Q1/2017

Quarterly report

Wacker Neuson Group

Figures at a glance

JANUARY 1 THROUGH MARCH 31

IN € MILLION

	Jan. 1–Mar. 31, 2017	Jan. 1–Mar. 31, 2016	Change[1]
Key figures			
Revenue	338.5	316.4	7% (6%)
by region			
Europe	248.1	227.4	9% (9%)
Americas	80.9	71.6	13% (9%)
Asia-Pacific	9.5	17.4	-45% (-48%)
by business segment[2]			
Light equipment	98.4	91.7	7% (5%)
Compact equipment	176.4	165.2	7% (6%)
Services	68.7	63.5	8% (7%)
EBITDA	31.7	34.2	-7%
Depreciation and amortization	17.4	16.7	4%
EBIT	14.3	17.5	-18% (-17%)
EBT	13.1	15.7	-17%
Profit for the period	9.3	11.3	-18% (-17%)
Number of employees	4,883	4,646	5%
Share			
Earnings per share in €[3]	0.13	0.16	-19%
Dividend per share in €	0.50[4]	0.50	0%
Key profit figures			
Gross profit as a %	27.1	27.5	-0.4 PP
EBITDA margin as a %	9.4	10.8	-1.4 PP
EBIT margin as a %[5]	4.2 (4.8)	5.5 (4.0)	-1.3 PP (+0.8 PP)
Cash flow			
Cash flow from operating activities	1.6	-6.1	-
Cash flow from investment activities	-32.7	-29.7	10%
Capital expenditure (property, plant and equipment and intangible assets)	-35.5	-30.4	17%
Cash flow from financing activities	27.5	27.3	1%
Free cash flow	-31.1	-35.8	-13%

	Mar. 31, 2017	Dec. 31, 2016	Change Dec. 31, 2016	Mar. 31, 2016	Change Mar. 31, 2016
Key figures from the balance sheet					
Non-current assets	897.6	879.4	2%	858.5	5%
Current assets	746.1	701.4	6%	722.8	3%
Equity before minority interests	1,100.6	1,087.2	1%	1,062.4	4%
Net financial debt	237.2	205.8	15%	234.6	1%
Liabilities	542.1	488.2	11%	513.8	6%
Equity ratio before minority interests as a %	67.0	68.8	-1.8 PP	67.2	-0.2 PP
Net working capital	590.0	569.3	4%	599.2	-2%

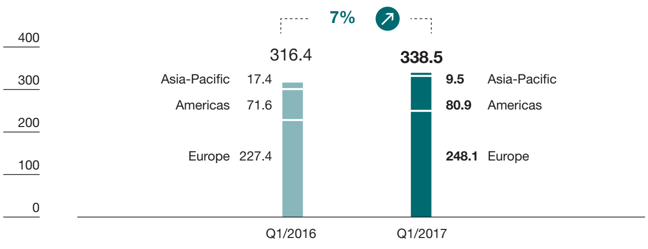
[1] In brackets: Adjusted to discount currency effects.
[2] Consolidated revenue before cash discounts.
[3] After minority interests.
[4] Dividend proposal for the AGM on May 30, 2017.
[5] In brackets: Adjusted to discount positive one-off effect resulting from intercompany profit elimination in the previous year (change in the method for evaluating inventories) and negative one-off effect in Q1/2017 resulting from increased expenses for the Executive Board.

Currency effects resulting from the evaluation of receivables and payables in foreign currencies and from the evaluation of cash and cash equivalents are recognized in the financial result as of Q1/2017 (previously recognized under cost of sales as well as other income and/or other expenses). Q1/2014 to Q1/2016 have been adjusted accordingly.

All consolidated figures prepared according to IFRS. To improve readability, the figures in this report have been rounded to the nearest EUR million. Percentage changes refer to these rounded amounts.

