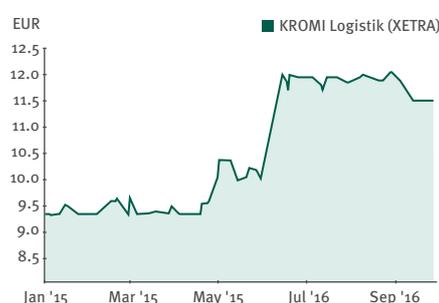


Key share data 3M 2016 / 2017

Ticker / ISIN	K1R / DE000AOKFUJ5
Number of shares	4,124,900
Closing price (September 30, 2016)*	EUR 11.50
High / low*	EUR 12.05 / EUR 11.50
Market capitalisation (September 30, 2016)	EUR 47.4 million

*Closing prices, XETRA trading system of Deutsche Börse AG

Share chart



Shareholder structure



Events 2016

November 21, 2016	German Equity Forum in Frankfurt a.M.
December 8, 2016	Annual Shareholders' Meeting in Hamburg
February 16, 2017	Publication H1 report 2016 / 2017
May 24, 2017	Publication 9M report 2016 / 2017

Dear shareholders, employees and friends of our company,

During the first three months of the 2016 / 2017 fiscal year now underway we were able to continue the previous twelve months' successful development, with KROMI Logistik AG on track to report further profitable growth. In doing so, we succeeded in advancing this trend not only in Germany but also internationally in all significant target sectors such as automotive, aerospace and mechanical engineering.



f.l.t.r.: Jörg Schubert (CEO), Bernd Paulini (COO), Axel Schubert (CIO), Uwe Pfeiffer (CFO)

While we continue the good business expansion in Germany and Europe, we are especially pleased with the contribution from business generated with new customers at our subsidiary in Brazil. Given the continued difficult economic environment there, the subsidiary's achievements in acquiring customers represent a remarkable performance. We have succeeded in increasing sales by around 55% year-on-year in terms of Brazilian real, and even by around 70% when stated in euros – accompanied by even faster gross profit growth. We see this as a confirmation of our business model in a difficult market environment where our customers are still working well below full capacity utilisation. An increasing recovery of the Brazilian economy offers correspondingly significant upside potential, and we consequently anticipate further good news for our Brazil business over the medium-term.

Due to this pleasing business situation, total revenue for the first three months of approximately EUR 17 million is up by around 5.5% year-on-year. It should be noted that with this growth we are again outperforming our market to a significant extent. This is all the more remarkable insofar as the first quarter of the KROMI fiscal year is always characterised by the summer vacation phase during which manufacturing industry activity is traditionally weaker. We are very pleased that with the positive trend in our gross profit margin, which amounted to 25.2% in the reporting period, we have succeeded in converting our revenue growth almost one-to-one into profit.

At the same time, we noted a somewhat wait-and-see investment stance of our customers over the past months – especially among our globally operating major customers. We believe this is attributable not only to factors of political uncertainty such as the British vote to exit the EU – Brexit – and the US presidential election, but also to corporates' general scepticism about local economic growth. We nevertheless anticipate that investment confidence will normalise again over the further course of the fiscal year, with visibility improving as it does so. Overall, we are satisfied with our business trends after the first three months of the year, and see them as having laid a foundation for us to reach our targets for the 2016 / 17 fiscal year.

The Managing Board

Key figures at a glance (IFRS)

KEUR	3M 2016/2017 (01/07/16 – 30/09/16)	3M 2015/2016 (01/07/15 – 30/09/15)
Revenue	17,004	16,112
Earnings before interest and tax (EBIT)	199	-866
Net operating earnings before currency effects	85	-936
Earnings before tax (EBT)	233	291
Group net profit or loss	9	-1,053
Number of shares in fiscal year	4,124,900	4,124,900
Result per share in EUR	-0.00	-0.26
Equity ratio in %	50.5	59.0
Cash flow from operating activities	-738	-853
Cash flow from investing activities	141	61
Cash flow from financing activities	-25	-25
Employees at end of period (excluding Managing Board)	164	160

General conditions

The German economy is on a moderate expansion path, according to a joint forecast issued by the five leading German economic research institutes. These institutes forecast that gross domestic product will increase by 1.4% in 2017 and by 1.6% in 2018. Their economists estimate 1.9% growth for the year now reaching its end. For the Eurozone, it is anticipated that the moderate expansion rate of gross domestic product will be retained. In its forecast published in early September, the Kiel Institute for the World Economy expects an increase of 1.6% for the current year. The growth rates for 2017 and 2018 are forecast to be only slightly higher at 1.7% and 1.8% respectively.

