



Einhell Germany AG

FINANCIAL REPORT 30. SEPTEMBER 2015



Dear shareholder,

The financial report of the Einhell Group as at 30 September 2015 meets the requirements under the Securities Trading Act (WpHG) for preparing interim reports. It includes abbreviated Group interim statements, a condensed Group management report and a statement of responsibility by the legal representatives. The financial statements are consistent with the International Financial Reporting Standards (IFRS) and their interpretations, as published by the International Accounting Standards Board (IASB) and applicable in the European Union.

There may be minor deviations in this report and in other reports due to rounding of totals and the calculation of percentage figures.

Key data for January to September 2015

Revenue			
09.2015	347.874		+6,9%
09.2014	325.372		
Profit before income taxes (before PPA)*			
09.2015	13.584		+50,6%
09.2014	9.020		
Profit before income taxes (after PPA)*			
09.2015	12.114		+86,3%
09.2014	6.501		
Equity ratio			
09.2015	52,3%		-8,4%
09.2014	57,1%		
Net debt			
09.2015	50.593		+83,5%
09.2014	27.568		
Staff			
09.2015	1.327		-0,4%
09.2014	1.332		

* PPA = Purchase Price Allocation

Condensed Group Management Report of Einhell Germany AG

Overview of January - September 2015

The Einhell Group managed to increase its business volume considerably between January and September 2015 and generated revenue of EUR 347.9 million.

Operating earnings before PPA effects amount to EUR 13.6 million. This is equivalent to a return on revenue of about 3.9%. Purchase price allocation (PPA) squeezes earnings by EUR 1.5 million. Adjusted for PPA effects, operating earnings amount to EUR 12.1 million and the pre-tax margin is roughly 3.5%.

General economic conditions

The Organisation for Economic Co-operation and Development (OECD)'s leading indicator CLI (Composite Leading Indicator) remained largely stable in September 2015. According to OECD information, it came out to 99.8 points, down from 99.9 points in the month of August.

The Ifo business climate index for the German industrial sector climbed to 108.5 in September 2015, compared to 108.4 points in the previous month of August. The companies' assessment of their current situation is slightly less positive than in August. Nevertheless, companies are optimistic regarding future business performance.

German economic growth slowed down moderately in the third quarter of 2015. The gross domestic product adjusted for price, seasonal and calendar effects was 0.3% up on the second quarter of 2015. Consumer behaviour provided the main positive impulses.

The gross domestic product in the eurozone climbed 0.2% in Q3 2015 compared to the previous quarter. The GDP of the European Union also showed an improvement, increasing 0.3% on the previous quarter.

Industrial production in the eurozone fell more strongly than anticipated in September 2015. Production of industrial companies was down 0.3% compared to the previous month, according to the European statistical authority Eurostat. Economic experts had forecast a decline of 0.1%.

According to the Federal Statistical Office, the order intake of the German industry (manufacturing) adjusted for price, seasonal and calendar effects dropped by 1.7% compared to the previous month in September.

ber 2015. In the third quarter, 2.8% less orders were received from the manufacturing sector than in the previous quarter. Here, the domestic order intake increased by 0.3%, while orders from the eurozone rose by 0.9%. Incoming orders from outside the eurozone, however, declined by 8.6%.

In September 2015, Germany exported goods worth EUR 105.9 billion and imported goods in the amount of EUR 83.0 billion. According to the Federal Statistical Office, German exports were thus 4.4% and imports 3.9% higher in September 2015 than in the prior-year period. Adjusted for calendar and seasonal effects, exports climbed by 2.6% and imports increased by 3.6% compared to the previous month of August.

The foreign trade balance, i.e. the balance of exports to imports, adjusted for calendar and seasonal effects closed with a surplus of EUR 19.4 billion in September 2015.

Unemployment in Germany showed a slight decline in September 2015. The number of unemployed persons in Germany dropped by 88,000 to 2,708,000 in September compared to the month before. Compared to the prior-year period, the number of unemployed thus decreased by 100,000. The unemployment rate was 6.2% in September.

The employment situation in the eurozone showed a slight improvement in September. According to estimates by the European statistical authority Eurostat, roughly 17.3 million people in the eurozone were unemployed in September. This is 131,000 less than in the previous month and nearly 1.2 million less than in the previous year's period. Adjusted for seasonal effects, the unemployment rate was 10.8% in September. This is the lowest level since January 2012.

However, there are great differences among the member states. Germany had the lowest unemployment rate in September, while Greece had the highest.