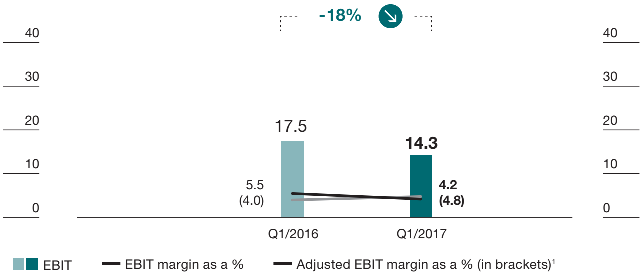
REVENUE DEVELOPMENT BY REGION

IN € MILLION



EBIT

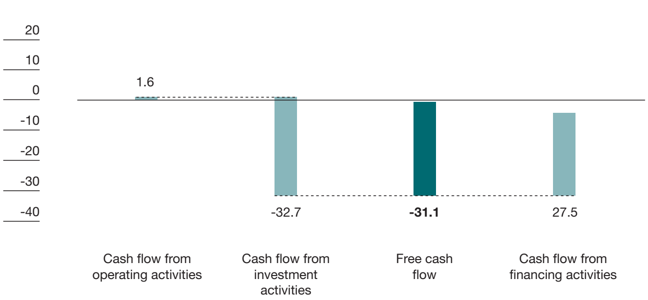
IN € MILLION AS A %



[1] Adjusted to discount positive one-off effect resulting from intercompany profit elimination in the previous year (change in the method for evaluating inventories) and negative one-off effect in Q1/2017 resulting from increased expenses for the Executive Board.

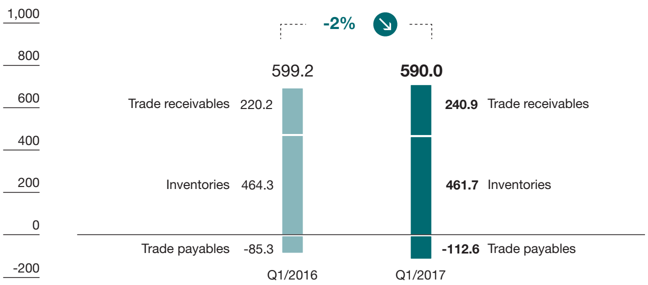
CASH FLOW

IN € MILLION



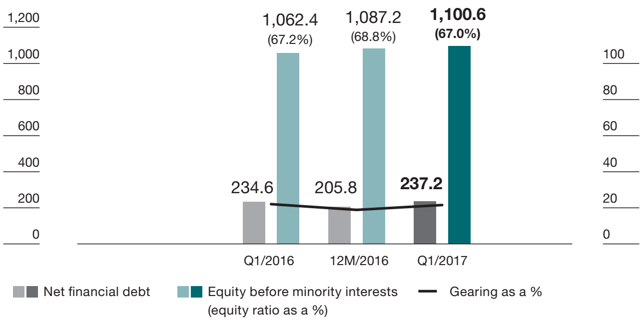
NET WORKING CAPITAL

IN € MILLION



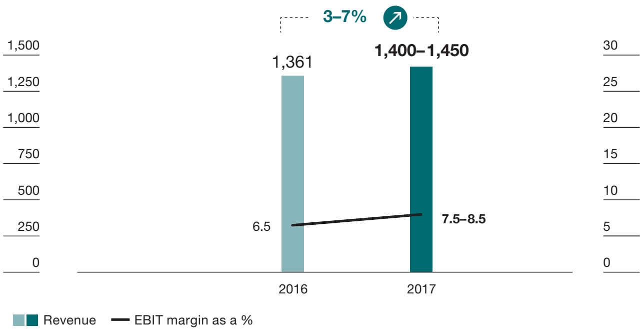
BALANCE SHEET RATIOS

IN € MILLION AS A %



FORECAST FISCAL YEAR 2017

IN € MILLION AS A %



Cem Peksaglam
CEO

Dear Shareholders, Dear Ladies and Gentlemen,

The first quarter of 2017 developed very promisingly for our Group. We reported revenue of around EUR 339 million, which is a record figure for a first quarter and an increase of 7 percent relative to the previous year. This rise was fueled by a general upturn in most of our target industries, especially in the Americas and across almost all of Europe.

Our core market Europe, which accounts for over 73 percent of revenue, reported a 9-percent increase in revenue relative to the previous year. German-speaking countries were key growth drivers here, along with Scandinavia and France. We also reported gains in Southern and Eastern Europe, with the exception of Turkey. The investment mood across the agricultural sector is once again buoyant and this optimism has been reflected in high order intake for our Group brands Weidemann and Kramer.

