

FISCAL 2017/2018

REPORT ON THE 1ST QUARTER
1 OCTOBER UNTIL 31 DECEMBER 2017

THE FIRST QUARTER AT A GLANCE

TABLE 01

Income statement, Cash flow statement, Balance sheet, Share, Employees

| IFRS | 01/10/17- 31/12/17 | Changes in % | 01/10/16- 31/12/16 |
|---|-----------------------|-----------------|-----------------------|
| Income statement | | | |
| Total revenues (EUR million) | 249.138 | 1,3 | 246.010 |
| EBIT (EUR million) | 17.769 | 0,8 | 17.623 |
| Profit from ordinary activity (EUR million) | 17.268 | 1,3 | 17.054 |
| Earnings after income tax (EUR million) | 11.764 | 1,4 | 11.600 |
| Cash flow statement | | | |
| Cash flow from operating activities (EUR million) | 37.446 | 61,7 | 23.154 |
| Cash flow from investing activities (EUR million) | -13.026 | 31,2 | -9.927 |
| Free cash flow (EUR million) | 24.420 | 84,6 | 13.227 |
| Capital spending (EUR million) | 14.049 | 28,7 | 10.912 |
| Balance sheet | | | |
| Equity (EUR million) | 387.718 | 4,9 | 369.744 |
| Equity ratio (%) | 49,6 | 2,9 | 48,2 |
| Total assets (EUR million) | 781.518 | 2,0 | 766.311 |
| Share | | | |
| Earnings per share (EUR) | 1,17 | 1,4 | 1,15 |
| Share price on 31 December (EUR) ¹ | 101,65 | 5,1 | 96,68 |
| Share price, high (EUR) ² | 102,95 | -3,6 | 106,75 |
| Share price, low (EUR) ² | 79,15 | -15,1 | 93,24 |
| Shares outstanding on 31 December (number) | 10.143.240 | - | 10.143.240 |
| Market capitalisation on 31 December (EUR million) | 1.031,1 | 5,1 | 980,6 |
| Employees | | | |
| Number of employees at Bertrandt Group on 31 December | 13.055 | -0,05 | 13.061 |

¹Closing price in Xetra trading.²In Xetra trading.

OVERVIEW

Environmentally friendly individual mobility, autonomous and connected driving as well as model and variant diversity are important market trends for Bertrandt. Their dynamic process of change represents a historic transformation of the automotive industry. Mobility and IT are becoming increasingly intertwined and new business fields and market shares are emerging. The sheer breadth and depth of topics continue to increase and Bertrandt is adapting to this change. As a solutions-focused provider of engineering services the Company is geared to market and customer requirements – which is why it also invests in infrastructure and the know-how of its employees. As mobility and data become increasingly intertwined, new topics, products and services as well as cooperative opportunities are also emerging alongside established fields of business which Bertrandt is exploiting to develop the best solutions for its customers.

In this context, the Company's key performance indicators developed as follows in the first three months of fiscal 2017/2018:

- Total revenues increased in the first three months of fiscal 2017/2018 by 1.3 percent on the previous year to EUR 249.138 million (previous year EUR 246.010 million).
- The EBIT in the first quarter was EUR 17.769 million (previous year EUR 17.623 million) which corresponds to a margin of 7.1 percent (previous year 7.2 percent).
- In the period under review, Bertrandt reported post-tax earnings of EUR 11.764 million (previous year EUR 11.600 million).
- Earnings per share were EUR 1.17 in the first quarter (previous year EUR 1.15).
- The workforce has grown by 85 since the end of fiscal 2016/2017 to 13,055.

Bertrandt's comprehensive range of products and services provides each customer with customised and all-in solutions along the entire product engineering process. As one of Europe's leading engineering specialists, Bertrandt is a reliable partner when it comes to meeting current and future challenges across all engineering project stages. All the expertise of the entire Bertrandt Group is available to customers through their local Bertrandt subsidiary, because Bertrandt's Competence Centre structure is replicated throughout the Group.

Q1

QUARTERLY REPORT

| | |
|----|---|
| 06 | Group Management Report |
| 13 | Interim Consolidated Financial Statements |
| 18 | Condensed Consolidated Notes |
| 22 | Quarterly Survey |
| 23 | Financial Calendar |
| 23 | Roadshows and Conferences |
| 23 | Credits |

WE RECRUITED MORE PERSONNEL in the first quarter of FY 2017/2018 with the aim of expanding and deepening in automotive trends.

13,055

BERTRANDT PEOPLE FULFIL OUR PROMISE OF PERFORMANCE TO THE CUSTOMER, DAY IN, DAY OUT.

GROUP MANAGEMENT REPORT

THE GROUP – GENERAL INFORMATION

Business model and strategy

As one of Europe's leading technology partners, Bertrandt has been devising specific and tailored solutions with customers at 53 locations in Europe, Asia and the United States for over 40 years now. Our services for the automotive and aerospace industries include all process steps in the project phases of conceptual design, CAD, development, design modelling, tool production, vehicle construction and production planning right through to start of production and production support. In addition, the individual development steps are validated by simulation, prototype building and testing. This means that we implement collaborative projects of different sizes at our technology centres in the immediate vicinity of our customers. The technology centres provide dedicated design studios, electronics labs as well as testing facilities. Our customer base comprises nearly all European manufacturers as well as important system suppliers. We also provide technological services outside the mobility industry in such forward-looking sectors as energy, medical technology, electrical engineering as well as machinery and plant engineering throughout Germany. Throughout consistency, reliability and capital expenditure and technical equipment all contribute to growing customer relationships. These are key success factors for Bertrandt.

Foreign operations

With its 13 non-domestic branches in Europe, the United States and Asia, Bertrandt pursues a strategy of ensuring the sharpest possible focus on the customer by diversifying its locations on a project-

2.2

was the growth rate of Germany's gross domestic product in 2017, according to the Federal Statistical Office.

specific basis. In close organisational interaction with its German branches, Bertrandt is able to offer its customers the complete range of its services and thereby to devise solutions rapidly and efficiently.

REPORT ON ECONOMIC POSITION

Economic development

According to the ifo Institute (Leibniz Institute for Economic Research) at the University of Munich the global economy has been growing since 2010. In the summer half of 2017 the pace of expansion picked up even further. The economic upswing was driven primarily by industrial production in both the advanced economies and the emerging economies. The recovery of industrial production and global trade was accompanied by resurgent worldwide investing activities. Continuously low interest rates have had a positive impact. As an export nation, Germany has benefited from these positive conditions and the Federal Statistical Office reported a growth in German GDP in 2017 of 2.2 percent.

