</b>	<b>645.0</b>	<b>80.7</b>	<b>725.7</b>

\* adjusted as a result of first time application of IAS 19 (rev. 2011)

**P** P. 27

Notes to the Interim Consolidated Financial Statements

## D . 06 Group Segmental Reporting

### SEGMENTATION BY BUSINESS DIVISIONS

	1 <sup>ST</sup> QUATER 2013					Group € MILLION
	Machine Tools € MILLION	Industrial Services € MILLION	Corporate Services € MILLION	Transitions € MILLION		
Sales revenues	270.4	195.6	0.1	0.0		466.1
EBIT	7.8	16.7	-7.1	-0.4		17.0
Investments	7.1	2.4	2.7	0.0		12.2
Employees	3,539	2,922	87	0		6,548

	1 <sup>ST</sup> QUATER 2012					Group € MILLION
	Machine Tools € MILLION	Industrial Services € MILLION	Corporate Services € MILLION	Transitions € MILLION		
Sales revenues	259.6	192.1	0.1	0.0		451.8
EBIT	2.2	21.7	-4.8	-0.3		18.8
Investments	6.8	4.2	0.4	0.0		11.4
Employees	3,428	2,757	74	0		6,259

Group Segmental Reporting

Notes to the Interim  
Consolidated Financial  
Statements

## Notes to the Interim Consolidated Financial Statements

### 1 APPLICATION OF REGULATIONS

The interim consolidated financial statements of GILDEMEISTER Aktiengesellschaft as of 31 March 2013 were prepared, as were the Consolidated Financial Statements of the year ending 31 December 2012, in accordance with the International Financial Reporting Standards (IFRS) applicable on the reporting date and in accordance with the interpretation of the above standards; the regulations of the IAS 34 on interim reporting were applied.

All interim financial statements of those companies that were included in the Interim Consolidated Financial Statements were prepared in accordance with uniform accounting and valuation principles that also formed the basis for the Consolidated Annual Financial Statements for the year ending 31 December 2012.

In view of the sense and purpose of interim reporting as an instrument of information based on the Consolidated Financial Statements, and in accordance with IAS 1.112, we refer to the Notes to the Consolidated Annual Financial Statements. These set out in detail the accounting, valuation and consolidation methods applied and the right of choice contained in the IFRS that has been exercised.

The accounting and valuation principles and applied consolidation methods remain unchanged compared to financial year 2012 with one exception (for further information, please see the explanations in the Notes to the Consolidated Financial Statements as of 31 December 2012).

The revised version of IAS 19 (revised 2011) must always be applied retrospectively to financial statements for financial years starting on or after 1 January 2013. The amendments in IAS 19 resulted in the following material effects:

#### Pensions and similar obligations

In the past, GILDEMEISTER used the corridor method. With the abolition of the corridor method, actuarial gains and losses have a direct impact on the consolidated balance sheet and lead to an increase in pension provisions, as well as a decline in equity adjusted to account for deferred tax assets. As of 31 March 2012, pension provisions were adjusted in an amount of € 14.5 million and as of 31 December 2012 in an amount of € 18.2 million. As at 31 March 2012, equity fell – taking into consideration deferred taxes – by € 10.2 million and as of 31 December 2012, by € 12.8 million.

#### Provisions for partial retirement obligations

According to IAS 19 (revised 2011), the top-up payments agreed in the partial retirement agreements now represent other long-term employee benefits. The top-up payments can thus no longer be fully recognised as liabilities with their cash value, but the top-up payments are accumulated proportionally over the corresponding active years of service of the employee benefitting from partial retirement. This leads to a reduction in partial retirement provisions. As of 31 March 2012, the provisions were reduced by € 0.6 million and as of 31 December 2012, by € 0.3 million. The effects on the consolidated income statement and earnings per share as at 31 March 2012 are deemed immaterial.

**2 CONSOLIDATION GROUP** On 31 March 2013, the GILDEMEISTER group, including GILDEMEISTER Aktiengesellschaft, comprised 106 companies, 103 of which were included in the Interim Financial Statements as part of the full consolidation process. Compared to 31 December 2012, the number of group companies rose by one company. In March, a+f GmbH, Würzburg, founded the GILDEMEISTER energy efficiency GmbH based in Stuttgart. This new company, in which a+f GmbH holds 60%, develops ideas and solutions for increasing energy efficiency for industrial companies. This does not affect comparability with the consolidated financial statements as of 31 December 2012.

With no change to the consolidated financial statements 2012, DMG / MORI SEIKI Australia Pty. Ltd. and SUN CARRIER OMEGA Pvt. Ltd. have been classified as a joint venture and accounted for as at equity in the consolidated financial statements. In February, GILDEMEISTER increased its interest in MG Finance GmbH from a previous 33.0% to 42.55%. MG Finance GmbH has still been classified as an associate and also accounted for as at equity in the interim financial statements.

**3 EARNINGS PER SHARE** In accordance with IAS 33, earnings per share are determined by dividing the consolidated earnings by the average weighted number of shares as follows: At the same time the group earnings after taxes of € 10.4 million are decreased by € 1.2 million by the minority interests' earnings.

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Group result excluding the profit share of the shareholders	€K	9,251
Average weighted number of shares (pieces)		58,363,195
Earnings per share acc. to IAS 33	€	0.16

**4 INCOME STATEMENT, BALANCE SHEET, CASH FLOW STATEMENT** Detailed explanations of the income statement, the balance sheet and the cash flow statement can be found in the section “Results of Operations, Net Worth and Financial Position” on page 7 et seq.