Looking at the regional breakdown, we experienced the strongest Q1 growth in the Americas, with revenue here increasing 13 percent relative to the previous year. Although demand in the oil and gas sector in North America remained weak, we benefited from an upturn in other areas, in particular the construction industry. Moving beyond persistent problems with the start-up of skid steer loader production, these machines were now once again able to contribute to growth in the region during the first quarter. We unveiled our new, medium-sized loader models at ConExpo in Las Vegas in March and these were extremely well received by our customers. Business in South America also showed positive momentum as anticipated, with the region reporting double-digit gains. We have been manufacturing mobile generators at a new assembly plant in Brazil since April of last year. Our recently announced OEM partnership with Brazilian backhoe loader manufacturer Randon will further enhance our product portfolio for South America.

In the previous year, revenue in Asia-Pacific almost doubled due to a one-off effect linked to dealers in China stocking up on compact equipment. This effect was not repeated during the first quarter of 2017, as anticipated, which meant that revenue for the region was 45 percent lower than the prior-year level. Business in Australia and New Zealand developed positively for the first time in a long period, with the two countries posting high double-digit revenue growth. Although Asia-Pacific as a whole accounted for just 3 percent of Group revenue in the first quarter of 2017, it will become an increasingly important region over the next years. Growth here will be fueled in particular by the rapidly expanding market for compact equipment, which we plan to supply through our new production site currently under construction in Pinghu, near Shanghai in China. We have also entered into long-term alliances with regional partners who are well-known in our industry. Giving us access to established sales networks, these collaborations will enable us to expand our market presence more rapidly.

After experiencing losses in 2016, the light equipment segment increased revenue by over 7 percent in the first quarter of 2017. This was primarily due to increased demand for soil compaction equipment, above all in Europe, where we hold several market-leading positions. The compact equipment segment expanded by almost 7 percent in the first three months of the year and the services segment by 8 percent.

Profit before interest and tax (EBIT) decreased 18 percent to EUR 14 million in the first quarter and the EBIT margin narrowed from 5.5 percent in the previous year to 4.2 percent. This decrease is not attributable to our operating activities. Instead, it is the result of one-off effects linked to a change in the evaluation method for inventories as part of the elimination of intercompany profit in the prior-year quarter as well as higher one-off expenses for the Executive Board in the first quarter of 2017. Our adjusted profit figures clearly show that our operational profitability increased in recent months. When adjusted for the two one-off effects, EBIT for Q1 2017 rose 28 percent relative to the previous year. The adjusted EBIT margin for the first three months of the year amounted to 4.8 percent and was thus higher than the adjusted figure of 4.0 percent for the first quarter of 2016.

We expect the positive trend in our business to continue throughout 2017 and confirm the forecast for the year that we issued in mid-March. We expect revenue to rise by between 3 and 7 percent to reach somewhere between EUR 1.40 and EUR 1.45 billion (2016: EUR 1.36 billion) and the EBIT margin to range between 7.5 and 8.5 percent (2016: 6.5 percent). This profit forecast does not include potential one-off earnings in the mid-double-digit million euro range from the sale of a real-estate company held by the Group, which we announced back in February.

Our AGM will take place in Munich on May 30, 2017. The Supervisory and the Executive Boards will propose a dividend of EUR 0.50 per registered share at the AGM. This reflects our confidence in our earnings power and the ongoing success of our corporate strategy. It also keeps the dividend at the same level as the previous two years, despite the challenging times.

And now, I would like to add a few words of a more personal nature. As you presumably know, I will not be renewing my six-year contract as CEO of Wacker Neuson SE. This was a very difficult decision for me. I have very much enjoyed serving the company, its shareholders, customers and employees, and today, our organization is stronger and more competitive than it was six years ago. I will be taking with me many positive experiences and memories and will always feel a strong sense of connection with the company. I firmly believe that Wacker Neuson will continue to impress its shareholders in the future. I would like to sincerely thank both the shareholders and employees of Wacker Neuson for the trust and loyalty you have shown me.

I wish you all the very best for the future.

