

DRILLISCH AG | Report on First Quarter 2014



Key Indicators of the Drillisch-Group	I/2014	IV/2013	III/2013	II/2013	I/2013
Revenue in €m	71.3	72.6	70.9	72.3	74.7
Service Revenues in €m	70.0	70.0	68.2	69.1	69.9
Other Revenues in €m*	1.3	2.6	2.7	3.2	4.8
Gross Profit in €m	32.9	31.9	31.0	29.6	26.6
Gross profit in % of revenue	46.2%	44.0%	43.8%	40.9%	35.5%
EBITDA in €m	20.5	18.7	18.0	17.9	16.2
EBIT in €m	18.1	16.3	15.6	15.5	13.7
EBT in €m	17.4	16.5	12.7	22.0	126.9
Consolidated profits in €m	12.2	8.7	7.8	17.6	121.8
Profit/loss per share in €	0.25	0.18	0.16	0.37	2.53
EBITDA margin in % of revenue	28.8%	25.7%	25.4%	24.8%	21.7%
EBIT margin in % of revenue	25.3%	22.5%	22.1%	21.4%	18.4%
EBT margin in % of revenue	24.5%	22.7%	17.8%	30.4%	169.8%
Consolidated profit margin in % of revenue	17.1%	12.0%	11.0%	24.3%	162.9%
Equity in €m	229.8	217.6	196.1	184.6	236.0
Balance Sheet total in €m	359.1	352.3	236.5	319.6	533.6
Equity ratio (equity as % of balance sheet total)	64.0%	61.8%	82.9%	57.8%	44.2%
Return on equity (ROE) (ratio consolidated result to equity in %)	5.6%	7.2%	6.5%	14.6%	101.3%
Cash in €m	196.5	187.0	52.7	43.6	89.4
Convertible Bond in €m	86.9	86.2	0.0	15.6	119.4
Liabilities in €m	0.0	0.0	0.0	70.6	125.8
Cash flow from current business operations in €m	10.2	25.9	18.0	18.9	-5.9
Depreciation excluding goodwill in €m	2.5	2.4	2.4	2.4	2.4
Payments for investments (in tangible and intangible assets) in €m	0.6	0.8	9.9	0.8	8.3
Staff as annual average (incl. Management Board)	360	358	357	356	350
Wireless services customers per 31/03/2014 (in thousands) ⁽¹⁾	1,935	1,900	1,855	1,823	1,851
thereof MVNO subscribers	1,760	1,705	1,648	1,593	1,531
thereof budget subscribers ⁽²⁾	946	856	733	657	580
thereof volume subscribers ⁽³⁾	814	848	915	936	951
AGPPU ⁽⁴⁾ budget subscribers	8.91 €	9.33 €	9.90 €	9.72 €	9.35 €
AGPPU ⁽⁴⁾ volume subscribers	3.50 €	3.58 €	3.74 €	3.77 €	3.76 €
AGPPU⁽⁴⁾ subscribers (total)	6.39 €	6.38 €	6.40 €	6.16 €	5.80 €

(1) - thereof 110,000 prepaid subscribers and 65,000 postpaid service provider subscribers per 31/03/2014

(2) - Rate plans with included volume (voice, text messages, data)

(3) - Rate plans with billing based on usage "Pay as you go"

(4) - AGPPU = average gross profit per user

*Other revenues include sales of devices and other revenues

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Letter from the Management Board



Management Board

Vlasios Choulidis
 Director of Sales, Marketing and
 Customer Care

Paschalis Choulidis
 Executive-Board Spokesman, Director of Finances,
 Financial Communication, Controlling and IT

Dear Shareholders,

We have had an excellent start to 2014 and increased our earning power even further. Operating in a market environment of such intense competition, our mission continues to be the maintenance of our position as the market leaders who also address all user groups in Germany by offering outstanding service and innovative products in the sector of mobile voice and data services.

Since the announcement of the new portfolio of rate plans during the annual accounts press conference on 21 March 2014, we have aligned our business even more closely to the needs of our customers. We are expanding our line to include the first genuine EU rate plans on the German wireless services market by offering new and innovative services for utilisation all across Europe. But despite all of our innovations and further developments, we remain true to ourselves in one point: We place a very high value on the strict standards of our quality management and of the security of our processes. Our commitment was acknowledged and honoured once again by TÜV Süd in Q1 2014 (February 2014) as so often in the past.

Mobile data utilisation is the focal point of our products. Our current portfolio comprises largely the so-called "budget rates". Subscribers pay a certain monthly package price for a combination of minutes, text messages and data allowances and varying download speeds. Our rate plan for newcomers starts at €4.95 a month. Customers selecting this package receive 50 minutes in calls, 50 text messages and a data allowance of 200 MB a month. The high end of our rate plans consists of a comprehensive flat rate featuring unlimited calls and text messages to all German networks and a monthly data package of 2 GB at a speed of up to 14.4 Mbit/s. This is enough to satisfy even the most demanding users. We occupy an excellent position on the market and are price leaders in every segment with our established online brands such as simply, smartmobil.de, maXXim, winSIM, DeutschlandsSIM or discoTEL, and it is our conviction that we offer attractive, tailored rate plans to suit each and every interested and price-conscious subscriber.

During Q1 2014, the MVNO subscriber base grew by 15% (229,000 subscribers) to 1.760 million (Q1 2013: 1.531 million). While the number of volume subscribers declined by 137,000 to 814,000 (Q1 2013: 951,000), the corresponding figure for the significantly more

Letter from the Management Board

profitable budget subscribers rose by 63.1% (366,000) to 946,000 (Q1 2013: 580,000). These figures represent a continuation of the positive development in customer quality and the parallel improvement in earnings of recent quarters. In comparison with the same period last year, the average gross profit per MVNO user (AGPPU) improved by 10.2% to €6.39 (Q1 2013: €5.80). During Q1 2014, the total subscriber base grew by 4.5% (84,000 subscribers) to 1.935 million (Q1 2013: 1.851 million). The share of MVNO subscribers in the total customer base has now risen to 90.9% (31/12/2013: 89.7%).

Gross profit of €32.9 million (Q1 2013: €26.6 million) was realized from stable Service revenues of €70.0 million (Q1 2013: €69.9 million). This increase by 24% (€6.3 million) meant an improvement in the gross profit margin by 10.6% to 46.2% (Q1 2013: 35.5%).

Compared with the same quarter of the previous year, Group EBITDA, for us one of the most important performance indicators in our business, increased by 26.8% (€4.3 million) to €20.5 million (Q1 2013: €16.2 million). The EBITDA margin improved by 7.1% to 28.8% (Q1 2013: 21.7%).

Good development in cash flow from current business activities, which rose by €16.1 million to €10.2 million in the first quarter of this year (Q1 2013: €-5.9 million), substantial cash of €196.5 million as of the closing date (31/12/2013: €187.0 million) and additional attractive financing opportunities give us the flexibility to expand or supplement our business as expedient and to seize quickly any opportunities which may arise.

But our current product line also secures our excellent position for the future. Mobile internet usage has long since become a part of people's daily lives, and predictions indicate that it will continue to develop at dynamic pace in the coming years. Various studies on the development of "mobile data traffic in Germany" (such as the study by Deloitte Consulting GmbH and the Fraunhofer IAIS © 2014) predict an increase in data consumption of more than 300% for the years between 2014 and 2017. The conclusions indicate overall a clear shift of revenues to wireless services. The total share of revenues attributable to "wireless services" is expected to rise from 51% to 58%. An increase from 26% in 2013 to 40% in 2017 is projected for the segment "mobile data". This is precisely the development that our products fit so well even today.