Sector trends

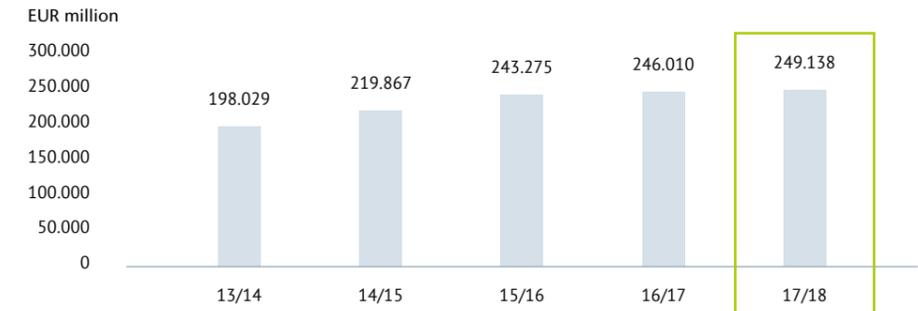
According to the German Association of the Automotive Industry (VDA) global automotive business developed overwhelmingly positively in 2017. The market in China expanded once again and automotive sales in Europe were higher than at any time since 2007. Sales only declined slightly in the USA, while remaining at a high level. More than 85 million new cars were sold worldwide. The automotive industry is currently in the grips of a fundamental technological transformation which is mainly influenced by alternative drives and digitalisation. The industry is highly committed to an e-mobility future, for example, as new drive solutions are needed to reconcile climate change mitigation with growing mobility needs. At the same time, technologies are being launched which will enable automated driving in various forms and enhance safety and comfort in the process.

According to the German Aerospace Industries Association (BDLI), civil aviation continues to benefit from rising passenger volumes and the need to modernise older aircraft generations. The industry is now investing more in new technologies and products that relate to the development of the next generation of aircraft, as well as in the further development of products for current aircraft programmes. One important issue is the introduction of Industry 4.0 and the digitalisation of development, production and services.

CHART 02

Total revenues continued to rise in the period under review.

Total revenues (1st quarter)



The four key industries in which Bertrandt operates apart from the automotive and aerospace sectors were substantially impacted by the digitalisation of processes. The establishment of intelligent, digitally networked systems is the basis for implementing more efficient value chains – from the idea for a product through to its development, production, use and maintenance and, finally, recycling. Industry 4.0 offers huge opportunities for Germany as a leading international industry supplier. This is also reflected in the business climate index published by the ifo Institute. The data collected on the current situation and expectations for the coming months remained well above the long-term mean in December 2017. The prospects which this offers for the energy, medical and electrical technology industries, as well as the machinery and plant engineering sectors, offer huge growth opportunities for external development partners like Bertrandt.

249.138

EUR million were the total revenues generated in the first quarter of FY 2017/2018.

Total revenues

Total revenues amounted to EUR 249.138 million (previous year EUR 246.010 million). Therein included were capitalised internally generated assets of EUR 0.646 million for the development of internal competences in the context of connected, automated and electrified driving (previous year EUR 0.173 million).

CHART 02

Key expenditure figures

BUSINESS PERFORMANCE

Development of the first quarter of fiscal 2017/2018

Owing to a calendar effect, the first quarter of the fiscal year was two working days shorter than the same period in fiscal 2016/2017. The prevailing price pressure in particular business units in the previous fiscal year is still existing.

Expenses in the first half of fiscal 2017/2018 were as follows: The cost of materials amounted to EUR 23.850 million; this was lower than the previous year (EUR 26.140 million). The personnel expenses rose in the period under review to EUR 176.070 million (previous year EUR 170.921 million). The staff cost ratio was 70.7 percent (previous year 69.5 percent). Other operating expenses were EUR 25.193 million (previous year EUR 25.449 million).

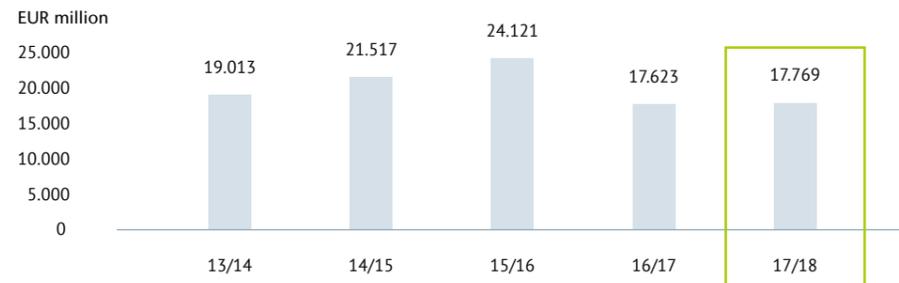
EBIT (1st quarter)

CHART 03

Despite two working days less in comparison to the previous year, EBIT increased.

EBIT

Bertrandt's EBIT in the first quarter of fiscal 2017/2018 was EUR 17.769 million (previous year EUR 17.623 million) which corresponds to a margin of 7.1 percent (previous year 7.2 percent). Finance income was EUR -0.501 million (previous year EUR -0.569 million). Profit from ordinary activities in the period under review was EUR 17.268 million (previous year EUR 17.054 million). Based on a tax rate of 28.7 percent (previous year 30 percent), the Company generated post-tax earnings of EUR 11.764 million (previous year EUR 11.600 million).

CHART 03

Financial and assets position

As at 31 December 2017 total assets were higher by EUR 2.718 million and amounted to EUR 781.518 million (EUR 778.800 million as at 30 September 2017) as the Company has grown. Non-current assets were valued at EUR 306.114 million at the balance sheet date (EUR 301.203 million as at 30 September 2017). Current assets amounted to EUR 475.404 million (EUR 477.597 million as at 30 September 2017). Current liabilities totalled EUR 154.513 million (EUR 157.002 million as at 30 September 2017). Non-current liabilities fell to EUR 239.287 million (EUR 245.781 million as at 30 September 2017). Equity increased in the first three months of fiscal 2017/2018 to EUR 387.718 million (EUR 376.360 million as at 30 September 2017).

The equity ratio increased compared to the end of fiscal 2016/2017 to EUR 49.6 million (EUR 48.3 million as at 30 September 2017).

CHART 04

As per cutoff date, cash flow from operating activities amounted in the first quarter of the current fiscal year to EUR 37.446 million (previous year EUR 23.154 million). As a result of higher capital spending than in the first quarter of the fiscal 2016/2017 the cash flow from investing activities fell from EUR -9.927 million last year to EUR -13.026 million. The free cash flow at the end of the first quarter was EUR 24.420 million (previous year EUR 13.227 million).

CHART 05

In the first three months of the current fiscal year EUR 14.049 million was invested in buildings and technical equipment to meet needs (previous year EUR 10.912 million). The Company will continue in this way to focus its investment activities in building up and expanding its infrastructure with the aim of continually optimising its range of services.

