

HanseGroup

Six Month's Report 2014/2015



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INTERIM GROUP MANAGEMENT REPORT FROM 1 JULY 2014 TO 31 DECEMBER 2014

1. ECONOMIC CLIMATE AND MARKET SITUATION

The HanseYachts AG Group (HanseGroup for short) produces and markets sailing and motor yachts worldwide, while Europe represents its most important market. From a global perspective, the market situation for HanseYachts AG remains stable. We are currently not expecting any negative nor any significantly positive impulses. The motors driving growth could nevertheless be North America and Asia as well as the motorboat brand known as SEALINE that has been integrated into the HanseGroup since 2013. The sales situation in Europe and the Middle East has remained stable despite the Ukraine crisis, sanctions imposed on Russia and armed conflicts in Syria and Iraq. In Italy, Greece and Spain we have even been able to observe a slight revitalization in the market for water sports.

The HanseGroup has been responding to the demanding water-sports market with a state-of-the-art product line that is regularly improved as well as product innovations that correspond to our customers' needs and wishes for individuality and greater variety. Yachts manufactured by the HanseGroup can be subdivided into the HANSE, MOODY, DEHLER and VARIANTA brands in the Sailing Division as well as the FJORD and high-value motor yachts of the tradition-bound SEALINE brands in the Motorboat Division.

Thanks to its multiple-brand strategy, the HanseGroup has enjoyed excellent figures for its incoming orders in the first half of the current fiscal year. In our opinion these lie above developments in the volume of orders in the overall market, both for the yacht models newly introduced as well as for boat types already successfully established.

In particular the superb autumn boat-show season and new products, such as the HANSE 455, DEHLER 46 and the Sealine motorboat brand acquired last year, with its new model S330, have made major contributions to this success. Moreover, the DEHLER 46 and the MOODY DS 54 were nominated for the "European Yacht of the Year". Furthermore, this respectable volume of incoming orders can also be attributed to the successful and consistent implementation of our multiple-brand strategy as well as trend-setting models tailored to the demands and wishes of our markets. In addition to quality, the clear design of our products coupled with our approach to styling forms and attractive pricing especially represent an essential criterion for our sales. This combined strategy has met with approval even beyond Europe's borders. A panel of experts has awarded the HanseGroup in China with the prize for the Yacht Manufacturer of the Year.

2. NOTES TO DEVELOPMENTS IN TURNOVER AND EARNINGS

The fiscal year of the HanseGroup begins on 1 July and ends on 30 June of the following year. The interim financial statements reported here for the first six months of this fiscal year thus cover the period from 1 July until 31 December 2014.

In the period under review, it has been possible to increase turnover to EUR 38.1 million (EUR 32.1 million last year), thanks to respectable demand for our newly developed yachts and successful sales of our existing models that are subject to steady improvement as well as a

large number of higher priced boats. Total operating revenues rose once again, this time by 18% to EUR 44.4 million compared to last year under consideration of growth in stock of ordered but not yet delivered yachts and capitalized own work.

With materials costs of EUR 28.8 million, our ratio of cost of materials to total operating revenues remained nearly unchanged at 65%, compared to the figure for the same period last year.

Personnel costs of EUR 12.3 million have risen compared to last year (EUR 9.0 million). In relation to total operating revenues, personnel costs have increased by 3.7 percentage points from 23.9% to 27.6%. The reason for this increase was the need to hire new personnel to manage the current as well as the planned growth in turnover and rises in wages.

Net financial costs amounted to EUR - 0.9 million (EUR - 0.4 million last year). These primarily include scheduled interest payments for servicing financial debt including the interest for the bearer bonds issued in December 2013 and June 2014.

Although margins increased by higher total operating revenues, higher sale prices, lower guarantee and consulting expenses a result of EUR – 6.9 million was achieved, which is EUR 2.2 million below those of last year's interim financial report. However, the last fiscal year also included one-off proceeds of EUR 1.4 million from the sale of the marina property sold as a non-operationally necessary asset. Furthermore the actual reported period was also charged with additional manufacturing costs of EUR 1.5 million in conjunction with the new powerboat-brand SEALINE.