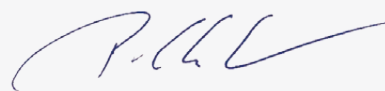
Thanks to the successful start to fiscal year 2014, we can confirm our Company's projection of an increase in EBITDA to between €82 million and €85 million for this year (2013: €70.8 million) and to between €95 million to €100 million for fiscal year 2015. Moreover, we want to continue to share the success of your Company with you, the shareholders, in the future as well and are planning a dividend of at least €1.60 per share for fiscal years 2014 and 2015.

Best regards,



Vlasios Choulidis

and



Paschalis Choulidis

Investor Relations Report

The Capital Market – 01 January 2014 to 31 March 2014

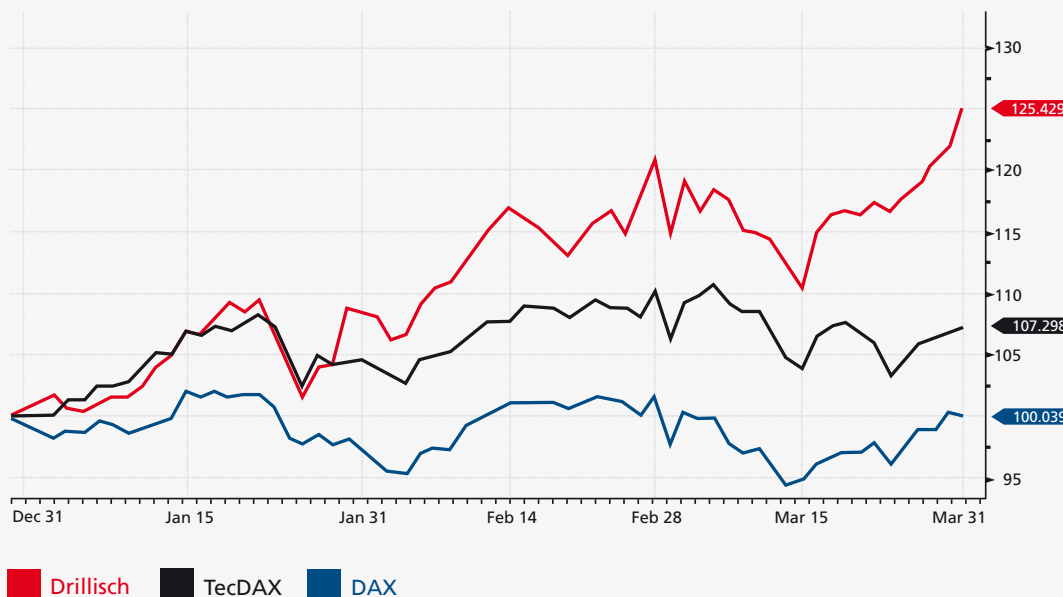
During Q1 of 2014, the Crimean crisis and scepticism about the continued development of the economy led to profit-taking around the world. Now that the central banks have confirmed they will continue their low-interest policy, the capital markets are focusing their attention on companies which make reliable dividend statements and sustainable forecasts of profit.

While the German stock index DAX increased only slightly during the quarter from 9,552.16 points at the end of 2013 to 9,555.91 points, the TecDAX improved by 85.15 points (7.3%) to 1,251.98 points in the same period. The increase in the Drillisch stock of 25.4% represented a better performance than the market in general.

The Drillisch Stock Price with Solid Performance in Q1 2014

	Close-out 2013	31 March 2014	% change
Drillisch	€21.00	€26.34	+25.4
TecDAX	1,166.83	1,251.98	+7.3

The Drillisch stock price briefly fell under the level at the end of 2013 on 3 January 2014, marking the lowest point of the price in the first quarter at €20.95, before steadily rising to its highest point in Q1 2014 at €26.655 on 31 March 2014.



Investor Relations Report

Sustainable Dividend Policy

Supervisory Board and Management Board will be submitting a proposal for the payment of a dividend for the past fiscal year in the amount of €1.60 per voting share, an increase of 23%, to the Annual General Meeting on 21 May 2014.

We want to continue to offer our shareholders attractive yields by pursuing corporate policy based on the long term and have set dividends of the same amount as a minimum as our goals for fiscal years 2014 and 2015.

Current Analyst Assessments (per 31 March 2014)

Thanks to the targeted increase in the EBITDA to between €82 million and €85 million in fiscal year 2014 and a further increase to between €95 million and €100 million in fiscal year 2015 (fiscal year 2013: €70.8 million) as well as a long-term dividend policy and the good strategic positioning on the German wireless services market, the capital market rates the Drillisch stock as promising.

Current Analyst Assessments (as per 31 March 2013)

Analysis	Rating	Price Target	Date
Bankhaus Lampe	„Buy“	€28.00	28 March 2014
Berenberg	„Buy“	€29.00	27 March 2014
Hauck & Aufhäuser	„Hold“	€22.50	26 March 2014
LBBW	„Hold“	€24.50	25 March 2014
Equinet	„Accumulate“	€27.50	24 March 2014
Close Brothers Seydler	„Buy“	€29.00	21 March 2014
Warburg Research	„Hold“	€25.00	24 February 2014
Commerzbank	„Hold“	€21.00	12 February 2014

A constantly updated overview of the analysts' recommendations can be found on the Drillisch AG IR home page.

Agenda for Q1 – DGAP Ad-Hoc Reports

11 February 2014 Raised forecast for the year exceeded; confirmation of the raised EBITDA forecast

Investor Relations Events

During Q1 2014, meetings were held with private and institutional investors in addition to the annual accounts press conference, which traditionally takes place in Frankfurt.

Communications are conducted in conformity with the fair disclosure principle, i.e. all shareholders and interested parties are simultaneously provided with the same type of information about all important developments.

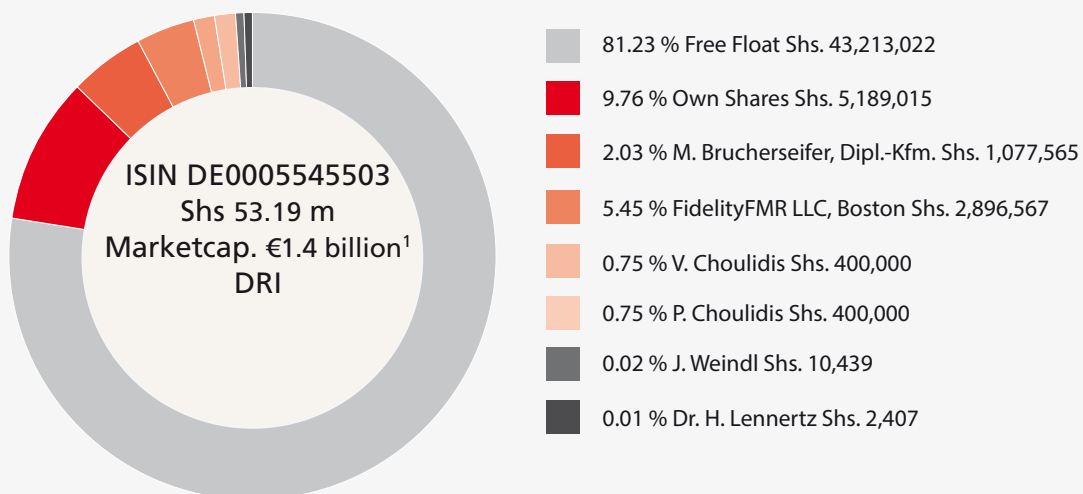
The ongoing work can be followed and tracked equally by all investor groups on our investor relations home page. In addition to a detailed financial calendar, all of the relevant reports can be viewed on the site. Many investors also take advantage of the opportunity for personal contact via email and/or telephone.