In Brazil, indicators suggest that an improvement in the economy is in the immediate offing. Economists at the Kiel Institute for the World Economy have upgraded their previous forecast for 2017 from 0.1% growth to 0.7%. The rate of expansion could gather further momentum in 2018, reaching 2.2%. The end of the recession is still awaited, however. The IfW's economists estimate that GDP diminished by a total of 3.1% in 2016.

Concerning the main target sectors of KROMI Logistik AG – The German mechanical engineering sector overall reported zero growth during the first three quarters of the year, according to data from the German Engineering Federation (VDMA). The VDMA's economists forecast that sales revenues for mechanical and plant engineering worldwide will stagnate over the full course of 2016. While sales in China will report a slight increase, they will continue to stagnate in the EU, and decline in the USA and Japan.

A positive trend is anticipated for the aerospace industry. In its latest passenger forecast, the United Nations air transport association – the IATA – expects annual passenger volume growth of 3.8%, leading to an almost doubling from today's 3.8 billion to 7.2 billion air passengers by 2035. The positive trend in the automotive industry continues. The Western European car market reached a volume of almost 10.8 million new vehicles overall during the first nine months of the year, reflecting an increase of 7%, according to the German Automotive Industry Association (VDA). The US market registered only a slight year-on-year rise to 13 million light vehicles (cars and light trucks). The Chinese car market continued to perform dynamically with new car sales up 18% to almost 16.2 million vehicles.

Business Trends

Condensed income statement

KEUR	Q1 2016/2017 (01/07/16 – 30/09/16)	Q1 2015/2016 (01/07/15 – 30/09/15)
Revenue	17,004	16,112
Cost of material	12,713	12,348
Staff costs	2,615	2,431
Depreciation / amortisation	199	153
Profit from operations	199	-867
Finance costs	129	81
Earnings before tax	85	-936
Company net profit / loss	9	-1,053

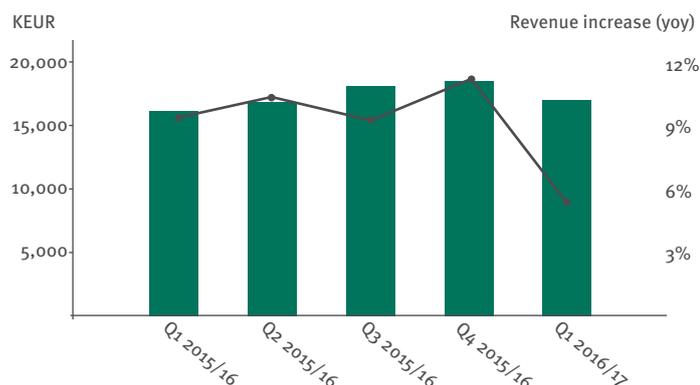
Revenue trend

During the reporting period, KROMI Logistik increased its sales revenues slightly to EUR 17,004 thousand (previous year: EUR 16,112 thousand). This approximately 5.5% sales revenue growth was due to expansion in all major target sectors, whereby KROMI Logistik performed significantly better than the market.

In Germany, KROMI Logistik not only successfully expanded business with existing customers during the period under review, but also acquired additional new customers from various sectors.

During the first three months of 2016/2017, sales revenue in Germany rose by 3.9% from EUR 10,261 thousand in the previous year to EUR 10,664 thousand. Revenue generated abroad of EUR 6,340 thousand was up by around 8.4% on the previous year's level (EUR 5,851 thousand). It is notable in this context that KROMI Logistik reported a marked increase in its revenue level in Brazil when expressed in the national currency, the Brazilian real, despite the difficult economic situation.

Revenue increase



- With a revenue growth of 5.5% KROMI Logistik develops better than the target markets
- Revenue growth of more than 50% (yoy) in Brazil despite the tense economic situation
- Positive development of revenue in all target markets in Q1 2016 / 2017

Cost items and depreciation / amortisation

The cost of materials amounted to EUR 12,713 thousand (previous year: EUR 12,348 thousand), improving the cost of materials ratio significantly to 74.8% in the reporting period (previous year: 76.6%). This resulted in a considerably better gross profit margin of 25.2% (previous year: 23.4%).