The inflation rate dropped to zero percent in Germany in September. The Federal Statistical Office reports that consumer prices decreased by 0.2% compared to the previous month of August. The main reason for the decrease in comparison to the previous year was the substantial decline in energy prices.

For the first time within the last half-year, the annual inflation rate in the eurozone dropped again in September 2015. The inflation rate was -0.1% in September. In the previous month, consumer prices had still risen slightly by 0.1%.

As such, the inflation rate is still clearly below the target value for price stability issued by the European Central Bank (ECB). The target value is just under 2% in the medium term.

The harmonised index of consumer prices (HICP) for Germany, which is calculated for European purposes, was 0.2% lower in September 2015 than in September 2014. Compared to the previous month of August, the index decreased by 0.3%.

Total gross revenue of the DIY trade in Germany amounted to EUR 9.3 billion in the first half of 2015, corresponding to revenue growth of 1.2%. On a like-for-like basis, however, the industry suffered a revenue decline of 1.6%. Following a weak start to the year, the second quarter showed a very positive performance. The sector association and the industry are still optimistic regarding the further course of the financial year. The German association of DIY retailers (BHB) confirmed its forecast for the year, expecting like-for-like revenue growth of 1.5% to 2.5%.

Performance report

Einhell Group revenue

From January to September 2015, the Einhell Group generated revenue of EUR 347.9 million (previous year: EUR 325.4 million). Revenue is thus considerably above the prior-year level.

Almost all of the regions contributed to revenue growth.

In the D/A/CH region (Germany, Austria, Switzerland), revenue increased to EUR 146.1 million (previous year: EUR 131.2 million). The share in consolidated revenue amounts to 42.0% (previous year: 40.3%).

Revenue in the rest of Europe rose to EUR 111.8 million (previous year: EUR 105.4 million). France, Italy and the UK are among the largest sales markets in Europe.

In Asia, revenue amounted to EUR 5.4 million (previous year: EUR 12.3 million).

The other countries and South America improved their revenue figures compared to the prior-year period with a EUR 8.1 million increase to EUR 84.6 million (previous year: EUR 76.5 million).

Segment development

In the Tools segment, revenue amounted to EUR 203.1 million in the first nine months of the 2015 financial year (previous year: EUR 191.0 million). The most significant sales in this segment were generated by products in the electric power tools, compressed air technology and wood processing ranges. kwb tools products are reported in the Tools segment.

In the Garden & Leisure segment, revenue came out to EUR 144.8 million (previous year: EUR 134.4 million). High revenues were mainly generated with lawn and garden care products. Lawn mowers, products from the tree and shrub care ranges as well as products related to water technology sold particularly well.

Earnings development

From January to September 2015, the Einhell Group generated operating earnings of EUR 12.1 million (previous year: EUR 6.5 million). The pre-tax margin is 3.5% (previous year: 2.0%).

Purchase price allocation (PPA) effects took earnings down by EUR 1.5 million. Without PPA effects, operating earnings would have amounted to EUR 13.6 million and the pre-tax margin to 3.9%.

The earnings situation has thus improved considerably compared to the prior-year period.

Consolidated net profit after minority interest amounts to EUR 8.4 million in the period under review (previous year: EUR 4.0 million). Earnings per share amount to EUR 2.2 (previous year: EUR 1.1 per share).

The high quality of the products had a positive effect on the gross profit margin. This is confirmed by several awards that Einhell products won.

Compared to the prior-year period, personnel expenses increased moderately, now amounting to EUR 43.8 million (previous year: EUR 41.8 million).

Other expenses of EUR 51.3 million slightly exceed the prior-year level (previous year: EUR 48.9 million) because of the increase in revenue.

The financial result of EUR -2.3 million (previous year: EUR -2.7 million) is slightly below the previous year. This includes financial income amounting to EUR 9.2 million and financial costs in the amount of EUR 11.5 million.

Personnel and HR services

On 30 September 2015, the Einhell Group had 1,327 employees worldwide (previous year: 1,332).

The Board of Directors would like to take this opportunity to thank all employees for their personal commitment and excellent work.

Financial performance and net assets

The key items in the statement of financial position as at 30 September 2015 and 30 September 2014 are as follows:

	09/2015	09/2014
	in EUR million	in EUR million
Non-current assets incl. deferred tax assets	50.4	52.5
Inventories	125.4	106.6
Receivables and other assets	122.4	116.9
Cash and cash equivalents	10.2	10.7
Equity	161.4	163.6
Liabilities to banks	60.8	38.2

Investments

In the reporting period, the Einhell Group made investments amounting to EUR 3.9 million (previous year: EUR 2.5 million). Most investments refer to intangible assets and property, plant and equipment.