Investor Relations Report

Directors' Holdings per 4 April 2014

Name	No-par shares
Vlasios Choulidis	400,000 → 0.75%
Pascal Choulidis	400,000 → 0.75%
Supervisory Board	
No-par shares	
Marc Brucherseifer, Dipl.-Kfm. (Chair)	1,077,565 → 2.03%
Johann Weindl, Dipl.-Kfm.	10,439 → 0.02%
Horst Lennertz, Dr.-Ing.	2,407 → 0.01%

Shareholder structure of Drillisch AG (Last revised 4 April 2014)



Source: Disclosures by the corporations pursuant to sections 21 ff German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) and unless the company was not informed of a more recent figure.

1) On the basis of the XETRA closing price €26.34 on 31 March 2014. Free Float acc. to the rule of Dt. Boerse AG: 90.24%.

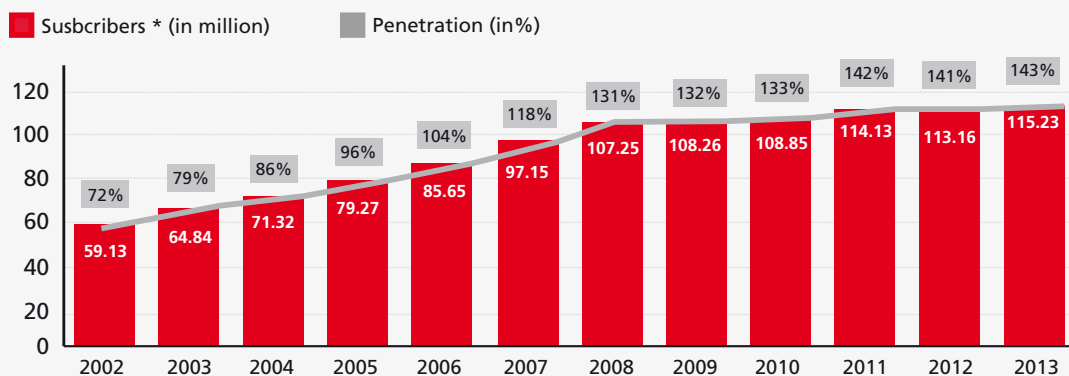
MARKET ENVIRONMENT

The Wireless Services Market

Record mark of 115 million contracts for wireless services reached – mobile internet continues to drive growth

In the middle of March, the German Federal Network Agency reported an increase by about 2 million wireless contracts to a total of more than 115 million connections in Germany. As a consequence of this rise, the biggest in the last three years, there are now 1.4 SIM cards per capita (purely mathematically). This development has come about essentially because of the spreading use of mobile internet on smartphones and tablets. The number of LTE users (*Long Term Evolution* – also called 4G) rose to 5.6 million SIM cards in 2013 (2012: about 1 million SIM cards). LTE products have not yet taken over the entire market for two apparent reasons: the significantly higher costs for consumers and the good overall coverage of the 3G network.

Subscribers and Penetration in Mobile



*SIM-cards acc to the reports of the MNOs

Source: Bundesnetzagentur, Tätigkeitsbericht Telekommunikation 2012-2013

According to an assessment by BITKOM (*Bundesverband Informationswirtschaft Telekommunikation und neue Medien e.V.*) in February 2014, the intense price competition, the trend to flat rates, and the regulatory intervention in mobile voice services will lead overall to a decline in revenues of 6% although the number of outgoing call minutes will rise by about 1 billion minutes to over 111 billion minutes this year, an indication that the trend to substitute wireless services for landline networks is continuing. Revenue from mobile data services will presumably continue to separate from the development in voice services. Starting from the high level which has already been reached, revenue from mobile data services in Germany will rise in 2014 by 5.5% in comparison with 2013 to €9.6 billion.

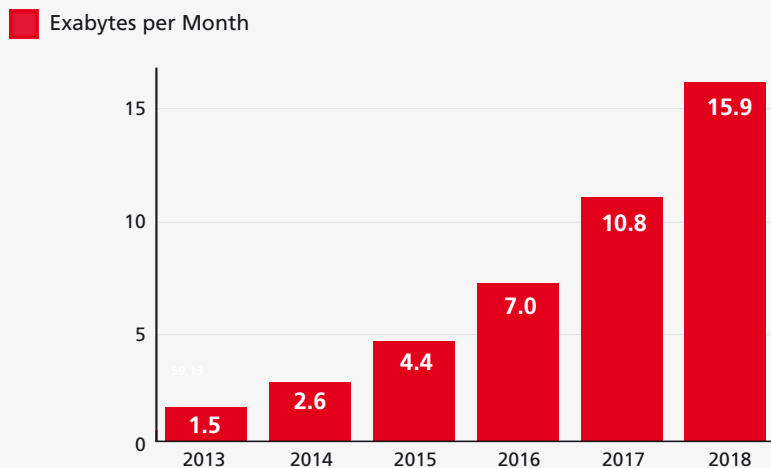
The Wireless Services Market

Data volume increases by a factor of 30 within only six years

The rise in transmitted data volume from 11 million gigabytes in 2008 to the predicted 330 million gigabytes in 2014 is clear evidence of the dynamics in mobile data services. The increase is driven by the unabated high demand for mobile devices such as smartphones and tablets and the heightened networking of machinery, automatic machines and vehicles. The latest trend, the "Internet of Things", could be a source of even more growth in the future. This term refers to the spread of networking of household appliances or heating control elements, for example, via WiFi and wireless services.

In a study published at the beginning of February 2014, Cisco predicted growth by a factor of ten in worldwide mobile data traffic in the next four years. Should this prediction hold, wireless networks will transmit 15.9 exabytes every month in 2018. The corresponding figure in 2013 was 1.5 exabytes. This is the amount of data that could be stored on one million one-terabyte hard drives. Even today, half of the mobile data traffic is related to clips on YouTube and other video portals. This consumption will presumably be responsible for two-thirds of the data traffic in 2018.

Mobile Data Traffic (worldwide)



Source: Cisco Visual Networking Index, February 2014

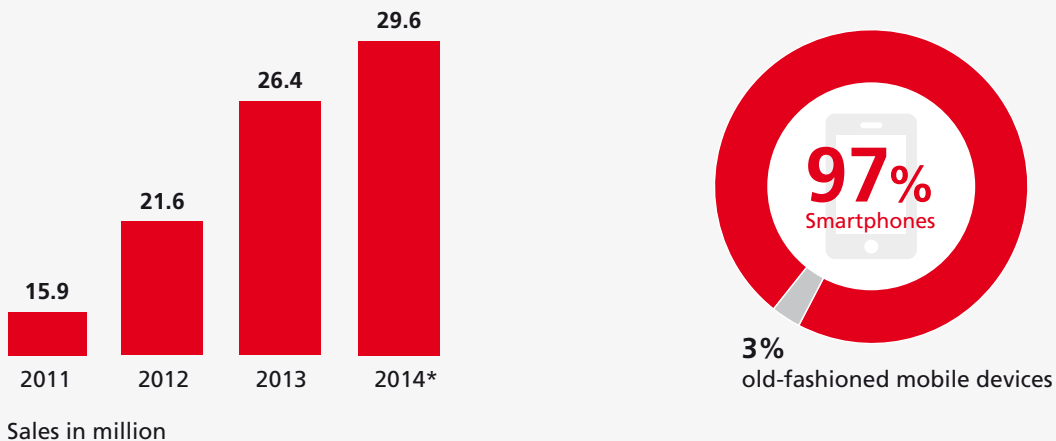
Sales of smartphones have doubled within three years

BITKOM expects about 30 million smartphones to be sold in 2014, an increase of 12% over the previous year. Smartphone sales in Germany have almost doubled in the past three years, and by the end of 2014, about 82% of all of the mobile phones sold in Germany will be smartphones. This and the steadily rising dissemination of mobile applications are further major drivers of the dynamic development in data volume.