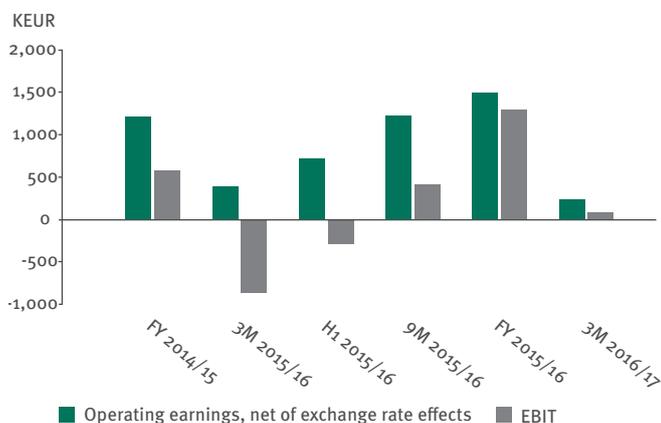
Staff costs rose slightly year-on-year from EUR 2,430 thousand to EUR 2,615 thousand. The staff cost ratio stood at 15.4% (previous year: 15.1%).

Depreciation and amortisation amounted to EUR 199 thousand in the first three months of 2016 / 2017, up compared with the previous year's EUR 153 thousand. Other operating expenses reduced significantly to EUR 1,497 thousand (previous year: EUR 2,248 thousand). Among other items, other operating expenses include unrealised currency differences of EUR 34 thousand (previous year: EUR 1,157 thousand), which do not derive from trading transactions but instead from the accountancy-based currency translation of the parent company's investment in relation to its Brazilian subsidiary. Compared with the previous year, additional one-off expenses of around EUR 380 thousand were also incurred in connection with the SAP launch and a trade fair participation.

Operating and net results

For the first three months of 2016 / 2017, KROMI Logistik generated a significantly improved operating result (EBIT) of EUR 199 thousand, compared with the continued loss-making situation of EUR -866 thousand (EBIT) in the previous year. Before currency effects, pure operating earnings amounted to EUR 233 thousand (previous year: EUR 291 thousand). The year-on-year change reflects expenses connected with the SAP launch and the trade fair participation. Overall, this results in a markedly improved reported consolidated net result of EUR 9 thousand (previous year: EUR 1,053 thousand).

Earnings before interest and taxes



- Positive development of Group result in the pre-quarters continues in Q1 2016 / 2017
- Strong positive development of the operating profit (EBIT) compared to the previous year
- Additional expenses for the introduction of SAP and expenses for exhibition participation (KEUR 380) influence the operating profit

Events after the reporting date

No events of particular significance occurred following the end of the period under review.

Outlook

KROMI Logistik enjoys a healthy equity capital base, sufficient liquidity reserves and a clearly focused corporate strategy. Based on both already realised and planned investments in new supply customers as well as successful customer acquisitions in the past, the Managing Board of KROMI Logistik regards the Group as positioned well for the current 2016 / 2017 fiscal year.

The Managing Board plans to further internationalise the company in the future, consolidate markets, and consistently further develop the business model in the process, with the aim of building up additional USPs. All activities are aimed at profitable growth. Organic growth is to be achieved primarily at existing locations, while new markets are to be tapped principally by way of accompanying existing customers, in order to then expand them locally. The careful weighing and consideration of risks and opportunities will continue to play a central role in this context in the future.

The customers of KROMI Logistik operate on global growth markets. Although local and global downturns might exert a negative impact on short- and medium-term trends in individual sectors, long-term rising growth rates are attributed especially to general engineering, aerospace, and the automotive manufacturing and supply industries.

As far as advanced economies are concerned, although the Managing Board expects higher growth rates during the current fiscal year, it also identifies considerable economic and structural uncertainties in leading emerging economies and regions such as China, Russia and Brazil. The order books of German industry are still well filled, and engineers and automotive suppliers worldwide are benefiting from long-term global trends such as energy efficiency/ climate protection and the networking of production facilities and locations. Economists at the German Engineering Federation (VDMA) expect sales in the current calendar year to stagnate, albeit at a high level. The aviation sector anticipates constant growth in passenger numbers, and consequently rising demand for aircraft and their components. The Airbus Group, for example, an important customer of KROMI Logistik, forecasts more than 33,000 new aircraft deliveries during the 2015 to 2035 period.

The Managing Board expects revenue growth in the mid single-digit percentage range for the 2016 / 2017 fiscal year. As a consequence, the Group's plan outpaces the VDMA's forecast range of 2% for the precision tools sub-segment in calendar 2016. KROMI expects a continuous improvement in its operating result in this connection, too. Market developments, and consequently KROMI customers' production levels, will comprise especially decisive factors for the company's earnings trends. If these perform positively, the Managing Board aims for further growth in earnings before interest and tax (EBIT) as part of its gradual and profitable growth strategy.

