INTERIM REPORT

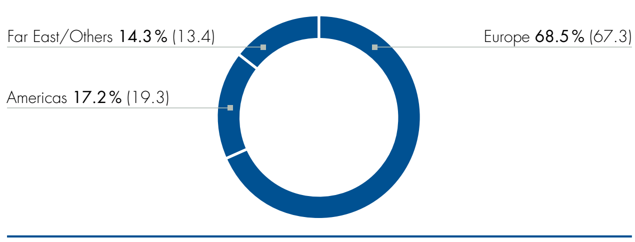
January to June 2014

GRAMMER

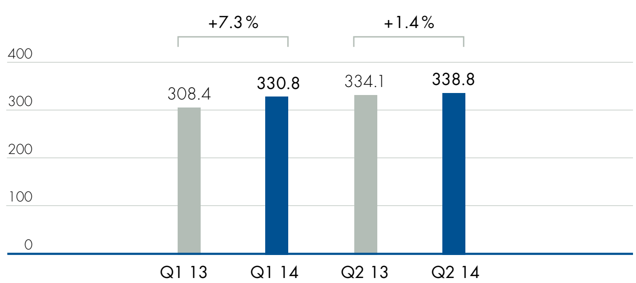
Key figures according to IFRS
GRAMMER Group

in EUR m	Q2 2014	Q2 2013	01 – 06 2014	01 – 06 2013
Group revenue	338.8	334.1	669.6	642.5
Automotive revenue	218.3	212.4	427.9	406.1
Seating Systems revenue	126.1	126.5	253.0	246.1
Income statement				
EBITDA	24.6	24.5	48.0	46.6
EBITDA margin (in %)	7.3	7.3	7.2	7.3
EBIT	16.1	16.3	30.9	30.1
EBIT margin (in %)	4.8	4.9	4.6	4.7
Profit/loss (–) before income taxes	13.9	13.3	26.1	24.7
Net profit/loss (–)	9.7	9.3	18.3	17.3
Statement of financial position				
Total assets	804.5	809.7	804.5	809.7
Equity	228.6	222.2	228.6	222.2
Equity ratio (in %)	28	27	28	27
Net financial debt	122.4	102.1	122.4	102.1
Gearing (in %)	54	46	54	46
Investments (without M&A)	11.7	8.3	21.8	15.5
Depreciation and amortization	8.5	8.2	17.1	16.5
Employees (June 30)			10,352	9,178
Key share data			June 30, 2014	June 30, 2013
Share price (Xetra closing price in EUR)			41.00	23.77
Earnings per share (in EUR)			1.67	1.54
Market capitalization (in EUR m)			473.3	274.4

Revenue by regions (previous year in brackets)



Group revenue development by quarter (in EUR m)



Company Profile

GRAMMER AG, Amberg, is specialized in the development and manufacturing of components and systems for automotive interiors, as well as driver and passenger seats for offroad vehicles (tractors, construction machines, forklifts) as well as trucks, busses and trains.

The Seating Systems Division comprises the truck and offroad segments as well as train and bus seats. The Automotive Division supplies headrests, armrests and center consoles to well-known premium carmakers and systems suppliers for the automotive industry.

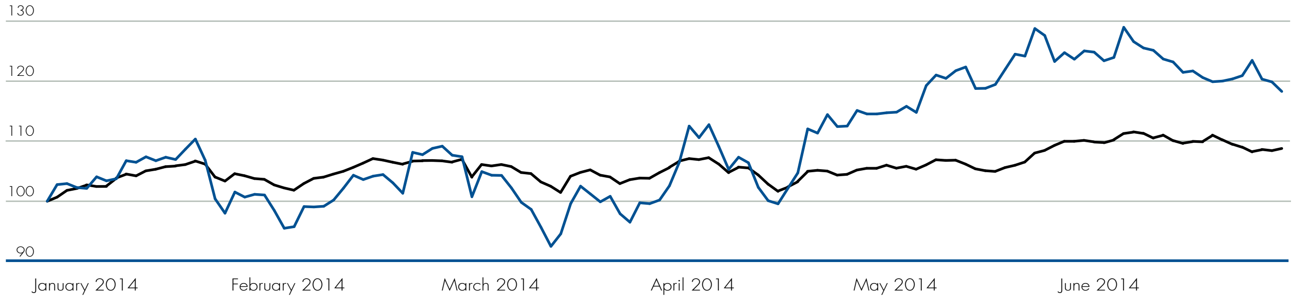
With more than 10,000 employees in 29 companies, GRAMMER has locations in 19 countries worldwide.

GRAMMER shares are listed in the SDAX, and traded on the Frankfurt and Munich stock exchanges via the electronic trading system, Xetra, as well as in over-the-counter trading at the Stuttgart, Berlin and Hamburg stock exchanges.

Content

GRAMMER Share

Price trend GRAMMER share and SDAX Performance Index – January to June 2014 (in %)



December 31, 2013 = 100%

— GRAMMER AG
— SDAX Performance Index

DAX and SDAX

The international equities markets performed well in the second quarter. Driven by the European Central Bank's monetary policy and upbeat economic conditions in the United States and the Eurozone, national and international indices reached new highs.

The German bluechip index DAX moved sharply upwards from mid-April, hitting new all-time highs. On June 9, 2014, it closed above 10,000 points for the first time, seeing the first half of the year out at a high of 9,833 points on June 30, 2014. Consequently, the DAX advanced by roughly 3% from January to June.

The SDAX, an index of selected small and mid-cap companies, in which GRAMMER is also included, even outperformed the DAX, closing at 7,385 points on June 30, 2014, the last day of trading in the second quarter and achieving gains of just under 9% in the first half of the year.

Substantial gains for GRAMMER share

The GRAMMER share performed impressively in the second quarter, reaching new heights and hitting an all-time high of EUR 44.70 on June 6, 2014. It ended the first half of the year at EUR 41.00. Consequently, it advanced by more than 18% in the first half of the year, thus substantially outperforming both the DAX and the SDAX benchmark indices.

Key figures GRAMMER share

as of June 30

	2014	2013
Share price (Xetra closing price in EUR)	41.00	23.77
Annual high (in EUR)	44.70	27.02
Annual low (in EUR)	32.06	16.39
Number of shares	11,544,674	11,544,674
Market capitalization (in EUR m.)	473.3	274.4
Earnings per share (in EUR)	1.67	1.54

Investor Relations

GRAMMER AG held its Annual General Meeting in Amberg on May 28, 2014, with almost 50% of voting share capital represented. A large majority of shareholders voted to formally approve the work of the Executive Board and Supervisory Board in the previous year. Similarly, the shareholders passed a resolution approving a higher dividend of EUR 0.65 per share, equivalent to an increase of 30% over the previous year in which a dividend of EUR 0.50 had been distributed. All the other items on the agenda were also passed with the necessary majority.

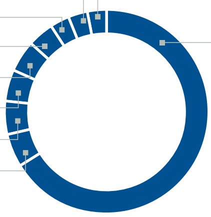
The GRAMMER Executive Board and the Investor Relations team maintained close contacts with investors, analysts and the financial press in numerous one-on-ones at capital market conferences and roadshows. We attended conferences in London, Hamburg and Baden-Baden in the second quarter. In addition, we were available for discussions with investors and analysts in London, Paris, Zurich, Frankfurt, Dublin and Edinburgh. The IR team welcomed inquiries from private investors over the telephone, by e-mail or via other channels.

Financial reports, press releases, presentations and all other important information on the share are available permanently in the Investor Relations section of the GRAMMER AG website.

Shareholder structure

The shareholder structure was as follows on June 30, 2014:

Shareholder structure (in %)



as of June 30, 2014

Only notifications relating to voting right holdings of greater than 3% are shown here. The current shareholder structure is disclosed in the Investor Relations section of the GRAMMER AG website.

In the first half of 2014, GRAMMER AG received the following voting right notifications in accordance with Section 21 (1) of the German Securities Trading Act (WpHG):

Date on which threshold was crossed	Notifying shareholder	Threshold crossed	Share of voting rights according to notification
January 29, 2014	JP Morgan Asset Management	Under 5%	4.86% (561,429)
February 6, 2014	JP Morgan Asset Management	Over 5%	5.15% (595,046)
February 7, 2014	JP Morgan Asset Management	Under 5%	4.98% (575,300)
February 10, 2014	JP Morgan Asset Management	Under 5%	4.74% (546,859)
February 25, 2014	JP Morgan Asset Management	Over 5%	5.13% (592,135)
March 3, 2014	JP Morgan Asset Management	Under 5%	4.88% (562,936)
March 11, 2014	JP Morgan Asset Management	Under 3%	2.41% (278,794)
April 2, 2014	BNP Paribas Investment	Over 3%	3.12% (360,621)
April 25, 2014	BNP Paribas Investment UK	Over 3%	3.11% (358,635)
April 25, 2014	BNP Paribas Investment Belgium	Over 3%	3.11% (358,635)
May 9, 2014	EQMC	Under 5%	4.99% (576,604)
May 14, 2014	JP Morgan Asset Management	Over 3%	3.30% (381,209)
May 16, 2014	BNP Paribas Investment	Over 5%	5.02% (579,914)

Interim Management Report

Net Assets, Financial Condition and Results of Operations

The GRAMMER Group from January to June 2014

- Revenue growth of 4.2 % to EUR 669.6 million
- Slight increase in EBIT to EUR 30.9 million despite up-front costs for growth and structural optimization
- Disproportionate increase in net-profit to EUR 18.3 million.

Global economy upbeat

After a muted start to the year, the global economy steadily gained momentum, with impetus continuing to come from the industrialized nations, while momentum in the developing and emerging markets sagged. Monetary policy remained accommodative in the advanced economies. In the emerging markets, funding conditions were muted.

The United States experienced a weak first quarter due, among other things, to the protracted winter. However, the economy is gradually gaining momentum, with the job market picking up. In May, the unemployment rate dropped to 6.3 %, while employment reached its highest level since January 2008.

With growth coming to 7.4 % in the first quarter, the Chinese economy fell slightly short of the official target of 7.5 % and continued to expand in the second quarter. The official purchasing managers index was up 0.3 percentage points in May and, at 50.8 points, reached its highest level in the year to date. Demand from the industrialized nations and increased public-sector spending spurred the Chinese economy.

In Japan, pull-forward effects ahead of a VAT hike on April 1 made a positive contribution to the economy in the first quarter. Growth in the first quarter came to 1.6 %. As expected, consumer demand and capital spending weakened once the tax hike took effect, with industrial production also sagging by 2.5 % in April over the previous month.

At the beginning of the year, the economic recovery in the Eurozone was muted. Industrial output rose by only a moderate 0.7 % in the first quarter, driven by Germany's strong performance. The other Eurozone countries painted a mixed picture. Whereas the recovery strengthened in Spain, Italy and France remained flat and production output contracted in the Netherlands and Portugal. Economic conditions improved in most of the Eurozone countries in the second quarter, with consumer spending and capital spending in the corporate sector increasing.