The Wireless Services Market

Smartphone boom is continuing

German Market (2011-2014)



Source: BITKOM

*Prognose

Success from innovative and transparent products featuring high quality

Drillisch AG has created a transparent and clearly structured product portfolio to cover the broadest imaginable range of usage behaviour and offer an exact fit for every type of user. The established online brands of Drillisch Group such as simply, discoTEL, McSIM, maXXim, DeutschlandSIM, smartmobil.de, winSIM, helloMobil or Phonex stand out in sharp contrast to competitors because they do not require long-term contracts, gaining customers instead by offering the greatest possible flexibility.

Potential subscribers will find packages from the Drillisch Group brands of up to 250 minutes of telephony, 250 text messages and 1,000 MB mobile data volume at a cost between €4.95 and €12.95 a month. Moreover, customers can choose from among various flat rates between €14.95 and €24.95 a month; options include the use of the mobile internet at speeds up to 14.4 Mbit/s with various data volume caps while making unlimited phone calls and sending unlimited text messages.

These attractive products and our price leadership on the German market enable Drillisch to continue its story of success.

The Wireless Services Market

Sustained quality assurance: certification with the quality seal “s@fer-shopping” renewed in February 2014

Mobile phone users will find even more great features on the Drillisch brand websites along with our outstanding rate plans for mobile phoning and usage of the mobile internet. The order process and security while shopping in the online shops have been regular recipients of awards. Certification with the *s@fer-shopping* seal has attested to their quality as well. All of the Drillisch brands comply with the high standards of quality and security set by TÜV SÜD for secure online shopping.



The auditors focus their particular attention on the handling and security of personal data such as payment and address information of the customers. Major test criteria of TÜV SÜD during the certification process are related as well to the functional performance and ease of use of the online ordering process. The following points are considered during the assessment, for instance:

- ➔ Can online customers easily find what they are looking for?
- ➔ Is the navigation clearly structured and easy to understand?
- ➔ Are the offered products and services described comprehensively and correctly?

In February 2014, Drillisch and its brands once again passed a demanding and comprehensive audit comprising more than 100 specific criteria for sustained quality assurance with flying colours.

Evolution instead of revolution – Drillisch offers innovative EU rate plans and new smartphone rate plans at an even higher level of performance

On the occasion of the annual accounts press conference on 21 March 2014, Drillisch stayed in step with the latest developments by expanding its current simple and transparent product portfolio with the addition of higher data volumes and surfing speeds of up to 14.4 Mbit/s.



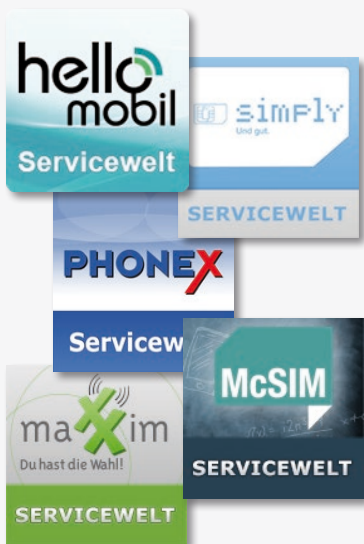
Innovation and transparency once again go hand in hand. Drillisch is the first (and so far the only) provider on the German wireless services market to offer “EU rate plans”. As of 1 April 2014, new EU rate plans can be ordered for all of the Drillisch Group brands; they feature extremely low prices for phone calls within Germany as well as to and within other EU countries. Drillisch and its EU rate plans once again raise the bar in a highly competitive environment and anticipate the lowering of roaming prices required by the EU Commission per 1 July 2014 by three months. Additional EU options available for purchase will in future make the use of smartphones for current subscribers while on holiday, studying abroad or on business trips in Europe as simple and inexpensive as at home.

Die Tarifrevolution!
Paket- und Flat Tarife zur
europaweiten Nutzung!



The Wireless Services Market The Software Industry

More convenience for Drillisch customers – webshops and service worlds optimised for mobile devices – separate apps for service worlds



More and more potential and current customers make use of the webshops and personal account areas – the service worlds – of our brands from their mobile devices, and all of these features have of course been optimised for this type of use with smartphones and tablets. The automatic recognition of the device in use guarantees user-friendly displays with perfect resolution. Even simpler access to the service worlds of simply, maXXim, helloMobil, McSIM, and Phonex has been available since March 2014 through separate apps for the operating systems iOS (Apple) and Android (download in the respective app stores) which bundle the functions of the customer account areas.

Customers can use the apps to review rate plans, examine invoices and activate options or other services, conveniently and easily, from their mobile devices while on the go.

Good prospects for the ICT industry: IT Midsize Business Index from BITKOM rises strongly

Midsized IT companies are looking ahead to the first half of 2014 with confidence. According to a survey by the industry association BITKOM in the middle of February 2014, eight out of ten IT companies expect revenues to rise during the first six months of the year, while 10% are counting on revenues to stay at the same level. Thanks to these good prospects, the BITKOM IT Midsize Business Index rose from 61 to 70 points, the highest value in the last three years. Software companies are especially optimistic in their outlook; 85% expect further growth and 8% expect stable business. Among IT service providers, 84% are looking forward to rising revenues and 9% expect stable sales.

BITKOM announced its projections for the year as a whole at the opening of the computer trade fair CeBIT. The association foresees revenues from information technology, telecommunications and entertainment electronics growing by 1.7% to €153.4 billion in 2014. The industry experts look for above-average growth in business with software and services. The weakest development will be on the hardware market which, with a minimal plus of 0.2% to about €21 billion, is more or less stagnating.

**COMMERCIAL DEVELOPMENT OF THE DRILLISCH GROUP
AS PER 31 MARCH 2014**

Group Companies

Drillisch AG – successful start to fiscal year 2014

Drillisch AG, Maintal, along with its subsidiaries, collectively “Drillisch”, is a mobile virtual network operator (MVNO) operating solely in Germany. During Q1 2014, the Company added to the many years of its success story of profitable growth and once again raised the operating profit.

One of the most profitable and innovative providers of rate plans for voice and data communication, Drillisch is a regular source of new driving ideas on the German wireless services market. Operating as an MVNO, Drillisch compiles packages of flexible services based on its own product ideas, drawing on standardised and unbundled advance services from the network operators Telefónica Germany GmbH & Co. OHG (“O₂”) and Vodafone GmbH (“Vodafone”). The internet is its most important sales channel. Moreover, Drillisch successfully works with selected distribution and cooperation partners as well as with some classic wireless services retailers. Drillisch expects the continuation of its successful corporate development in fiscal years 2014 and 2015.

Drillisch continues to serve current customers in the Telekom Deutschland GmbH (“Telekom”) and E-Plus Mobilfunk GmbH (“E-Plus”) networks on the basis of existing service provider agreements. However, the share of the clientele in this less profitable segment is declining as planned.

Price leader with innovative and transparent products

Drillisch offers to its customers low-price and transparent products for wireless services featuring the greatest possibility flexibility. A concept of rate plans characterised by outstanding value for money in all sectors of mobile communications, especially in the area of mobile data, enables Drillisch to address all of the potential customer groups on the German wireless services market (newcomers, normal users and heavy or flat-rate users). Every customer can find the optimal combination of monthly data volume, maximum surfing speed and telephony/text message packages or flat rates for his/her situation.

Awards for product transparency and customer service

Drillisch regularly engages independent, third-party authorities to audit the quality of its services so that both products and processes can be improved continuously. Customer service and back-office performance were once again in complete conformity with the high standards of the latest audit. The awarded certificates have consistently included the ratings of “excellent” and “good”.