As in every year, the losses reported for the first half of the current fiscal year 2014/15 are typical for the seasonal course of our business activities: the time frame between July and December is characterized by heavy expenditures for exhibiting at boat shows and for developing new products with relatively low turnover and earnings. In the second half of the fiscal year, production and delivery of yachts are greatly increased, combined with realisation of substantial contribution margins.

3. INVESTMENTS AND FINANCING

Investments of EUR 4.2 million in intangible assets and fixed assets mainly pertained to new yacht developments as well as new production forms for yachts.

As at the balance sheet date, there were positive balances held at lending institutions of EUR 4.0 million, which in comparison to last year's balance had decreased by EUR 0.5 million. Of our liquid funds, a total of EUR 0.4 million serves to collateralize guaranty lines, and EUR 1.0 million is in escrow to cover the initial interest payment to bearers of the 2014/2019 bonds due in June 2015.

Liabilities owed to lending institutions relate exclusively to medium-term to long-term investment loans. The interest rate has been ensured on the basis of the conditions in effect at the point in time, at which the loan contracts were concluded, for the duration of said loans.

In December 2013 a one-year bearer bond was issued within the framework of a private placement totalling EUR 5.0 million, which was repaid in December 2014. To recover this

capital as well as, inter alia, to finance growth, a five-year bond was issued in June 2014 with a volume of EUR 13 million, EUR 0.7 million thereof was subscribed by the majority shareholder. Some investors in the 2013/2014 bond issue have taken advantage of the swap offer and have switched to the new bonds. The 2014/2019 bond issue (ISIN: DE000A11QHZ0, WKN: A11QHZ) runs for a term of five years and has a coupon of 8.0 percent p.a.

4. PROSPECTS AS WELL AS OPPORTUNITIES AND RISKS FOR CORPORATE DEVELOPMENT FOR THE REMAINDER OF THE PERIOD UNDER REVIEW

Our newly developed as well as our existing models have succeeded in achieving quite respectable sales results at recent boat shows despite the demanding market climate. With our clearly established multiple-brand strategy as well as a broad and trend-setting palette of models, we are very well-positioned with respect to our competitors. As at 31.12.2014, the volume of orders is well above the comparable figures for the same period last year. Consequently we expect growth for the entire fiscal year to be comparable to the same period last year.

Although operating income is charged for expenses allocated to the Sealine business we expect for total fiscal year 2014/2015 positive earnings before interest, taxes, depreciation and amortisation (EBITDA).

Additional information on the HanseGroup's risk situation can be found in the 2013/2014 Annual Report.

5. EVENTS AFTER THE END OF THE PERIOD REVIEWED IN THIS INTERIM REPORT

In accordance with a shareholders' resolution passed at the General Meeting of the HanseYachts AG on 29 January 2015, the supervisory board is to be expanded to six members. Four members thereof will be elected by the shareholders at the general meeting and two members by the work force in accordance with the regulations of the German Act on One Third Participation.

In January 2015 the IG Metall trade union set requirements to the management board for a collective labor contract. First consultations start in February 2015.

Otherwise, no additional significant events occurred after 31 December 2014 that would have had any impact on the net assets, financial position and results of operations of the HanseGroup.