CHART 06

Human resources

Bertrandt continued to build up staff during the first quarter of fiscal 2017/2018. The Company employed 13,055 people in the Group on 31 December 2017.

CHART 04

At the balance sheet date the equity ratio was at 49.6 percent.

Equity (on 31 December)

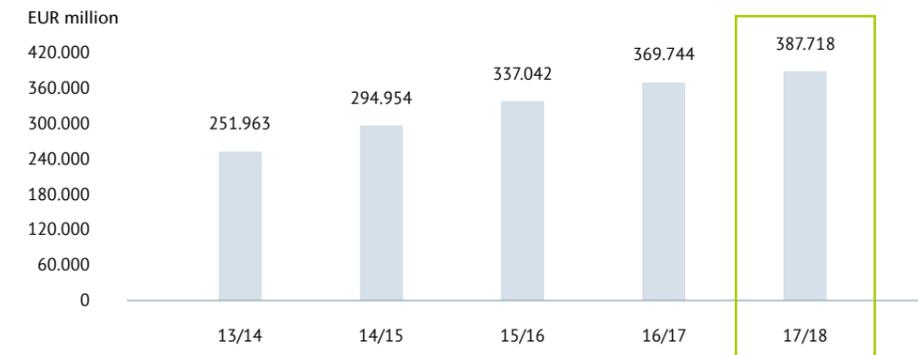


CHART 05

The free cash flow at the end of the first quarter was EUR 24.420 million.

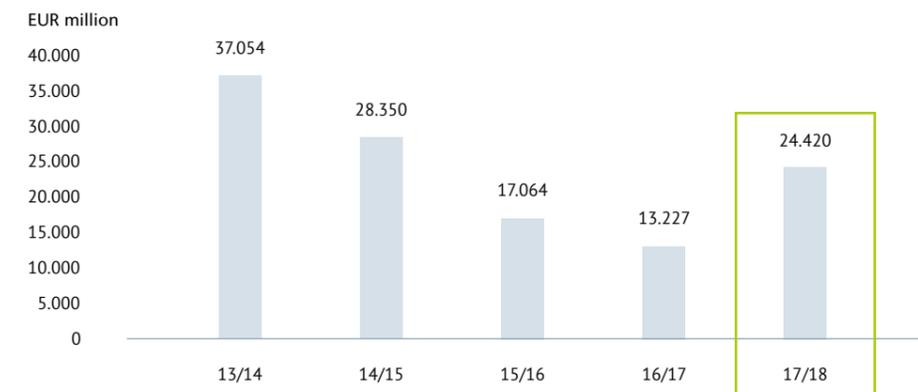
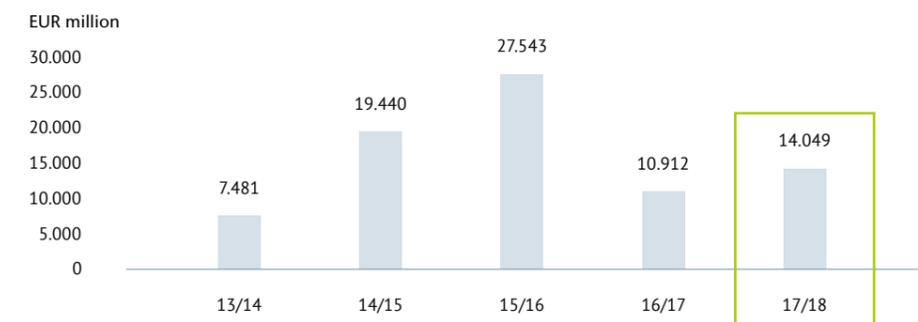
Free cash flow (1st quarter)

CHART 06

The capex increased slightly compared to the previous year.

Capital spending (1st quarter)

Employees (on 31 December)

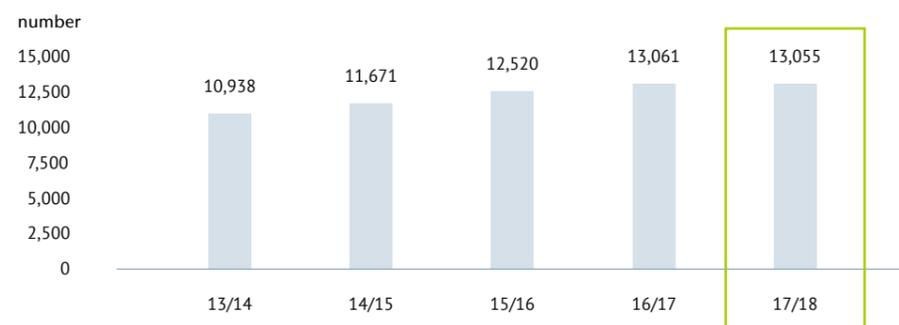


CHART 07

The workforce was almost at the previous year's level.

13,055

employees worked for Bertrandt on the reporting date.

Compared to the end of fiscal 2016/2017 the workforce grew by 85 people (12,970 on 30 September 2017) and the figures have thus not changed substantially since last year (13,061 on 31 December 2016). Complex projects as well as the deep and wide range of services offer specialists, experienced professionals engineers and technicians as well University graduates interesting tasks in key technological industries. Bertrandt offers a variety of job options to dedicated and qualified applicants. The current vacancies can be found in the "Careers" section of Bertrandt's website at www.bertrandt.com.

CHART 07

Risk report

As an engineering service provider operating on an international scale, Bertrandt is exposed to a wide variety of risks. The pertinent facts were comprehensively reported in the fiscal 2016/2017 annual report. As described in that report, fiscal 2017/2018 will be influenced by many developments in the automotive industry, the outcomes of which cannot be wholly predicted at the current juncture. In the course

of the strategic transformation in drive technologies, automotive manufacturers and system suppliers are stepping up their work on e-mobility. These technology developments are critical for the future market position of Bertrandt customers and impact their business processes and the weighting of their development budgets. These important decisions are time consuming and resulted in delays in the award of projects in the last fiscal year. There is still a risk that project awards may be delayed. Prices are also continuing to come under pressure in the industry. However, from the point of view of management, there was no increase in the probability of the risks identified in the fiscal 2016/2017 annual report materialising for Bertrandt in the first quarter of fiscal 2017/2018. The outlook in Bertrandt's core industries and the underlying technology trends remains good. A broad strategic alignment and a solid financial base will continue to provide a stable foundation for the business growth of the Bertrandt Group.