**5 STATEMENT OF COMPREHENSIVE INCOME** Comprehensive income as of 31 March of € 24.2 million comprised earnings after taxes (€ 10.4 million) and “other comprehensive income for the period after taxes” (€ 13.8 million). A significant influential factor was the change arising from the valuation of financial assets held for sale. The change in the fair values of financial derivatives and currency translation differences reduced comprehensive income. Seasonally-related income and expenses, respectively those distributed unevenly over the financial year did not have any significant material effect.



**6 DEVELOPMENT OF GROUP EQUITY** Equity rose by € 24.2 million in total to € 799.4 million. Minority interests in equity rose by € 1.8 million to € 86.4 million. An increase in equity resulted from group earnings as of 31 March 2013 in an amount of € 10.4 million and changes in the value of financial assets held for sale in an amount of € 19.5 million. A decrease in equity resulted from changes in the fair value of financial derivatives amounting to € -1.8 million, as well as from the currency changes recognised directly in equity.

**7 SEGMENTAL REPORTING** Within the scope of segmental reporting, pursuant to the IFRS 8 regulations, the business activities of the GILDEMEISTER group have been divided into the “Machine Tools”, “Industrial Services” and “Corporate Services” business segments. The segmentation corresponds to the group’s internal controls and reporting based on different products and services. The Mori Seiki machines produced under licence are included in “Machine Tools”; the business with Mori Seiki products will be accounted for under “Industrial Services”. The demarcation of the segments and presentation of segment results remain unchanged from 31 December 2012.

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Segments

**8 STATEMENT OF RELATIONS TO RELATED COMPANIES AND PERSONS** Material changes as of 31 March 2013 have not occurred. As presented in the notes to the financial statements as of 31 December 2012, numerous business relations continue to exist with related parties and persons which are conducted on the basis of standard market terms and conditions.

**9 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE** Significant events occurring after the end of the reporting period are presented in the “Forecast”. No other significant events have occurred after the reporting date of interim financial statements.

Bielefeld, 7 May 2013  
GILDEMEISTER Aktiengesellschaft  
The Executive Board



Dipl.-Kfm. Dr. Rüdiger Kapitza



Dipl.-Kfm. Dr. Thorsten Schmidt



Dipl.-Kffr. Kathrin Dahnke



Dipl.-Ing. Günter Bachmann



Dipl.-Kfm. Christian Thönes



Dipl.-Kfm. Dr. Maurice Eschweiler

Supervisory Board:  
Hans Henning Offen, Chairman

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## Financial Calendar

17 MAY 2013	Annual General Meeting at 10.00 am in Town Hall, Bielefeld
25 JULY 2013	Second Quarterly Report 2013 (1 April to 30 June)
29 OCTOBER 2013	Third Quarterly Report 2013 (1 July to 30 September)
16 MAY 2014	Annual General Meeting at 10.00 am in the Town Hall, Bielefeld

Subject to alteration

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### Forward-looking statements

This report contains forward-looking statements, which are based on current estimates of the management of future developments. Such statements are based on the management's current expectations and specific assumptions. They are subject to risks, uncertainties and other factors, which could lead to the actual future circumstances, including the assets, liabilities, financial position and profit or loss of GILDEMEISTER, differing materially from or being more negative than those expressly or implicitly assumed or described in these statements. The business activities of GILDEMEISTER are subject to a series of risks and uncertainties, which may result in forward-looking statements, estimates or forecasts becoming inaccurate.

GILDEMEISTER is strongly affected, in particular, by changes in general economic and business conditions (including margin developments in the most important business areas as well as the consequences of a recession) as these have a direct effect on processes, suppliers and customers. Due to their differences, not all business areas are affected to the same extent by changes in the economic environment; significant differences exist with respect to the timing and extent of the effects of any such changes. This effect is further intensified by the fact that, as a global entity, GILDEMEISTER operates in various markets with very different economic rates of growth. Uncertainties arise inter alia from the risk that customers may delay or cancel orders or they may become insolvent or that prices become further depressed by a persistently unfavourable market environment than that which we are expecting at the current time; developments on the financial markets, including fluctuations in interest rates and exchange rates, in the price of raw materials, in borrowing and equity margins as well as in financial assets in general; growing volatility and further decline in the capital markets and a deterioration in the conditions for the credit business and in particular deterioration from growing uncertainties that arise from the financial market and liquidity crisis including that of the euro debt crisis as well as a deterioration in the future economic success of the core business areas in which we operate; challenges in integrating major acquisitions and in implementing joint ventures and achieving the expected synergy effects and other essential portfolio measures; the introduction of competing products or technology by other companies or the entry onto the market of new competitors; a change in the dynamics of competition (primarily on developing markets); a lack of acceptance of new products and services in customer target groups of the GILDEMEISTER group; changes in corporate strategy; interruptions in the supply chain, including the inability of a third party, for example due to a natural catastrophe, to supply parts, components or services on schedule; the outcome of public investigations and associated legal disputes as well as other measures of public bodies; the potential effects of these investigations and proceedings on the business of GILDEMEISTER and various other factors.

Should one of these factors of uncertainty or other unforeseeable event occur, or should the assumptions on which these statements are based prove incorrect, the actual results may differ materially from the results stated, expected, anticipated, intended, planned, aimed at, estimated or projected in these statements. GILDEMEISTER neither intends to nor does GILDEMEISTER assume any separate obligation to update any forward-looking statements to reflect any change in events or developments occurring after the reporting period. Forward-looking statements must not be understood as a guarantee or assurance of the future developments or events contained therein.





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