Greifswald, 27 February 2015

The Management Board

Dr. Jens Gerhardt

Sven Göbel

HANSEYACHTS AG**GREIFSWALD****CONSOLIDATED BALANCE SHEET (IFRS)**

| EUR | <u>31. December 2014</u> | <u>30. June 2014</u> |
|--|--------------------------|----------------------|
| ASSETS | 67.374.505,06 | 67.235.941,20 |
| Non-current assets | 33.165.238,23 | 31.092.318,63 |
| Intangible assets | 5.918.619,54 | 5.735.019,99 |
| Property, plant and equipment | 26.932.633,25 | 25.137.111,64 |
| Deferred tax assets | 313.985,44 | 220.187,00 |
| Current assets | 34.209.266,83 | 36.143.622,57 |
| Inventories | 23.325.097,36 | 17.711.147,92 |
| Trade receivables | 4.184.711,05 | 2.749.744,79 |
| Receivables to related parties | 333.291,81 | 404.193,29 |
| Tax refund claims | 84.582,59 | 0,00 |
| Other assets | 2.301.839,31 | 2.196.822,13 |
| Cash and cash equivalents | 3.979.744,71 | 13.081.714,44 |
| EQUITY & LIABILITIES | 67.374.505,06 | 67.235.941,20 |
| Equity | 11.018.554,48 | 17.980.170,42 |
| Subscribed capital | 9.592.590,00 | 9.592.590,00 |
| Capital reserves | 2.164.886,37 | 2.164.886,37 |
| Reserve for currency translation differences | 186.917,25 | 189.772,23 |
| Net earnings | (925.839,14) | 6.032.921,82 |
| Non-current liabilities | 14.610.375,30 | 14.950.842,86 |
| Deferred tax liabilities | 0,00 | 2.722,00 |
| Bonds | 12.633.631,39 | 12.591.724,67 |
| Other financial liabilities | 376.743,91 | 756.396,19 |
| Liabilities to related parties | 1.600.000,00 | 1.600.000,00 |
| Current liabilities | 41.745.575,28 | 34.304.927,92 |
| Other provisions | 2.313.161,49 | 2.305.053,45 |
| Bonds | 0,00 | 3.594.035,95 |
| Other financial liabilities | 3.974.491,01 | 2.932.215,19 |
| Current finance lease liabilities | 180.868,70 | 537.606,46 |
| Payments on account received | 13.267.020,39 | 6.927.889,96 |
| Trade payables | 14.724.290,18 | 13.088.274,51 |
| Income tax liabilities | 116.304,08 | 118.368,72 |
| Liabilities to related parties | 3.213.723,69 | 1.214.251,49 |
| Other liabilities | 3.955.715,74 | 3.587.232,19 |

HANSEYACHTS AG

GREIFSWALD

STATEMENT OF COMPREHENSIVE INCOME

AND OTHER RESULTS (IFRS)

| EUR | 1. July 2014 to <u>31. December 2014</u> | 1. July 2013 to <u>31. December 2013</u> |
|--|---|---|
| Revenues | 38.148.129,00 | 32.101.900,53 |
| Increase in work in progress and finished goods | 5.420.665,54 | 4.863.604,96 |
| Own work capitalised | 792.800,88 | 671.539,93 |
| Other operating income | 650.823,00 | 1.765.437,02 |
| Cost of materials | (28.827.709,94) | (24.312.541,77) |
| Personnel expenses | (12.262.204,42) | (8.989.368,75) |
| Other operating expenses | (7.772.072,61) | (8.457.377,44) |
| EBITDA | (3.849.568,55) | (2.356.805,52) |
| Amortisation, depreciation and write-down | (2.377.902,40) | (2.121.311,68) |
| EBIT | (6.227.470,95) | (4.478.117,20) |
| Net financial costs | (902.423,41) | (374.872,65) |
| Earnings before income taxes | (7.129.894,36) | (4.852.989,85) |
| income taxes | 171.133,40 | 62.492,40 |
| Consolidated loss | (6.958.760,96) | (4.790.497,45) |
| | | |
| Earnings per share (undiluted / diluted) | (0,99) | (0,68) |
| | | |
| Consolidated loss | (6.958.760,96) | (4.790.497,45) |
| | | |
| Other income | | |
| Currency translation difference | (2.854,98) | 14.666,12 |
| Total result for the period | (6.961.615,94) | (4.775.831,33) |