The German economy strengthened materially in the first quarter, reinforcing the upward trend which has been in existence for three quarters. The pace slowed in the second quarter. However, the economy is continuing to be buoyed by strong domestic demand and a robust job market. On the other hand, business confidence weakened in May, with the ifo business barometer dropping to 110.4 points presumably in response to the still festering Russian-Ukrainian conflict.

Key figures of GRAMMER Group

in EUR m

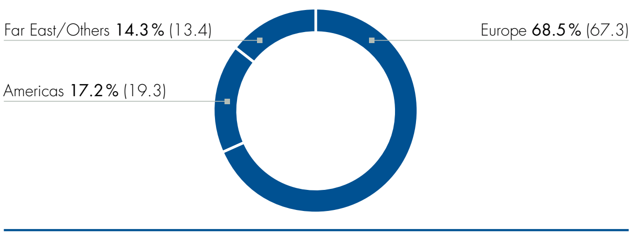
	01 – 06 2014	01 – 06 2013	Change
Revenue	669.6	642.5	4.2%
EBIT	30.9	30.1	2.7%
EBIT margin	4.6%	4.7%	0.1 %-pts
Investments	21.8	15.5	40.6%
Employees (reporting date)	10,352	9,178	12.8%

GRAMMER had positive business performance in the first half of the year

GRAMMER Group revenue came to EUR 669.6 million in the period under review (01 – 06 13: 642.5), an increase of EUR 27.1 million or 4.2 % over the same period in the previous year. Despite negative currency-translations effects of around EUR 21 million, the volume of the Group's business rose appreciably. This growth was underpinned by expansion in both divisions, with the Automotive Division, however, growing more quickly (5.4 %) than the Seating Systems Division (2.8 %). Whereas the Group had been able to substantially boost its business in the first quarter, this momentum weakened somewhat in the second quarter. Thus, at EUR 338.8 million, revenue was up only a marginal 1.4 % or EUR 4.7 million over the strong comparison quarter in the previous year as expected.

As in the first quarter, revenue painted a mixed picture in regional terms. Whereas the Group registered significant increases in both divisions in the domestic European market in the first half of the year, with revenue rising by 6 % to EUR 458.7 million (01 – 06 13: 432.6), the Americas sustained a 7 % decline to EUR 115.2 million (01 – 06 13: 123.9) primarily due to muted conditions in the Brazilian market and the weak Brazilian real. The Far East/Others performed encouragingly, with revenue climbing by 11.3 % to EUR 95.7 million (01 – 06 13: 86.0) thanks to both divisions' performance.

Revenue by regions (previous year in brackets)



in EUR m

	01 – 06 2014	01 – 06 2013	Change
Europe	458.7	432.6	6.0%
Americas	115.2	123.9	–7.0%
Far East/Others	95.7	86.0	11.3%
Total	669.6	642.5	4.2%

Despite negative currency-translation effects of around EUR 12 million, revenue in the Automotive Division was appreciably higher, driven by the business segments headrests as well as center consoles and armrests. As in the first quarter, headrest business continued to expand; at the same time, the Group registered appreciable growth in sales of center consoles and armrests due to new product launches. Regionally, the division achieved substantial top-line growth in Europe and in the Far East/Others. On the other hand, revenue in the Americas declined slightly.

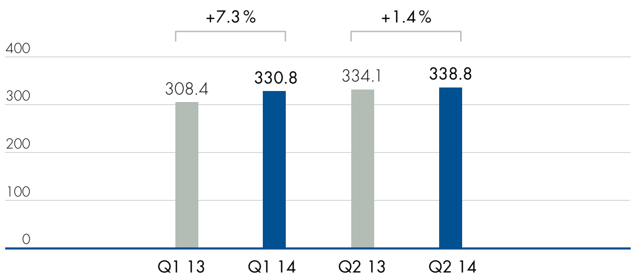
In the Seating Division, the main markets performed disparately, although business volumes as a whole grew slightly. Division revenue came under pressure from conditions in the truck market in Brazil, which is important for GRAMMER, as well as negative currency-translation effects of around EUR 9 million. However, the resultant decline in revenue was more than made up for by substantial growth in China, primarily thanks to the contribution made by the new joint venture GRAMMER Seating (Jiangsu) Co. Ltd. and in Europe as a result of a further increase in sales of the new-generation MSG 115 truck seat. The offroad markets also performed disparately. Whereas Tier 1 business with construction machinery and agricultural vehicles generated stable revenue on account of market conditions, after-market business was up. The railway segment registered significant gains over the previous year due to project business.

Operating earnings slightly up on the previous year despite heavy up-front costs for growth and structural optimization

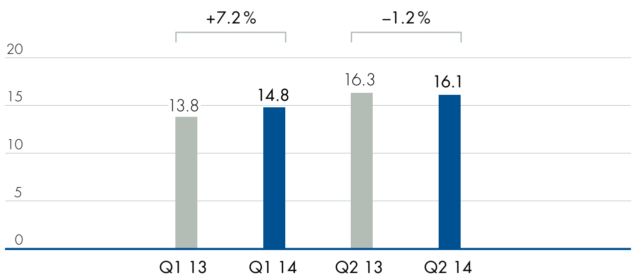
Consolidated earnings before interest and taxes (EBIT) came to EUR 30.9 million in the first half of 2014 (01 – 06 13: 30.1), rising slightly over the previous year despite up-front costs for growth and optimization projects. At 4.6%, the Group's margin was on a par with the previous year (01 – 06 13: 4.7%). Growth in operating profit was underpinned by the substantially larger contribution made by the Seating Systems Division. However, in line with expectations, operating profit in the Automotive Segment fell short of the previous year due to the numerous projects and related capacity expansion expenses in all three regions as well as targeted projects for optimizing production structures in Eastern Europe. With the successful implementation of these activities, we are creating the basis for achieving the GRAMMER Group's growth and profitability targets in the long term.

Net profit after tax came to EUR 18.3 million in the reporting period (01 – 06 13: 17.3). In this connection, financial result improved over the previous year chiefly as a result of more favorable finance costs.

Group revenue development by quarter (in EUR m)



EBIT development Group by quarter (in EUR m)



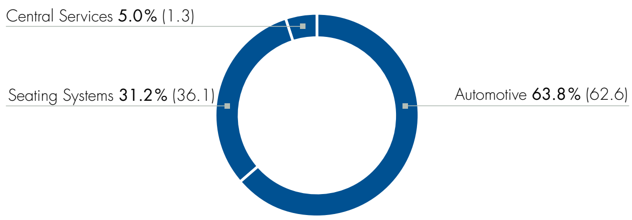
Capital spending influenced by expansion and optimization measures

At EUR 11.7 million, capital spending by the GRAMMER Group was up EUR 3.4 million on the same quarter of the previous year (Q2 13: 8.3). Spending on property, plant and equipment and intangible assets in the Seating Systems Division was higher than in the previous year, coming to EUR 4.2 million (Q2 13: 1.5).

At EUR 6.9 million, capital spending in the Automotive Division was virtually unchanged over the previous year (Q2 13: 6.7). Capital spending was chiefly targeted at enlargements of production capacities and optimization of production structures.

Capital spending in the Central Services Division remained at a low level.

Investments by segments January to June (previous year in brackets)



in EUR m

	01 – 06 2014	01 – 06 2013
Automotive	13.9	9.7
Seating Systems	6.8	5.6
Central Services	1.1	0.2
Total	21.8	15.5

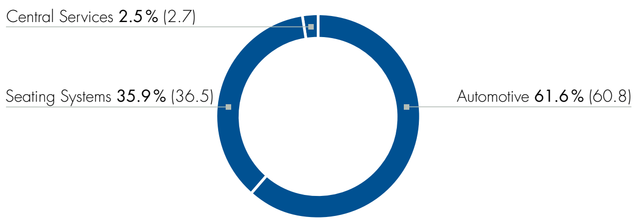
Employees

As of June 30, 2014, the GRAMMER Group had a total of 10,352 employees (June 30, 2013: 9,178). The headcount in the Seating Systems Division climbed to 6,374 (June 30, 2013: 5,579). Additional employees were recruited in Serbia in particular in response to the strong order intake and in order to expand internal sewing capacities. The number of employees in the Czech Republic and Mexico also continued to rise due to additions to production activities in these countries.

The headcount in the Seating Systems Division climbed to 3,721 as of June 30, 2014 (June 30, 2013: 3,349). This increase is attributable to the business-induced expansion of sewing capacities in Bulgaria as well as the effects of the first-time consolidation of the GRAMMER Seating (Jiangsu) Co. Ltd, which had been established in April 2013.

The Central Services Division had 257 employees (June 30, 2013: 250).

Employees by segments, June 30, 2014 (previous year in brackets)



as of June 30

	2014	2013
Automotive	6,374	5,579
Seating Systems	3,721	3,349
Central Services	257	250
Total	10,352	9,178

Total assets up on the previous year due to business growth

Condensed Balance Sheet of the GRAMMER Group

in EUR k

	June 30, 2014	December 31, 2013	Change
Non-current assets	303,215	298,453	4,762
Current assets	501,316	467,431	33,885
Held-for-sale assets	0	144	–144
ASSETS	804,531	766,028	38,503
Equity	228,645	224,671	3,974
Non-current liabilities	284,309	276,051	8,258
Current liabilities	291,577	265,306	26,271
EQUITY AND LIABILITIES	804,531	766,028	38,503

Note on accounting figures: 2013 = December 31, 2013

As of June 30, 2014, the GRAMMER Group had total assets of EUR 804.5 million (2013: 766.0). This is equivalent to an increase of EUR 38.5 million compared with the end of 2013 and chiefly reflects higher working capital.

Non-current assets rose by EUR 4.8 million to EUR 303.2 million. Within this item, property, plant and equipment climbed by EUR 6.3 million to EUR 186.5 million. At EUR 74.4 million, intangible assets remained almost at the previous year's level (2013: 75.1). Deferred taxes rose by EUR 42.2 million to EUR 41.8 million.

Current assets climbed by EUR 33.9 million to EUR 501.3 million as a result of the increased revenue in both divisions as well as advance outlays for future orders and the temporary precautionary stockpiling in connection with relocation activities. Trade accounts receivable increased to EUR 178.8 million (2013: 153.9) as of the reporting date, with other current financial assets also rising to EUR 99.0 million (2013: 86.2) due to business growth. At EUR 137.9 million, inventories were up on the previous year (2013: 115.6) due to new product launches and safety stock in connection with the optimization of production structures in Eastern Europe. Cash and short-term deposits stood at EUR 62.1 million as of the reporting date (2013: 91.3).

The GRAMMER Group's equity rose from EUR 224.7 million to EUR 228.6 million. However, the increased earnings are not fully reflected in equity due to the higher actuarial losses of EUR 7.5 million on pension obligations recorded within equity and the dividend distribution of EUR 7.3 million.

The equity ratio came to around 28 %, i.e. on a par with the previous year (2013: 29).