Potentials

Bertrandt is a technology company which provides skilled support as a partner to its customers. The Company's objective is to manage its business sustainably, to position itself successfully on the market and to further build a leading position with a broad and integrated range of services. Bertrandt's range of services for the automotive industry covers the entire value chain of product engineering. The Company is positioned as an engineering service provider for complete vehicle development and regards itself as a driver of innovation in key disciplines such as electronics. Bertrandt consciously serves a rather diverse customer base. The Company assumes the role

of an expert consultant to the automotive and aerospace industries while embracing the development of technological future trends with a can-do attitude. Bertrandt is confident that the increasingly demanding mobility needs of consumers, ever more stringent legislation and a growing diversity of variants and models will continue to offer potential for the Company to secure and enhance its market position as an engineering service provider and technology group also in the years to come. This is also reflected in actual and planned capital expenditure on infrastructure and technical equipment.

Forecast and outlook

In their autumn reports leading German economic research institutes forecast continued global economic growth. According to the experts world output is set to grow by 3.1 percent this year. Both the advanced economies and the emerging economies are expected to contribute towards the upturn. Thanks to its strong export orientation Germany has continued to benefit from these overall positive conditions. The ifo Institute currently projects that German GDP will grow at a rate of 2.6 in 2018 and 2.1 percent in 2019.

According to the VDA, the good sales position in the passenger vehicle sector will be sustained throughout 2018. The industry association presently anticipates sales of 86 million vehicles worldwide in the current calendar year. On the development side, a recent VDA study of the German automotive industry concluded that the automobile itself is in the midst of a historic transformation. Digital connectivity and globalisation will continue to drive the global innovation race for the best technologies. The need for mobility is growing on all continents and is manifested in demand for sustainable and environmentally-friendly vehicle concepts. As a result, the research and development spending for the automotive industry which is critical to Bertrandt's successful business development is rising. On a worldwide basis, the German automotive industry is currently investing more than EUR 39 billion per year in research and development – more than twice as much as ten years ago.

The German Aerospace Industries Association (BDLI) reported that the aerospace industry has achieved dramatic reductions in aircraft emissions and noise pollution in recent years. However, the industry has set itself some ambitious long-term targets within the framework of the European "Flightpath 2050" agreements. Taking the year 2000 as the baseline, the goal is to reduce CO2 emissions by 75 percent and nitrogen oxide by 90 percent per passenger kilometre by 2050. Noise

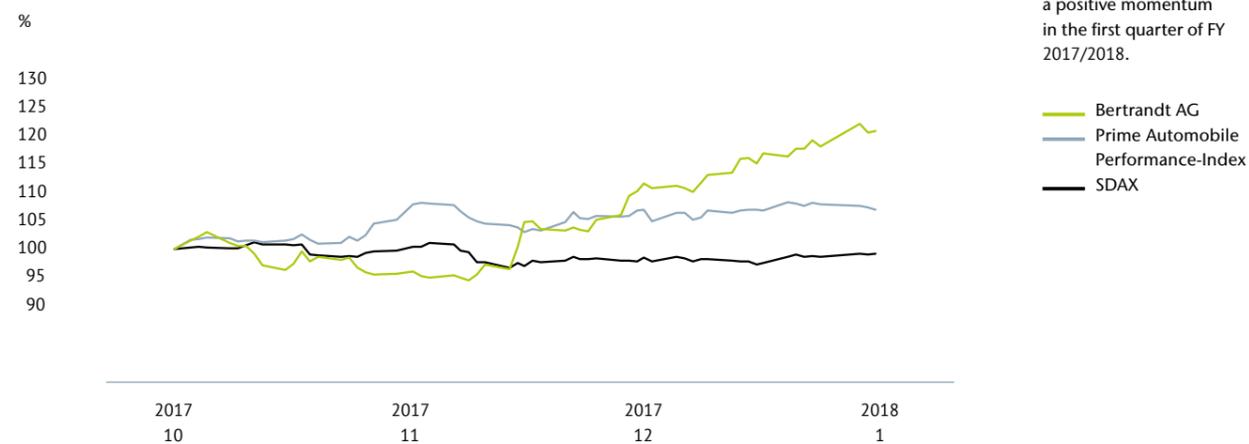
3.1

percent is the rate at which the global economy is predicted by the ifo Institute to grow in 2018.

pollution should be reduced by 65 percent by that date. Alongside environmental objectives aircraft manufacturers and suppliers also aim to boost on-board comfort for passengers. Against this background there will be continuing demand for engineering in this market segment to enable the existing model range to be adjusted to meet these requirements.

The leading associations representing other sectors of German industry also forecast a good 2018 on the basis of the strong demand for goods "Made in Germany". The production forecast made by the German Engineering Federation (VDMA) for the year 2018 is based on assumed growth of three percent. The VDMA experts are confident that the upturn in investments will provide momentum to German mechanical engineering companies. Experts from the German Electrical and Electronic Manufacturers Association (ZVEI) expect the German electrical and electronic industry to grow by two percent in 2018. The figures provided by the ZVEI for the power engineering industry in particular refer only to the development of the global market, which is expected to grow by four percent this year. The trade association Medical Technology, a division of the German Hightech Industry Association (SPECTARIS) expects sales in the Germany medical technology sector to increase in 2018 by 3.8 percent.

Assuming that economic conditions do not deteriorate, that OEMs make sustained investments in research and development for new technologies and models, engineering work continues to be contracted out and qualified human resources are available, Bertrandt expects the Company to develop positively in fiscal 2017/2018. The three major influencing factors, i.e. the increasing variety of models and variants, environmentally friendly individual mobility and connected and automated driving, are intact and offer business opportu-

Share price in comparison (1st quarter)

nities for the future. In light of this, the Management Board anticipates an increase in total revenues of between EUR 20 and 50 million for fiscal 2017/2018. EBIT in the period under review is targeted to be at least EUR 8.1 million higher than in the previous year, ranging between seven and nine percent of total revenues.

The market continues to offer real business opportunities in 2018. As a result, Bertrandt will continue to focus its investment activities in building up and expanding its infrastructure with the aim of continually optimising its range of services bearing in mind that the technological developments of tomorrow will require state-of-the-art technology. The Company anticipates a volume of capital spending in fiscal 2017/2018 of between EUR 45 and 50 million, which could turn out to be higher if necessary. In line with the EBIT increase over the previous year, Bertrandt anticipates a positive cash flow from operating activities for the year as a whole. The magnitude of the expansion will ultimately depend on the funds tied up in items such as future receivables from construction contracts and receivables resulting from the development of total revenues.

The Bertrandt share

The DAX started the first quarter of Bertrandt's fiscal 2017/2018 year on 2 October 2017 opening at 12,866 points climbing to 12,918 as of the last day of trading. The SDAX started at 11,944 points

101.65

EUR was the closing price of the Bertrandt share on the last trading day 2017.

and closed almost unchanged at 11,887 points by the end of the same period. The Prime Automobile Performance Index moved back and forth between 1,580 and 1,687 points.