Current assets

Goods inventories increased as against the prior-year period to EUR 125.4 million (previous year: EUR 106.6 million). Strong unit sales in the previous months prompted the Group to increase inventories.

Trade receivables are shown after deduction of impairment for bad debts. Mainly driven by the revenue increase, trade receivables climbed by EUR 5.8 million year-on-year to EUR 91.5 million in the period under review (previous year: EUR 85.7 million).

Other current assets decreased slightly to EUR 30.9 million, down from EUR 31.2 million in the previous year.

Cash and cash equivalents amount to EUR 10.2 million on the reporting date (previous year: EUR 10.7 million). Compared to the previous year, liabilities to banks increased from EUR 38.2 million to EUR 60.8 million due to higher working capital.

Group structure

Einhell Germany AG increased its share in Einhell Hellas AE in the period under review and Einhell Germany AG therefore now owns 98.08% of the shares in this company. In addition, the 10% interest in Einhell Chile S.A. held by the minority shareholder was bought. The Einhell Group therefore now owns 100% of the shares in this company.

Investor Relations

Einhell Germany AG will participate in the Deutsche Börse Equity Forum on 23 November 2015 in order to talk to analysts and investors. The presentation will address the figures as at 30 September 2015 and give an outlook for the planned development of the Group.

Financing

The financial requirements of the Einhell Group are driven in particular by the level of inventories and trade receivables. Stock turnover rates of inventories and the maturities of trade receivables play a major role here and have a significant impact on the financial requirements.

The Einhell Group utilised the favourable interest level in financial year 2013 for refinancing. The Group concluded long-term bilateral loan agreements totalling EUR 30.0 million with several banks, securing long-term financing until 2018 at extremely favourable conditions.

In the shorter term, the Group also has access to sufficient credit facilities to finance further revenue growth.

Note to the financial report

The financial report was subjected to neither a review pursuant to Section 317 of the German Commercial Code (HGB) nor an audit.

Corporate Governance Code

The current Declaration of the Board of Directors and the Supervisory Board of Einhell Germany AG on the German Corporate Governance Code pursuant to section 161 of the Stock Corporation Act (AktG) is permanently available on the Company's website at www.einhell.com.

Risk report

As part of its international operations, Einhell is subject to numerous risks that are inherent in all entrepreneurial activities.

The risk management process in the Einhell Group is split into two stages. The first stage is the decentralised recognition of risks in subsidiaries and the various departments of Einhell Germany AG by the risk officers appointed by the Board of Directors.

They are responsible for risk identification and evaluation. The critical aspect here for the Einhell Group is identification, since no risk planning can be undertaken for risks that have not yet been identified.

The internal control system comprises integrated process controls and internal control systems.

The domestic controlling, investment controlling, finance, Group accounting and legal departments constitute the internal management system of the Einhell Group.

The Einhell Group companies make a forecast in the relevant financial year to budget the following financial year. Based on differentiated revenue planning, the corresponding costs of sales and other costs are budgeted. These projected figures are collated for the Group into a budgetary statement of income.

The actual figures from the individual companies are processed on a monthly basis. As a result, a complete consolidated statement of income is devised that compares the budgeted and actual figures and allows for their analysis. The development of order intake, margins etc. is also reported for all companies on a monthly basis. The comparison is discussed with the members of the Board of Directors and with the managers of the separate divisions and companies. The analysis of the budgeted and actual figures permits relevant measures to be developed and implemented.

The internal monitoring system is comprised of measures that are integrated into the processes and measures that are independent of the processes.

In addition to automated IT process controls, manual controls also form an important part of integrated process measures which are, for example, also carried out by the internal audit department. The Supervisory Board, the Group auditors and other audit bodies are involved in carrying out process-independent controls within the Einhell Group.

The audit of the consolidated financial statements by the Group auditors in particular is the main process-independent control measure with respect to Group accounting processes.

The Einhell Group operates internationally and is thus exposed to market risks from changes to interest rates and exchange rates.

The Group uses derivative financial instruments to manage these risks. The guidelines used for managing the associated risks are implemented with the approval of the Board of Directors by a central treasury department working in close cooperation with the Group companies.

In conclusion, there are no risks that endanger the future of the Group as a going concern according to the Board of Directors' assessment.