At EUR 284.3 million, non-current liabilities were up on the previous year (2013: 276.1) primarily as a result of an EUR 12.5 million increase in retirement benefit obligations, arising from the substantially lower discount rate compared with the end of the previous year. At EUR 145.3 million, non-current financial liabilities remained at the previous year's level (2013: 146.8).

Current liabilities came to EUR 291.6 million, up on the previous year (2013: 265.3). The favorable business performance resulted in an increase of EUR 11.6 million in trade accounts payable to EUR 162.0 million. Other current liabilities came to EUR 69.3 million (2013: 56.9).

Gearing stood at 54 % as of June 30, 2014 (2013: 41), with net financial debt coming to EUR 122.4 million (2013: 93.2).

Automotive Division

Global automotive markets gaining momentum
The international automotive markets are continuing to pick up, with the large automotive markets in the United States and China as well as in Western Europe showing strong momentum.

In May, a total of 1,600,444 passenger vehicles (including light vehicles) were registered in the United States, an increase of 11 % over the year-ago month and the highest figure for a single month in nine years. 8,123,400 vehicles were sold in January through June 2014. Accordingly, the market for light vehicles expanded by 4 % over the same period in the previous year.

The Chinese market for passenger vehicles expanded at double-digit rates, with sales rising by 14 % in June. New registrations came to 8,857,600 in the first six months of the year (up 15 %).

The Brazilian market continued to contract, with new registrations well down on the previous year in the first half of the year. 1,584,900 vehicles were sold in January through June (down 7 %). In June alone, sales were down 17 % (251,000 vehicles).

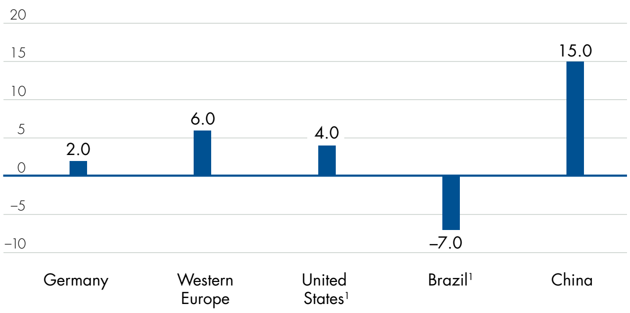
In Japan, the VAT rate was increased on April 1. Pull-forward effects caused a 11 % increase in vehicles sales to 2,566,500 (up 11 %) in the first six months of the year. As expected, new registrations dropped after the tax hike took effect, with vehicles sales contracting by 1 % over the previous year in May (304,371 units), while new registrations in June remained flat at the previous year's level (379,200 units).

Most markets in Western Europe expanded. All told, new vehicle registrations stood at 6,393,800 in the first half of the year, up 6 % on the same period of the previous year.

Spain and the United Kingdom posted double-digit growth: new registrations in Spain came to 454,942 in January through June (up 18 %). The United Kingdom recorded an 11 % increase in the same period (1,287,265 units). The major European markets France (958,752 units) and Italy (756,818 units) both grew by 3 %.

The German passenger vehicle market remains resilient. After a slight decline in April, demand picked up again in May (up 5 % to 274,804 units). Total new vehicle registrations came to 1,538,300 in Germany in the first half of the year (up 2 %). Impetus is currently being generated by corporate business, which grew by 8 % in the first five months, whereas private customers expanded by only 1 %. Passenger vehicle production was increased substantially in the first six months of the year, with around 2,909,600 vehicles produced in Germany in January through June (up 6 %). In fact, output rose by as much as 13 % (482,000 units) in May but at 454,800 units fell short of the year-ago month in June (down 4 %).

Change in automotive sales volumes in selected countries
January to June 2014 (in %)



[1] including light vehicles
Source: VDA

Business performance of the Automotive Division dominated by the establishment of new plants and optimization measures

Key figures Automotive Division

in EUR m

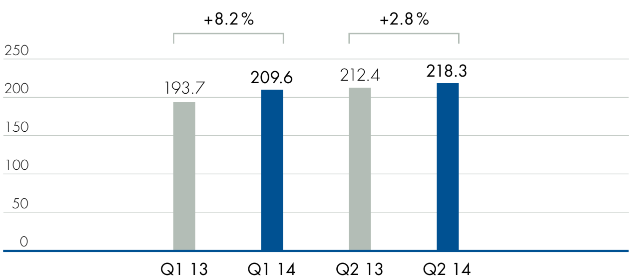
	01 – 06 2014	01 – 06 2013	Change
Revenue	427.9	406.1	5.4%
EBIT	15.1	17.8	–15.2%
EBIT margin	3.5%	4.4%	–0.9%-pts
Investments	13.9	9.7	43.3%
Employees (reporting date)	6,374	5,579	14.2%

Revenue in the Automotive Division rose appreciably in the first half of 2014 despite the negative currency-translation effects of around EUR 12 million. As of June 30, 2014, revenue in the division was up 5.4% or EUR 21.8 million, rising to EUR 427.9 million (01 – 06 13: 406.1) due to persistently strong demand in the premium segment and the reinforcement of our market position. Growth was driven by the strong performance of the business segments headrests as well as consoles and armrests. In the second quarter, the division was able to slightly exceed the very high level of revenue recorded in the previous year. Thus, revenues in the second quarter climbed from EUR 212.4 million to EUR 218.3 million. In constant-currency terms, this increase would have been even more pronounced.

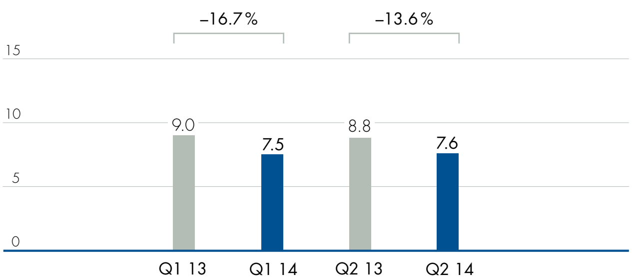
Revenue in Europe was up substantially in the first half of the year, allowing GRAMMER to additionally reinforce its position in the middle and premium segment in its domestic market. The division also recorded substantial top-line growth in the Far East/Others. After a muted performance in the first quarter with revenue remaining virtually flat, business in this region gained substantial momentum in the second quarter of the year due to the expected increase in order intake. On the other hand, business in the Americas contracted slightly due to negative currency-translation effects and customers' tendency to substitute premium-quality products for simpler ones.

Operating profit in the Automotive Division came to EUR 15.1 million in the first six months of the year, thus falling short of the previous year's figure of EUR 17.8 million as expected. The division achieved an EBIT margin of 3.5% in the reporting period (01 – 06 13: 4.4). Earnings in the first half of 2014 were influenced by scheduled expenditure in connection with ongoing optimization of production structures in Eastern Europe as well as necessary capacity enlargements and start-up costs in all three regions. This expense is necessary to ensure future growth and to additionally enhance the division's earnings potential. In addition, earnings came under strain from the appreciation of the euro against the US dollar and the Chinese renminbi.

Revenue development Automotive Division by quarter (in EUR m)



EBIT development Automotive Division by quarter (in EUR m)



Seating Systems Division

Disparate trends continuing in the commercial vehicle markets
In the first half of the year, a number of commercial vehicle markets continued to expand, while others recorded further contraction.

The US truck market is gaining momentum thanks to support from the construction industry. There is particularly strong demand for heavy trucks (trucks over 6 t), with new registrations rising by 12 % to 187,079 in the period from January to June.

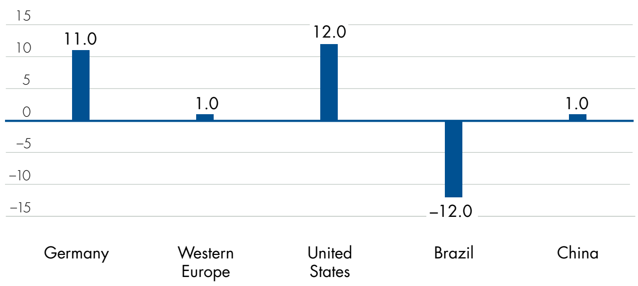
With gains of 2 %, the Brazilian market registered a slight recovery in May. However, taken as a whole, the first five months of the year were down. 62,742 heavy trucks were sold, a decline of 12 % compared to the previous year.

The Chinese truck market is generally highly volatile and is contracting on balance. After increasing at the beginning of the year, sales of heavy trucks fell by 11 % to 92,936 units in May. In the period from January to June, a total of 558,736 heavy trucks were sold, up 1 % on the previous year.

In Western Europe, 110,642 trucks over 6t were sold in the first six months of the year, an increase of 1 % but slightly down on the first quarter. This was due to sharp drops in the United Kingdom (down 29 %), France (down 5 %) and the Netherlands (down 18 %). Growth was achieved in Spain (up 36 %) and Portugal (up 38 %).

The German truck market is continuing to experience an upswing. Driven by the recovery in the domestic economy, German companies are replacing their fleets. New registrations came to 41,179 units in the period from January to June (up 11 %).

Change in commercial vehicle sales volumes (trucks above 6t) in selected countries
January to June 2014 (in %)



Source: VDA

Agricultural machinery industry
17,240 new tractors were sold in Germany in the first half of 2014, 1.8 % down on the same period of the previous year. After rising in February and March, new registrations have now been declining for three months.

Material handling
According to industry association Bundesverband der Baumaschinen-, Baugeräte und Industriemaschinenfirmen e. V. (bbi), companies in the industry are guardedly optimistic. A recent bbi survey indicates that most of the producers of material handling equipment expect sales to remain flat or rise in the second quarter of 2014.

Construction machinery
The European construction machinery industry got off to a good start to the year, with order intake and sales rising in the first half of the year.

Railway industry
The railway industry achieved record order intake in 2013, entering the new year with well-filled order books.

Further increase in revenue and earnings in the Seating Systems Division

Key figures Seating Systems Division

in EUR m

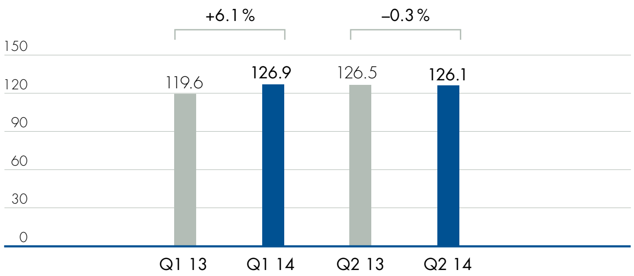
	01 – 06 2014	01 – 06 2013	Change
Revenue	253.0	246.1	2.8%
EBIT	21.8	18.3	19.1%
EBIT margin	8.6%	7.5%	1.1%-pts
Investments	6.8	5.6	21.4%
Employees (reporting date)	3,721	3,349	11.1%

In the period under review, revenue in the Seating Systems Division was slightly higher than in the previous year. Reflecting macroeconomic conditions in the main markets, it again performed disparately but was able to hold on to and, in some cases, extend its market position. All told, revenue in the Seating Systems Division came to EUR 253.0 million in the first half of the year, EUR 6.8 million higher than in the same period of the previous year. Despite market contraction in Brazil and the negative currency-translation effects, earnings rose substantially. Thus, the division's operating profit came to EUR 21.8 million (01 – 06 13: EUR 18.3). As a result, the operating margin widened to 8.6 %, well up on the year-ago figure (7.5 %).