HANSEYACHTS AG
GREIFSWALD

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

| EUR | <u>1. July 2014 to 31. December 2014</u> | <u>1. July 2013 to 31. December 2013</u> |
|--|--|--|
| Earnings before interest and taxes (EBIT) | (6.227.470,95) | (4.478.117,20) |
| Amortisation, depreciation and write-downs | 2.377.902,40 | 2.121.311,68 |
| Interest paid (net) | (910.268,49) | (484.896,57) |
| Income taxes paid (net) | (13.881,15) | (311.699,00) |
| Gains from disposals of assets as well as profits from disposals of non-current assets | (7.583,67) | (1.342.602,95) |
| Changes in inventories, receivables and other assets not related to investing or financing activities | (7.083.031,40) | (3.796.449,32) |
| Changes in liabilities not related to investing or financing activities | 8.307.903,58 | 1.198.216,10 |
| Cash flow from operating activities | (3.556.429,68) | (7.094.237,26) |
| Proceeds from disposals of assets from property, plant and equipment as well as proceeds from non-current assets held for sale | 0,00 | 2.493.000,00 |
| Investments in | | |
| - intangible assets | (490.820,35) | (411.963,80) |
| - property, plant and equipment | (3.726.160,92) | (1.272.467,82) |
| Cash flow from investing activities | (4.216.981,27) | 808.568,38 |
| Repayments of liabilities from finances leases | (356.737,76) | (255.634,37) |
| Cash in from financial liabilities | 2.530.790,58 | 5.000.000,00 |
| Cash in from capital increase | 0,00 | 4.977.772,82 |
| Repayments of bank loans | (4.483.752,82) | (1.359.189,33) |
| Cash flow from financing activities | (2.309.700,00) | 8.362.949,12 |
| Change in cash and cash equivalents | (10.083.110,95) | 2.077.280,24 |
| Exchange rate-related changed in financial funds | (17.512,54) | 20.607,69 |
| Cash funds at beginning of period | 12.061.626,00 | (140.360,91) |
| Cash and cash equivalents at end of period | 1.961.002,51 | 1.957.527,02 |
| Composition of cash and cash equivalents | | |
| Bank balances | 3.974.581,39 | 3.451.951,04 |
| Cash in hand | 5.163,32 | 5.687,57 |
| Bank overdrafts | (2.018.742,20) | (1.500.111,59) |
| | 1.961.002,51 | 1.957.527,02 |

HANSEYACHTS AG

GREIFSWALD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

| | <u>Number of no-par value shares</u> | <u>Subscribed capital</u> | <u>Capital reserves</u> | <u>Net retained earnings / loss</u> | <u>Reserve for currency translation differences</u> | <u>Consolidated equity *)</u> |
|-------------------------------------|--|-------------------------------|-----------------------------|---|---|-----------------------------------|
| | | <u>EUR</u> | <u>EUR</u> | <u>EUR</u> | <u>EUR</u> | <u>EUR</u> |
| 1. July 2013 | 7.000.000 | 7.000.000,00 | 6.000.371,41 | 3.797.086,82 | 188.352,84 | 16.985.811,07 |
| 1) Consolidated net earnings | | 0,00 | 0,00 | (4.790.497,45) | 0,00 | (4.790.497,45) |
| 2) Currency translation differences | | 0,00 | 0,00 | 0,00 | 14.666,12 | 14.666,12 |
| 3) Total result for the period | | 0,00 | 0,00 | (4.790.497,45) | 14.666,12 | (4.775.831,33) |
| 4) Capital increase for cash | 2.592.590 | 2.592.590,00 | 2.385.182,80 | | | 4.977.772,80 |
| 5) Others | 0 | 0,00 | 0,00 | 0,02 | 0,00 | 0,02 |
| 31. December 2012 | 9.592.590 | 9.592.590,00 | 8.385.554,21 | (993.410,61) | 203.018,96 | 17.187.752,56 |
| 1. July 2014 | 9.592.590 | 9.592.590,00 | 2.164.886,37 | 6.032.921,82 | 189.772,23 | 17.980.170,42 |
| 1) Consolidated net earnings | | 0,00 | 0,00 | (6.958.760,96) | 0,00 | (6.958.760,96) |
| 2) Currency translation differences | | 0,00 | 0,00 | 0,00 | (2.854,98) | (2.854,98) |
| 3) Total result for the period | | 0,00 | 0,00 | (6.958.760,96) | (2.854,98) | (6.961.615,94) |
| 4) Others | | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| 31. December 2014 | 9.592.590 | 9.592.590,00 | 2.164.886,37 | (925.839,14) | 186.917,25 | 11.018.554,48 |

*) Minority interests do not exist. Total equity is allocated to HanseYachts AG's shareholders

HanseYachts AG Greifswald

Notes on the Condensed Consolidated Interim Financial Statements - 31 DECEMBER 2014

1. GENERAL DISCLOSURES

HanseYachts AG, whose registered office is in Greifswald, Germany, is a publicly listed company (Aktiengesellschaft) and parent company of the HanseGroup. Since 9 March 2007 HanseYachts AG has been publicly listed on the regulated market (General Standard) of the Frankfurt Stock Exchange.

