Interim Report Q3/2013

SFC ENERGY

SFC ENERGY AG CONSOLIDATED KEY FIGURES

in k €

	01/01 – 09/30/2013	01/01 – 09/30/2012	Change in %	Q3 2013	Q3 2012	Change in %
Sales	20,585	21,172	–2,8 %	7,002	6,206	12.8 %
Gross margin total	7,253	8,560	–15,3 %	2,153	2,414	–10.8 %
Gross margin	35.2 %	40.4 %	–	30.7 %	38.9 %	–
EBITDA	–2,003	–162	> –100 %	–1,230	–641	–91.9 %
EBITDA-margin	–9.7 %	–0.8 %	–	–17.6 %	–10.3 %	–
EBITDA underlying	–1,863	–100	> –100 %	–1,170	–609	–92.1 %
EBITDA margin underlying	–9.1 %	–0.5 %	–	–16.7 %	–9.8 %	–
EBIT	–3,587	–950	> –100 %	–1,862	–1,113	–67.3 %
EBIT margin	–17.4 %	–4.5 %	–	–26.6 %	–17.9 %	–
EBIT underlying	–3,302	–1,423	> –100 %	–1,655	–1,081	–53.1 %
EBIT margin underlying	–16.0 %	–6.7 %	–	–23.6 %	–17.4 %	–
Net result	–3,600	–919	> –100 %	–1,838	–1,108	–65.9 %
Net result per share, diluted	–0.48	–0.12	> –100 %	–0.24	–0.15	–60.0 %

in k €

	09/30/2013	12/31/2012	Change in %
Equity	34,801	36,394	–4,4 %
Equity ratio	65,8 %	76,4 %	–
Balance sheet total	52,909	47,617	11,1 %
Cash (freely available)	8,354	22,626	–63,1 %

	09/30/2013	09/30/2012	Change in %
Permanent employees	259	187	38,5 %

DIRECTORS' SHAREHOLDINGS

	09/30/2013
Management Board	
Dr Peter Podesser	106,800
Gerhard Inninger	0
Supervisory Board	
Tim van Delden	0
David Morgan	4,000
Dr Jens T. Müller	50,000

CONTENT

INTRODUCTION BY THE MANAGEMENT BOARD

Dr. Peter Podesser Chief Executive Officer (CEO)

Gerhard Inninger Chief Financial Officer (CFO)

DEAR CUSTOMERS, SHAREHOLDERS, EMPLOYEES AND FRIENDS OF SFC ENERGY AG,

In the third quarter of 2013, SFC Energy took another strategic step towards becoming a systems supplier by purchasing established Canadian oil and gas specialist Simark Controls Ltd. This acquisition demonstrates the systematic implementation of our strategy and represents an important contribution to the forward integration of our product and service portfolio. Simark's systems and product integration expertise is of crucial significance for the further development of off-grid power generation systems, even outside existing customer markets. In addition, the direct access gained to the North American oil & gas market provides the basis for long-term profitable growth in this segment. Further regional expansion based on this unique industrial know-how is also planned.

As announced in early October, the fuel cell business in the Industry segment has been slower than expected in 2013. This is largely because of the switch from distribution through partners to direct handling by Simark.

By acquiring Simark, SFC Energy has expanded its presence in North America's civilian markets on a massive scale. The first synergy effects are due to materialize in the short term, with benefits anticipated in the areas of products, markets and costs. The existing non-governmental business in the U.S. will be integrated into Simark's organization by the second quarter of 2014.

Third-quarter sales were higher than expected in the Consumer segment, particularly because of higher volumes in the Scandinavian countries. However, the Management Board expects full-year sales to be flat with the previous year due to the persistently difficult environment in the European leisure markets.

As reported at the beginning of October, the challenging situation still facing the international defense markets had an extremely adverse effect on the Group's quarterly earnings. The contracts for U.S. defense projects originally scheduled for 2013 were not awarded in view of the administrative issues surrounding passage of the U.S. federal budget. Projects in Germany and Russia have also been postponed due to Bundeswehr reforms in the former and decision bottlenecks in the latter. This eliminated the chances of realization for several fuel cell distribution and development projects in this area, with corresponding decreases in SFC's sales and margins for the third quarter of 2013.

SFC Energy AG revised its expectations for the Group in response to these developments. To minimize the negative repercussions on earnings, we have already introduced countermeasures aimed at adapting the cost structure of the fuel cell business to the lower-than-expected sales volume.

As announced, the Management Board expects total sales for the SFC Group of EUR 32 million to EUR 36 million for 2013 and, from today's vantage point, an underlying EBITDA 2013 for the SFC Group of approx. minus EUR 2.5 million to minus EUR 3.0 million given the decrease in sales.

The goal for fiscal 2014 is to make consistent strides in ensuring the Company's stable development. We intend to achieve this objective by successfully integrating Simark into the SFC Group, drawing on synergies to tap new markets and expand existing ones, and making full use of the cost-savings potential from the efficient interaction of the Group's individual enterprises.

For 2014 the Company expects a rebound of its defense business and an expansion of international industry sales, especially in the North American oil and gas market. Thus, the Management Board continues to expect consolidated sales of between EUR 55 million and EUR 60 million for the full year 2014, with an associated significant improvement in the earnings figures.

On behalf of SFC Energy, we thank you for taking an interest in our Company and cordially invite you to stay with us as we continue our journey.

With best wishes,

The SFC Energy AG Management Board

Dr. Peter Podesser
CEO

Gerhard Inninger
CFO

BUSINESS REVIEW

1. REPORT ON EARNINGS AND FINANCIAL POSITION

Change in the Consolidated Group

On July 4, 2013, SFC Energy AG and Simark Holdings Ltd., Alberta, Canada, signed a purchase agreement for the acquisition of 100 % of the shares of Simark Controls Ltd., Alberta, Canada, (hereinafter, "Simark") and of 541462 Alberta Ltd., Alberta, Canada. After fulfilling all closing conditions, the transaction was completed on August 30, 2013 (time of acquisition), so that SFC Energy AG now directly or indirectly owns 100 % of the acquired companies. 541462 Alberta Ltd. is a pure holding company, the operations of which are carried out by Simark Controls Ltd. The details of the purchase price are provided in the notes to the Interim Report.