Forecast

Global economic development

According to the assessment of the International Monetary Fund (IMF), global economic growth will weaken to 3.1% in 2015. In the month of July, the IMF had still expected 3.3% growth for 2015.

Despite slight global economic growth, global unemployment will continue to increase. The International Labour Office (ILO) expects unemployment figures to rise by three million people in 2015.

Development in Europe

According to the International Monetary Fund forecast, the economy in the euro countries will grow by 1.5% in the current year.

This trend will also have a positive effect on the labour markets. The unemployment rate is expected to fall slightly to 11.0%.

Because of the sustained low oil prices, the European Central Bank (ECB) has further lowered its inflation forecast for 2015. According to a survey of the ECB the respondents expect that inflation rate in the euro-zone declined to 0.1% in 2015.

Development in Germany

The leading economic research institutes forecast 1.8% growth for the German economy in 2015. The researchers lowered their growth forecast for 2015 from 2.1% to 1.8%.

The slight forecast reduction was prompted by weaker global demand according to the researchers. Particularly in China, the economy is growing at a much slower rate than in previous years.

The development of the German labour market in 2015 is difficult to forecast at the moment because of the influx of refugees. The impact of immigration to Germany is not yet foreseeable. The Institute for Employment Research (IAB) expects no changes in the short term. The end of the year should see a stable labour market, according to the IAB.

Outlook

The forecasts for 2015 are impacted by different trends on the markets that are of relevance to Einhell.

The domestic market of Germany performed well in the first nine months of 2015. This applies to stationary retail as well as online trading. The e-commerce market, which is already experiencing dynamic growth, is being pushed further. Additional investments are planned here as well. In addition, online marketing and the presentation of goods at the points of sale are being expanded. The launch of the new and universal Power X-Change system led to a highly positive development, also in the e-commerce segment.

On the important Australian market, the Einhell Group also continues to be well on track thanks to its Ozito Industries Pty Ltd subsidiary acquired in July 2013. Ozito Industries Pty Ltd experienced strong growth, along with its most important customer. The Einhell Group expects the positive trend to continue in the next few months.

Revenue in the Southern and Eastern Europe region as well as in Western Europe stabilised further and showed another slight increase on the previous year. The consolidation measures initiated in previous years and the adjustment of the product portfolio to market conditions allowed Einhell to significantly increase its gross profit margins in these regions. Group management expects that the business performance in the European economic region will remain stable until the end of the year.

South America is facing major structural challenges, of the organisational kind as well as on the market. The general economic situation continues to be strained and has deteriorated even further in recent months. The difficult market situation is also affecting the subsidiaries' performances. The next few months are not expected to see a change in the situation.

The Board of Directors' assumptions and forecasts are based on the information currently available. The future business development depends on numerous factors, especially on the developments in the crisis regions and the trends on the currency markets.

Taking into consideration current market conditions and given the positive trends in some of the markets in combination with Einhell's strong sales efforts - especially in the e-commerce segment - and the launch of attractive new products such as, for instance, Power X-Change, the Einhell Group has further lifted its revenue forecast for 2015. We expect revenue of around EUR 435-440 million and a pre-tax margin of around 2.5%.

Landau a. d. Isar, 19 November 2015

Einhell Germany AG
The Board of Directors

Andreas Kroiss
Jan Teichert
Dr Markus Thannhuber

Consolidated statement of financial position (IFRS) as at 30 September 2015 (abbreviated)

Assets	30.09.2015 €k	30.09.2014 €k
NON-CURRENT ASSETS		
Intangible assets	22,086	26,285
Property, plant and equipment	19,936	18,251
Financial assets	375	367
Other non-current assets	1,697	2,110
Deferred tax assets	6,343	5,443
	<u>50,437</u>	<u>52,456</u>
CURRENT ASSETS		
Inventories	125,448	106,642
Trade receivables	91,481	85,679
Other assets	30,893	31,243
Cash and cash equivalents	10,215	10,674
	<u>258,037</u>	<u>234,238</u>
	<u>308,474</u>	<u>286,694</u>