The principal business activities of the companies in the HanseGroup are essentially the development, production and sale of sailing yachts under the HANSE, MOODY and DEHLER together with the VARIANTA brands as well as motorboats under the FJORD and SEALINE brands. The HanseGroup conducts its business activities in Greifswald and in Poland as well as at its own operative distributorship companies in Greifswald and the US. In addition its products are marketed in more than 35 countries worldwide via a network of approx. 150 dealers.

The abridged interim financial statements of HanseYachts AG have been prepared in euros. Unless otherwise indicated, all amounts will be rounded off to the nearest thousand euros and quoted in millions/thousands of euros (EUR x million/EUR xK). Differences of up to one unit (EUR xK, %) represent technical and justified differences caused by rounding off.

The HanseGroup has a fiscal year, which deviates from a calendar year, from 1 July to 30 June of the respective following year. Seasonal business cycles can thus be taken into account. A fiscal year begins with a vacation shut-down in the summer. Thereafter we begin with implementation of new and revised models as well as production of boats for trade fairs and shows.

HanseYachts AG is entered in the commercial register of the Stralsund Magistrates' Court (Amtsgericht) under reference No. HRB 7035. The company's address is Ladebower Chaussee 11, 17493 Greifswald.

2. BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with IAS 34 on "Interim Financial Reporting". These Group interim financial statements do not contain all of the information required for such statements and should thus be read in conjunction with the Group financial statements as at 30 June 2014, which have been prepared in compliance with IFRS, as used in the EU.

In the opinion of the management board, these interim financial statements include all adjustments considered necessary for an accurate presentation of the financial situation for the period reported here.

Within the framework of preparing these consolidated interim financial statements in accordance with IAS 34, the management board is required to undertake judgements and estimates as well as to make assumptions that affect application of accounting principles within the Group and disclosure of assets and liabilities as well as revenues and expenditures. Actual amounts may deviate from these estimates.

The accounting methods used in preparing these interim financial statements correspond to those utilised for the consolidated financial statements as at 30 June 2014.

3. SCOPE OF CONSOLIDATION

The parent company of the Group is HanseYachts AG. In addition to HanseYachts AG, eight (six last year) companies located in Germany and four (four last year) companies located abroad have been included in the consolidated financial statements.

| Name of Company | Location | Shareholding | |
|---|-----------------------------------|---------------------|------------|
| Direct holdings: | | | |
| 1. Dehler Yachts GmbH | Greifswald | 100% | (LY 100 %) |
| 2. Hanse (Deutschland) Vertriebs GmbH & Co. KG | Greifswald | 100% | (LY 100 %) |
| 3. Verwaltung Hanse (Deutschland) Vertriebs GmbH | Greifswald | 100% | (LY 100 %) |
| 4. Yachtzentrum Greifswald Beteiligungs-GmbH | Greifswald | 100% | (LY 100 %) |
| 5. Hanse Yachts US, LLC | Savannah, USA | 100% | (LY 100 %) |
| 6. Technologie Tworzyw Sztucznych Sp. Z o.o. | Goleniów, Polen | 100% | (LY 100 %) |
| 7. HanseYachts TVH GmbH | Greifswald | 100% | (LY 100 %) |
| 8. Sealine GmbH | Greifswald | 100% | (LY 0 %) |
| 9. Moody Yachts GmbH | Greifswald | 100% | (LY 0 %) |
| Indirect holdings: | | | |
| <i>über Nr. 4.</i> | | | |
| Mediterranean Yacht Service Center SARL | Canet en Roussillon Frankreich | 100% | (LY 100 %) |
| <i>über Nr. 7.</i> | | | |
| HanseYachts Technologie und Vermögensverwaltungs GmbH | Greifswald | 100% | (LY 100 %) |
| <i>über Nr. 8.</i> | | | |
| Powerboat 2013 Ltd. | London, England | 100% | (LY 0 %) |
| deconsolidated | | | |
| Fjord Boats AS | Vetvre, Norwegen | 0% | (LY 100 %) |

Effective 1 March 2014, HanseYachts AG acquired all of the shares in Sealine GmbH. The Moody Yachts GmbH was founded at the beginning of 2014. Fjord Boats AS, which has been inactive since 2012, was removed from the official Commercial Register in the 4th quarter of fiscal year 2013/14 and was then deconsolidated in the consolidated financial statements as at 30 June 2014.