Earnings position

The SFC Group (the "Group") posted sales of € 20,585k in the first three quarters of 2013, which is a decrease of 2.8 % from the same period a year ago (€ 21,172k). Third-quarter sales rose from € 6,206k by 12.8 % to € 7,002k. This figure includes € 1,825k in sales for the third quarter from the Canadian company Simark, which was acquired at the beginning of July 2013 and initially consolidated as of September 1, 2013. Because of this acquisition, there is only limited comparability with the prior-year figures.

SFC Energy (excluding PBF and Simark; hereinafter "SFC") posted sales of € 8,684k, for a decrease of 21.7 % from the prior-year period's € 11,809k. SFC's third-quarter sales were € 2,220k (previous year: € 3,043k).

At € 10,076k, PBF's sales were at the same level as the previous year's € 10,083k. PBF's third-quarter sales were € 2,957k (previous year: € 3,163k).

At € 20,585k, consolidated sales were considerably below expectations. See the revised sales and earnings forecast of October 9, 2013.

The Group's EBIT fell from minus € 950k for the first nine months of 2012 to minus € 3,587k for the first nine months of 2013.

This includes the following one-off effects:

ONE-OFF EFFECTS (UNAUDITED) in k €

	Quarter 1-3 2013	Quarter 1-3 2012
Production costs of work performed to generate sales		
from purchase price allocation, amortization of order backlog	–61	–
Sales costs		
from purchase price allocation, personnel expenses and amortization of customer relationships	–98	–
Other operating income		
Reversal of earn-out provision from PBF acquisition	921	–
Reversal of provisions and impairment losses previously recognized on capitalized development costs	–	660
Other operating expenses		
Acquisition costs (in 2013 for Simark)	–1.048	–97
Release payments	–	–90
Total	**–286**	**473**

Adjusted for these one-off effects, which totaled minus € 286k, EBIT was minus € 3,302k (previous year: minus € 1,423k).

The earnings effects (acquisition costs, depreciation/amortization and expense from the Simark purchase price allocation, personnel costs from the agreed contingent consideration) are not included in underlying earnings.

Third-quarter EBIT came to minus € 1,862k, versus minus € 1,113k a year ago.

Adjusted EBITDA also decreased. EBITDA in the first nine months of 2012 was minus € 100k on an adjusted basis. By contrast, it came to minus € 1,863k in the corresponding period of 2013. As with the adjusted EBIT, this marks a decrease of about € 1.8m from the previous year.

Third-quarter EBITDA was minus € 1,170k on an adjusted basis, versus only minus € 609k a year ago.

Sales by segment

The following table shows a comparison of segment sales for the first nine months of 2013 and 2012:

SALES BY SEGMENT (UNAUDITED) in k €

	Quarter 1-3			3rd Quarter		
Segment	2013	2012	Change in %	2013	2012	Change in %
Industry	14,690	14,180	3.6 %	5,302	4,523	17.2 %
Consumer	3,807	3,643	4.5 %	943	675	39.7 %
Defense & Security	2,088	3,349	–37.7 %	757	1,008	–24.9 %
Total	**20,585**	**21,172**	**–2.8 %**	**7,002**	**6,206**	**12.8 %**

Group sales in the Industry market were up from € 14,180k to € 14,690k in the first nine months. PBF, which generated nearly all of its sales in the Industry segment, accounted for € 9,581k (€ 9,983k) of this amount. Simark's sales of € 1,825k are reported exclusively in this segment. SFC's sales fell from € 4,197k to € 3,284k. The number of EFOY units sold decreased from 890 to 641. The primary reason for the decrease at SFC was the absence of any large traffic management projects compared to the previous year. There were also delays in delivery of fuel cells in the area of oil and gas because of the switch from distribution by a Canadian oil and gas integrator to direct distribution by the Company.

The Industry segment's third-quarter sales growth from € 4,523k to € 5,302k is attributable to the initial consolidation of Simark.

Sales in the Consumer market were up € 164k, or 4.5 %, in the first three quarters of 2013, with the number of fuel cells sold increasing from 1,227 to 1,312. Third-quarter sales in the Consumer segment rose from € 675k to € 943k. This is a positive result in light of the general downward trend of the market.

In the Defense segment, sales were down by € 1,261k, or 37.7 %, to € 2,088 for the first nine months. The decrease is primarily attributable to the delay in contract awards due to the unresolved budget dispute in the United States and the reform-driven shifts in the German Bundeswehr. Some necessary technical follow-up work is also delaying new contracts in Germany. JDA sales rose from € 290k to € 603k. Third-quarter sales in the Defense & Security segment were € 757k, compared to € 1,008k a year ago.

Sales by region

SALES BY REGION (UNAUDITED) — in k €

	Quarter 1-3			3rd Quarter		
Region	2013	2012	Change in %	2013	2012	Change in %
Europe and Rest of world	17,091	18,520	−7.7 %	4,839	5,723	−15.4 %
North America	3,494	2,652	31.7 %	2,163	483	>100 %
Total	**20,585**	**21,172**	**−2.8 %**	**7,002**	**6,206**	**12.8 %**

SFC's sales in the region Europe and the rest of the world fell from € 8,626k to € 7,227k. Sales in North America fell from € 2,463k to € 1,457k, for a decrease of 40.8 %.

PBF conducts almost all of its business in the region Europe and the rest of the world, whereas Simark generates its sales exclusively in North America.

Gross margin

Gross margin in the first nine months of 2013 was € 7,253k, or 35.2 %. Last year's figures were € 8,560k, or 40.4 %.

Group company SFC posted a considerably lower gross margin for the first three quarters at € 3,593k or 41.4 %, compared with € 5,231k or 47.2 % in 2012. This decrease was attributable to lower sales in Industry and Defense & Security, which have high margins. In addition to this product mix shift, the volume of cost savings produced by the new product platform that was launched last year dropped.

Group company PBF achieved a gross margin of 33.5 %, which was higher than the 33.0 % achieved in the same period last year.

Simark achieved a gross margin of 15.9 %.

The Group's third-quarter gross margin came to € 2,153k, or 30.7 %, compared with € 2,414k, or 38.9 % last year.

The year-on-year change in the individual segments' gross margin was as follows:

GROSS MARGIN (UNAUDITED) in k €

	Quarter 1-3			3rd Quarter		
Segment	2013	2012	Change in %	2013	2012	Change in %
Industry	4,895	5,437	–10.0 %	1,400	1,696	–17.5 %
Consumer	1,277	1,351	–5.5 %	252	232	8.6 %
Defense & Security	1,081	1,772	–39.0 %	501	486	3.1 %
Total	**7,253**	**8,560**	**–15.3 %**	**2,153**	**2,414**	**–10.8 %**

Sales costs

Sales costs rose 10.1 %, from € 4,120k to € 4,537k.