The awarding of the quality seal “s@fer-shopping” by TÜV Süd in February 2014 is not a fleeting snapshot. Drillisch Group and all of the tested brands gave a convincing performance during this comprehensive certification process comprising more than 100 specific criteria and a look at the webshops from the customer perspective, above all with respect to data and system security. The high standards of our quality management and security during the ordering process in the online shops are very important to Drillisch, which is why Drillisch will continue to submit to these extensive audits in the future.

Group Companies

New rate portfolio: included services can be used in Germany and abroad for the first time

With the introduction of the new EU rates, Drillisch becomes the only provider on the German wireless services market to enable subscribers to utilise the units included in their rate plan both in Germany and in all EU countries; as of this time, it is the only provider to realise the EU requirements ahead of deadlines. Drillisch customers can use their smartphones worry-free on the basis of their customised and innovative products and options whenever they are on holiday or business trips in other EU countries. An EU option can also be booked by existing customers. Drillisch, the price leader, has not only reduced roaming charges by up to 40% as required by the EU Commission, but has done so 3 months before the final deadline on 1 July 2014.

These new products extend the transparency and outstanding value for money of the previous product line from Germany to the EU. Drillisch once more confirms its position as the creator of innovative wireless services products in complete alignment with the individual needs of its customers and the transformation of the market.

Drillisch AG is the Group's holding

Within Drillisch Group, Drillisch AG, the parent company, concentrates on holding tasks such as management, finances and accounting, controlling, cash management, human resources, risk management, corporate communications and investor relations along with the definition, management and monitoring of the global corporate strategy. The subsidiaries Drillisch Telecom GmbH, Maintal ("Drillisch Telecom"); MS Mobile Services GmbH, Maintal ("MS Mobile"); and eteleon AG, Munich ("eteleon"), are responsible for the operational wireless services business. The IT know-how of Drillisch Group has been concentrated in IQ-optimize Software AG, Maintal ("IQ-optimize"). MSP Holding GmbH, Maintal ("MSP"), is a subsidiary of Drillisch AG set up with the objective of holding and administering investments.

Strong brands in mobile communications

Drillisch AG offers attractive rate plans customised to meet specific customer needs through its subsidiaries, which operate the online brands McSIM, helloMobil, simply, PHONEX, smartmobil.de, maXXim, winSIM, DeutschlandSIM, discoTEL and discoSURF plus the premium brands VICTORVOX and Telco. Every single customer will find a combination of mobile communications services just right for his/her needs in the current rate plan portfolio – even in the high-speed LTE network if desired. Anyone using a number of mobile devices while on the go can choose the UltraCard from smartmobil.de, for instance, and simultaneously utilise smartphone, tablet and hands-free device in the car with only one phone number, one mailbox and one bill. UltraCard users enjoy optimal reachability and can use whichever device is most suitable for the particular situation at any time, whether at home or on the go.

What is more, customers can go to the online shops of the various brands to choose the equipment best suited for their purposes from a large selection of the latest smartphones, tablet PCs and notebooks and to add useful accessories.

Turnover and Earnings Position

IQ-optimize guarantees IT expertise

Drillisch has essentially bundled its IT expertise in its subsidiary IQ-optimize. This company performs almost all of the IT services for the Group companies.

MSP Holding

MSP, a subsidiary of Drillisch AG, held the stock in eteleon and in Mobile Ventures GmbH, Maintal ("Mobile Ventures"), per 31 March 2014.

Employees

In the first three months of 2014, an average of 360 employees (previous year: 350), including the two members of the Drillisch AG Management Board, was on the payroll of Drillisch Group. The number of vocational trainees, who are not included in the above figure, was 54 (previous year: 64). Drillisch makes an above-average contribution to the training of young people in qualified professions necessary to secure our future in Germany.

Revenue and earnings position

Further EBITDA growth in Q1 2014 is impressive evidence that Drillisch has maintained its operating earning power. This good development of our business is supported by the unabated dynamics in the fields of wireless services and mobile internet. Drillisch uses innovative products in conjunction with efficient marketing and sales concepts to maintain its top position in the German telecommunications industry.

The "Service revenues", essentially the income from the provision of the ongoing wireless services (voice and data transmission) and their billing on the basis of the current customer relationships, amounted to €70.0 million in Q1 2014 (Q1 2013: €69.9 million).

"Other revenues", which include low-margin business such as sales of devices and prepaid bundled sales, declined further by €3.5 million to €1.3 million (Q1 2013: €4.8 million). In addition, this item also includes the sales from the software services segments in the amount of €38k (Q1 2013: €38k).

Total revenue in Q1 2014 amounted to €71.3 million (Q1 2013: €74.7 million).

The MVNO clientele has increased once again since the beginning of the year by 55,000 (3.2%) to 1.760 million subscribers (31 December 2013: 1.705 million MVNO subscribers). The number of qualitatively higher-value budget subscribers increased by 10.5% to 946,000 subscribers per 31 March 2014 (31 December 2013: 856,000 subscribers). The number of volume subscribers decreased slightly from 848,000 subscribers per 31 December 2013 to 814,000 subscribers per 31 March 2014.

The total number of subscribers in the postpaid sector rose by 48,000 to 1.825 million (31 December 2013: 1.777 million subscribers).

Turnover and Earnings Position

The number of subscribers in the prepaid sector decreased as expected to 110,000 (31 December 2013: 123,000). Overall, the ratio of postpaid to prepaid subscribers improved to 94.3% to 5.7%, an increase of 0.8% for postpaid compared to the end of 2013 (31 December 2013: 93.5% postpaid to 6.5% prepaid).

The total number of subscribers has risen by 35,000 to 1.935 million (31 December 2013: 1.900 million). This continues the trend of a rising total number of subscribers which began in the last two quarters, and the decrease in subscribers in the previous service provider business no longer has any major impact.

The cost of materials decreased overproportionately to revenue development during the first quarter of 2014 by 20.3% to €38.4 million (Q1 2013: €48.2 million). As a result, gross profit rose substantially by €6.3 million from €26.6 million in Q1 2013 to €32.9 million in Q1 2014. The gross profit margin increased by 10.7 percentage points to 46.2% (Q1 2013: 35.5%). Personnel expenses increased by 8.4% to €6.3 million (Q1 2013: €5.8 million). Correspondingly, the personnel expenses ratio in Q1 2014 rose by 1.1 percentage points to 8.9% (Q1 2013: 7.8%). Other operating expenses rose by a total of €1.4 million to €6.9 million (Q1 2013: €5.5 million). The change in comparison with the same quarter last year results largely from increased advertising costs, a rise in expenditures from bad debts and valuation allowances and higher Remaining other operating expenses. Contrary to this trend, the costs for subcontracting, for instance, declined.

Consolidated EBITDA (earnings before interest, taxes, depreciation and amortisation), one of the most important management indicators at Drillisch Group, rose by 26.8% to €20.5 million (Q1 2013: €16.2 million). The EBITDA margin came to 28.8% (Q1 2013: 21.7%). Write-offs remained virtually constant at €2.5 million (Q1 2013: €2.4 million). The EBIT (earnings before interest and taxes) amounted to €18.1 million (Q1 2013: €13.7 million). The EBIT ratio improved by 6.9 percentage points to 25.3% (Q1 2013: 18.4%).

The results from the financial assets shown in the balance sheet according to the equity method in Q1 2014 amounted to €0.0 (Q1 2013: €10.3 million). In the previous year, the shares in freenet AG held by MSP and Drillisch AG were measured according to the equity method until 20 March 2013 because of the significant influence on the company from the voting rights quota of more than 20%.

Other financial results per 31 March 2014 also amounted to €0.0 (Q1 2013: €105.4 million). In Q1 2013, the Other financial results comprised essentially income from the reclassification of securities as AFS (available for sale) assets and expenditures and income from the closing-date measurement and reversal of financial derivatives and hedging transactions which were sold or reversed completely during the course of fiscal year 2013.