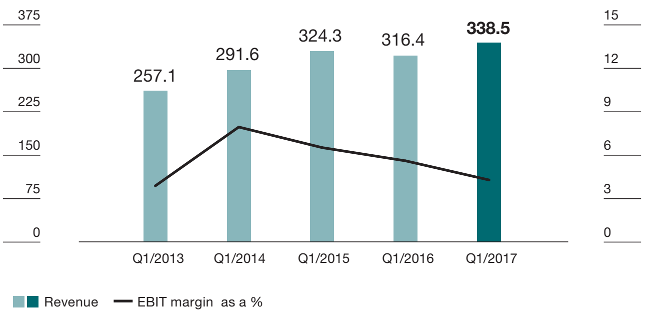
Best regards,

Cem Peksaglam
CEO of Wacker Neuson SE

Business trends in Q1 2017

DEVELOPMENT OF REVENUE AND EBIT MARGIN Q1 2013–2017

IN € MILLION AS A %



Revenue and earnings

During the first quarter of 2017, Wacker Neuson Group revenue increased relative to the prior-year figure to reach a new record level. This rise was fueled by improved market dynamics, above all strong demand from the construction sector in the Americas and almost all parts of Europe. At EUR 338.5 million, revenue was 7.0 percent above the prior-year quarter (previous year: EUR 316.4 million). Adjusted to discount currency effects, this corresponds to an increase of 5.9 percent.

Manufacturing costs for the first three months of the year rose 7.5 percent to EUR 246.6 million (previous year: EUR 229.4 million). This increase was primarily attributable to the rise in revenue. Gross profit amounted to EUR 91.9 million and was 5.6 percent higher than the prior year (previous year: EUR 87.0 million). The gross profit margin amounted to 27.1 percent (previous year: 27.5 percent).

Operating costs (discounting other operating income/expenses) rose 12.0 percent to EUR 79.6 million in the first three months of the year (previous year: EUR 71.1 million). Their share of revenue thus amounted to 23.5 percent (previous year: 22.5 percent). Other income/expenses increased from EUR 1.5 million to EUR 1.9 million.

Write-downs for the first quarter amounted to EUR 17.4 million (previous year: EUR 16.7 million) and thus corresponded to 5.1 percent of revenue (previous year: 5.3 percent). Profit before interest and tax (EBIT) in the first quarter decreased 18.3 percent to EUR 14.3 million (previous year: EUR 17.5 million). Adjusted to discount currency effects, this corresponds to a drop of 17.1 percent. The EBIT margin narrowed to 4.2 percent (previous year: 5.5 percent).

When comparing figures with the previous year, it should be noted that profit was impacted by one-off effects amounting to EUR 6.8 million in total. These resulted from a change in the method used to evaluate inventories as part of the elimination of intercompany profit in the first quarter of 2016, and changes to the Executive Board in the first quarter of 2017. When adjusted for these effects, EBIT for Q1 2017 was 28 percent higher than the same figure in the prior-year quarter. The adjusted EBIT margin amounted to 4.8 percent in the reporting period and was thus higher than the adjusted figure of 4.0 percent reported for Q1 2016. This development shows that the company's operational profitability is improving once again.

The increase in consolidation effects relative to the prior-year quarter is due, on the one hand, to a rise in inventories and a change in their composition, and, on the other hand, to increased investments in the Group's rental fleet. → Table, page 6

The financial result for the period under review amounted to EUR -1.2 million (previous year: EUR -1.8 million). Tax expenditure amounted to EUR 3.7 million (previous year: EUR 4.4 million). The tax rate was thus 28.6 percent (previous year: 28.2 percent).

Net profit for the first three months of 2017 was EUR 9.3 million and thus 17.7 percent lower than the prior-year figure of EUR 11.3 million. Adjusted to discount currency effects, this corresponds to a drop of 16.8 percent. Earnings per share[1] thus amounted to EUR 0.13. This decrease relative to the previous year was due to the causes stated above (previous year: EUR 0.16).

Financials and assets

Cash flow from operating activities increased relative to the prior-year quarter to EUR 1.6 million (previous year: EUR -6.1 million). This is primarily due to changes in net working capital[2] (EUR -21.4 million in Q1 2017; previous year: EUR -35.8 million). Discounting changes to net working capital, cash flow from operating activities amounted to EUR 23.0 million (previous year: EUR 29.7 million).

Cash flow from investment activities came to EUR -32.7 million in the first quarter of 2017 (previous year: EUR -29.7 million). The

[1] After minority interests.
[2] Net working capital = inventories + trade receivables - trade payables.

REGIONAL DEVELOPMENTS IN REVENUE AND EBIT

IN € MILLION

	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	Europe		Americas		Asia-Pacific		Consolidation		Group	
Q1										
Total sales	480.9	409.7	199.9	173.6	12.1	20.4			692.9	603.7
Sales to third parties	248.1	227.4	80.9	71.6	9.5	17.4			338.5	316.4
EBIT	31.7	20.5	1.9	-1.3	-1.8	0.2	-17.5	-1.9	14.3	17.5
EBIT margin[1] (as a %)	12.8	9.0	2.3	-1.8	-18.9	1.1			4.2	5.5

[1] EBIT margin on sales to third parties.