At € 3,293k, the sales costs of Group company SFC were almost unchanged from last year (€ 3,316k).

PBF's sales costs were € 902k (previous year: € 804k).

Including the effects of the purchase price allocation, Simark incurred sales costs of € 342k.

Third-quarter sales cost increased from € 1,426k to € 1,742k.

Research and development costs

Research and development costs rose from € 3,170k to € 3,627k in the first nine months of 2013, which was an increase of 14.4 %.

SFC's research and development costs rose from € 1,496k to € 1,801k.

PBF's research and development costs were € 1,816k (€ 1,674k), or 18.0 % (16.6 %) of its sales.

Development costs in the amount of € 159k (€ 234k) and internally generated patents in the amount of € 0k (€ 3k) were capitalized in the first three quarters of 2013. It is important to note that development costs incurred as part of JDAs are reported as production costs of work performed to generate sales, and that any subsidies received for government-sponsored development projects are offset against development costs. Adjusted for these two effects and adding back in the capitalized development costs and patents, true research and development expenditures in the first three quarters of 2013 totaled € 4,780k, for an increase of 10.8 % on the previous year's € 4,316k.

General administration costs

General administration costs decreased in the first nine months of 2013 from € 2,692k to € 2,522k. That puts them at 12.3 % of consolidated sales, versus 12.7 % this time last year.

Administration costs in the third quarter rose from € 834k (13.4 % of sales) to € 843k (12.0 % of sales).

Other operating income

The largest component of the figure for other operating income is the € 921k in income from the reversal of the earn-out liability from the PBF acquisition. This line item also captures foreign exchange transaction gains and insurance reimbursements.

Other operating expenses

The figure for other operating expenses largely reflects € 1,048k in acquisition expenses relating to Simark and € 191k in foreign exchange transaction losses.

Earnings before interest, taxes, depreciation and amortization (EBITDA)

EBITDA fell from minus € 162k in the same period a year ago to minus € 2,003k. The EBITDA margin fell from minus 0.8 % to minus 9.7 %. Adjusted for the one-off effects mentioned earlier, EBITDA in the first nine months was minus € 1,863k, or minus 9.1 % of sales.

EBITDA in the third quarter of 2013 decreased to minus € 1,230k, following minus € 641k in the third quarter of 2012.

Operating result (EBIT)

The Group's EBIT decreased considerably in the first three quarters of 2013 from minus € 950k to minus € 3,587k. The EBIT margin fell from minus 4.5 % to minus 17.4 %. Adjusted for the one-off effects mentioned earlier, EBIT was minus € 3,302k, or minus 16.0 % of sales.

EBIT in the third quarter of 2013 was minus € 1,862k, following minus € 1,113k in the third quarter of 2012.

Interest and similar income

Interest and similar income decreased from € 183k to € 60k, mainly because of the lower balance of cash and cash equivalents.

Interest and similar expenses

The € 113k in interest and similar expenses consists of interests paid to banks and the interest cost on liabilities and provisions.

Net result

Last year at this time a loss of € 919k was reported. This year there was a loss of € 3,600k.

The net result for the third quarter was a loss of € 1,838k, versus a loss of € 1,108k a year ago.

Net result per share

Earnings per share under IFRS (diluted) were negative in the first three quarters of 2013 at minus € 0.48 (previous year: minus € 0.12). Third-quarter earnings per share fell from minus € 0.15 to minus € 0.24 compared to the same period a year ago.

Financial position

Due especially to the acquisition of Simark, net cash outflows increased to € 14,262k in the first nine months of 2013, compared with 2,726k a year ago.

As a result, cash and cash equivalents decreased to € 8,354k at the end of September 2013 (end of September 2012: € 19,718k).

Cash flow from ordinary operations

The net cash used in ordinary operations increased to € 11,484k in the first three quarters of 2013 versus € 2,222k a year ago.

Among the primary reasons for this were the negative earnings and the resulting negative changes to the operating result before working capital in the amount of € 2,192k. By comparison, the previous year's result was close to the break-even point.

The second reason was the acquisition of Simark and the assets, liabilities and equity acquired along with it, as well as payment of amounts owed by Simark Controls Ltd., which counts towards the purchase price.

See the description of the purchase price and the acquired assets and liabilities in the notes to the Interim Report.

Cash flow from investment activity

Net cash used for investment activity totaled € 6,103k in the period under review, versus € 423k the previous year. € 5,585k of that was attributable to the acquisition of Simark.

Cash flow from financial activity

Most of the cash flow from financial activity relates to money borrowed in connection with the Simark acquisition.

Assets and liabilities

The balance sheet and its ratios have changed because of the acquisition of Simark and the higher totals this produces. As before, the balance sheet is healthy.

Total assets were up 11.1 % as of September 30, 2013 at € 52,909k, compared with € 47,617k as of December 31, 2012.

The equity ratio decreased from 76.4 % as of December 31, 2012 to 65.8 % because of losses during the period and higher total assets.

Inventories and receivables grew by € 8,343k or 78.1 % due to the acquisition of Simark.

Liabilities also rose from € 11,224k to € 18,108k, or by 61.3 %.

With the net loss for the period, shareholders' equity decreased to € 34,801k at September 30, 2013, against € 36,394k at December 31, 2012. The subscribed capital and capital surplus increased by € 2,208k on account of the non-cash capital increase.

Research and development

The focus of SFC's research and development activities was as follows in the first nine months of 2013:

- Development of a range of energy solutions that help customers use and reliably power a vast array of industrial applications under the harshest of conditions.

- Tests on further reducing unit costs and increasing capacity through technological innovations and an improved operating strategy, particularly for our fuel cell stacks, which represent the technical core of fuel cell systems, in order to increase power density and reduce degradation while cutting back on the amount of material used. Evaluation of the first prototypes with reduced unit costs and increased power density.

- Significantly improve the reliability, product life and robustness of devices developed for the industry market, including under harsh environmental conditions, in order to make products even more attractive and build on SFC's technological edge.

- Advanced prototype equipment with significantly improved output power has undergone initial field tests and was presented to customers in the industry market.

- The capacity of portable products for the defense market has been successfully increased and evaluated and the first prototypes have been delivered to various military customers.

- Development of higher-performing energy supply solutions for vehicle-based and stationary applications in order to better meet customer requirements in the defense segment.