The Bertrandt share started the first quarter of the 2017/2018 fiscal year by opening in Xetra trading at EUR 97.50. The share price fell to its lowest level for the period under review of EUR 79.15 on 9 November 2017. It reached an all-time high of 102.95 euro on 27 December 2017. The Bertrandt share closed on the last day of Xetra trading at EUR 101.65. The average daily trading volume in the first three months of fiscal 2017/2018 was 20,599 shares.

Analysts' ratings of the Bertrandt share and information on our Company can be found at www.bertrandt.com under Investor Relations.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

TABLE 09

| Consolidated income statement and statement of comprehensive income | | |
|---|----------------|----------------|
| EUR million | 2017/2018 | 2016/2017 |
| 01/10 to 31/12 | | |
| I. Income statement | | |
| Revenues | 248.492 | 245.837 |
| Other internally generated assets | 0.646 | 0.173 |
| Total revenues | 249.138 | 246.010 |
| Other operating income | 2.016 | 2.489 |
| Raw materials and consumables used | -23.850 | -26.140 |
| Personnel expenses | -176.070 | -170.921 |
| Depreciation | -8.272 | -8.366 |
| Other operating expenses | -25.193 | -25.449 |
| EBIT | 17.769 | 17.623 |
| Share of profit in associates | 0.095 | 0.097 |
| Interest income/expense | -0.729 | -0.735 |
| Attributable to minority interests | -0.044 | -0.019 |
| Other financial result | 0.177 | 0.088 |
| Net finance income | -0.501 | -0.569 |
| Profit from ordinary activities | 17.268 | 17.054 |
| Other taxes | -0.766 | -0.480 |
| Earnings before tax | 16.502 | 16.574 |
| Income taxes | -4.738 | -4.974 |
| Post-tax earnings | 11.764 | 11.600 |
| attributable to shareholders of Bertrandt AG | 11.764 | 11.600 |
| Number of shares (million) – diluted/basic, average weighting | 10.091 | 10.091 |
| Earnings per share (EUR) – diluted/basic | 1.17 | 1.15 |
| II. Statement of comprehensive income | | |
| Post-tax earnings | 11.764 | 11.600 |
| Exchange rate differences ¹ | -0.200 | 0.414 |
| Revaluation of pension obligations | -0.294 | -0.294 |
| Tax effects of revaluation of pension obligations | 0.088 | 0.088 |
| Other comprehensive income after taxes | -0.406 | 0.208 |
| Total comprehensive income | 11.358 | 11.808 |
| attributable to shareholders of Bertrandt AG | 11.358 | 11.808 |

¹Components of Other comprehensive income after taxes which will be recycled in the Income statements of the future quarterly and annual reports.

CONSOLIDATED BALANCE SHEET

TABLE 10

| Consolidated balance sheet | | |
|---|----------------|----------------|
| EUR million | 31/12/2017 | 30/09/2017 |
| Assets | | |
| Intangible assets | 15.766 | 15.740 |
| Property, plant and equipment | 269.042 | 264.284 |
| Investment properties | 1.458 | 1.474 |
| Investments accounted for using the equity method | 5.583 | 5.488 |
| Other financial assets | 1.245 | 1.685 |
| Receivables and other assets | 9.190 | 8.710 |
| Deferred taxes | 3.830 | 3.822 |
| Non-current assets | 306.114 | 301.203 |
| Inventories | 1.180 | 1.182 |
| Future receivables from construction contracts | 92.189 | 119.607 |
| Receivables and other assets | 216.141 | 214.090 |
| Income tax assets | 2.862 | 3.452 |
| Cash and cash equivalents | 163.032 | 139.266 |
| Current assets | 475.404 | 477.597 |
| Total assets | 781.518 | 778.800 |
| Equity and liabilities | | |
| Issued capital | 10.143 | 10.143 |
| Capital reserve | 29.374 | 29.374 |
| Retained earnings and other comprehensive income | 296.913 | 297.319 |
| Consolidated distributable profit | 51.288 | 39.524 |
| Equity | 387.718 | 376.360 |
| Provisions | 10.155 | 9.908 |
| Borrowings | 215.101 | 215.737 |
| Other liabilities | 0.206 | 0.215 |
| Deferred taxes | 13.825 | 19.578 |
| Non-current liabilities | 239.287 | 245.438 |
| Tax provisions | 10.137 | 5.412 |
| Other provisions | 25.909 | 40.458 |
| Borrowings | 2.926 | 5.202 |
| Trade payables | 17.681 | 18.257 |
| Other liabilities | 97.860 | 87.673 |
| Current liabilities | 154.513 | 157.002 |
| Total equity and liabilities | 781.518 | 778.800 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TABLE 11

| Consolidated statement of changes in equity | | | | | | | | |
|---|----------------|-----------------|--|------------------------------|------------------------------------|-----------------------------------|---------------|----------------|
| EUR million | Issued capital | Capital reserve | Retained earnings and other comprehensive income | | | Consolidated distributable profit | Total | |
| | | | Non-distributed earnings | Currency translation reserve | Revaluation of pension obligations | Total | | |
| Value on 01/10/2017 | 10.143 | 29.374 | 301.244 | -1.823 | -2.102 | 297.319 | 39.524 | 376.360 |
| Post-tax earnings | | | | | | | 11.764 | 11.764 |
| Other comprehensive income | | | | -0.200 ¹ | -0.206 | -0.406 | | -0.406 |
| Total comprehensive income | | | | -0.200 | -0.206 | -0.406 | 11.764 | 11.358 |
| Value on 31/12/2017 | 10.143 | 29.374 | 301.244 | -2.023 | -2.308 | 296.913 | 51.288 | 387.718 |
| Previous year | | | | | | | | |
| Value on 01/10/2016 | 10.143 | 29.374 | 282.737 | -1.096 | -2.616 | 279.025 | 39.394 | 357.936 |
| Post-tax earnings | | | | | | | 11.600 | 11.600 |
| Other comprehensive income | | | | 0.414 ¹ | -0.206 | 0.208 | | 0.208 |
| Total comprehensive income | | | | 0.414 | -0.206 | 0.208 | 11.600 | 11.808 |
| Value on 31/12/2016 | 10.143 | 29.374 | 282.737 | -0.682 | -2.822 | 279.233 | 50.994 | 369.744 |

¹Components of Other comprehensive income which will be recycled in the Income statements of the future quarterly and annual reports.