Group made investments amounting to EUR 35.5 million in total, of which EUR 31.9 million was channeled into property, plant and equipment. This includes investments in the Group's rental fleet in Europe and investments in technical equipment. Free cash flow[1] improved slightly relative to the prior-year quarter and was EUR -31.1 million at the close of the first quarter of 2017 (previous year: EUR -35.8 million).

At EUR 27.5 million, cash flow from financing activities was on a par with the prior year (previous year: EUR 27.3 million).

Net working capital amounted to EUR 590.0 million in the first three months of 2017 (+3.6 percent relative to December 31, 2016: EUR 569.3 million; -1.5 percent relative to March 31, 2016: EUR 599.2 million). The increase in net working capital relative to December 31, 2016, was fueled by the rise in inventories in response to the positive outlook and the increase in receivables resulting from strong revenue in the first quarter. The ratio of net working capital to annualized revenue amounted to 43.6 percent[2] and was thus lower than the previous year's ratio (previous year: 47.3 percent[3]).

Group equity before minority interests amounted to EUR 1,100.6 million at the close of March 2017, which resulted in an equity ratio before minority interests of 67.0 percent.

The termination of the strategic alliance with agricultural equipment manufacturer CLAAS resulted in shifts in the share structure and a change in the shareholders of Kramer-Werke GmbH. As a result, the minority interest fell from EUR 5.4 million to EUR 1.0 million at March 31, 2017. Thus, minority interests were reclassified as equity, which increased correspondingly.

Changes to the Executive Board

On January 1, 2017, Wilfried Trepels was appointed to the Executive Board as the new CFO of the Wacker Neuson Group. In this role, Mr. Trepels is responsible for controlling, accounting, Group auditing and IT. Mr. Trepels took over from Günther C. Binder, who stepped down from his position on the Executive Board on December 31, 2016.

At the start of the year, Jan Willem Jongert (CSO) and the Supervisory Board reached an amicable mutual agreement for Mr. Jongert to leave the company earlier than planned. He stepped down from his position on January 9, 2017. On January 10, 2017, Mr. Jongert was succeeded by Alexander Greschner. In his new role as Chief Sales Officer (CSO), Mr. Greschner is now responsible for the global sales, service, logistics and marketing activities of the Wacker Neuson Group.

CEO Cem Peksaglam has informed the Supervisory Board that, following the successful realignment of the Group's strategy, he does not intend to renew his contract as he has decided to pursue new endeavors. Mr. Peksaglam's six-year contract will expire in August 2017. In addition to his role as CEO, Cem Peksaglam is responsible for the areas of strategy, mergers and acquisitions, HR, legal, compliance, real estate, investor relations, corporate communication and sustainability. He was also responsible for the Group's sales, service, logistics and marketing activities for a number of years until a new CSO was appointed to the Executive Board. The company will announce Mr. Peksaglam's successor in due time.

Schuldschein loan successfully placed

On February 28, 2017, Wacker Neuson SE successfully placed a Schuldschein loan at favorable conditions. Brokered by the Landesbank Hessen-Thüringen Girozentrale, the Schuldschein loan in the amount of EUR 125 million was successfully placed with institutional investors based on a fixed interest rate of 0.69 percent per annum and a term of five years. The funds from the loan were used to repay a tranche of a Schuldschein loan placed in 2012 in the amount of EUR 90 million which was due in February 2017, and to generally finance the company.

Net financial debt[4] rose to EUR 237.2 million (December 31, 2016: EUR 205.8 million; March 31, 2016: EUR 234.6 million). Gearing[5] amounted to 21.6 percent (December 31, 2016: 18.9 percent; March 31, 2016: 22.1 percent).

[1] Free cash flow = cash flow from operating activities + cash flow from investment activities.
[2] Note on calculation: 590.0/(338.5*4) = 43.6 percent.
[3] Note on calculation: 599.2/(316.4*4) = 47.3 percent.
[4] Net financial debt = long- and short-term borrowings + current portion of long-term borrowings - marketable securities - cash and cash equivalents.
[5] Gearing = net financial debt/equity before minority interests.