Equity and liabilities	30.09.2015 €k	30.09.2014 €k
EQUITY		
Subscribed capital	9,662	9,662
Capital reserve	26,677	26,677
Retained earnings	128,860	125,592
Other reserves	-5,622	-207
Equity of shareholders of Einhell Germany AG	159,577	161,724
Non-controlling interest	1,837	1,852
	<u>161,414</u>	<u>163,576</u>
NON-CURRENT LIABILITIES		
Provisions	3,355	2,638
Liabilities from debt capital	30,000	30,000
Deferred tax liabilities	3,839	5,082
Other liabilities	7,529	8,573
	<u>44,723</u>	<u>46,293</u>
CURRENT LIABILITIES		
Trade payables	29,227	30,952
Provisions	20,896	13,961
Liabilities from debt capital	30,808	8,242
Other liabilities	21,406	23,670
	<u>102,337</u>	<u>76,825</u>
	<u>308,474</u>	<u>286,694</u>

Consolidated income statement (IFRS) for the period from 1 January to 30 September 2015

	01.01. – 30.09.2015	01.01. - 30.09.2014
	€k	€k
Revenue	347,874	325,372
Other operating income	3,978	5,143
Cost of materials	-238,612	-227,029
Personnel expenses	-43,761	-41,751
Depreciation	-3,760	-3,631
Other operating expenses	-51,319	-48,888
Financial result	-2,286	-2,715
Profit before income taxes	12,114	6,501
Income taxes	-3,406	-2,579
Consolidated net profit	8,708	3,922
Thereof share of minority shareholders in consolidated net profit/loss	272	-75
Thereof share of shareholders of Einhell Germany AG in consolidated net profit/loss	8,436	3,997

Consolidated statement of cash flows (IFRS) for the period from 1 January to 30 September 2015

in € thousand	01.01. – 30.09.2015	01.01. - 30.09.2014
Cash flows from/used in operating activities		
Profit before taxes	12,114	6,501
+ Depreciation and amortisation of intangible assets and property, plant and equipment	3,760	3,631
- Interest income	-147	-154
+ Interest expenses	1,775	1,385
+/- Other non-cash expenses and income	1,705	2,789
Operating profit before changes in net working capital	19,207	14,152
+/- Decrease/increase in trade receivables	-30,572	-21,347
+/- Decrease/increase in inventories	-17,183	-498
+/- Decrease/increase in other assets	-3,338	-1,993
+/- Increase/decrease in non-current liabilities	251	-3,221
+/- Increase/decrease in current liabilities	8,488	8,213
+/- Increase/decrease in trade payables	-27,020	-22,983
Cash flows generated from operating activities	-50,167	-27,677
- Taxes paid	-2,576	-1,930
+ Interest received	160	143
- Interest paid	-1,276	-1,016
Net cash from/used in operating activities	-53,859	-30,480
Cash flows from/used in investing activities		
- Payments to acquire assets	-3,676	-2,457
- Payments for acquisition of consolidated companies	0	0
+ Proceeds from disposal of assets	128	54
+/- Increase/decrease in goodwill	0	0
+ Proceeds from disposal of consolidated companies	0	0
- Cash-outflow from changes to companies included in the consolidation	0	0
Net cash from/used in investing activities	-3,548	-2,403
Cash flows from/used in financing activities		
+/- Increase/decrease in financial liabilities	30,598	-13,214
- Payments for acquisition of equity investments	-100	-96
+ Proceeds from non-controlling interest	0	20
- Dividend payments to shareholders of Einhell Germany AG	-1,384	-1,384
- Dividend payments to non-controlling interest	0	-601
- Payments for liabilities for finance leases	0	-2
Net cash used in financing activities	29,114	-15,277
Changes to cash and cash equivalents due to currency exchange	2,254	-172
Net decrease/increase in cash and cash equivalents	-26,039	-48,332
Cash and cash equivalents at beginning of reporting period	36,254	59,006
Cash and cash equivalents at end of reporting period	10,215	10,674

Selected IFRS consolidated notes of Einhell Germany AG, Landau/Isar, for the period from 1 January to 30 September 2015

1. Principles and methods used in preparing the consolidated financial statements

1.1 Basis of consolidation

The consolidated financial statements comprise Einhell Germany AG and the companies it controls. IAS 27 defines control as the power to govern the financial and operating policies so as to obtain benefits from a company's activities. If the Group holds more than 50% of the voting rights of a company, either directly or indirectly, it is deemed to control such company, unless such assumption is refuted. Companies that are acquired or sold during the course of a financial year are included in the consolidated financial statements as from the date of acquisition until the date of sale.

Einhell Germany AG increased its share in Einhell Hellas AE in the period under review and Einhell Germany AG therefore now owns 98.08% of the shares in this company. In addition, the 10% interest in Einhell Chile S.A. held by the minority shareholder was bought. The Einhell Group therefore now owns 100% of the shares in this company.