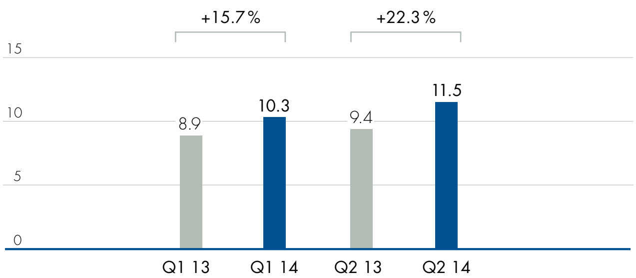
In the second quarter, the division recorded virtually unchanged revenue of EUR 126.1 million compared with the previous year (01 – 06 13: 126.5) chiefly as a result of the substantial cooling of the Brazilian truck market and negative currency-translation effects. In this connection, the decline in revenue in the Americas was almost completely offset by corresponding increases in Europe and the Far East/Others. The quality of the division's earnings improved again significantly, with the operating margin for the division widening to 9.1 % in the second quarter, up from 7.4 % in the same quarter of the previous year, while operating earnings came to EUR 11.5 million (Q2 13: 9.5).

Specifically, offroad revenue was up slightly against the backdrop of disparate market conditions. Truck business came under pressure from market weakness in Brazil and negative currency-translation effects, with revenue retreating slightly. Business volumes in the rail segment were encouraging, with revenue substantially up on the previous year particularly as a result of the delivery of seats for the HGV/Eurostar trains.

Revenue development Seating Systems Division by quarter (in EUR m)



EBIT development Seating Systems Division by quarter (in EUR m)



Full-year outlook for 2014

Global economic outlook

Impetus for the global economy will be generated by the industrialized nations this year. A deterioration in financing conditions is placing a damper on expansion in the emerging markets. In the coming quarter, conflicts in the Middle East and the unresolved situation in Ukraine will trigger uncertainty.

The International Monetary Fund (IMF) has therefore revised its forecasts for a number of economies in the July update of its World Economic Outlook and now expects the global economy to expand by 3.4 % this year, i.e. 0.3 percentage points lower than its April forecast.

The long and hard winter in North America is continuing to leave traces on the US economy. Even though it has now gained momentum, the IMF now no longer expects it to achieve the growth rate which it had forecast in April and is now looking for full-year growth of 1.7 %.

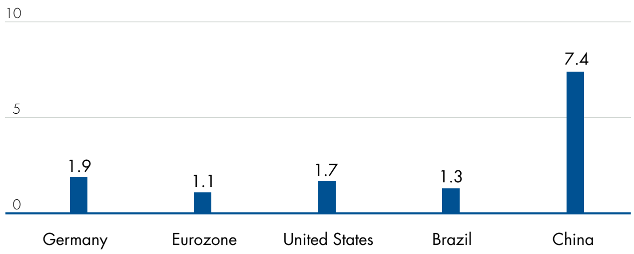
The Brazilian economy will expand at a slower rate according to the IMF, which has scaled back its forecast for the country to 1.3 % for this year.

Growth will also slow in China but still remain at a high level. Slower domestic demand has prompted the IMF to scale back its forecast by 0.2 percentage points to 7.4 %.

According to the unchanged IMF forecast, gross domestic product in the Eurozone will grow by 1.1 % this year, with the structural problems in a number of countries continuing to exert a drag on the economy.

The upswing will continue in Germany. The IMF has raised its forecast and is now looking for growth of 1.9 % in gross domestic product (GDP). It assumes that domestic demand and a solid job market will particularly contribute to this performance.

Economic growth (gross domestic product) in selected countries
2014 (in %)



Source: IMF

Automotive industry – outlook for 2014

Global automotive industry growing
On the strength of the growth in the automotive industry in the first half of the year, the German Association of the Automotive Industry (VDA) has raised some of its full-year forecasts for 2014. It now assumes that global new vehicle registrations will climb to around 75.9 million units this year, equivalent to an increase of 4 % over the previous year. This means that the VDA has doubled its growth forecast. Even so, expected expansion will fall short of the previous year.

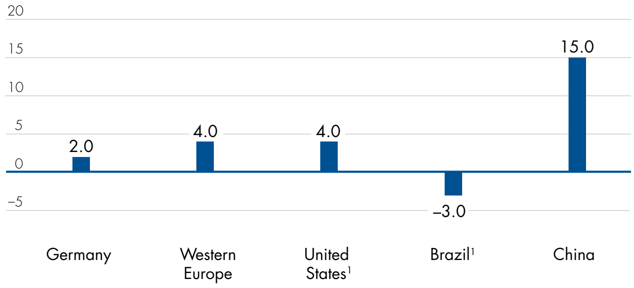
The partially double-digit growth rates in the United States and China bodes well for full-year figures. The VDA now forecasts new registrations of light vehicles of around 16.1 million this year in the United States (up 4 %). It has also corrected its forecast for the Chinese market to roughly 18.7 million vehicles this year, equivalent to a 15 % increase compared to the previous year.

In Japan, the VAT hike effective April 1 placed a damper on demand. Accordingly, the VDA expects this market to contract by 1 % (4.5 million vehicles). It also sees contraction in Brazil, where full-year new registrations should come to some 3.5 million, i.e. down 3 % on the previous year.

According to the VDA forecasts, new registrations in Western Europe will stand at around 12.0 million. This means that it has doubled its growth forecast to 4 %. The greatest advances will be achieved in Spain (up 15 %) and the United Kingdom (up 6 %). Italy and France are set to expand by 2 %, with greater growth arising in smaller markets such as Portugal (up 40 %) and Greece (up 30 %).

The VDA forecasts new registrations of light vehicles of around 3.0 million this year in Germany, equivalent to a 3 % increase over the previous year. Following the substantial rise in corporate customer business over the last few months, the VDA now also expects private customer business to pick up in the second half of the year. Passenger vehicle production should come to around 5.6 million units this year (up 4 %).

Expected development of automotive sales volumes in selected countries
2014 (in %)



[1] including light vehicles
Source: VDA

Commercial vehicle industry – outlook for 2014

Commercial vehicle industry painting a mixed picture
Given the performance of the first six months of the year, the VDA has adjusted some of its forecasts for the international commercial vehicle markets.

It forecasts sales of around 380,000 vehicles in the United States this year, with the market for heavy trucks set to expand by 8 %.

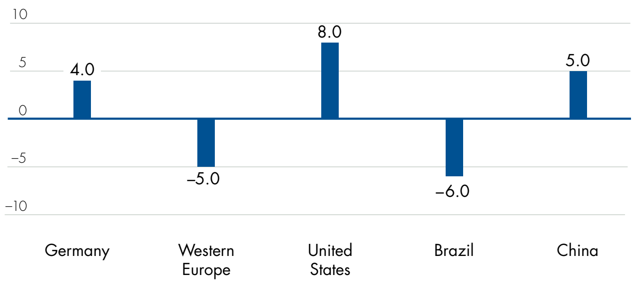
Following significant declines in Brazil in the first few months of the year, the VDA now expects the market for heavy trucks to contract by 6 % to 140,000 units.

The Chinese truck market will remain very volatile this year, with the VDA expecting a full-year increase of 5 % to around 1.0 million units.

The VDA forecasts contraction in the Western European market for heavy trucks. New registrations should come to some 234,000, i.e. down 5 % on the previous year. Large markets in particular such as the United Kingdom (down 30 %), the Netherlands (down 14 %) and France (down 10 %) are likely to be weaker, while smaller ones look set to expand.

According to the VDA's latest forecast, some 83,000 trucks over 6t are expected to be sold this year, marking an increase of 4 % over 2013.

Expected development of commercial vehicle sales volumes (trucks above 6t) in selected countries 2014 (in %)



Source: VDA

Agricultural machinery industry

The German Mechanical and Plant Engineering Association (VDMA) assumes that sales in the German agricultural machinery industry will come to around EUR 7.9 billion this year, thus contracting by 6% over the previous year.

Material handling

According to industry association bbi (Bundesverband der Baumaschinen-, Baugeräte- und Industriemaschinenfirmen), companies in this sector are optimistic with regard to 2014 and are expecting 6% growth in business this year.

Construction machinery

The VDMA projects further global growth of 5% in construction machinery this year. The outlook for North America and China remains upbeat. In Europe, Germany and Scandinavia in particular will generate impetus.

Railway industry

Producers of rolling stock are optimistic with regard to 2014. In the medium term, the German Railway Industry Association (VDB) expects the global market for rail technology to expand by 2.7% per year through to 2017.

Opportunities and risks

In addition to the opportunities and risks to which we refer in the Management Report of the Annual Report for the fiscal year ended December 31, 2013, the facts described in the "Outlook" section of this report are additionally relevant to the company's situation at this stage. This section contains forward-looking statements reflecting the opinions of GRAMMER AG's management with respect to future events. These statements are based on the company's current planning, estimates and expectations. Consequently, they are subject to risks and uncertainty. In particular, it should be noted that further shifts in the exchange-rate parities between the euro and the foreign currencies of main importance for the Group as well as a deterioration in underlying macroeconomic in the markets which we address may exert a negative effect on our net assets, financial position and results of operations. Similarly, other risks which are currently not known to us or considered to be immaterial may also influence the results of our business. In the Executive Board's view, the risks described and known are currently manageable and do not pose any risk to the Group's going-concern status either individually or in their entirety.

In addition, the Executive Board takes the view that the Group has not yet utilized all potential for further optimization of its processes and cost structures. Accordingly, various projects are currently ongoing to render our organization more efficient and effective and these may have a positive impact on our net assets, financial condition and results of operations.

Outlook for the GRAMMER Group

Our forecast for the GRAMMER Group and its divisions is based on the general trends expected for global economy and the projections for the markets addressed by the Automotive Division and the Seating Systems Division as outlined above. The Group is exposed to currency translation effects particularly in the countries of material importance for its business such as Brazil, China, Mexico, the Czech Republic, Turkey and the United States. By making adjustments to our production activities, we have been able to improve natural hedging effects all around the world; however, the persistent strength of the euro, particularly against the aforementioned currencies, is having an adverse effect on revenue and earnings.

As the second half of the year progresses, the Automotive Division will see new product launches, related capacity enlargements and specific measures to optimize production structures particularly in Eastern Europe. We expect revenue in this division to grow appreciably in 2014, although the above-mentioned activities will continue to exert pressure on the cost side.