The areas of emphasis of PBF's research and development activities were as follows:

- The development department worked on six new projects in the area of network component solutions (AC to DC) in the 150W to 3000W output range.

- PBF also continued its research in the area of buck-boost PFC converters that should lead to greater efficiency over a large input voltage range.

- The first prototypes in the new project for military applications in the 400W power range were tested.

The following joint projects were continued by PBF and SFC:

- A new, efficient, lower-cost Power Manager for broader military application was successfully developed and prototypes were delivered.

Capital expenditures

A total of € 159k (€ 234k) in development work directed at enhancing SFC's and PBF's products was capitalized in the first nine months of 2013. Investments were also made in software and hardware and tools for improving the production process.

New orders and order backlog

New orders in the first nine months of 2013 came to € 16,317k, whereas in the first nine months of 2012 they came to € 26,458k. It is important to note that the previous year's figure included the volume production order placed by the German Bundeswehr for portable fuel cells with an energy network, at almost € 5 million net.

Altogether, the order backlog stood at € 10,487k as of September 30, 2013 (September 30, 2012: € 12,288k), with € 206k of that amount attributable to SFC and € 5,186k to PBF. Simark accounted for € 5,095k of this figure.

Employees

The number of permanent employees at September 30, 2013 was as follows:

EMPLOYEES

	09/30/2013	09/30/2012	Change
Management Board	2	2	0
Research and development	60	60	0
Production, logistics, quality management	96	72	24
Sales & Marketing	74	32	42
Administration	27	21	6
Permanent employees	**259**	**187**	**72**

The Group employed a total of 5 (9) trainees, graduates and student trainees as of September 30, 2013. Of the permanent employees, 87 worked for SFC, 101 for PBF, and 71 for Simark.

2. REPORT ON RISKS AND OPPORTUNITIES

Risk report

As part of a systematic and organizational approach to risk, the Management Board has implemented a risk management system that defines, systematically uses and continues to develop suitable instruments for identifying, analyzing and measuring risks and determining the appropriate course of action.

We believe that the material risks and opportunities for the Group have not changed since the publication of our 2012 annual report and 2013 half-year report, with the following exceptions:

Exchange rate risks

Because of the business volume of Simark, SFC expects to make a substantial portion of its future sales in Canadian dollars, with matching expenses in the same currency. No longer-dated currency forwards were entered into in financial year 2013. There were no open currency forwards as of the reporting date, either. In this respect, the foreign exchange risk pertains to the the business volume of Simark.

Finance and liquidity risks, interest rate risk

SFC's strategic orientation requires continued capital expenditures, which must be financed to ensure future business success, particularly in the areas of product development and tapping additional market segments and new regions.

The acquisition of Simark and the operating result for 2013 caused a substantial decrease in cash and cash equivalents. As a result, the acquisition has created a higher liquidity risk, especially since part of the purchase price was externally financed and the corresponding credit agreements must be honored in order to prevent the loans from being called or an increase of the interest rate on borrowed capital.

The interest rate risk results primarily from the external financing mentioned above, which has a variable interest rate.

Patent risks

During the second quarter of 2011, SFC entered into an agreement on the acquisition of a non-exclusive license for SFC Energy Inc. to a comprehensive portfolio of American fuel cell patents belonging to the University of Southern California and the California Institute of Technology. The agreement is intended to provide extensive certainty under patent laws for the sale of SFC's products to end consumers in the United States. This agreement is based on the sale of minimum numbers of fuel cell units. Now that the risk of payments under this agreement is clearer, negotiations are currently underway to minimize or eliminate this risk.

Competition

SFC enjoys a unique position today thanks to our leadership in DMFC systems technology and our marketing edge. Some of the ways we protect this advantage include intellectual property rights, swift action and a resolute focus on a single technological concept. Some of our competitors – particularly those in the U.S. defense market – have at least comparable access to the market, which primarily results in the risk of losing our leadership position and not getting orders. For example, ongoing monitoring of the competition brought to our attention the first deliveries by competitors in the U.S. defense market. And the first competing products are now appearing on the market in our consumer and remote power supply target markets. At the same time, there are risks from announcement effects and actual substitutes that could provoke uncertainty among market participants and lead to a loss of sales for SFC. We are countering these risks by bringing focus and innovation to our product development efforts.

With respect to PBF's products, the Company is subject to the usual risks of competition. By means of a customer-specific "design-in" method, we are systematically countering these risks and setting up barriers against the competition.

Purchasing and production-related risks

SFC purchases components and equipment it needs to manufacture its fuel cell systems from various manufacturers and does not produce them itself. The supplier industry for SFC components is, however, only partially prepared for the specific requirements of the developing mass market for fuel cells. To avoid overdependence on certain suppliers, SFC is working to diversify its suppliers and is entering into intensive cooperative projects to that end. Arrangements have been made with suitable second suppliers for some components. Supply chain risks are being reduced through professional quality and supplier management. Nevertheless, insufficient availability of all components procured from suppliers poses a risk in the event that these components cannot be made available on time, at the planned cost or in the required quality, or in case of the loss of a supplier. There is also the risk of claims relating to the underutilization of master agreements.

Product risks

We strive to counter product risks like warranty claims by offering high-quality products and services. But ultimately we are unable to guarantee that our products will be free of issues or defects that may negatively impact business, cost us money or generate bad publicity. This includes problems caused by suppliers who fail to meet our quality specifications. Hence, it is impossible to rule out the seeking of damages, price reductions or order rescissions by our customers or business partners, especially since we also play a direct role in bringing our products to the market and distributing them. Additionally, there is a risk with large-scale projects that we will be unable to deliver at the corresponding level of quality within the allotted amount of time, which could impact follow-up orders. In one case, we made an agreement with a customer to make technical modifications and are currently performing this work.

Acquisition of Simark

The acquisition of Simark and the accompanying changes in ownership create risks for existing customer and supplier relationships as well as risks for retaining key personnel. These risks will be countered by intensive discussions with customers, suppliers, and employees.

3. REPORT ON FORECASTS

In the area of fuel cells, project delays in the core market of defense & security in Germany, the U.S., and Russia are causing sales and margins to decline. Furthermore, growth in the industry market is slower than expected. Whereas the Company had been expecting total sales of between € 38m and € 43m (previous year: € 31.3m) and an improvement in adjusted EBITDA for fiscal year 2013 commensurate with this sales growth, it no longer appears possible to achieve these goals for 2013. The Management Board is now anticipating total sales for 2013 of between € 32m and € 36m.