CONSOLIDATED CASH FLOW STATEMENT

TABLE 12

| Consolidated cash flow statement | | |
|--|----------------|----------------|
| EUR million | | |
| 01/10 to 31/12 | 2017/2018 | 2016/2017 |
| 1. Post-tax earnings | 11.764 | 11.600 |
| 2. Income taxes | 4.738 | 4.974 |
| 3. Interest income/expense | 0.729 | 0.735 |
| 4. Other net financial result | -0.133 | -0.069 |
| 5. Investments accounted for using the equity method | -0.095 | -0.097 |
| 6. Depreciation of non-current assets | 8.272 | 8.366 |
| 7. Increase/decrease in provisions | -13.636 | -25.725 |
| 8. Other non-cash income/expense | -0.376 | -0.275 |
| 9. Profit/loss from disposal of non-current assets | -0.203 | -0.053 |
| 10. Increase/decrease in inventories, future receivables from construction contracts, receivables and other assets as well as other assets not assigned to investing or financing activities | 24.990 | 14.562 |
| 11. Increase/decrease in trade payables and other liabilities not assigned to investing or financing activities | 9.522 | 16.919 |
| 12. Income tax received/paid | -5.200 | -5.658 |
| 13. Interest paid | -3.001 | -2.804 |
| 14. Interest received | 0.075 | 0.679 |
| 15. Cash flows from operating activities (1.–14.) | 37.446 | 23.154 |
| 16. Payments received from disposal of property, plant and equipment | 0.458 | 0.237 |
| 17. Payments received from the disposal of financial assets | 0.565 | 0.748 |
| 18. Payments made for capital expenditure on property, plant and equipment | -12.566 | -9.536 |
| 19. Payments made for investments in intangible assets | -1.358 | -1.206 |
| 20. Payments made for investments in financial assets | -0.125 | -0.170 |
| 21. Cash flows from investing activities (16.–20.) | -13.026 | -9.927 |
| 22. Payments made for discharging debt instruments and repaying loans | -0.484 | 0 |
| 23. Cash flows from financing activities (22.) | -0.484 | 0 |
| 24. Changes in cash and cash equivalents (15.+21.+23.) | 23.936 | 13.227 |
| 25. Effect of exchange rate changes on cash and cash equivalents | -0.170 | 0.261 |
| 26. Cash and cash equivalents at beginning of period | 139.266 | 159.821 |
| 27. Cash and cash equivalents at end of period (24.–26.) | 163.032 | 173.309 |

TABLE 13

| Consolidated segment report | | | | | | | | |
|------------------------------------|---------------------|----------------|----------------------|---------------|------------------------------------|---------------|------------------------|----------------|
| EUR million | Digital Engineering | | Physical Engineering | | Electrical Systems/ Electronics | | Total of all divisions | |
| 01/10 to 31/12 | 2017/2018 | 2016/2017 | 2017/2018 | 2016/2017 | 2017/2018 | 2016/2017 | 2017/2018 | 2016/2017 |
| Revenues | 156.523 | 150.218 | 56.812 | 55.588 | 54.193 | 53.077 | 267.528 | 258.883 |
| Transfer between segments | 11.675 | 7.282 | 3.623 | 3.076 | 3.738 | 2.688 | 19.036 | 13.046 |
| Consolidated revenues | 144.848 | 142.936 | 53.189 | 52.512 | 50.455 | 50.389 | 248.492 | 245.837 |
| Other internally generated assets | 0.117 | 0.046 | 0.029 | 0.077 | 0.500 | 0.050 | 0.646 | 0.173 |
| Consolidated total revenues | 144.965 | 142.982 | 53.218 | 52.589 | 50.955 | 50.439 | 249.138 | 246.010 |
| EBIT | 8.551 | 8.406 | 4.504 | 4.410 | 4.714 | 4.807 | 17.769 | 17.623 |

TABLE 14

| Shares owned by members of the Management and Supervisory Boards | | |
|--|-----------------------|-----------------------|
| number | Shares | Shares |
| | Balance at 31.12.2017 | Balance at 30.09.2017 |
| Management Board | | |
| Dietmar Bichler | 400,000 | 400,000 |
| Hans-Gerd Claus | 0 | 0 |
| Michael Lücke | 0 | 0 |
| Markus Ruf | 0 | 0 |
| Supervisory Board | | |
| Dr Klaus Bleyer | 0 | 0 |
| Maximilian Wöfle | 0 | 0 |
| Horst Binnig | 0 | 0 |
| Prof Dr-Ing Wilfried Sihn | 0 | 0 |
| Stefanie Blumenauer | 0 | 0 |
| Astrid Fleischer | 98 | 98 |
| Total | 400,098 | 400,098 |

Options are not disclosed here as there is currently no option programme.

CONDENSED CONSOLIDATED NOTES

BASIC INFORMATION

The consolidated financial statements of Bertrandt Aktiengesellschaft, registered at Birkensee 1, 71139 Ehningen, Germany (register number HRB 245259, commercial register of the local court of Stuttgart), for the year ending 30 September 2017 were prepared using the International Financial Reporting Standards (IFRS) effective at the reporting date and as endorsed by the European Union (EU).

The presented consolidated interim financial statements as at 31 December 2017 were prepared based on International Accounting Standard (IAS) 34 Interim Financial Reporting, in principle applying the same reporting methods as in the consolidated financial statements for fiscal 2016/2017. The provisions of Section 315a (1) German Commercial Code (HGB) as well as all the standards and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), which are subject to mandatory application in fiscal 2017/2018, have been considered.

A detailed description of these methods is published in the Notes to the Consolidated Financial Statements of the Annual Report for fiscal 2016/2017. The Annual Report is also accessible on the internet at www.bertrandt.com.

These interim consolidated financial statements were compiled in euros. Unless stated otherwise, all amounts are shown in millions of euros (EUR million).

International Financial Reporting Standards and Interpretations that are subject to mandatory application as of fiscal 2017/2018

The following table sets out the International Financial Reporting Standards and Interpretations that are subject to mandatory application as of fiscal 2017/2018.

TABLE 15

| Standard/ Interpretation | | Compulsory application ¹ | Expected effects |
|--------------------------|---|-------------------------------------|------------------|
| IAS 7 | Amendments to IAS 7: Statement of Cash Flows – Disclosure Initiative | 01/01/2017 | None |
| IAS 12 | Amendments to IAS 12: Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses | 01/01/2017 | None |

¹Fiscal years beginning on or after the specified date.

International Financial Reporting Standards and Interpretations that have been published but are not yet mandatory

The following standards and interpretations have already been adopted by the International Accounting Standards Board (IASB) and to some degree approved by the EU but they were not yet mandatory in fiscal 2017/2018. Bertrandt will apply them for the accounting period for which they become effective.