With respect to the Seating Systems Division, we continue to project a slight increase in revenue. Business in the offroad segment in particular may level off. The Brazilian truck market, which is important for GRAMMER, is currently contracting. However, it should be possible to more than make up for these effects with growth in China and favorable business performance in Europe.

The numerous optimization and expansion measures at our plants in China, North and South America and Eastern Europe are expected to continue influencing operating profit in the Automotive Division in particular as the year proceeds.

All told, we still consider the outlook for the GRAMMER Group to be favorable in 2014. We project an appreciable increase in revenue over the previous year to more than EUR 1.3 billion. Despite planned up-front costs of around EUR 7 – 10 million in 2014 as a whole, we expect operating profit (EBIT) to match that of the previous year. This assessment is based on the above forecasts for the global economy as well as our main sell-side markets. At this stage, we do not expect the political tension in Eastern Europe to have any materially adverse effects on the economy. However, any deterioration in these underlying economic or political conditions may have negative repercussions for GRAMMER's business and earnings. Moreover, the GRAMMER Group's business may generally also deviate from the forecast as a result of the opportunities and risks described in the risk and opportunity report. Looking ahead to 2015, we project further top-line growth assuming stable macroeconomic conditions.

Forward-looking statements

This document contains forward-looking statements based on current assumptions and estimates by GRAMMER's management of future trends. Such statements are subject to risks and uncertainties which GRAMMER can neither estimate nor influence with any precision, e.g. future market conditions and the macroeconomic environment, the behavior of other market participants, the successful integration of newly acquired companies, the materialization of expected synergistic benefits and government actions. If any of these or other factors of uncertainty or imponderability's occur or if any of the assumptions on which these statements are based prove to be incorrect, actual results could differ materially from the results expressed or implied in these statements. GRAMMER neither intends nor is under any obligation to update any forward-looking statements in the light of any changes occurring after the publication of this document.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the Consolidated Financial Statements/Interim Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Amberg, August 4, 2014

GRAMMER AG

The Executive Board

Consolidated Statement of Income

January 1 – June 30 of the respective financial year

EUR k

	Q2 2014	Q2 2013	01 – 06 2014	01 – 06 2013
Revenue	338,882	334,098	669,634	642,455
Cost of sales	–295,069	–290,493	–584,555	–557,949
Gross profit	**43,813**	**43,605**	**85,079**	**84,506**
Selling expenses	–7,633	–6,883	–14,738	–13,167
Administrative expenses	–23,192	–23,010	–46,791	–44,674
Other operating income	3,115	2,582	7,319	3,443
Operating profit/loss (–)	**16,103**	**16,294**	**30,869**	**30,108**
Financial income	556	337	982	662
Financial expenses	–2,702	–2,903	–5,562	–5,960
Other financial result	–81	–470	–216	–133
Profit/loss (–) before income taxes	**13,876**	**13,258**	**26,073**	**24,677**
Income taxes	–4,162	–3,977	–7,821	–7,403
Net profit/loss (–)	**9,714**	**9,281**	**18,252**	**17,274**
Of which attributable to:				
Shareholders of the parent company	10,022	9,331	18,764	17,300
Non-controlling interests	–308	–50	–512	–26
	9,714	**9,281**	**18,252**	**17,274**

Earnings/loss per share

	01 – 06 2014	01 – 06 2013
Basic/diluted earnings/loss (–) per share in EUR	1.67	1.54

Consolidated Statement of Comprehensive Income

January 1 – June 30 of the respective financial year

EUR k	Q2 2014	Q2 2013	01 – 06 2014	01 – 06 2013
Net profit/loss (–)	9,714	9,281	18,252	17,274
Amounts not to be recycled in income in future periods				
Actuarial Gains/Losses (–) from defined benefit plans				
Gains/Losses (–) in the current period	–3,444	0	–10,648	0
Tax expenses (–)/Tax income	1,016	0	3,112	0
Actuarial Gains/Losses (–) from defined benefit plans (after tax)	–2,428	0	–7,536	0
Total amount not to be recycled in income in future periods	–2,428	0	–7,536	0
Amounts recycled in income in future periods				
Gains/Losses (–) from currency translation of foreign subsidiaries				
Gains/Losses (–) arising in the current period	1,676	–1,210	1,079	–3,266
Less transfers recognized in the Income Statement	0	0	0	0
Tax expenses (–)/Tax income	0	0	0	0
Gains/Losses (–) from currency translation of foreign subsidiaries (after tax)	1,676	–1,210	1,079	–3,266
Gains/Losses (–) from cash flow hedges				
Gains/Losses (–) arising in the current period	–688	699	–1,673	898
Less transfers recognized in the Income Statement	62	–13	221	–57
Tax expenses (–)/Tax income	195	–230	435	–250
Gains/Losses (–) from cash flow hedges (after tax)	–431	456	–1,017	591
Gains/Losses (–) from net investments in foreign operations				
Gains/Losses (–) arising in the current period	408	–1,691	486	424
Less transfers recognized in the Income Statement	0	0	0	0
Tax expenses (–)/Tax income	0	0	0	0
Gains/Losses (–) from net investments in foreign operations (after tax)	408	–1,691	486	424
Total amount to be recycled in income in future periods	1,653	–2,445	548	–2,251
Other comprehensive income	–775	–2,445	–6,988	–2,251
Total comprehensive income (after tax)	8,939	6,836	11,264	15,023
Of which attributable to:				
Shareholders of the parent company	9,226	6,893	11,801	15,055
Non-controlling interests	–287	–57	–537	–32

Consolidated Statement of Financial Position
as of June 30, 2014 and December 31, 2013

ASSETS

EUR k

	June 30, 2014	December 31, 2013
Non-current assets		
Property, plant and equipment	186,530	180,194
Intangible assets	74,419	75,116
Other financial assets	449	865
Income tax assets	33	44
Deferred tax assets	41,784	42,234
	303,215	**298,453**
Current assets		
Inventories	137,890	115,649
Trade accounts receivable	178,798	153,928
Other current financial assets	98,986	86,203
Short-term income tax assets	4,583	4,867
Cash and short-term deposits	62,069	91,315
Other current assets	18,990	15,469
	501,316	**467,431**
Assets classified as held for sale	**0**	**144**
Total assets	**804,531**	**766,028**

EQUITY AND LIABILITIES

EUR k

	June 30, 2014	December 31, 2013
Equity		
Subscribed capital	29,554	29,554
Capital reserve	74,444	74,444
Own shares	–7,441	–7,441
Retained earnings	170,897	159,423
Accumulated other comprehensive income	–40,784	–33,821
Equity attributable to shareholders of the parent company	**226,670**	**222,159**
Non-controlling interests	1,975	2,512
Total equity	**228,645**	**224,671**
Non-current liabilities		
Non-current financial liabilities	145,302	146,788
Trade accounts payable	1,429	2,320
Other financial liabilities	3,773	4,648
Other liabilities	21	93
Retirement benefit obligations	108,805	96,330
Income tax liabilities	69	575
Deferred tax liabilities	24,910	25,297
	284,309	**276,051**
Current liabilities		
Current financial liabilities	39,168	37,682
Current trade accounts payable	161,983	150,381
Other current financial liabilities	4,953	3,784
Other current liabilities	69,265	56,889
Current income tax liabilities	4,111	5,024
Provisions	12,097	11,546
	291,577	**265,306**
Total liabilities	**575,886**	**541,357**
Total equity and liabilities	**804,531**	**766,028**

Consolidated Statement of Cash Flow

January 1 – June 30 of the respective financial year

EUR k

	01 – 06 2014	01 – 06 2013
1. Cash flow from operating activities		
Profit/Loss (–) before income taxes	26,073	24,677
Non-cash items		
Depreciation of property, plant and equipment	13,406	13,112
Amortization of intangible assets	3,723	3,415
Changes in provisions and pension provisions	3,594	6,203
Other non-cash changes	–1,141	5,949
Changes in net working capital		
Decrease/Increase (–) in trade accounts receivable and other receivables	–40,164	–57,047
Decrease/Increase (–) in inventories	–21,590	–1,091
Decrease/Increase (–) in other assets	781	–7,199
Decrease (–)/Increase in accounts payable and other liabilities	16,016	30,402
Gains/Losses from disposal of assets	105	20
Income taxes paid	0	0
Cash flow from operating activities	**803**	**18,441**
2. Cash flow from investing activities		
Purchases		
Purchase of property, plant and equipment	–18,748	–14,529
Purchase of intangible assets	–3,020	–973
Purchase of financial investments	0	–310
Acquisition of subsidiaries (less acquired cash)	0	–21,896
Disposals		
Disposal of property, plant and equipment	1,561	1,175
Disposal of intangible assets	4	0
Disposal of financial investments	194	335
Interest received	981	662
Government grants received	94	1,567
Cash flow from investing activities	**–18,934**	**–33,969**
3. Cash flow from financing activities		
Dividend payments	–7,290	–5,607
Changes in non-current liabilities to banks	–1,487	88,154
Changes in current liabilities to banks	12,034	–12,870
Changes in lease liabilities	–545	1,972
Interest paid	–3,699	–4,195
Cash flow from financing activities	**–987**	**67,454**
4. Cash and cash equivalents at end of period		
Net changes in cash and cash equivalents (sub-total of items 1–3)	–19,118	51,926
Other changes	421	0
Effects of exchanges rate differences of cash and cash equivalents	0	0
Cash and cash equivalents as of January 1	78,919	71,219
Cash and cash equivalents as of June 30	**60,222**	**123,145**
5. Analysis of cash and cash equivalents		
Cash and short-term deposits	62,069	125,253
Securities	0	0
Bank overdrafts	–1,847	–2,108
Cash and cash equivalents as of June 30	**60,222**	**123,145**

Consolidated Statement of Changes in Equity
as of June 30, 2014

EUR k

	Subscribed capital	Capital reserve	Revenue reserve	Own shares
As of January 1, 2014	29,554	74,444	159,423	–7,441
Net profit/loss (–) for the period	0	0	18,764	0
Other comprehensive income	0	0	0	0
Total comprehensive income	0	0	18,764	0
Dividends	0	0	–7,290	0
Non-controlling interests from business combinations	0	0	0	0
As of June 30, 2014	29,554	74,444	170,897	–7,441

Consolidated Statement of Changes in Equity
as of June 30, 2013 (adjusted)[1]

EUR k

	Subscribed capital	Capital reserve	Revenue reserve	Own shares
As of January 1, 2013 before adjustments	29,554	74,444	131,426	–7,441
Accounting method changes	0	0	3,609	0
As of January 1, 2013 (adjusted)[1]	29,554	74,444	135,035	–7,441
Net profit/loss (–) for the period	0	0	17,300	0
Other comprehensive income	0	0	0	0
Total comprehensive income	0	0	17,300	0
Dividends	0	0	–5,607	0
Non-controlling interests from business combinations	0	0	0	0
As of June 30, 2013	29,554	74,444	146,728	–7,441