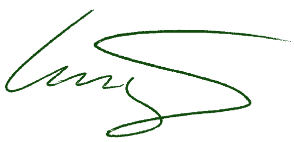
Because of the decrease in sales, especially in the high-margin defense business for fuel cells, adjusted EBITDA for 2013 is expected to be between about minus € 2.5m and minus € 3.0m, which is lower than the improvement in adjusted EBITDA that had been anticipated for 2013 (2012: € 0.8m).

4. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events affecting the course of business after the balance sheet date.

Brunnthal, November 22, 2013

Dr. Peter Podesser
CEO



Gerhard Inninger
CFO

INTERIM REPORT IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS AT SEPTEMBER 30, 2013

The following Interim Report has been prepared in the German language. It has been translated for this Interim Report into English.
In the event of questions of interpretation, the German version shall be authoritative.

INTERIM REPORT IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS AT SEPTEMBER 30, 2013

SFC ENERGY AG, BRUNNTHAL CONSOLIDATED INCOME STATEMENT FROM JANUARY 1 TO SEPTEMBER 30, 2013

in €

	9 Months 2013 01/01–09/30	9 Months 2012 01/01–09/30	3rd Quarter 2013 07/01–09/30	3rd Quarter 2012 07/01–09/30
Sales	20,584,629	21,171,670	7,002,422	6,205,951
Production costs of work performed to generate sales	–13,331,313	–12,611,419	–4,848,959	–3,791,712
Gross margin	**7,253,316**	**8,560,251**	**2,153,463**	**2,414,239**
Sales costs	–4,537,115	–4,120,220	–1,742,435	–1,426,331
Research and development costs	–3,627,228	–3,170,476	–1,295,417	–1,144,818
General administration costs	–2,521,997	–2,692,499	–842,501	–834,338
Other operating income	1,093,083	876,098	461,187	30,300
Other operating expenses	–1,247,488	–403,005	–595,853	–152,239
Operating result	**–3,587,429**	**–949,851**	**–1,861,557**	**–1,113,187**
Interest and similar income	60,306	183,332	14,838	40,222
Interest and similar expenses	–113,145	–122,029	–42,264	–36,268
Result from ordinary operations	**–3,640,268**	**–888,548**	**–1,888,982**	**–1,109,233**
Income taxes	39,942	–30,333	50,502	1,115
Consolidated net result	**–3,600,326**	**–918,881**	**–1,838,480**	**–1,108,118**
NET RESULT PER SHARE				
undiluted	–0.48	–0.12	–0.24	–0.15
diluted	–0.48	–0.12	–0.24	–0.15

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FROM JANUARY 1 TO SEPTEMBER 30, 2013

in €

	9 Months 2013 01/01–09/30	9 Months 2012 01/01–09/30	3rd Quarter 2013 07/01–09/30	3rd Quarter 2012 07/01–09/30
Consolidated net result	**–3,600,326**	**–918,881**	**–1,838,480**	**–1,108,118**
OCI items that may be recycled to profit or loss in the future:				
Result from currency translations	–201,145	1,249	–185,021	35,656
Total results recognized directly in equity	**–201,145**	**1,249**	**–185,021**	**35,656**
Total comprehensive result	**–3,801,471**	**–917,632**	**–2,023,501**	**–1,072,462**

All amounts are attributable in full to equity holders of the parent company.

There are no deferred tax effects on the total results recognized directly in equity.

SFC ENERGY AG, BRUNNTHAL
CONSOLIDATED BALANCE SHEET
AS AT SEPTEMBER 30, 2013

		in €
	09/30/2013	12/31/2012
Current Assets	**27,669,657**	**33,597,825**
Inventories	8,259,545	5,814,778
Trade accounts receivable	7,607,217	3,696,497
Income tax receivables	14,455	57,805
Other short-term assets and receivables	3,149,236	1,118,230
Cash and cash equivalents	8,354,204	22,625,515
Cash and cash equivalents with limitation on disposal	285,000	285,000
Non-current assets	**25,239,206**	**14,019,617**
Intangible assets	22,210,036	11,000,118
Property, plant and equipment	2,449,681	2,400,291
Deferred tax assets	579,489	619,208
Assets	**52,908,863**	**47,617,442**

SFC ENERGY AG, BRUNNTHAL CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2013

		in €
	09/30/2013	12/31/2012
Current liabilities	**11,830,268**	**7,661,752**
Provisions for taxes	1,554	52,383
Other provisions	997,663	946,934
Liabilities to banks	2,533,091	371,656
Liabilities from prepayments	6,133	14,088
Trade accounts payable	6,000,018	3,033,123
Liabilities from percentage-of-completion	944	68,009
Other short-term liabilities	2,290,865	3,175,559
Non-current liabilities	**6,278,007**	**3,561,896**
Other long-term provisions	1,381,072	1,386,527
Liabilities to banks	2,539,453	0
Other long-term liabilities	325,900	1,041,206
Deferred tax liabilities	2,031,582	1,134,163
Equity	**34,800,588**	**36,393,794**
Subscribed capital	8,020,045	7,502,887
Capital surplus	69,569,925	67,878,818
Other changes in equity not affecting profit or loss	–238,232	–37,087
Accumulated loss brought forward from previous year	–38,950,824	–38,525,235
Consolidated net result	–3,600,326	–425,589
Liabilities and shareholders' equity	**52,908,863**	**47,617,442**

SFC ENERGY AG, BRUNNTHAL
CONSOLIDATED CASH FLOW STATEMENT
FROM JANUARY 1 TO SEPTEMBER 30, 2013

			in €
		01/01–09/30/2013	01/01–09/30/2012
	Cash flow from ordinary operations		
	Result before taxes	**–3,640,268**	**–888,548**
+/–	Net interest result	52,839	–61,303
+	depreciation/amortization and write up of intangible assets and property, plant and equipment	1,584,287	787,915
+	Expenses from Long Term Incentive Plan	68,704	196,745
–	Changes in allowances	–66,727	–121,164
+	Losses from disposal of property, plant and equipment	66	452
–/+	Other non-cash income/expenses	–191,058	5,586
	Changes to operating result before working capital	**–2,192,157**	**–80,317**
–	Changes to short and long-term provisions	–11,561	–86,484
–/+	Changes to trade accounts receivable	–261,667	820
–	Changes to inventories	–219,968	–1,326,887
–/+	Changes to other receivables and assets	–894,891	326,581
–	Changes to trade accounts payable	–1,203,540	–825,286
–	Changes to other liabilities	–6,654,820	–241,579
	Cash flow from ordinary operations before taxes	**–11,438,604**	**–2,233,152**
–/+	Income tax payments/refunds	–45,743	11,650
	Cash flow from ordinary operations	**–11,484,347**	**–2,221,502**