4. SEGMENT REPORTING

IFRS 8 requires public stock enterprises whose stock is publicly traded to prepare a segment report in order to increase the transparency of the profitability, future prospects, opportunities and risks of the varied business activities of a corporate Group. In so doing, segmentation should be based on an internal management reporting system, i.e. evaluation of the performance of segments and allocation of resources to the respective segments should coincide with the information used internally by management as a basis for making decisions. The HanseGroup undertakes an internal breakdown of turnover revenues by product line. Altogether, production and sales of sailing yachts account for about 79 % of turnover revenues (about 93 % last year) and 19 % thereof comes from the sale of motorboats (about 3 % last year).

| | 01.07. - 31.12.2014 <u>1000 EUR</u> | 01.07. - 31.12.2013 <u>1000 EUR</u> |
|--------------------|---|---|
| Revenues | | |
| Sailing Yachts | 30.161 | 29.751 |
| Motorboats | 7.093 | 865 |
| Marina | 0 | 33 |
| Other | 905 | 1.585 |
| Revenue reductions | <u>(11)</u> | <u>(132)</u> |
| | <u>38.148</u> | <u>32.102</u> |

Data for the remaining disclosures required in accordance with IFRS 8 for the segments thus defined has not been provided for want of direct allocation and reliable key indicators. As a consequence, the results, assets, liabilities, write-downs and amortisation as well as capital expenditures of the HanseGroup cannot be reliably allocated to Sailing Yachts, Motor Yachts and Other Segments because sailing yachts and motorboats are manufactured on one and the same production line. Allocation on the basis of revenues or the number of boats produced would be arbitrary and would not provide any information of use for decision-making purposes. Direct allocation is also not possible. A breakdown using Sailing Yachts, Motor Yachts and Other Segments is also not internally communicated to, or utilised by, management as a control parameter.

5. NON-CURRENT ASSETS

In the first two quarters of fiscal year 2014/15, the HanseGroup invested EUR 1.3 million in production forms for new and current models.

Depreciation on non-current assets amounted to EUR 2.4 million.

Non-current assets held for sale are classified as such and are recognised separately in the balance sheet if the associated carrying amounts are to be realised primarily through a sales transaction within twelve months and not through continued use. These assets are measured with their carrying amounts or with the lower fair value less selling costs and are no longer written-down according to schedule. Impairment losses are recognised if the fair value less selling costs is lower than the carrying amount.

6. LIQUIDITY AND FINANCIAL DEBT

The basic principle of the management board is to maintain a stable capital base. With respect to our adequate equity position with an equity-to-total capital ratio of approx. 16 % (ca. 27 % last year), our efforts in the year under review were focussed on managing liquidity.

In December 2014 the one-year 2013/2014 bond was repaid. To recover the capital for this bond, to finance investments in new yacht models, to build-up working capital and to expand globalisation of the individual brands as well as to integrate SEALINE motor yachts production and develop new models, a five-year bond was issued in June 2014 with a volume of EUR 13 million. Some investors in the 2013/2014 bond issue have taken advantage of the swap offer and have switched to the new 2014/2019 bonds.

In order to manage and control liquidity, the HanseGroup has its own short-term to medium-term financial planning. With the aid of this financial instrument, it has been possible to guarantee short-term liquidity at all times on the basis of cash flow from operating activities and overdraft facilities made available by banks as well as cash and cash equivalents.

Cash and cash equivalents amounting to EUR 3.980 million consist of demand deposits and call loans available whenever needed. Amounting to EUR 1.904 million (EUR 1.009 million last year), cash and cash equivalents are subject to constraints on disposition imposed by lending institutions. Bank balances are maintained at banks with sound credit ratings.

As at the balance sheet date, financial liabilities have been recognized as obligations, for which interest is charged. These liabilities are mainly owed to bearers of the 2014/2019 bonds as well as to banks for loans charged fixed rates and variable rates of interest.

7. BUSINESS TRANSACTIONS WITH RELATED INDIVIDUALS AND COMPANIES

Related parties are persons or companies that could be influenced by the reporting entity and/or which could exercise influence over said entity.

In principle, members of the management board and of the supervisory board come into consideration as related individuals of the HanseGroup. Moreover, the members of the management board and of the supervisory board at Aurelius AG in Grünwald also come into consideration as related persons, in whose consolidated financial statements HanseYachts AG has been included since acquisition of the majority of stock on 4 November 2011. Consequently, related companies have in particular included those of the consolidated Group of Aurelius AG since that point in time.