[1] adjusted prior-year figures

Accumulated other comprehensive income						
Cash flow hedges	Currency translation	Net investments in foreign operations	Actuarial gains/losses from defined benefit plans	Total	Non-controlling interests	Group equity
−816	−6,058	−6,608	−20,339	222,159	2,512	224,671
0	0	0	0	18,764	−512	18,252
−1,017	1,104	486	−7,536	−6,963	−25	−6,988
−1,017	1,104	486	−7,536	11,801	−537	11,264
0	0	0	0	−7,290	0	−7,290
0	0	0	0	0	0	0
−1,833	−4,954	−6,122	−27,875	226,670	1,975	228,645

Accumulated other comprehensive income						
Cash flow hedges	Currency translation	Net investments in foreign operations	Actuarial gains/losses from defined benefit plans	Total	Non-controlling interests	Group equity
−1,831	6,946	−5,575	0	227,523	522	228,045
0	−3,251	172	−18,325	−17,795	0	−17,795
−1,831	3,695	−5,403	−18,325	209,728	522	210,250
0	0	0	0	17,300	−26	17,274
591	−3,260	424	0	−2,245	−6	−2,251
591	−3,260	424	0	15,055	−32	15,023
0	0	0	0	−5,607	0	−5,607
0	0	0	0	0	2,500	2,500
−1,240	435	−4,979	−18,325	219,176	2,990	222,166

Selected Notes on the consolidated Statement of Income period from January 1 to June 30, 2014 and on the Consolidated Statement of financial position of GRAMMER AG as of June 30, 2014

Principles and methods of accounting in the Interim Financial Statements

GRAMMER AG prepared its Consolidated Financial Statements for fiscal year 2013 and the present Interim Financial Statements for the period ending June 30, 2014 in accordance with the International Financial Reporting Standards (IFRS) as promulgated by the International Accounting Standards Board (IASB). The name "IFRS" also refers to the still applicable International Accounting Standards (IAS), as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and those of the former Standing Interpretations Committee (SIC). Accordingly, this Interim Report for the period ended June 30, 2014, has been prepared in accordance with IAS 34 and should be read in context with the Consolidated Financial Statements published by the company for fiscal year 2013. The possibility cannot be excluded that the IASB will make further pronouncements before the final preparation of the Consolidated Financial Statements for the fiscal year ending December 31, 2014, and that the standards applied in preparing these Interim Financial Statements will therefore deviate from the standards applied in preparing the Consolidated Financial Statements for the year ending December 31, 2014. Furthermore, there are currently individual pronouncements by the IASB that have yet to be endorsed by the European Commission and, as such, it should be noted that the figures presented in this report are preliminary and subject to change.

The preparation of the Consolidated Financial Statements in accordance with the pronouncements of the IASB requires that assumptions be made for certain items, which affect the carrying amounts in the Consolidated Statement of Financial Position and the Consolidated Income Statement, as well as the data on contingent assets and liabilities.

The present Interim Consolidated Financial Statements have not been audited and contain all customary and ongoing adjustments necessary to provide a true and fair representation of the company's business development in the period under review. The results for the initial six months of 2014 are not necessarily indicative of future business development.

The Consolidated Financial Statements were prepared in euro (EUR). Unless otherwise indicated, all amounts are stated in thousands of euros (EUR thousand). Individual amounts and percentages may not exactly equal the aggregated amounts due to rounding differences.

Accounting and valuation principles

In preparing the Interim Financial Statements for the period ending June 30, 2014, and the comparative prior-year figures, the same accounting policies and principles of consolidation were applied as for the Consolidated Financial Statements for the year ending December 31, 2013. These principles and methods are described in detail in the Notes to the 2013 Consolidated Financial Statements, which were published in their entirety in the 2013 Annual Report.

Estimates and assumptions

In preparing the Interim Consolidated Financial Statements, discretionary decisions, assumptions and estimates have to be made to a certain degree, which have an impact on the measurement and recognition of reported assets and liabilities, income and expenses and contingent liabilities of the reporting period. Actual amounts may deviate from these estimates.

Companies consolidated

The following companies are included in the consolidated financial statements:

	National	Abroad	Total
Fully consolidated companies (incl. GRAMMER AG)	5	23	28
Companies consolidated "at equity"	0	1	1
Group	5	24	29

In addition to GRAMMER AG, four domestic and 23 foreign companies that are directly or indirectly controlled by GRAMMER AG within the meaning of IFRS 10 are consolidated.

The companies consolidated "at equity" comprise the GRA-MAG joint venture, in which GRAMMER AG holds 50 % of the voting rights. The Ningbo nectec Jifeng Automotive Parts Company, Limited joint venture acquired through the takeover of nectec Automotive s.r.o. was sold to the joint venture partner effective April 14, 2014.

GRAMMER Wackersdorf GmbH with registered offices in Wackersdorf, Germany, was merged with GRAMMER AG and GRAMMER Wörth GmbH with registered offices in Kümmersbruck, Germany, was merged with GRAMMER System GmbH with retroactive effect from January 1, 2014.

All intragroup transactions, balances and liabilities are eliminated in the course of consolidation. The uniform reporting date for all of the consolidated companies is June 30, 2014.

Currency translation

In the single-entity financial statements of GRAMMER AG and its consolidated subsidiaries, foreign currency transactions are translated at the exchange rate applicable on the date of initial recognition of the respective transaction. Any resulting gains or losses are recognized in profit or loss. Financial statements prepared in foreign currencies and transactions denominated in foreign currencies are translated in accordance with the functional currency concept as set out in IAS 21. Accordingly, the functional currency is the currency of the primary economic environment in which the entity operates, its activities and financial structure are to be presented in the consolidated financial statements as they present themselves in that currency. Transactions in foreign currencies are translated into the functional currency at historical rates. Monetary items are translated at the closing rate. Any resulting translation differences are recognized in profit or loss. An exception is made for translation differences from loans or credits in foreign currencies, insofar as they have been recognized directly in equity to hedge net investments that are included in net income for the period only after their disposal.

Any deferred taxes resulting from these translation differences are also recognized directly in equity. The financial statements of Group companies whose functional currency differs from the reporting currency of the Group (EUR) are translated using the modified closing rate method. In the consolidated financial statements, the assets and liabilities of foreign Group companies are translated into EUR from the respective local currency at the middle rate on the balance sheet date.

Income statement items are translated into EUR at the average exchange rate for the year. The net income for the year so determined is taken to the consolidated balance sheet. Any translation differences are recorded in equity with no effect on income.

For currency translation purposes, the following exchange rates were applied for the major currencies outside the Eurozone that are of relevance to the Group:

		Average rate		Closing rate	
		01 – 06 2014	01 – 06 2013	June 30, 2014	June 30, 2013
Argentina	ARS	0.094	0.149	0.090	0.143
Brazil	BRL	0.318	0.372	0.333	0.346
China	CNY	0.118	0.123	0.118	0.125
United Kingdom	GBP	1.218	1.179	1.248	1.167
Japan	JPY	0.007	0.008	0.007	0.008
Mexico	MXN	0.056	0.060	0.056	0.059
Poland	PLN	0.239	0.238	0.241	0.231
Czech Republic	CZK	0.036	0.039	0.036	0.039
Turkey	TRY	0.338	0.418	0.345	0.397
USA	USD	0.729	0.762	0.732	0.765

Revenue

GRAMMER Group generates revenue primarily from the sale and delivery of its products to customers. Revenue comprises the following:

EUR k	Q2 2014	Q2 2013	01 – 06 2014	01 – 06 2013
Gross revenue	339,570	335,133	670,973	644,397
Sales deductions	–688	–1,035	–1,339	–1,942
Net-revenue	**338,882**	**334,098**	**669,634**	**642,455**

The revenue of EUR 669,634 thousand for the period ending June 30, 2014 includes a sum of EUR 28,989 thousand calculated using the POC method (01 – 06 13: 31,254). This revenue arises from development activities as well as supplies which the GRAMMER Group must expense and prefinance until a product reaches series production and generates initial revenue. It is chiefly attributable to the Automotive Division.

Other income

Other operating income totaling EUR 7,319 thousand as of June 30, 2014 (01 – 06 13: 3,443) includes income from the reversal of provisions and valuation allowances and proceeds from the sale of scrap metal and material handling costs, as well as proceeds from the sale of property, plant and equipment.

Financial result

EUR k	Q2 2014	Q2 2013	01 – 06 2014	01 – 06 2013
Financial income	556	337	982	662
Financial expenses	–2,702	–2,903	–5,562	–5,960
Other financial result	–81	–470	–216	–133
Financial result	**–2,227**	**–3,036**	**–4,796**	**–5,431**

Financial income chiefly comprises surpluses from active cash management which are deposited in short-term investments. Changes in the fair value of interest rate swaps which do not qualify for hedge accounting must be recorded through profit and loss in accordance with IAS 39, resulting in unrealized expenses and income within the financial result.

Financial expenses include the corresponding interest expense on loans and current-account facilities. They also include additions to retirement benefits and the interest component of lease payments in accordance with IAS 17.

Other financial result mainly comprises gains and losses from the currency translation of borrowings and loans as well as from the measurement of financial assets and liabilities at the reporting date.

Cost of sales
The cost of sales includes the manufacturing costs attributable to sales and the cost of merchandise. This item also includes costs for operating below capacity and any other production-related overheads and administrative expenses. The expenditure required to set up reserves for warranty purposes is covered by this item as well. The cost of sales also includes non-capitalized research and development costs as well as amortization of development costs. Expenses relating to the development and expansion of plant locations in preparation for forthcoming series production ("industrialization costs") are included in the cost of sales to the extent that these expenses cannot be deferred. Development in the Seating Systems Division is generally performed on a "design to market" basis, with the corresponding costs recognized accordingly. The costs of inventories until June 30, 2014, which are recognized as an expense in cost of sales, amounted to EUR 557,120 thousand (01 – 06 13: 531,070).

Selling expenses
Selling expenses involve all sales-related costs and primarily refer to costs incurred by the Sales, Advertising and Marketing departments as well as overheads allocable to these departments or activities. Freight, commissions and forwarding charges are also included in selling expenses.

Administrative expenses
Administrative expenses include all administrative expenditure which cannot be assigned directly to other functions, including expenditure for general administration, management and centralized departments. Other administrative expenses include income from exchange rate differences until June 30, 2014 in the amount of EUR 5,431 thousand (01 – 06 13: 7,827) and mainly relate to foreign exchange gains between the origination and settlement of foreign currency receivables and liabilities as well as foreign exchange gains resulting from measurement at the balance sheet date. Foreign exchange losses amounting to EUR 5,007 thousand (01 – 06 13: 7,482) are also recognized under other administrative expenses.

Earnings per share
Basic earnings per share are calculated by dividing consolidated net income/net loss by the nominal number of shares outstanding during the fiscal year.

In addition to basic earnings per share, diluted earnings per share must be disclosed if a company has potential shares (i. e., financial instruments and other contracts entitling the holders to subscribe for no-par value shares of the company, such as convertible bonds and options). Since GRAMMER Group has not issued any such financial instruments or entered into any such contracts, its basic and diluted earnings per share are identical.