SFC ENERGY AG, BRUNNTHAL
CONSOLIDATED CASH FLOW STATEMENT
FROM JANUARY 1 TO SEPTEMBER 30, 2013

in €

		01/01–09/30/2013	01/01–09/30/2012
	Cash flow from investment activity		
–	Investments in intangible assets from development projects	–159,010	–234,437
–	Investments in other intangible assets	–104,700	–112,860
–	Investments in property, plant and equipment	–309,336	–261,157
–	Cash outflows for the acquisition of subsidiaries, less acquired cash	–5,584,951	0
+	Interest and similar income	54,808	185,017
	Cash flow from investment activity	**–6,103,190**	**–423,437**
	Cash flow from financial activity		
+	Proceeds from borrowings	3,360,431	0
–	Repayment of financial debt	0	–58,451
–	Interest paid and other expenses	–35,362	–22,963
	Cash flow from financial activity	**3,325,069**	**–81,414**
	Net change in cash and cash equivalents	**–14,262,468**	**–2,726,353**
	Currency effects on cash and cash equivalents	–8,843	972
	Net change in cash and cash equivalents		
	Cash and cash equivalents at beginning of period	22,625,515	22,443,141
	Cash and cash equivalents at end of period	8,354,204	19,717,760
	Net change in cash and cash equivalents	**–14,262,468**	**–2,726,353**

SFC ENERGY AG, BRUNNTHAL
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FROM JANUARY 1 TO SEPTEMBER 30, 2013

in €

	Subscribed capital	Capital surplus	Other changes in equity not effecting profit or loss	Net accumulated loss	Total
Balance 01/01/2012	**7,502,887**	**67,878,818**	**–68,191**	**–38,525,235**	**36,788,279**
Total comprehensive income for the period					
Consolidated net loss 01/01-09/30/2012				–918,881	–918,881
Result from currency translation recognized in equity			1,249		1,249
Balance 09/30/2012	**7,502,887**	**67,878,818**	**–66,942**	**–39,444,116**	**35,870,647**
Total comprehensive income for the period					
Consolidated net profit 10/01-12/31/2012				493,292	493,292
Result from currency translation recognized in equity			29,855		29,855
Balance 12/31/2012	**7,502,887**	**67,878,818**	**–37,087**	**–38,950,824**	**36,393,794**
Total comprehensive income for the period					
Consolidated net loss 01/01-09/30/2013				–3,600,326	–3,600,326
Result from currency translation recognized in equity			–201,145		–201,145
Capital increase					
Issuance of shares for the acquisition of Simark	517,158	1,691,107			2,208,265
Balance 09/30/2013	**8,020,045**	**69,569,925**	**–238,232**	**–42,551,150**	**34,800,588**

NOTES TO THE INTERIM REPORT OF SFC ENERGY AG

Information about the Company

SFC Energy AG (the "Company" or "SFC") is a stock corporation domiciled in Germany. The Company's headquarters is located at Eugen-Sänger-Ring 7, 85649 Brunnthal. The Company is registered in the Commercial Register of the Local Court of Munich under number HRB 144296. The principal activities of the Company and its subsidiaries (the Group) are the development, production and distribution of power generation systems and their components for off-grid and on-grid applications based on fuel cell and other technologies, as well as investment in the equipment and facilities required for these activities and transaction of all other related business.

Accounting principles

This interim report was prepared in accordance with International Financial Reporting Standards (IFRS), as they are to be applied in the European Union. The principal accounting policies used by the Company to prepare its consolidated financial statements for the financial year ended December 31, 2012 were also used to prepare the interim financial statements.

The quarterly financial statements of SFC Energy AG for the financial period January 1 to September 30, 2013 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as a set of condensed financial statements. These condensed financial statements do not contain all of the information required for a complete set of financial statements for a full financial year and should, therefore, be read in conjunction with the consolidated financial statements for the year ended December 31, 2012.

In addition to the standards and interpretations applied as at December 31, 2012, the following standards were applicable for the first time, but had no impact on the consolidated financial statements:

- IFRS 13 "Fair Value Measurement" (2011)
- Amendments to IAS 19 "Employee Benefits" (2011)
- IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine" (2011)
- Amendments to IFRS 7 "Financial Instruments" (2011)
- Amendments to IFRS 1 "Government Loans" (2012)
- "Annual Improvements to International Financial Reporting Standards 2011" (2012)

In addition, the amendments to IAS 1 "Presentation of Financial Statements" that the IASB issued in June 2011 were applied. They had a minor impact on the presentation of the financial statements. No further standards were released by the IASB in the time leading up to the publication of these interim financial statements for the third quarter of 2013.

The interim report is presented in euros (€). Figures stated in this report are in euros (€) unless otherwise indicated. The consolidated income statement was prepared using the cost-of-sales method. The auditors have neither audited nor reviewed the interim financial statements.

Changes in the scope of consolidation

SFC Energy AG formed Simark Holdings Ltd. (Simark), domiciled in Alberta, Canada, with a certificate of incorporation dated May 23, 2013, in connection with the acquisition of the shares of Simark Controls Ltd., Alberta, Canada, and 541462 Alberta Ltd., Alberta, Canada.

On July 4, 2013, SFC Energy AG and Simark Holdings Ltd. signed a purchase agreement for the acquisition of 100 % of the shares of Simark Controls Ltd. and 541462 Alberta Ltd. After fulfilling all closing conditions, the transaction was completed on August 30, 2013 (date of acquisition), so that with its direct and indirect holdings SFC Energy AG now owns 100 % of the acquired companies. The company 541462 Alberta Ltd. is just a holding company. All operating activities are conducted by Simark Controls Ltd.

The principal reason for the acquisition of Simark Controls Ltd. is the planned forward integration and expansion into the North American oil and gas market as the next strategic step towards establishing the SFC Group as a systems supplier.