The prices charged for intra-Group revenues as well as goods and services are determined on the basis of market prices. HanseYachts AG received commensurate consideration in light of the circumstances known at that point in time, at which the legal transactions were undertaken.

The following relevant business relations with related companies and persons in terms of IAS 24 have obtained:

In the period reported here, HanseYachts AG realised consulting services and licensing fees (EUR 394K) with respect to companies of the Aurelius Group. From supply and service relations, receivables have accrued of EUR 333K and payables of EUR 135K.

Moreover, as at 31 December 2014 liabilities were still open of EUR 2.013 million owed to the HY Beteiligungs GmbH and EUR 621K owed to Aurelius Beteiligungsberatungs AG. In addition Aurelius AG subscribed to a part of HanseYachts AG's bond for EUR 700K in June 2014 and in December it granted a loan that was valued at EUR 2.011 including interest as at the cut-off date. In the period under review HanseYachts AG incurred interest charges of EUR 137K owed to the Aurelius Group.

In the period under review, HanseYachts AG sold two boats under terms customary for this market to a dealer who in turn sold these boats to a company; the management board as well as the chairman of the supervisory board are shareholders in this company. The dealer will pay fees for the use of the two boats for chartering purposes.

A member of the supervisory board acquired 10,700 shares of stock in HanseYachts AG via the stock exchange during the period under review. The holdings of the members of the management board have remained unchanged at 61,225 shares each in HanseYachts AG as at the balance sheet date.

8. CONTINGENT LIABILITIES, OTHER FINANCIAL OBLIGATIONS AND LITIGATION

8.1 Contingent Liabilities

A financing programme has been established with an independent sales finance firm, with the aid of which dealers can finance acquisition of their boats from HanseYachts AG. This financing programme was utilised in the amount of EUR 1.231 million (EUR 2.001 million last year) as at the balance sheet date. Under certain circumstances, there exists a buyback obligation on the part of HanseYachts AG for boats financed with funds from this financing programme, to the extent that participating dealers do not honour their commitments to the sales finance firm. To secure possible buyback obligations, payment guaranties have been made available by house banks amounting to EUR 840K (EUR 840K last year), which have been collateralized by pledging cash and cash equivalents amounting to EUR 360K (EUR 360K last year). As the contracts with this sales finance firm have initially provided for a resale period for the boats to be assigned by dealers to the sales finance firm as collateral, the risk of a possible compulsory buyback is considered to be low.

Owing to additional guaranties, HanseYachts AG is liable for up to EUR 21K (EUR 21K last year).

The HanseGroup does not owe any contingent liabilities to third parties.

8.2 Other Financial Obligations

Other financial obligations primarily include those for leasing and rental agreements. Attention is drawn to the information provided in the Annual Report for 2013/14.

In addition to the above-mentioned financial obligations, there are service contracts that can be terminated on short notice with individual companies in the AURELIUS Group in Munich. The monthly expense to be expected in conjunction with these service contracts with associated companies will amount to up to EUR 30K.

As at the balance sheet date there were no relevant obligations from investment projects already undertaken.

8.3 Litigation

Neither HanseYachts AG nor any of its Group companies are parties to current or foreseeable legal or arbitration proceedings, from which any impact on results could be expected over and above accrued amounts.

9. EVENTS AFTER THE BALANCE SHEET DATE

There were no further significant events arising after the balance sheet date that would have seriously affected the net assets, financial position and results of operations of the HanseGroup.

Greifswald, 27 February 2015

The Management Board

Dr. Jens Gerhardt

Sven Göbel

Affirmation of legal representatives

To the best of our knowledge, we affirm that a true and fair view of the status, financial situation and earnings of the HanseYachts Group has been presented in accordance with the accounting principle to be applied for interim reporting of the interim Group financial statements. In the interim Group financial review the business activities including the results of said activities and the status of the Group are presented in such a way that a true and fair view is represented as well as the essential opportunities and risks of the likely developments of the Group for the remainder of the fiscal year are described.

Greifswald, 27 February 2015

The Management Board

Dr. Jens Gerhardt

Sven Göbel