	01 – 06 2014	01 – 06 2013
Weighted average number of no-par value shares used to calculate basic/diluted earnings per share	11,214,624	11,214,624
Consolidated net profit/loss (–) (in EUR k)	18,764	17,300
Basic/diluted earnings/loss (–) per share in EUR	1.67	1.54

On April 14, 2011, GRAMMER AG implemented a capital increase from authorized capital by way of an accelerated book building procedure to place 1,049,515 new shares with qualified institutional investors in Germany and Europe. After the conclusion of the capital increase, the share capital of the company totals EUR 29,554,365.44 divided into 11,544,674 shares.

The new shares were placed at a price of EUR 18.20 per share for gross proceeds totaling EUR 19.1 million. In the period between April 14, 2011 and the preparation of the consolidated annual financial statements, no further transactions have been concluded with ordinary shares or potential ordinary shares of the company. No changes or further acquisitions of own shares occurred as of June 30, 2014.

Intangible assets
Intangible assets include capitalized goodwill as well as capitalized development expenses. In the period under review, a sum of EUR 3,020 thousand was spent on licenses, software and other intangible assets. Amortization expense came to EUR 3,723 thousand (01 – 06 13: 3,415).

Property, plant and equipment
Capital spending on property, plant and equipment came to EUR 18,748 thousand in the year to June 30, 2014. Depreciation expense equaled EUR 13,406 thousand in the same period (01 – 06 13: 13,112).

Investments measured at equity
The GRAMMER Group adopted early, as of January 1, 2013 the new IFRS 11 standard, which must be applied to financial statements for accounting periods commencing on or after January 1, 2014. Application of the standard resulted in a change in the recognition of the joint venture GRA-MAG Truck Interior Systems LLC (GRA-MAG LLC), as a result of which it is now accounted for using the equity method in lieu of proportionate consolidation. GRA-MAG LLC is not recorded in the balance sheet due to its negative equity.

EUR k

	GRA-MAG LLC
June 30, 2014	
Percentage stake	50%
At Equity carrying amount	0
At Equity result (01 – 06 2014)	–356
December 31, 2013	
Percentage stake	50%
At Equity carrying amount	0
At Equity result (01 – 12 2013)	–1,847

Inventories
Inventories were valued at EUR 137.9 million (2013: 115.6) due to new project launches and temporary precautionary stockpiling in connection with the optimization of production structures in Eastern Europe. All inventories are carried at cost. No significant fair-value impairments were recorded.

Trade accounts receivable
The receivables of EUR 178.8 million (2013: 153.9) reflect the structure of the revenue generated in the last few months. The fair value of the trade accounts receivable matches their carrying amounts.

Other current financial assets
Other current financial assets chiefly comprise receivables from construction contracts of EUR 88.7 million (2013: 74.5) and other receivables of EUR 10.1 million (2013: 11.1).

Other current assets
Other current assets of EUR 19.0 million (2013: 15.5) include other assets of EUR 15.2 million (2013: 13.0) and prepaid expenses of EUR 3.8 million (2013: 2.4). Other assets mainly comprise passthrough taxes such as valued added tax, receivables from employees and receivables from creditors with a debit balance.

Subscribed capital
As of December 31, 2013 and June 30, 2014, subscribed capital of GRAMMER Group amounted to EUR 29,554 thousand divided into 11,544,674 no-par value shares. All shares accord the same rights, shareholders have a right to payment of the defined dividend (with the exception of own shares) and may exercise one vote for each share at the Annual General Meeting.

Capital reserve
As of June 30, 2014, the capital reserve totaled EUR 74,444 thousand (2013: 74,444). The capital reserve includes share premiums from the capital increases in 1996, 2001 and 2011, less incurred costs.

Retained earnings

GRAMMER AG's retained earnings include the statuatory reserve totaled EUR 1,183 thousand as of June 30, 2014 (2013: 1,183) and are not available for the payment of dividends. Retained earnings additionally include income earned in the past by the consolidated companies not paid out as dividends. This item rose from EUR 159,423 thousand in the previous year to EUR 170,897 thousand. However, the growth in the company's earnings in the first half of the year is not fully reflected in retained earnings due to the dividend payment of EUR 7.3 million.

Accumulated other comprehensive income

Accumulated other comprehensive income chiefly comprises the differences recorded within equity resulting from currency translation of the financial statements of foreign subsidiaries, the effects of cash flow hedges and adjustments to net investments in accordance with IAS 21 including related deferred taxes.

In addition, it includes changes arising from the application of the new guidance in IAS 19 with respect to actuarial losses.

This item also includes cumulative currency-translation effects on loans classified as net investments in a foreign operation in accordance with IAS 21 including the currency-translation effects accruing up until adjustments under IFRS 11 to the loan to GRA-MAG LLC.

Dividends

The GRAMMER Group distributes dividends pursuant to section 58 (2) AktG based on the annual financial statements prepared by GRAMMER AG in accordance with the German Commercial Code. GRAMMER AG posted an unappropriated surplus of EUR 15.4 million as of December 31, 2013. This takes into account the profit of EUR 9.8 million carried forward, the allocation of EUR 5.6 million to retained earnings and the net profit of EUR 11.2 million. In accordance with the resolution passed at the Annual General Meeting on May 28, 2014, GRAMMER AG distributed a dividend of EUR 0.65 per share for the 2013 fiscal year. Excluding own shares (330,050 shares), on which no dividend is payable, the total distribution stood at EUR 7.3 million (2013: 5.6). The balance of EUR 8.1 million was carried forward.

Own shares

As of June 30, 2014 and December 31, 2013, GRAMMER AG holds a total of 330,050 own shares, all of which were acquired in fiscal year 2006 for a total purchase price of EUR 7,441 thousand. These shares have a total value of EUR 844,928 of the share capital and represent 2.8589% of share capital.

Authorizations

Moreover, the Annual General Meeting on May 26, 2011 also granted approval until May 25, 2016 for new authorized capital in the amount of EUR 14,777 thousand (authorized capital 2011). The Executive Board is authorized, with the consent of the Supervisory Board, to increase the share capital of the company once or more than once by up to a total of EUR 14,777 thousand through the issue of shares against cash contribution and/or contribution in kind. A general shareholder subscription right applies to the new shares. The shares may also be underwritten by one or more banks subject to an obligation to offer them for subscription to shareholders. The Executive Board, however, shall have the right, upon approval of the Supervisory Board, to exclude shareholders' statutory subscription rights

a) if necessary to eliminate fractional amounts;

b) if the shares are issued against contribution in kind for the purpose of acquiring companies, parts of companies, or for the purpose of acquiring receivables payable by the company,

c) if a capital increase made against a cash contribution does not exceed 10% of share capital and the issue price of the new shares is not substantially lower than the exchange price (section 186 (3) sentence 4 AktG), if use is made of the authorization in conjunction with an exclusion of shareholder rights in accordance with section 186 (3) sentence 4 AktG, the exclusion of subscription rights under other authorizations is to be taken into account pursuant to section 186 (3) sentence 4 AktG.

With the resolution on May 18, 2011, the Executive Board of GRAMMER AG declared its intent:

(1) to make no use of the authorization under the new section 5 (3) of the Articles of Association to increase the share capital of the company against cash and/or contributions in kind with statutory subscription rights for shareholders during the term of the authorization if this would lead to issuance of an amount of shares in GRAMMER AG in excess of 30% of existing share capital;

(2) to limit use of the authorization to exclude shareholders' statutory subscription rights in the event that shares are issued against contributions in kind for the purpose of acquiring companies, parts of companies, or for the purpose of acquiring receivables payable by the company during the term of the authorization to no more than 20 % of the company's existing share capital.

(3) to ensure that the sum of any capital increases from authorized capital excluding shareholder subscription rights during the term of the authorization does not exceed 20 % of existing share capital.

Contingent Capital 2009 expired on May 27, 2014. At the Annual General Meeting held on May 28, 2014, a resolution was passed to grant new authorization to issue option bonds and/or convertible bonds with the possibility of excluding the shareholders' preemptive subscription rights, to create new Contingent Capital 2014/I and to make a corresponding amendment to the company's Articles of Association: The company's share capital was increased by up to EUR 14,777,182.72 on a contingent basis through the issue of up to 5,772,337 new bearer shares (Contingent Capital 2014/I). The contingent capital was issued so that shares can be granted to the bearers of convertible or option bonds issued in accordance with the corresponding authorization. The Executive Board may exercise this authorization with the Supervisory Board's approval on or before May 27, 2019.

Non-current liabilities

Non-current liabilities break down as follows:

EUR k	June 30, 2014	December 31, 2013
Debenture bond	141,097	140,952
KfW loan	3,750	5,000
Others	455	836
Total non-current liabilities	**145,302**	**146,788**

The debenture bond item of EUR 141.1 million (2013: 141.0) comprises a debenture bond issued in 2011 with a total nominal value of EUR 60.0 million, of which an amount of EUR 18.0 million has been reclassified as a current liability as it is due for repayment in September 2014. This debenture bond is subject to both fixed and floating interest rates and has differing maturities of five and seven years. A renewed part of the 2006 debenture bond of EUR 9.5 million is also included in this line.

In addition, this item includes a debenture bond with a total nominal value of EUR 73.5 million which GRAMMER AG issued in May 2013. The new debenture bond comprises four tranches of up to 6 years with both fixed and floating interest rates. A renewed part of the 2006 debenture bond of EUR 16.5 million is also included in this item.

In addition, there is a KfW loan of EUR 3.8 million and non-current liabilities at the level of foreign subsidiaries.

Retirement benefits and similar obligations

Provisions for retirement benefit obligations are calculated on the basis of benefit plans for the provision of old-age, invalidity and surviving dependents benefits. The benefits provided by the Group vary according to the legal, tax and economic situation in the individual countries and generally depend on the employees' service period and remuneration. The Group's occupational pension scheme is based on defined benefit obligations. Retirement benefits and similar obligations are valued at EUR 108.8 million (2013: 96.3). The increase in the first half of 2014 is chiefly due to a lower discount rate.

Retirement benefit expense for the interim period is calculated during the year on the basis of a preliminary estimate derived from the previous year's report, which is adjusted to allow for any material events.

Current liabilities

The current liabilities break down as follows:

EUR k	June 30, 2014	December 31, 2013
Debenture bond	19,326	19,562
Syndicated loan contract	10,000	0
KfW loan	2,500	2,500
Others	7,342	15,620
Total current liabilities	39,168	37,682

Current financial liabilities come to a total of EUR 39.2 million and are therefore up on the previous year (2013: 37.7). The debenture bond item includes an amount of EUR 18.0 million constituting a part of the 2011 debenture bond which is due for repayment in September 2014 and has therefore been reclassified as a current financial liability. The remaining part of this item relates to interest payable on the debenture bond.