TABLE 16

| Standard/ Interpretation | | Compulsory application ¹ | Expected effects |
|-----------------------------------|---|-------------------------------------|---|
| IFRS 2 ² | Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions | 01/01/2018 | None |
| IFRS 4 ² | Amendments to IFRS 4: Insurance Contracts – Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts | 01/01/2018 | None |
| IFRS 9 ³ | Amendments to IFRS 9: Financial Instrumentse Amendments to IFRS 9: Prepayment Features with Negative Compensation ² | 01/01/2018 01/01/2019 | No substantial effects, more detailed disclosures in the Notes |
| IFRS 15 ^{2,4} | Revenue from Contracts with Customers Amendments to IFRS 15 | 01/01/2018 | Examination concluded with the result that application has no effects. More detailed disclosures in the Notes |
| IFRS 16 ^{2,5} | Leasing | 01/01/2019 | Currently under examination, more detailed disclosures in the Notes |
| IFRS 17 ² | Insurance Contracts | 01/01/2021 | Currently under examination |
| IAS 28 ² | Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures | 01/01/2019 | None |
| IAS 40 ² | Amendments to IAS 40: Transfers of Investment Property | 01/01/2018 | None |
| IFRIC 22 ² | Foreign Currency Transactions and Advance Considerations | 01/01/2018 | None |
| IFRIC 23 ² | Uncertainty over Income Tax Treatments | 01/01/2019 | None |
| Improvements to IFRS ² | Adoption of Annual Improvements to IFRS Cycle 2014-2016 and Cycle 2015-2017 | not yet defined / 01/01/2019 | Single-case audit |

¹Fiscal years beginning on or after the specified date.

²Not yet endorsed by the EU

³No substantial impact on classification of financial instruments expected. Impacts of changes in impairment model currently under examination. Final evaluations planned for current fiscal year. No substantial impact expected.

⁴Customer contracts were analysed in a group-wide project. The analyses showed that accounting for the customer projects has continued to be in line with the principles of time-period related revenue recognition that have applied to date.

⁵General recognition of all leases as right-of-use assets and recognition of corresponding lease liability on the lessee's balance sheet. A positive effect on the operating result and a negative effect on net finance income expected.

GROUP OF CONSOLIDATED COMPANIES

The group of consolidated companies includes all operating subsidiaries under the legal and constructive control of Bertrandt AG. This specifically entails the following German companies: Bertrandt Ingenieurbüro GmbHs in Gaimersheim, Ginsheim-Gustavsburg, Hamburg, Cologne, Munich, Neckarsulm and Tappenbeck as well as b.professional GmbH in Mannheim; Bertrandt Beteiligungen GmbH in Ehningen; Bertrandt Fahrerprobung Süd GmbH in Nufringen; Bertrandt Grundstücks GmbH in Nufringen; Bertrandt Projektgesellschaft mbH; Bertrandt Services GmbH; Bertrandt Solutions GmbH; Bertrandt Technikum GmbH in Ehningen and Bertrandt Technologie GmbHs in Immendingen, Mönshheim and Sassenburg; Bertrandt Ehningen GmbH in Ehningen; Bertrandt GmbH in Hamburg; Bertrandt Verwaltungs GmbH in Mönshheim; Bertrandt Automotive GmbH & Co. KG; Bertrandt Immobilien GmbH & Co. KG and Bertrandt Grundbesitz GmbH & Co. KG, each located in Pullach i. Isartal; Fariba Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG in Mainz as well as Bertrandt Energie GmbH in Mönshheim; Bertrandt München GmbH in Munich and Bertrandt Tappenbeck GmbH in Tappenbeck. Moreover, the entities newly incorporated in the year under review, Bertrandt Digital GmbH; Bertrandt Innovation GmbH and Bertrandt Neo GmbH, each located in Ehningen, were included for the first time in the consolidated financial statements.

The consolidated companies additionally include the foreign entities Bertrandt Engineering Shanghai Co., Ltd. in Shanghai; Bertrandt Engineering Technologies Romania SRL in Sibiu; Bertrandt France S.A., Bertrandt S.A.S., each located in Paris/Vélizy-Villacoublay; Bertrandt Otomotiv Mühendislik Hizmetleri Ticaret Limited Sirketi in Istanbul; Bertrandt Technologie GmbH in Steyr; Bertrandt UK Limited in Dunton and Bertrandt US Inc. in Detroit.

Associates, i.e. entities which are not controlled by Bertrandt but over which the Company has significant influence are accounted for in the interim financial statements using the equity method. The following companies are associates: aucip. automotive cluster investment platform GmbH & Co. KG, Bertrandt Entwicklungen AG & Co. OHG, each located in Pullach i. Isartal and indirect investments in aucip. automotive cluster investment platform Beteiligungs GmbH; MOLLIS automotive GmbH; NAMENU tool GmbH and MCIP tool GmbH, each located in Pullach i. Isartal. In addition, Bertrandt Campus GmbH, and the indirect investment in Bertrandt Campus Grundbesitz GmbH, each located in Ehningen, and of which Bertrandt has joint control, are also accounted for in the consolidated financial statements under the equity method as joint ventures.

FOREIGN CURRENCY TRANSLATION

The interim consolidated financial statements of subsidiaries using a functional currency other than the euro are translated according to IAS 21. The subsidiaries carry out their business independently for financial, commercial and organisational purposes. The functional currency is therefore identical to the currency of the country in which they are based.

Accordingly, for the interim financial statements these companies' assets and liabilities were translated at the mean closing rate at the date of the statement of financial position, and income and expenses were translated at the average exchange rate for the period. All resulting exchange differences including differences resulting from the translation of amounts brought forward from the previous year are recognised directly in equity.

Foreign currency transactions are recorded by translating the foreign currency amount into the functional currency amount at the exchange rate prevailing on the date of the transaction. Gains and losses arising from the settlement of such transactions as well as from the translation at the reporting date of monetary assets and liabilities held in foreign currencies are recognised in profit or loss.

The parities of the key currencies relative to one euro were as follows:

TABLE 17

| Currency translation relative to one euro | | Average rate on balance sheet date | | Average rate Q1 | |
|--|-----|---------------------------------------|------------|-----------------|-----------|
| | | 31/12/2017 | 31/12/2016 | 2017/2018 | 2016/2017 |
| China | CNY | 7.8327 | 7.3252 | 7.7869 | 7.3636 |
| United Kingdom | GBP | 0.8874 | 0.8586 | 0.8873 | 0.8654 |
| Romania | RON | 4.6600 | 4.5415 | 4.6205 | 4.5017 |
| Turkey | TRY | 4.5343 | 3.7269 | 4.4807 | 3.5396 |
| Hungary | HUF | 309.9600 | 309.7500 | 311.6060 | 309.4510 |
| United States | USD | 1.1988 | 1.0560 | 1.1779 | 1.0793 |

RELATED PARTY DISCLOSURES

On 2 July 2014 Dr. Ing. h.c. F. Porsche AG, Stuttgart, increased its shareholding in Bertrandt AG by nearly four percentage points. After the share purchase, Volkswagen now indirectly holds around 29 percent of voting shares in Bertrandt. As in the past it is not the intention of Volkswagen to exercise influence on the Supervisory Board or the Management Board. From the date of the purchase of the shares, Bertrandt AG will be accounted for as an associate in the consolidated financial statements of the Volkswagen group

under the equity method. Accordingly, the Volkswagen group has to be classified as a related party pursuant to IAS 24. All supplier relationships between Bertrandt AG and the Volkswagen group were based on arm's length prices. The revenues arising from transactions with all Volkswagen group companies amounted to EUR 90.903 million in the period under review (previous year EUR 90.010 million). As of the balance sheet date, receivables amounted to EUR 77.472 million (previous year EUR 70.228 million).