The total consideration as set forth in the purchase agreement consists of the following components:

	as at 08/31/2013	
	in Mio CAD $	**in Mio €**
Cash component due at closing	16.25	11.67
SFC-share component due in 2015	3.75	2.69
Earnout-component due in 2014	1.67	1.20
Cash component due in 2015 and 2016	3.33	2.39
Total	**25.00**	**17.95**
Exchange rate Euro / CAD $ (as at 08/31/2013)	1.393	

The cash component due at closing included a total of € 5.86m that was used to settle certain liabilities of Simark Controls Ltd. This amount is not considered part of the purchase price for purposes of the purchase price allocation and was reported as an equity contribution in Simark Controls Ltd.'s financial statements prepared in accordance with local accounting standards.

Prior to the date of acquisition, the cash component due at closing was reduced by € 0.23 million under a working capital adjustment agreement.

The share component consists of the award to the sellers of 517,158 new shares of SFC to be issued from the Company's existing authorized capital. The shares were priced at a volume weighted average price of € 5.14 plus a 5 % premium (€ 5.39).

Based on the price at which SFC stock was trading on the acquisition date, the fair value of the SFC stock component is € 2.21m.

Both the earn-out component and the cash components due in 2014 and 2015 are separate transactions within the meaning of IFRS 3.51 because the payments are linked to the continued employment of certain members of Simark Controls Ltd.'s management.

The contingent consideration (earn-out component) will be awarded if earnings surpass CAD 2.99m in 2013 (specifically, EBITDA 2013 plus the gross margin on the increase in the order backlog in 2013). The payout for achieving CAD 2.99m is 65 % of the contingent consideration, while that for reaching CAD 4.60m is 100 %. The minimum amount the SFC Group would have to pay under this arrangement is € 0. The maximum is € 1.20m.

We do not believe at this time that the conditions for payment of the earn-out component will be met. Therefore, its fair value is € 0m.

The cash component of € 2.39m, with half due in 2015 and the other half in 2016, is considered remuneration (future personnel costs) pursuant to IFRS 3 B55 since the payments are linked to further employment of the sellers.

The minimum amount the SFC Group would have to pay under this arrangement (cash components due in 2015 and 2016) is € 0. The maximum is € 2.39m.

The fair value of the total consideration, therefore, excluding the remuneration, but including the liabilities settled on behalf of Simark Controls Ltd., comes to € 7.56m.

The entire purchase price allocation is provisional.

The provisional reconciliation of the purchase price to the acquired goodwill is as follows:

	as at 08/31/2013	
	in CAD $	in €
Contribution		
Cash and cash equivalents	15,921,738	11,429,819
Equity instruments (517,158 ordinary shares by SFC)	3,076,996	2,208,899
Change of control pool	–306,191	–219,807
Buyer-settled liabilities	–8,159,144	–5,857,246
	10,533,399	**7,561,664**
The contingent consideration agreed between the parties (earn-out and cash component due in 2015 and 2016) is being reported as personnel costs		
Amounts recognized for the identifiable assets acquired and liabilities assumed		
Inventories	2,991,064	2,147,211
Trade accounts receivable	6,448,710	4,629,369
Other assets and receivables	214,162	153,742
Identifiable intangibles assets	6,145,701	4,411,846
Deferred tax liabilities on these identified intangible assets	–1,597,882	–1,147,080
Property, plant and equipment	371,258	266,517
Deferred tax assets	186,233	133,692
Liabilities	–12,826,051	–9,207,502
Provisions	–1,994,546	–1,431,835
Deferred tax liabilities	–16,409	–11,780
Total identifiable net assets	**–77,759**	**–55,821**
Goodwill	**10,611,158**	**7,617,486**
Exchange rate Euro / CAD $ (as at 08/31/2013)	1.393	

The reported goodwill of € 7.62 predominantly reflects cross-selling opportunities and economies of scale that are expected from the business combination.

The acquired receivables have been stated at their fair value of € 4.63m. The gross amount is € 4.72m, but has been written down by € 0.09m.

No other contractual amounts are expected to be uncollectible.

There were no contingent liabilities to report.

Goodwill cannot be amortized.

The acquisition-related costs came to € 1.04m.

The sales and earnings of Simark Controls Ltd. were as follows (excluding any effects from the purchase price allocation):

Period since initial consolidation (09/01 – 09/30/2013):
Sales: € 1.82m
Result from ordinary operations: € 23k

2013 year-to-date (01/01 – 09/30/2013):
Sales: € 19.14m
Result from ordinary operations: € 441k

Receivables and liabilities from percentage-of-completion

If the production costs (including earnings contributions) incurred during the quarter under review for contracts that are not yet completed exceed the amounts already invoiced (installment payments), the difference is reported as receivables from percentage-of-completion. Conversely, the difference is reported as liabilities from percentage-of-completion if the prepayments exceed these costs. There were liabilities from percentage-of-completion in the amount of € 944 in the first nine months of 2013 (December 31, 2012: € 68,009). There were no receivables from percentage-of-completion.

Other short-term assets and receivables

The Company had other short-term assets and receivables of € 3,149,236 as of the reporting date (December 31, 2012: € 1,118,230). The increase is predominantly attributable to the first-time consolidation of Simark Controls Ltd. (€ 1,946,689).

Other liabilities

Other long-term liabilities include the obligation recognized from the Long Term Incentive Plan for members of the Management Board and selected executives. The section entitled "Long-term incentive plan for Management Board members and top executives" contains additional information about the plan.

Long-term incentive plan for Management Board members and top executives

In the second quarter of 2013, an additional tranche (Tranche 2.5) under the LTIP was granted to selected executives, with a total preliminary allotment in the amount of € 120,000. The phantom shares awarded during the term of the LTIP are classified and measured as cash-settled share-based payment transactions. The fair value of the liability to recognize because of the LTIP is determined for all of the sub-tranches using a Monte Carlo model. At September 30, 2013, a liability of € 464,996 was recognized under other liabilities (€ 325,900 thereof under other long-term liabilities) (December 31, 2012: € 396,292, with € 396,292 thereof under other long-term liabilities). The amount expensed for the period from January 1 to September 30 was € 68,704 (prior-year period: € 196,745). The following parameters were used in the measurement:

Measurement date	09/30/2013
Remaining term (in years)	0.25 – 3.75
Anticipated volatility	32.22 % – 35.04 %
Risk-free interest rate	0.02 % – 0.41 %
Share price as of the measurement date	€ 4.55

Sales costs

Our sales costs were as follows in the first nine months of 2013:

in €	01/01–09/30/2013	01/01–09/30/2012
Personnel costs	2,278,486	2,130,134
Advertising and travel costs	715,736	769,012
Consultancy / commissions	658,306	398,148
Depreciation and amortization	268,465	171,826
Cost of materials	78,283	64,194
Other	537,839	586,906
Total	**4,537,115**	**4,120,220**