A syndicated loan contract providing for a facility of EUR 180.0 million was signed between domestic GRAMMER companies and six commercial banks in 2013. It expires on October 30, 2018 unless GRAMMER AG exercises one or both of two one-year renewal options. The cash credit facilities may be drawn on as an overdraft or as loans with fixed interest periods of up to six months. Interest is charged on the basis of a money market rate plus a fixed credit margin. GRAMMER Group companies bear joint and several liability for the credit facilities. Beyond this, no other collateral backing exists. As of the reporting date, a sum of EUR 10.0 million had been drawn from the syndicated loan.

In addition, there is a KfW loan of EUR 2.5 million and current liabilities on the part of foreign subsidiaries.

Other current liabilities

Other current liabilities stand at EUR 69.3 million and are substantially up on the previous year (2013: 56.9) for business reasons. They chiefly comprise social security liabilities, liabilities to employees arising from unused vacation entitlement, overtime, flexible working hours or the like as well as valued added tax liabilities. Income tax liabilities primarily comprise income tax for 2013 and the first six months of 2014.

Provisions

Provisions are made up of amounts set side for risks arising from the sale of parts and products including development. These are chiefly warranty claims calculated on the basis of past and estimated future claims. Provisions are also set aside for legal or constructive obligations to grant discounts, bonuses or the like arising after the reporting date but caused by revenue generated prior to the reporting date.

Provisions also include personnel and social benefit obligations such as partial retirement schemes and long-service bonuses as well as a large number of discernible risks and contingent liabilities such as litigation costs, which are recognized at their probable amounts.

Cash flow statement

The statement of cash flow presents the Group's cash flow situation broken down into cash inflows and outflows from operating activities, investing activities and financing activities, irrespective of the balance sheet classification of the respective items. Cash flow from operating activities is derived indirectly from net profit before taxes, which is adjusted to include non-cash expenses (primarily depreciation and amortization) and income. Cash flow from operating activities is calculated under consideration of the change in working capital. Investing activities comprise payments for property, plant and equipment and investments in intangible assets and investment property. Financing activities include cash outflows for dividend payments and repayments of loans, as well as changes in other financial liabilities. At GRAMMER Group, cash and cash equivalents consists of cash and short-term money market funds, less current account liabilities to banks.

Additional information on financial instruments

The following table shows the market values and carrying amounts of financial assets and liabilities:

EUR k

	Classification under IAS 39	Carrying amount June 30, 2014	Fair Value June 30, 2014	Carrying amount December 31, 2013	Fair Value December 31, 2013
Assets					
Cash and short-term deposits	LaR	62,069	62,069	91,315	91,315
Trade accounts receivable	LaR	178,798	178,798	153,928	153,928
Other financial assets					
Loans and receivables	LaR	10,424	10,424	11,521	11,521
Receivables from construction contracts	LaR	88,706	88,706	74,523	74,523
Financial assets available for sale	AfS	129	129	442	442
Financial assets held for trading	FAHfT	0	0	1	1
Derivatives (hedging instruments)	n.a.	176	176	581	581
Liabilities					
Trade accounts payable	FLAC	163,412	163,412	152,701	152,724
Current and non-current financial liabilities	FLAC	184,470	184,470	184,470	185,897
Other financial liabilities					
Other financial liabilities	FLAC	533	533	743	743
Liabilities from financial leases	n.a.	5,405	5,405	5,950	6,039
Derivatives (non-hedging instruments)	FLHfT	5	5	0	0
Derivatives (hedging instruments)	n.a.	2,783	2,783	1,739	1,739
Aggregated by valuation class pursuant to IAS 39					
Loans and receivables	LaR	339,997	339,997	331,287	331,287
Financial assets available for sale	AfS	129	129	442	442
Financial assets held for trading	FAHfT	0	0	1	1
Financial liabilities measured at amortized cost	FLAC	348,415	348,415	337,914	339,364
Financial liabilities held for trading	FLHfT	5	5	0	0

Fair value measurement

The following table sets out the quantitative parameters for measuring the fair value of the assets and liabilities on the basis of the fair value hierarchy as of June 30, 2014 and December 31, 2013.

Quantitative disclosures on the measurement of the fair value of assets and liabilities by hierarchical level as of June 30, 2014

EUR k

	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
Derivative financial assets				
Currency forwards	176	0	176	0
Interest-rate swaps	0	0	0	0
Liabilities measured at fair value				
Derivative financial liabilities				
Currency forwards	50	0	50	0
Interest-rate swaps	2,738	0	2,738	0
Liabilities for which a fair value is disclosed				
Interest-bearing loans				
Obligations under finance leases and rental contracts	7,646	0	7,646	0
Current and non-current financial liabilities	184,470	0	184,470	0

Quantitative disclosures on the measurement of the fair value of assets and liabilities by hierarchical level as of December 31, 2013

EUR k

	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
Derivative financial assets				
Currency forwards	38	0	38	0
Interest-rate swaps	544	0	544	0
Liabilities measured at fair value				
Derivative financial liabilities				
Currency forwards	53	0	53	0
Interest-rate swaps	1,686	0	1,686	0
Liabilities for which a fair value is disclosed				
Interest-bearing loans				
Obligations under finance leases and rental contracts	11,280	0	11,280	0
Current and non-current financial liabilities	185,897	0	185,897	0

The levels of the fair value hierarchy reflect the importance of the input data for the calculation of fair value and break down as follows:

Level 1: Quoted prices (non-adjusted) in active markets for identical assets or liabilities;

Level 2: Directly or indirectly observable input data is available for the asset or liability, which do not constitute quoted prices in accordance with Level 1;

Level 3: Unobservable input data is used for measurement of the asset or liability.

There were no changes between Level 1 and Level 2 in the year under review.

Segment reporting

Segment information

For the purpose of management control, the Group is organized into operating segments by relevant products and services. The breakdown of segments is based on the corresponding internal organizational and reporting structure. The Group comprises two reportable segments:

The **Automotive Division** is the segment involved in development and production of headrests, armrests and center consoles. The segment is a supplier to automotive OEMs, particularly in the luxury and premium segments, as well as their Tier 1 suppliers.

In the **Seating Systems Division**, the company is a supplier to the commercial vehicle industry. Activities here involve the development and production of driver and passenger seats for trucks and driver seats for offroad equipment (agricultural machinery, construction machinery and forklifts), and marketing of these to commercial vehicle manufacturers and in aftermarket sales. The division also develops and produces driver and passenger seats for bus and railway vehicle manufacturers and railway operators.

Corporate items and elimination of intragroup transactions are recognized under the heading "Central Services/Reconciliation".

Details on the areas of activity are also included in the consolidated financial statements as of December 31, 2013. Segment information is presented below:

Operating segments

EUR k

Fiscal year as of June 30, 2014	Seating Systems	Automotive	Central Services/ Reconciliation	GRAMMER Group
Revenue to external customers	241,948	427,686	0	669,634
Inter-segment revenue	11,020	228	–11,248[1]	0
Total revenue	252,968	427,914	–11,248	669,634
Segment earnings (Operating profit)	21,769	15,113	–6,013	30,869

EUR k

Fiscal year as of June 30, 2013	Seating Systems	Automotive	Central Services/ Reconciliation	GRAMMER Group
Revenue to external customers	236,860	405,595	0	642,455
Inter-segment revenue	9,267	501	–9,768[1]	0
Total revenue	246,127	406,096	–9,768	642,455
Segment earnings (Operating profit)	18,341	17,831	–6,064	30,108

[1] Sales to and income from other segments are strictly at arm's length.

Reconciliation

Total segment earnings (operating earnings) are reconciled with earnings before tax in the following table:

EUR k

	01 – 06 2014	01 – 06 2013
Segment earnings (Operating profit)	36,882	36,172
Central Services	–2,984	–7,365
Eliminations	–3,029	1,301
Group earnings (Operating profit)	30,869	30,108
Financial result	–4,796	–5,431
Profit/loss (–) before income taxes	26,073	24,677

The item Central Services includes areas centrally administrated by the Group headquarters. Transactions between the segments are eliminated in the reconciliation statement.

Related party disclosures

The following table sets out transactions with related parties as of June 30, 2014 and June 30, 2013.

EUR k

Related parties		Sales to related parties	Purchases from related parties	Receivables from related parties	Liabilities to related parties
Jointly-controlled entity in which the parent is a venturer:					
GRA-MAG Truck Interior Systems LLC	2014	4,084	0	9,225	0
	2013	2,460	0	9,188	0

Contingent liabilities

Guarantees valued at EUR 1,456 thousand are outstanding as of June 30, 2014 primarily for leased office space and in the form of performance guarantees for contract breaches.

Changes to the Supervisory Board and the Executive Board

Effective January 31, 2014, Ms. Tanja Jacquemin, an employee representative, stepped down from the Supervisory Board. She was replaced by employee representative Ms. Tanja Fondel effective February 8, 2014. Similarly, Mr. Bernhard Hausmann, who had replaced Mr. Martin Bodensteiner and had stepped down from the Supervisory Board on January 21, 2014, returned to the Supervisory Board again on February 8, 2014 as an employee representative.

Financial calendar and trade fair dates 2014 [1]

Important dates for shareholders and analysts

Interim Report, third quarter of 2014	Nov. 12, 2014

Important Trade Fair Dates[1]

Innotrans 2014, Berlin, Germany	Sep. 23, 2014 – Sep. 26, 2014
IAA Nutzfahrzeuge, Hannover, Germany	Sep. 25, 2014 – Oct. 2, 2014
IBEX 2014, Tampa, USA	Sep. 30, 2014 – Oct. 2, 2014
IZB 2014, Wolfsburg, Germany	Oct. 14, 2014 – Oct. 16, 2014
GIE EXPO 2014, Louisville, USA	Oct. 22, 2014 – Oct. 24, 2014
EIMA, Bologna, Italy	Nov. 12, 2014 – Nov. 16, 2014
METS 2014, Amsterdam, Netherlands	Nov. 18, 2014 – Nov. 20, 2014
Bauma China 2014, Shanghai, China	Nov. 25, 2014 – Nov. 28, 2014

[1] All dates are tentative and subject to change. Subject to change without notice

Contact

GRAMMER AG
Georg-Grammer-Strasse 2
92224 Amberg

P.O. Box 14 54
92204 Amberg

Phone +49 (0) 96 21 66 0
Fax +49 (0) 96 21 66 1000
www.grammer.com

Investor Relations
Ralf Hoppe
Phone +49 (0) 96 21 66 22 00
Fax +49 (0) 96 21 66 32 200
E-Mail: investor-relations@grammer.com

Imprint

Published by
GRAMMER AG
P.O. Box 14 54
D–92204 Amberg

Release date
August 6, 2014

Concept, Layout and Realization
Kirchhoff Consult AG, Hamburg

Printed by
Frischmann Druck & Medien, Amberg

Translated by
Stephen A. Fletcher, Hamburg

GRAMMER AG

P.O. Box 14 54
92204 Amberg
Phone +49 (0) 96 21 66 0

www.grammer.com