The interest result improved by €2.0 million to €-0.6 million (Q1 2013: €-2.6 million). The improvement of interest results comes basically from the significant reduction in the volume of the long-term liabilities subject to interest charges in comparison with the same quarter last year.

Assets, Liabilities and Financial Position

Taxes on income rose by €0.2 million to €5.3 million (Q1 2013: €5.1 million). Consolidated profit amounted to €12.2 million (Q1 2013: €121.8 million). In the same quarter of the previous year, the consolidated profit was marked largely by effects from the conversion of the measurement of the freenet holding to the AFS method and the market valuation of hedging transactions and derivatives. Excluding these effects, the consolidated profit in Q1 2013 amounted to €9.8 million. The consolidated comprehensive result per 31 March 2014 also amounted to €12.2 million (Q1 2013: €124.2 million) and thus reflects exclusively the earning power of the operating business. The undiluted profit per share amounted to €0.25 (Q1 2013 – excluding consideration of the freenet holding: €0.20).

Assets, liabilities and financial position

Long-term assets declined slightly in total by €3.3 million to €107.0 million (31 December 2013: €110.3 million) during Q1 2014. Other intangible assets declined by €1.7 million to €32.5 million (31 December 2013: €34.2 million). Deferred tax reimbursements declined by €1.4 million to €6.0 million (31 December 2013: €7.4 million).

Cash rose by €9.5 million to €196.5 million (31 December 2013: €187.0 million), a consequence above all of the positive operating cash flow. Trade receivables amounted to €43.0 million, a slight decline (31 December 2013: €45.2 million). In total, current assets increased by €10.0 million to €252.1 million (31 December 2013: €242.1 million).

The balance sheet total for Drillisch Group rose slightly by a total of €6.8 million to €359.1 million per 31 March 2014 (31 December 2013: €352.3 million).

In comparison with 31 December 2013, equity increased in total by the consolidated profit of €12.2 million to €229.8 million (31 December 2013: €217.6 million). The item Other equity of €-0.2 million (previous year: €-0.2 million) is unchanged and reflects the actuarial gain or loss from the measurement of the pension provisions recognised as non-operating results in accordance with IAS 19. The equity ratio improved to 64.0% per 31 March 2014 (31 December 2013: 61.8%).

Long-term liabilities increased minimally by €0.5 million to €93.8 million (31 December 2013: €93.3 million). This is primarily a consequence of the rise in liabilities from bonds related to the effective interest.

In December 2013, Drillisch AG issued a non-subordinated convertible bond with a total volume of €100.0 million and a term of five years; this bond was disclosed in the balance sheet per 31 March 2014 at a value of €86.9 million (31 December 2013: €86.2 million). The convertible bond includes an annual coupon of 0.75%. The bond was issued at 100% of the nominal value and will also be redeemed at 100%. The term of the bond ends on 12 December 2018.

Short-term liabilities declined by €6.0 million to €35.4 million in comparison with the end of fiscal year 2013 (31 December 2013: €41.4 million). Trade payables decreased by €4.2 million to €11.6 million (31 December 2013: €15.8 million). Tax liabilities increased by €0.5 million to €10.2 million (31 December 2013: €9.7 million). Payments received on account fell by €0.8 million to €6.7 million (31 December 2013: €7.5 million). Other liabilities decreased by €1.3 million to €6.3 million (31 December 2013: €7.6 million).

Opportunities and Risks of the Future Business Development

Cash flow

Cash flow from current business activities in Q1 2014 amounted to €10.2 million (Q1 2013: €-5.9 million), and this substantial increase over the same quarter of the previous year reflects the earning power of the operating business.

Cash flow from investment activities totalling €-0.5 million (Q1 2013: €127.9 million) results from payments for investments in fixed and intangible assets in the amount of €0.6 million (Q1 2013: €8.3 million) and received interest of €0.1 million (Q1 2013: €0.3 million). During Q1 2013, cash flow was primarily marked by payments from the disposal of freenet shares in the amount of €136.0 million.

During Q1 2014, there was a total outflow of funds of €0.2 million (Q1 2013: outflow of €110.0 million) from financing activities. The high outflow of funds in this quarter last year resulted mainly from taking out and repaying financial loans which below the line amounted to €-101.4 million and expenditures for the acquisition of own stock in the scope of €8.4 million.

Opportunity and risk report

The risk management system is an integral component of corporate policy aimed at early exploitation of opportunities and detection and limitation of risks. Drillisch operates a risk management system throughout the Group which includes continuous observation to ensure early recognition and the standardised recording, assessment, control and monitoring of risks. The objective is to obtain information about negative developments and the related financial effects as early as possible so that the appropriate measures can be initiated to counteract them. The management of the company results and company value makes use of the instrument of risk management. It can thus become a strategic success factor for the Company's management for both subsidiaries and Drillisch itself.

Opportunities and risks – in comparison with the risks described in the annual report for the year 2013 – did not change appreciably during the first three months of fiscal year 2014. In the opinion of the Management Board, adequate precautions have been taken to counter all of the identified risks.

Important events occurring after 31 March 2014

There were no important events after the end of the reporting period.

Outlook

The Management Board expects an EBITDA of between €82 million and €85 million for 2014 and a further increase to between €95 million and €100 million for 2015 in the telecommunications segment. Management intends to continue the expansion in the size of the MVNO clientele.

**ABRIDGED CONSOLIDATED INTERIM ACCOUNTS
AS PER 31 MARCH 2014**

Consolidated Comprehensive Income Statement

	I/2014	I/2013
	€k	€k
Sales	71,324	74,728
Other own work capitalised	520	589
Other operating income	294	403
Raw material, consumables and services used	-38,397	-48,176
Personnel expenses	-6,316	-5,829
Other operating expenses	-6,898	-5,527
Amortisation and depreciation	-2,475	-2,441
Operating result	18,052	13,747
Result from financial investments shown in the balance sheet according to the equity method	0	10,281
Other financial results	0	105,385
Interest income	287	271
Interest and similar expenses	-890	-2,823
Financial result	-603	113,114
Profit before taxes	17,449	126,861
Taxes on income	-5,280	-5,104
Consolidated results	12,169	121,757
Change in attributable market value of financial assets available for sale	0	2,430
Taxes on income	0	-37
Items which can be included in operating results in the future	0	2,393
Items which cannot be included in operating results in the future	0	0
Consolidated comprehensive results	12,169	124,150
Profit per share (in €)		
Undiluted	0.25	2.53
Diluted	0.24	2.53

Consolidated Balance Sheet

ASSETS	31.03.2014	31.12.2013
	€k	€k
Fixed assets		
Other intangible assets	32,533	34,228
Goodwill	67,206	67,206
Tangible assets	1,274	1,412
Other financial assets	33	33
Deferred taxes	5,952	7,374
Fixed assets, total	106,998	110,253
Current assets		
Inventories	6,388	6,242
Trade accounts receivable	43,030	45,227
Tax reimbursement claims	254	1,015
Cash	196,525	187,032
Other current assets	5,857	2,560
Current assets, total	252,054	242,076
ASSETS, TOTAL	359,052	352,329

Consolidated Balance Sheet

SHAREHOLDERS' EQUITY AND LIABILITIES	31.03.2014	31.12.2013
	€k	€k
Shareholders' equity		
Subscribed capital	52,800	52,800
Capital surplus	96,368	96,368
Earnings reserves	31,123	31,123
Other equity	-204	-204
Unappropriated retained earnings/Accumulated deficit	49,724	37,555
Equity, total	229,811	217,642
Long-term liabilities		
Pension provisions	976	976
Deferred tax liabilities	2,879	2,928
Debenture bonds	86,852	86,216
Leasing liabilities	477	594
Other liabilities	2,621	2,621
Long-term liabilities, total	93,805	93,335
Short-term liabilities		
Short-term provisions	173	205
Tax liabilities	10,179	9,744
Trade accounts payable	11,571	15,775
Payments received on account	6,725	7,462
Leasing liabilities	492	519
Other liabilities	6,296	7,647
Short-term liabilities, total	35,436	41,352
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL	359,052	352,329