FAIR VALUE DISCLOSURES

The principles and methods used for fair value measurement have remained unchanged compared to fiscal 2016/2017.

Because of the short maturities of the Company's current financial assets and financial liabilities, it is assumed that their fair value is equal to their carrying amount. The fair values of the non-current financial liabilities amount to EUR 226.534 million (previous year EUR 204.116 million) on account of the movement in interest rates in the reporting period up to 31 December 2017.

The financial assets and financial liabilities at fair value through profit or loss generally comprise derivatives to hedge foreign exchange and interest risks.

The derivatives' fair values are determined with generally accepted methods of financial mathematics, using mid-market pricing. All derivatives with a positive fair value are disclosed as derivative assets, while all derivatives with a negative fair value are disclosed as derivative liabilities.

As at 31 December 2017 the fair value of all balance sheet items valued at their fair value was EUR 0 million (EUR 0 million as at 30 September 2017). In the period under review, no foreign exchange forward contract or interest rate hedging contract was outstanding.

The fair value hierarchy established by IFRS 13 defines three levels of inputs to valuation techniques which depend on the availability of observable market prices in an active market. Level one input is input available for financial instruments that are measured at quoted prices in active markets for identical assets or liabilities. Financial instruments that are measured using Level two inputs are measured on the basis of inputs other than quoted prices included within Level one, which are observable either directly or indirectly. Level three input refers to market data for the measurement of financial instruments that are unobservable. Interest rate derivatives and foreign exchange forward contracts are categorised as Level two, other derivatives as Level three. Non-current financial liabilities are categorised as Level two. As in the previous year, there were no transfers between the three levels of the fair value hierarchy. A sensitivity analysis is performed every year, analysing and evaluating internal and external information and conditions for their probability of occurrence and the resulting financial burdens. As in the previous year, the sensitivity analysis carried out in the first quarter of fiscal 2016/2017 for derivatives measured according to Level three of the fair value hierarchy did not lead to any change in the carrying amount.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

There were no material events after the reporting period of 1 October 2017 to 31 December 2017.

GERMAN CORPORATE GOVERNANCE CODE

The declarations of compliance with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG) by the Management and Supervisory Boards of Bertrandt AG are accessible on the internet at www.bertrandt.com.

QUARTERLY SURVEY

TABLE 18

Consolidated income statement

| EUR million | Q1 17/18 | Q4 16/17 | Q3 16/17 | Q2 16/17 | Q1 16/17 |
|---|----------------|----------------|----------------|----------------|----------------|
| Revenues | 248.492 | 257.509 | 237.541 | 251.389 | 245.837 |
| Other internally generated assets | 0.646 | 0.681 | 0.519 | 0.229 | 0.173 |
| Total revenues | 249.138 | 258.190 | 238.060 | 251.618 | 246.010 |
| Other operating income | 2.016 | 2.231 | 1.623 | 2.339 | 2.489 |
| Raw materials and consumables used | -23.850 | -27.648 | -26.352 | -25.465 | -26.140 |
| Personnel expenses | -176.070 | -175.587 | -177.371 | -179.714 | -170.921 |
| Depreciation | -8.272 | -8.561 | -8.502 | -8.435 | -8.366 |
| Other operating expenses | -25.193 | -25.577 | -23.251 | -22.351 | -25.449 |
| EBIT | 17.769 | 23.048 | 4.207 | 17.992 | 17.623 |
| Net finance income | -0.501 | -0.557 | -0.806 | -0.249 | -0.569 |
| Profit from ordinary activities | 17.268 | 22.491 | 3.401 | 17.743 | 17.054 |
| Other taxes | -0.766 | -1.176 | -0.404 | -0.638 | -0.480 |
| Earnings before tax | 16.502 | 21.315 | 2.997 | 17.105 | 16.574 |
| Income taxes | -4.738 | -5.267 | -0.158 | -3.726 | -4.974 |
| Post-tax earnings | 11.764 | 16.048 | 2.839 | 13.379 | 11.600 |
| – attributable to shareholders of Bertrandt AG | 11.764 | 16.048 | 2.839 | 13.379 | 11.600 |
| Number of shares (million) – diluted/basic, average weighting | 10.091 | 10.091 | 10.091 | 10.091 | 10.091 |
| Earnings per share (EUR) – diluted/basic | 1.17 | 1.59 | 0.28 | 1.33 | 1.15 |

FINANCIAL CALENDAR

ROADSHOWS AND CONFERENCES

CREDITS

Annual General Meeting

21. Februar 2018
10:30
City Hall Sindelfingen

Report on the 2nd quarter 2017/2018

14 June 2018

13th Capital Market Day

14 June 2018

Report on the 3rd quarter 2017/2018

29 August 2018

Annual report 2017/2018

Annual press and analysts' conference
13 December 2018

Annual General Meeting

20 February 2019
10:30
City Hall Sindelfingen



Dates

Published and edited by

Bertrandt AG
Birkensee 1, 71139 Ehningen
Germany
Telephone +49 7034 656-0
Telefax +49 7034 656-4100
www.bertrandt.com
info@bertrandt.com

HRB 245259

Amtsgericht Stuttgart

Contact

Dr Markus Götzl
Head of Marketing, Public and Investor Relations Department
Telephone +49 7034 656-4201
Telefax +49 7034 656-4488
markus.goetzl@de.bertrandt.com

Julia Nonnenmacher
Corporate Communication
Telephone +49 7034 656-4037
Telefax +49 7034 656-4242
julia.nonnenmacher@de.bertrandt.com

Design, layout and production
SAHARA Werbeagentur, Stuttgart
www.sahara.de

Photos
Andreas Körner, Stuttgart

Legal Notice

This report contains inter alia certain foresighted statements about future developments, which are based on current estimates of management. Such statements are subjected to certain risks and uncertainties. If one of these factors of uncertainty or other imponderables should occur or the underlying accepted statements proved to be incorrect, the actual results could deviate substantially from or implicitly from the expressed results specified in these statements. We have neither the intention nor do we accept the obligation of updating foresighted statements constantly since these proceed exclusively from the circumstances on the day of their publication.

As far as this report refers to statements of third parties, in particular analyst estimations, the organisation neither adopts these, nor are these rated or commented thereby in other ways, nor is the claim laid to completeness in this respect.