REVENUE BY BUSINESS SEGMENT
IN € MILLION

	Q1/2017	Q1/2016	Change
Segment revenue			
Light equipment	98.4	91.7	7.3%
Compact equipment	176.4	165.3	6.8%
Services	68.7	63.5	8.2%
	343.5	320.4	7.2%
Less cash discounts	-5.0	-4.0	25.0%
Total	338.5	316.4	7.0%

Results by region

Europe

In Europe, demand from the construction sector was particularly strong. In the first three months of 2017, revenue in Europe[1] increased 9.1 percent to EUR 248.1 million (previous year: EUR 227.4 million). Adjusted to discount currency effects, this corresponds to a rise of 9.1 percent. The region's share of total revenue amounted to 73.3 percent (previous year: 71.9 percent).

Business developed particularly well in German-speaking countries as well as in Scandinavia and France. The Group also reported gains in Southern and Eastern Europe, with the exception of Turkey.

Profit before interest and tax (EBIT) in Europe rose to EUR 31.7 million (previous year: EUR 20.5 million).

Americas

During the period under review, revenue in the Americas region rose 13.0 percent relative to the previous year to reach EUR 80.9 million (previous year: EUR 71.6 million). Discounting currency effects, revenue in the region increased overall by 8.5 percent. The region's share of total revenue amounted to 23.9 percent (previous year: 22.6 percent). At EUR 1.9 million, EBIT was again positive (previous year: EUR -1.3 million).

During the first quarter of 2017, the Group reported first gains with compact equipment manufactured in the US. Revenue generated by compact equipment manufactured in Europe also increased relative to the previous year. In contrast, demand in the oil and gas industry in Canada and the US remained weak during the period under review. In the previous year, demand in this sector virtually ground to a halt. Business in South America improved significantly compared with the prior-year period, with the region reporting double-digit growth.

Asia-Pacific

In the Asia-Pacific region, revenue decreased 45.4 percent from EUR 17.4 million in the previous year to EUR 9.5 million; adjusted to discount currency effects, this represents a drop of 48.0 percent. The region's share of total revenue amounted to 2.8 percent (previous year: 5.5 percent). This considerable drop in revenue was largely due to the situation in China, where dealers of Wacker Neuson compact equipment stocked up on machines in the first quarter of 2016. The Group is currently constructing a production plant in China and will initially manufacture excavators at this site. The company still expects business to develop positively in China during the year as a whole. Revenue in Australia and New Zealand developed well above the previous year's levels. EBIT amounted to EUR -1.8 million (previous year: EUR 0.2 million).

Revenue in emerging markets[2] decreased 23.6 percent relative to the previous year. As described above, this was mainly due to dealers in China stocking up on machines in the first quarter of 2016. The region's share of total revenue in Q1 2017 thus fell to 8.5 percent (previous year: 12.0 percent). Strong revenue growth in established markets also had an impact here.

Business trends by segment

Light equipment

Light equipment revenue before cash discounts for the quarter rose 7.3 percent to EUR 98.4 million (previous year: EUR 91.7 million). Currency effects played a bigger role here than with compact equipment as the light equipment segment has wider international reach. Adjusted to discount currency effects, revenue rose 4.8 percent. This segment's share of total revenue remained level with the previous year at 28.6 percent (previous year: 28.6 percent).

[1] Including South Africa, Turkey and Russia. The Wacker Neuson Group includes these countries in its Europe segment even though – geographically speaking – they are located outside of the region.

[2] The term "emerging markets" refers to 35 countries according to the Dow Jones definition: Argentina, Bahrain, Brazil, Bulgaria, Chile, China, Colombia, Czech Republic, Egypt, Estonia, Hungary, India, Indonesia, Jordan, Kuwait, Latvia, Lithuania, Malaysia, Mauritius, Mexico, Morocco, Oman, Pakistan, Peru, Philippines, Poland, Qatar, Romania, Russia, Slovakia, South Africa, Sri Lanka, Thailand, Turkey, United Arab Emirates.

Compact equipment

Compact equipment revenue before cash discounts increased to EUR 176.4 million. This is a 6.8 percent rise from the previous year's figure of EUR 165.2 million. Adjusted to discount currency effects, revenue grew by 6.4 percent. This segment's share of total revenue amounted to 51.4 percent (previous year: 51.6 percent).