Consolidated Statement of Change in Capital

	Number of shares	Subscribed capital	Capital surplus	Earnings reserves	Other equity	Unappropriated retained earnings/ Accumulated deficit	Equity, total
		€k	€k	€k	€k	€k	€k
Per 01/01/2013	48,706,514	53,577	91,571	31,123	-243	-55,819	120,209
Change in own shares	-706,514	-777	-7,591	0	0	0	-8,368
Consolidated comprehensive results		0	0	0	2,393	121,757	124,150
Per 31/03/2013	48,000,000	52,800	83,980	31,123	2,150	65,938	235,991
Per 01/01/2014	48,000,000	52,800	96,368	31,123	-204	37,555	217,642
Change in own shares	0	0	0	0	0	0	0
Consolidated comprehensive results		0	0	0	0	12,169	12,169
Per 31/03/2014	48,000,000	52,800	96,368	31,123	-204	49,724	229,811

Consolidated Capital Flow Statement

	I/2014	I/2013
	€k	€k
Consolidated earnings before interest and taxes	18,052	13,747
Income tax paid	-1,465	-7,353
Income tax received	757	2
Amortisation and depreciation	2,475	2,441
Change in inventories	-146	633
Change in receivables and other assets	-1,044	-5,985
Change in trade payables, other liabilities and provisions	-7,672	-8,713
Change in payments received on account	-737	-638
Cash flow from current business activities	10,220	-5,866
Payments for investments in tangible and intangible assets	-600	-8,328
Interest received	85	271
Incoming payments from the sale of financial assets that are reported according to the equity method and of other financial assets	0	136,000
Cash flow from investment activities	-515	127,943
Change in own shares	0	-8,368
Outgoing payments for amortisation of loans	0	-135,706
Incoming payments from the taking out of loans	0	34,370
Interest paid	-69	-132
Change in investment liabilities	-143	-186
Cash flow from financing activities	-212	-110,022
Change in cash	9,493	12,055
Cash at end of period	196,525	89,359
Cash at beginning of period	187,032	77,303

Consolidated Notes

1. General

Drillisch AG is a listed stock corporation which offers telecommunication services. Drillisch was founded in 1997. The business field telecommunications represents the core business of Drillisch Group and is essentially located in the wholly-owned subsidiaries Drillisch Telecom GmbH, MS Mobile Services GmbH (both in Maintal) and eteleon AG (Munich). In addition to the service provider licences held for the networks Telekom, Vodafone, E-Plus and O2, the Group has concluded MVNO agreements with the network operators O2 and Vodafone and markets primarily postpaid products for the O2 and Vodafone networks. The address and registered office of Drillisch AG as the parent company of the Group is Wilhelm-Röntgen-Strasse 1–5, 63477 Maintal, Germany. The Company is registered at the Hanau Local Court under HRB 7384.

2. Applied accounting principles

The abridged consolidated interim accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) as they are to be applied in the EU. All of the applicable IFRS which have been adopted by the EU and became mandatory per 1 January 2014 have been taken into consideration.

The same accounting and valuation methods were applied as to the consolidated annual accounts as per 31 December 2013. This abridged interim report per 31 March 2014 has been prepared in compliance with IAS 34 "Interim Financial Reporting" and the German accounting standard DRS 16 "Interim Financial Reporting". The rate for the consolidated tax on income remains unchanged at 30.25%. The preparation of the interim report requires management to make a number of assumptions and estimates, a situation which can lead to deviations between the values disclosed in the interim report and the actual values.

In December 2013, Drillisch AG issued a non-subordinated convertible bond with a total volume of €100.0m and a term of five years. The convertible bond includes an annual coupon of 0.75%. The bond was issued at 100% of the nominal value and will also be redeemed at 100%. The convertible bond was issued pursuant to the related authorisation adopted by the Annual General Meeting on 16 May 2013. The conversion right is recognised in the capital surplus at a value of €12.4m. It has been possible to convert the 1,000 bonds with a nominal value of €100k each into Drillisch AG stock at an initial price of €24.2869 per share since 22 January 2014, corresponding to 4,117.446 shares per partial debenture. The term of the bond ends on 12 December 2018.

The liability for the bond will be discounted in accordance with the effective interest rate method.

Consolidated Notes

3. Treasury stock

The Annual General Meeting on 16 May 2013 adopted a resolution authorising the Drillisch AG Management Board to acquire treasury stock totalling up to 10% of the share capital at the time of the Annual General Meeting 2013 on or before 15 May 2018. This repurchase right has not been exercised in the current fiscal year.

Per 31 March 2014, Drillisch AG held 5,189,015 shares of treasury stock representing €5,707,916.50 (9.76%) of the share capital.

4. Profit per share

The undiluted profit per share is calculated in accordance with IAS 33.9 et seqq. by dividing the consolidated profit from continuing business operations by the weighted average of the number of ordinary shares outstanding.

The diluted profit per share is calculated in accordance with IAS 33.30 et seqq. by dividing the consolidated results, adjusted for the after-tax effects of any interest recognised in the period related to potential ordinary shares, from continuing business operations by the weighted average number of shares outstanding plus the weighted number of shares which would be issued on the conversion of all dilutive potential shares into ordinary shares.

	I/2014	I/2013
Consolidated profit in €k	12,169	121,757
Weighted average less own shares held (number)	48,000,000	48,075,202
Undiluted consolidated profit per share in €	0,25	2,53
Consolidated profit in €k	12,169	121,757
Net effect on results from convertible bond in €k	575	0
Adjusted consolidated profit in €k	12,744	121,757
Weighted average less own shares held (number)	48,000,000	48,075,202
Shares from convertible bond to be included as average (number)	4,117,446	0
Diluted consolidated profit per share in €	0.24	2.53

Consolidated Notes

5. Explanatory comments on cash flow statement

The liquidity (cash) shown in the cash flow statement includes cash on hand and cash in banks which are shown under Cash in the consolidated balance sheet.

The cash flow statement has been prepared in compliance with IAS 7 and breaks down the changes in cash according to payment flows from current business, investment and financing activities. The cash flow from current business activities in this case is determined according to the indirect method.

Just as was the case in the quarters Q2 to Q4 2013, the cash flow statement per 31 March 2014 begins with the consolidated earnings before interest and taxes (EBIT) instead of with the consolidated profit. Since Q2 2013, the paid and received interest has been allocated to the cash flow from financial activities or the cash flow from investment activities instead of as previously the cash flow from current business activities. This provides a better insight into the financial situation of the Group because the amount and timing of interest payments are connected with financing and investment decisions. The presentation of the comparative figures from Q1 2013 has been adjusted accordingly.

6. Segment presentation

The segment report is based on the internal organisation and reporting structure. It differentiates among the products and services offered by the various segments of Drillisch Group. The software services segment and – in the previous year – the freenet AG holding segment are shown in addition to the telecommunications segment.

The activities of the Group in the sector of wireless services are bundled in the telecommunications segment. The operating companies in Drillisch Group market wireless services from all four of the wireless services network operators active in Germany. The advance services acquired from the network operators Telekom Deutschland GmbH, Vodafone D2 GmbH, E-Plus Mobilfunk GmbH and Telefónica O2 Germany GmbH & Co. OHG are sold further to the end consumers for the Company's own account and at rates established by Drillisch on the basis of its own calculations.

Activities related to the development and marketing of a workflow management software are bundled in the software services segment.

In the previous year, the holding in freenet AG was disclosed in the freenet holding segment; this holding was sold completely in fiscal year 2013.