Research and development costs

Research and development costs were as follows in the first nine months of 2013:

in €	01/01–09/30/2013	01/01–09/30/2012
Personnel costs	2,348,799	2,379,202
Depreciation and amortization of self produced intangible assets	557,137	427,727
Cost of materials	363,971	318,743
Consultancy / Patents	363,964	385,939
Cost of premises	306,927	314,150
Other depreciation and amortization	269,266	254,445
Other	176,137	97,547
Capitalization of self-produced intangible assets	–159,010	–237,370
Set-off against grants	–599,963	–769,907
Total	**3,627,228**	**3,170,476**

General administration costs

Our general administration costs were as follows in the first nine months of 2013:

		in €
	01/01–09/30/2013	01/01–09/30/2012
Personnel costs	1,266,860	1,301,915
Audit and consultancy costs	338,352	424,620
Investor relations/annual meeting	152,225	157,643
Insurance	127,738	109,116
Depreciation and amortization	108,570	125,605
Supervisory Board compensation	84,375	84,375
Travel costs	81,608	81,237
Car-operating costs	79,442	57,548
Costs of hardware and software support	39,579	45,086
Other	411,257	475,491
Set-off against grants	–168,009	–170,137
Total	**2,521,997**	**2,692,499**

Other operating income and expenses

The figure for other operating income in the first nine months of 2013 predominantly reflects € 921,331 in income from the reversal of liabilities for contingent consideration (previous year: € 0) as well as foreign exchange transaction gains of € 129,571 (previous year: € 204,924). The other operating income in the previous year mostly reflected the reversal of impairment charges on capitalized development costs in the amount of € 535,563.

The figure for other operating expenses in the first nine months of 2013 largely relates to expenses of € 1,048,103 from the acquisition of Simark Controls Ltd. (previous year: € 96,509) and foreign exchange transaction losses in the amount of € 191,248 (previous year: € 216,035).

Income taxes

As was the case in the consolidated financial statements as of and for the year ended December 31, 2012, deferred tax assets are recognized on tax loss carryforwards of SFC and its subsidiaries only in such an amount as can be offset against deferred tax liabilities, after subtraction of the other deferred tax assets, since we cannot yet show with reasonable certainty that we will be able to draw a future economic benefit from these carryforwards.

Segment report

Internally, the Management Board uses sales, gross margin and EBITDA when steering the Group and aligning its business with the core markets “Industry”, “Consumer” and “Defense & Security”.

Sales, gross margin, EBITDA and the reconciliation of EBITDA to the operating result (EBIT) as reported in the consolidated income statement were as follows in the first nine months of 2013:

in €

Segment	Sales		Gross margin		EBITDA	
	01/01–09/30/2013	01/01–09/30/2012	01/01–09/30/2013	01/01–09/30/2012	01/01–09/30/2013	01/01–09/30/2012
Industry	14,689,968	14,179,889	4,895,374	5,437,066	–680,388	495,348
Consumer	3,807,214	3,642,817	1,277,176	1,350,972	–177,300	–167,080
Defense & Security	2,087,447	3,348,964	1,080,766	1,772,213	–1,145,454	–490,204
Total	**20,584,629**	**21,171,670**	**7,253,316**	**8,560,251**	**–2,003,142**	**–161,936**
Depreciation/amortization					–1,584,287	–787,915
Operating result (EBIT)					**–3,587,429**	**–949,851**

The “Industry” market is highly diversified and could include any area of industry where professional users run electrical equipment away from the grid and use SFC’s EFOY Pro fuel cell. Right now, the Company’s technology enables applications in security and surveillance, traffic management, wind power and environmental technology, as well as in the oil and gas sector. Additionally, PBF sells nearly all of its high-performance electronic components for integration into precision defense equipment as well as testing and metering systems in this segment. Simark’s sales to the North American oil and gas market are generated exclusively in this segment.

In the “Consumer” market, SFC’s EFOY COMFORT fuel cells are used to supply power to RVs, vacation cottages and sailboats.

The “Defense & Security” segment covers defense and security applications for defense organizations and governments. SFC’s product portfolio for this market includes the JENNY 600S, the vehicle-based EMILY 3000, the EMILY Cube 2500 and the SFC Power Manager.

Related party transactions

There have been no changes in the group of related parties since preparation of the consolidated financial statements for the year ended December 31, 2012. There were no significant related party transactions in the first nine months of 2013, just as there had been none in the first nine months of 2012.

Employees

SFC employed the following personnel as of the reporting date:

	09/30/2013	09/30/2012
Full-time employees (incl. Management Board)	224	160
Part-time employees	35	27
Total	**259**	**187**

A total of five trainees, graduates and student trainees were also employed as of the end of September 2013 (previous year: 9).

Earnings per share

Earnings per share are calculated by dividing the net income for the year that is attributable to shareholders of the parent by the average number of shares in circulation. The number of outstanding shares, 8,020,045 at the balance sheet date of September 30, 2013 (previous year: 7,502,887), rose because of a non-cash capital increase and issuance of new stock in connection with the acquisition of Simark Controls Ltd. As during the prior-year period, there were no dilutive effects to be taken into account in determining the number of outstanding shares or any dilutive effects on SFC's earnings.

Material events after the balance sheet date

The Company is not aware of any material events after the balance sheet date affecting the course of business.

Brunnthal, November 22, 2013

Management Board

Dr. Peter Podesser
CEO

Gerhard Inninger
CFO

SHARE INFORMATION

Bloomberg Symbol	F3C
Reuters Symbol	CXPNX
WKN	756857
ISIN	DE0007568578
Number of shares	8,020,045
Stock Category	No-par value shares
Stock segment	Prime Standard, Renewable Energies
Stock exchange	Frankfurt, FWB
Designated Sponsor	Close Brothers Seydler

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Statements about the future

This interim report contains statements and information about the future. Such passages contain such word as "expect", "intend", "plan", "believe", "aim", "estimate", etc. Such statements about the future are based on current expectations and certain assumptions. They therefore also contain a number of risks and uncertainties. A multitude of factors, many of which are beyond the control of SFC, affect our business, our success, and our results. These factors can lead the Group's actual results, success, and performance to deviate from the results, success, and performance in the statements made explicitly or implicitly about the future. SFC assumes no obligation to update any forward looking statements.