At March 31, 2017, accumulated order intake for compact equipment (including orders for internal deliveries) was around 11 percent higher than the previous year. Order backlog at the close of the quarter was a significant 22 percent above the previous year's level.

Revenue generated by agricultural equipment before cash discounts narrowed by 2.3 percent in the first quarter of 2017 to EUR 46.4 million (previous year: EUR 47.5 million).[1] Agricultural compact equipment accounted for 13.5 percent of total revenue (previous year: 14.8 percent). Group-brands Kramer and Weidemann reported double-digit growth in revenue in the agricultural sector. This rise is offset by the loss in revenue resulting from the strategic alliance with CLAAS, which will come to an end at the close of the year. Buoyed by greater willingness to invest among agricultural landholders, the company expects revenue generated by agricultural equipment to increase for the year as a whole relative to the previous year.

Services

In the first quarter of 2017, revenue before cash discounts in the services segment increased 8.2 percent to reach EUR 68.7 million (previous year: EUR 63.5 million). Adjusted to discount currency effects, this corresponds to a rise of 7.1 percent. This segment's share of total revenue amounted to 20.0 percent (previous year: 19.8 percent).

Opportunities and outlook

The company has not identified any risks to the Wacker Neuson Group as at March 31, 2017 that deviate from the risk situation reported in the 2016 consolidated financial statements.

The current healthy order situation, positive trends in the core markets of Europe and the US, a more upbeat mood in the agricultural sector, growing business momentum in South America and a gradual recovery in markets dependent on the price of raw materials (including Australia) all indicate that the positive revenue trends in the first quarter of 2017 are set to continue through the rest of the year. The Executive Board still expects revenue for fiscal 2017 to amount to between EUR 1.40 and EUR 1.45 billion (2016: EUR 1.36 billion) and the EBIT margin[2] to range between 7.5 and 8.5 percent (2016: 6.5 percent).

For the current fiscal year, the Group has earmarked around EUR 120 million in total for investments (2016: EUR 107 million). As in the previous year, the Wacker Neuson Group aims to fund investments with cash flow from operating activities and expects positive free cash flow at the close of the year.

[1] Includes revenue generated with our alliance partner Claas.

[2] Based on operational profitability - discounting one-off income from a potential transaction related to a real estate deal made by the Group.

Consolidated Income Statement

JANUARY 1 THROUGH MARCH 31

IN € K

	Jan. 1 – Mar. 31, 2017	Jan. 1 – Mar. 31, 2016	Change
Revenue	338,520	316,422	7%
Cost of sales	-246,593	-229,424	7%
Gross profit	**91,927**	**86,998**	**6%**
Sales and service expenses	-49,825	-45,980	8%
Research and development expenses	-9,161	-8,855	3%
General administrative expenses	-20,566	-16,204	27%
Other income	2,074	1,712	21%
Other expenses	-175	-193	-9%
Profit before interest and tax (EBIT)	**14,274**	**17,478**	**-18%**
Financial income	781	411	90%
Financial expenses	-1,971	-2,188	-10%
Profit before tax (EBT)	**13,084**	**15,701**	**-17%**
Taxes on income	-3,737	-4,428	-16%
Profit for the period	**9,347**	**11,273**	**-17%**
Of which are attributable to:			
Shareholders in the parent company	9,104	11,146	-18%
Minority interests	243	127	91%
	9,347	**11,273**	**-17%**
Earnings per share in euros (diluted and undiluted)	**0.13**	**0.16**	**-19%**

Currency effects resulting from the evaluation of receivables and payables in foreign currencies and from the evaluation of cash and cash equivalents are recognized in the financial result as of Q1/2017 (previously recognized under cost of sales as well as other income and/or other expenses). The prior year has been adjusted accordingly.