Consolidated Notes

Segment Report 01/01/2014 – 31/03/2014	Telecommuni- cations	Software services	Total
	€k	€k	€k
Sales with third parties	71,286	38	71,324
Inner-company sales	0	1,856	1,856
Consolidation	0	-1,856	-1,856
Segment sales	71,286	38	71,324
Segment EBITDA	20,519	8	20,527
Amortisation and depreciation	-2,475	0	-2,475
Segment EBIT	18,044	8	18,052
Result from financial investments shown in the balance sheet according to the equity method	0	0	0
Result from fair value measurement of hedge transactions	0	0	0
Result from fair value measurement of financial derivatives related to the issue of a debenture bond	0	0	0
Result from change in valuation methods	0	0	0
Other financial results	0	0	0
Other financial results per comprehensive income statement	0	0	0
Interest income	287	0	287
Interest and similar expenses	-890	0	-890
Financial result	-603	0	-603
Profit before taxes	17,441	8	17,449
Taxes on income	-5,278	-2	-5,280
Consolidated results	12,163	6	12,169

Consolidated Notes

Segment Report 01/01/2013 – 31/03/2013	Tele- communi- cations	Software services	freenet holding	Total
	€k	€k	€k	€k
Sales with third parties	74,690	38	0	74,728
Inner-company sales	0	1,676	0	1,676
Consolidation	0	-1,676	0	-1,676
Segment sales	74,690	38	0	74,728
Segment EBITDA	16,189	-1	0	16,188
Amortisation and depreciation	-2,441	0	0	-2,441
Segment EBIT	13,748	-1	0	13,747
Result from financial investments shown in the balance sheet according to the equity method	0	0	10,281	10,281
Result from fair value measurement of hedge transactions	0	0	26,154	26,154
Result from fair value measurement of financial derivatives related to the issue of a debenture bond	0	0	-36,625	-36,625
Result from change in valuation methods	0	0	115,856	115,856
Other financial results	0	0	0	0
Other financial results per comprehensive income statement	0	0	105,385	105,385
Interest income	271	0	0	271
Interest and similar expenses	-8	0	-2,815	-2,823
Financial result	263	0	112,851	113,114
Profit before taxes	14,011	-1	112,851	126,861
Taxes on income	-4,238	0	-866	-5,104
Consolidated results	9,773	-1	111,985	121,757

Consolidated Notes

The Group's assets and liabilities are almost exclusively attributable to the telecommunications segment. In the previous year, the equity holding of €259.8m and financial liabilities of €245.2m were classified in the freenet holding segment.

The consolidation includes the elimination of the business relationships within or between the segments. Such relationships are essentially the offsetting of the expenses and income within the Group. The accounting principles (IFRS as they are to be applied in the EU) are identical for all of the segments.

The transfer prices correspond on principle to the prices determined by arm's length comparison. Since Drillisch Group is active only in Germany, there are no geographic segments. The most important non-operating segment expenses and income include the allocations to the provisions and, in the previous year, the measurement of the hedging transactions and the equity result.

7. Relations to relatives and companies

Per 31 March 2014, there were claims due from and liabilities due to relatives and companies as shown below:

The Baugemeinschaft Maintal, consisting of the shareholders Paschalis Choulidis and Marianne Choulidis, has let office space in Maintal to Drillisch Group. The lease runs until 31 December 2020. Rent expenses for the first 3 months of 2014 amounted to €127k (previous year: €127k).

The company VPM Immobilien Verwaltungs GmbH, Maintal (partners: Vlasios Choulidis, Paschalis Choulidis and Marc Brucherseifer), has let office space in Maintal to Drillisch Group. The lease runs until 31 December 2020. Rent expenses for the first 3 months of 2014 amounted to €31k (previous year: €0k).

There were no amounts due to or due from the relatives and companies mentioned above per 31 March 2014 and per 31 March 2013.

The company Frequenzplan GmbH, Planegg (shareholder Mr Tobias Valdenaire), realised sales in the amount of €52k (previous year: €28k) with Drillisch Group in the first 3 months of 2014. The amount of €24k (previous year: €0k) was owed to this company per 31 March 2014.

The company Flexi Shop GmbH, Frankfurt am Main (shareholder Mr Jannis Choulidis), realised sales in the amount of €35k (previous year: €50k) with Drillisch Group in the first 3 months of 2014. The amount of €7k (previous year: €16k) was owed to this company per 31 March 2014.

8. Financial Instruments

The book value in each case for short-term financial assets and liabilities which are not derivatives is a reasonable approximation of the attributable fair value.

No measurements at Level 1 (publicly noted prices), Level 2 (derived from market value) and Level 3 (no observable market values, valuation based on valuation models) of the fair value hierarchy for long-term financial assets and liabilities measured at fair value have been made.

Finance and Event Calendar · Publications · Your Contacts · Information and Order Service

Financial Dates 2014*

Date	Event
Wednesday, 14 March	Report on Q1-2014
Wednesday, 21 May	Annual General Meeting
Thursday, 14 August	Report on H1-2014
Friday, 14 November	Report on 9M-2014
November	DVFA Analyst Event

* Subject to change

Publications

The present report on the first quarter 2014 is also available in German.

You can view and download our business and quarterly reports, ad-hoc announcements, press releases and other publications about Drillisch AG at www.drillisch.de.

Your Contacts

Our Press/Investor Relations Department will be glad to answer any questions you may have concerning the Annual Report and Drillisch AG:

Oliver Keil, Head of Investor Relations

Wilhelm-Röntgen-Strasse 1-5
D – 63477 Maintal
Telephone: +49 (0) 6181 / 412 200
Fax: +49 (0) 6181 / 412 183
E-Mail: ir@drillisch.de

Peter Eggers, Press Spokesman (Products)

Wilhelm-Röntgen-Strasse 1-5
D – 63477 Maintal
Telephone: +49 (0) 6181 / 412 124
Fax: +49 (0) 6181 / 412 183
E-Mail: presse@drillisch.de

www.drillisch.de

Information and Order Service

Please use our online order service on our website www.drillisch.de.

Naturally, we would also be happy to send you the desired information by post or by fax. We will be glad to help you with any personal queries by telephone.

Editorial Information



Company Headquarters:

Wilhelm-Röntgen-Straße 1-5
D – 63477 Maintal
Telephone: + 49 (0) 6181 / 412 3
Fax: + 49 (0) 6181 / 412 183

Responsible:

Drillisch AG

Management Board:

Paschalis Choulidis (Spokesperson)
Vlasios Choulidis

Supervisory Board:

Marc Brucherseifer, Dipl.-Kfm.
(Chairman)
Dr Susanne Rückert
(Deputy Chairperson)
Dr Horst Lennertz, Ingenieur
Frank A. Rothauge, Dipl.-Kfm.
Dr Bernd H. Schmidt
Johann Weindl, Dipl.-Kfm.

Investor Relations Contact:

Telephone: + 49 (0) 6181 / 412 200
Fax: + 49 (0) 6181 / 412 183
E-mail: ir@drillisch.de

Commercial Register Entry:

HRB 7384 Hanau
VAT ID No.: DE 812458592
Tax No.: 03522506037
Offenbach City Tax Office

Disclaimer:

The information provided in this publication has been checked carefully. However, we cannot guarantee that all specifications are complete, correct and up to date at all times.

Future-oriented Statements:

This report contains certain statements oriented to the future which are based on the current assumptions and projections of the management of the Drillisch Group. Various risks, uncertainties and other factors, both known and unknown, can cause the actual results, financial position, development or performance of the Company to deviate substantially from the assessments shown here. The factors described in our reports to the Frankfurt Stock Exchange are among such factors. The Company does not undertake any obligation to update such future-oriented statements and to adapt them to future events or developments.