Report on risks and opportunities

No significant changes have occurred compared with the detailed information presented in the management report in the consolidated annual financial statements for the year ending June 30, 2015, concerning the risks and opportunities pertaining to KROMI Logistik.

Balance sheet (unaudited)

Assets KEUR	September 30, 2016	June 30, 2016
Non-current assets		
Intangible assets	499	525
Other property, plant and equipment	3,490	3,524
Other non-current assets	1,376	1,313
Deferred taxes	522	528
Total non-current assets	5,887	5,890
Current assets		
Inventories	23,227	21,120
Trade receivables	14,902	16,053
Other current receivables	1,186	1,806
Income tax receivables	116	11
Cash and cash equivalents	1,410	1,550
Total current assets	40,841	40,540
	46,728	46,430

Equity and liabilities KEUR	September 30, 2016	June 30, 2016
Equity		
Subscribed capital	4,125	4,125
Share premium	15,999	15,999
Retained earnings	1,007	1,007
Other reserves	494	437
Net retained profits	2,003	1,994
Minority interests	-44	-44
Total Equity	23,584	23,518
Total non-current liabilities		
Provisions for pensions and other post employment benefits	2,426	2,388
Non-current interest-bearing loans	975	1,000
Other non-current liabilities	182	199
Deferred taxes	31	30
Total non-current liabilities	3,614	3,617
Current liabilities		
Income tax liabilities	97	140
Other interest-bearing loans	11,662	8,684
Trade payables	5,527	8,670
Other current liabilities	2,244	1,801
Total current liabilities	19,530	19,295
	46,728	46,430

Income statement (unaudited)

KEUR	3M 2016/2017 (01/07/2016 – 30/09/2016)	3M 2015/2016 (01/07/2015 – 31/09/2016)
Revenue	17.004	16.112
Other operating income	220	201
Cost of material	12.713	12.348
Staff costs	2.615	2.431
Depreciation / amortisation	199	153
Other operating expenses	1.497	2.248
Profit from operations	199	-866
Finance costs	129	81
Other financial income	15	11
Earnings before tax	85	-936
Income taxes	75	117
Company net profit / loss	9	-1.053

Cash flow (unaudited)

KEUR	3M 2016/2017 (01/07/2016 – 30/09/2016)	3M 2015/2016 (01/07/2015 – 31/09/2016)
Cash flow from operating activities		
Consolidated earnings before interest and taxes (EBIT)	199	-867
Adjustment for:		
+ Amortisation / depreciation	199	153
- Increase in other non-current receivables	-62	-59
+ Increase in provisions for pensions	38	38
+/- Change in net current assets	-880	53
+ Interest received	15	11
- Interest paid	-129	-80
+/- Income taxes paid	-118	-102
Net cash from operating activities	-738	-853
Cash flow from investing activities		
Payments for the acquisition of non-current assets	141	61
Net cash used in investing activities	141	61
Cash flow from financing activities		
Cash flow from borrowings	-25	-25
Net cash used in financing activities	-25	-25
Cash change in cash and cash equivalents	-622	-817
+/- Currency translation	482	687
+ Cash and cash equivalents – start of period	1.550	741
Cash and cash equivalents – end of period	1.410	611

Imprint

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The 3-month report is also available in English. In the case of discrepancies, the German version shall prevail. The digital versions of the Annual Report of KROMI Logistik AG as well as the interim reports are posted on the Internet and are available at www.kromi.de under the Investor Relations heading.

Disclaimer

This report includes forward-looking statements that reflect the current views of KROMI Logistik AG's management with regard to future events. As a rule, these are shown by words such as "should", "expect", "assume", "anticipate", "intend", "estimate", "aim", "have the aim of", "forecast", "will be", "desire", "outlook", and similar expressions. Forward-looking statements are based on the currently valid budget, estimates and expectations. They are subject to risks and uncertainties that are difficult to estimate and outside KROMI Logistik AG's control.

These also include factors that have an impact on costs and income, for example, regulatory requirements, competition that is more intense than expected, changes in technology, litigation, and development under supervisory law. If these or other risks and uncertainties should occur, or if the assumptions on which the statements in this report are based prove to be incorrect, the actual results of KROMI Logistik AG could differ greatly from the results that are expressed or implied in the statement. KROMI Logistik AG does not assume any guarantee that the forward-looking expectations and assumptions included in this report will actually occur. In addition, KROMI Logistik AG declines all responsibility for updating forward-looking statements by taking into account new information or future events.