Consolidated Balance Sheet

AS AT MARCH 31

IN € K

	Mar. 31, 2017	Dec. 31, 2016	Change
Assets			
Property, plant and equipment	438,722	427,847	3%
Property held as a financial investment	20,881	23,151	-10%
Goodwill	238,458	238,597	0%
Intangible assets	124,938	124,933	0%
Deferred tax assets	43,760	39,125	12%
Other non-current financial assets	28,235	24,543	15%
Other non-current non-financial assets	2,571	1,192	116%
Total non-current assets	**897,565**	**879,388**	**2%**
Inventories	461,692	443,116	4%
Trade receivables	240,918	213,761	13%
Tax offsets	10,127	9,877	3%
Other current financial assets	2,481	2,501	-1%
Other current non-financial assets	15,384	14,569	6%
Cash and cash equivalents	14,049	17,572	-20%
Non-current assets held for sale	1,438	0	-
Total current assets	**746,089**	**701,396**	**6%**
Total assets	**1,643,654**	**1,580,784**	**4%**
Liabilities			
Subscribed capital	70,140	70,140	0%
Other reserves	612,004	612,392	0%
Net profit/loss	418,418	404,669	3%
Equity attributable to shareholders in the parent company	**1,100,562**	**1,087,201**	**1%**
Minority interests	**987**	**5,389**	**-82%**
Total equity	**1,101,549**	**1,092,590**	**1%**
Long-term financial borrowings	154,919	30,019	416%
Deferred tax liabilities	29,592	30,803	-4%
Long-term provisions	53,659	54,243	-1%
Total non-current liabilities	**238,170**	**115,065**	**107%**
Trade payables	112,562	87,603	28%
Short-term borrowings	96,279	190,530	-49%
Current portion of long-term borrowings	32	2,861	-99%
Short-term provisions	15,785	15,695	1%
Tax liabilities	787	1,817	-57%
Other short-term financial liabilities	24,058	30,008	-20%
Other short-term non-financial liabilities	54,432	44,615	22%
Total current liabilities	**303,935**	**373,129**	**-19%**
Total liabilities	**1,643,654**	**1,580,784**	**4%**

Consolidated Cash Flow Statement

JANUARY 1 THROUGH MARCH 31

IN € K	Jan. 1 – Mar. 31, 2017	Jan. 1 – Mar. 31, 2016
Profit before tax (EBT)	**13,084**	**15,701**
Adjustments to reconcile profit before tax with gross cash flow:		
Depreciation and amortization	17,405	16,725
Other non-cash income/expenditure	364	5,082
Gains/losses from sale of intangible assets and property, plant and equipment	-335	-139
Book value from the disposal of rental equipment	5,842	4,903
Actuarial losses from pension obligations	601	-5,758
Financial result	1,189	1,777
Changes in misc. assets	-6,179	-994
Changes in provisions	-445	5,814
Changes in misc. liabilities	2,860	1,878
Interest paid	-5,645	-5,206
Income tax paid	-6,227	-10,442
Interest received	466	399
Gross cash flow	**22,980**	**29,740**
Changes in inventories	-19,095	1,725
Changes in trade receivables	-27,398	-43,378
Changes in trade payables	25,096	5,827
Changes in net working capital	**-21,397**	**-35,826**
Cash flow from operating activities	**1,583**	**-6,086**
Purchase of property, plant and equipment	-31,931	-26,738
Purchase of intangible assets	-3,541	-3,634
Proceeds from the sale of property, plant and equipment, intangible assets and non-current assets held for sale	2,814	705
Cash flow from investment activities	**-32,658**	**-29,667**
Free cash flow [1]	**-31,075**	**-35,753**
Cash inflow from short-term borrowings	44,209	71,406
Repayments from short-term borrowings	-141,595	-42,348
Cash inflow from long-term borrowings	124,900	0
Repayments from long-term borrowings	-11	-1,795
Cash flow from financing activities	**27,503**	**27,263**
Increase/decrease in cash and cash equivalents	**-3,572**	**-8,490**
Effect of exchange rates on cash and cash equivalents	49	-257
Change in cash and cash equivalents	**-3,523**	**-8,747**
Cash and cash equivalents at beginning of period	**17,572**	**25,019**
Cash and cash equivalents at end of period	**14,049**	**16,272**

[1] Free cash flow = cash flow from operating activities + cash flow from investment activities.
To ensure a more transparent presentation of information, some individual lines relating to the previous year's gross cash flow have been moved. These movements do not affect the total figure.

Disclaimer

This report contains forward-looking statements which are based on the current estimates and assumptions by the corporate management of Wacker Neuson SE. Forward-looking statements are characterized by the use of words such as expect, intend, plan, predict, assume, believe, estimate, anticipate and similar formulations. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and the results actually achieved by Wacker Neuson SE and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors are outside the Company's control and cannot be accurately estimated in advance, such as the future economic environment and the actions of competitors and others involved in the marketplace. The Company neither plans nor undertakes to update any forward-looking statements.

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