1.2 Accounting and valuation principles

The report as at 30 September 2015 applies the same accounting and valuation principles as were used in the annual financial statements 2014.

2. Notes to statement of financial position

2.1 Non-current assets

Intangible assets and property, plant and equipment are valued at acquisition or manufacturing cost and are recognised in the statement of financial position less accumulated depreciation.

Intangible assets amount to EUR 22.1 million as at 30 September 2015, while property, plant and equipment amount to EUR 19.9 million.

2.2 Inventories

	September 2015	September 2014
	€k	€k
Raw materials and supplies (at acquisition cost)	285	292
Finished goods	121,451	104,325
Prepayments	3,712	2,025
Total	125,448	106,642

Inventories are valued at the lower of acquisition or manufacturing cost or net realisable value.

2.3 Cash and cash equivalents

Cash and cash equivalents include bank balances, cheques and cash in hand.

2.4 Provisions

Provisions total EUR 24,251 thousand. This includes non-current provisions of EUR 3,355 thousand.

Provisions refer in particular to provisions for warranty.

2.5 Liabilities

Upon addition, liabilities are valued at fair value of the consideration received; subsequent valuation is performed at amortised cost. Liabilities in foreign currencies are recognised at the reporting date rate or hedging rate as at the reporting date.

3. Notes to the consolidated statement of income

Other operating expenses

Other operating expenses amount to EUR 51,319 thousand as at 30 September 2015. This pertains primarily to expenses for the transport of goods, warranty, customer services, impairment, advertising and product design.

4. Segment reporting

The identification of reportable operating segments pursuant to IFRS 8 is based on the so-called management approach concept. The division of the Einhell Group into two segments reflects a representation of business areas as well as the Group's internal management and reporting structures. The segments are "Tools" and "Garden & Leisure".

Income and expenses that cannot be directly allocated to the individual segments are shown in the reconciliation item.

4.1 Segment reporting by division

September 2015 in € thousand	Tools	Garden & Leisure	Total segments	Reconciliation	Group
Segment revenue	203,035	144,839	347,874	0	347,874
Profit from ordinary activities (POA)	5,969	6,145	12,114	0	12,114
Financial result	-2,252	-34	-2,286	0	-2,286
Interest income	67	80	147	0	147
Interest expenses	-1,203	-572	-1,775	0	-1,775
Scheduled depreciation	2,374	1,386	3,760	0	3,760
Non-cash income	-26	-8	-34	0	-34
Non-cash expenses	978	761	1,739	0	1,739
Inventories	82,450	42,998	125,448	0	125,448
Depreciation of inventories	1,289	951	2,240	0	2,240

September 2014 in € thousand	Tools	Garden & Leisure	Total segments	Reconciliation	Group
Segment revenue	190,960	134,412	325,372	0	325,372
Profit from ordinary activities (POA)	2,601	3,900	6,501	0	6,501
Financial result	-2,524	-191	-2,715	0	-2,715
Interest income	66	88	154	0	154
Interest expenses	-904	-481	-1,385	0	-1,385
Scheduled depreciation	2,253	1,378	3,631	0	3,631
Non-cash income	-237	-156	-393	0	-393
Non-cash expenses	2,384	798	3,182	0	3,182
Inventories	71,367	35,275	106,642	0	106,642
Depreciation of inventories	964	873	1,837	0	1,837

The Tools segment includes electronic hand tools and stationary tools as well as hand-held tools and general electronic tools accessories. Garden & Leisure comprises garden and water technology as well as cooling and heating technology.

4.2 Segment reporting by region

The geographic allocation of revenue is based on the registered office of the invoice recipient. The decisive factor is the market where the revenue is generated. The following table shows segment reporting by region:

September 2015 in € thousand	D/A/CH region	Other Europe	Asia	South America	Other countries	Group
External revenue	146,039	111,812	5,400	18,211	66,412	347,874
Non-current assets	15,908	12,343	700	1,006	14,137	44,094

September 2014 in € thousand	D/A/CH region	Other Europe	Asia	South America	Other countries	Group
External revenue	131,236	105,356	12,254	16,429	60,097	325,372
Non-current assets	15,299	13,699	547	926	16,542	47,013

5. Statement of responsibility

To the best of our knowledge, we assure that the interim consolidated financial statements give a true and fair view of financial position and performance as well as the earnings situation of the Group and that the interim Group management report accurately reflects the actual development and performance of the business and the position of the Group and describes the principal risks and opportunities associated with the Group's expected development in the remaining months of the financial year.

Landau a. d. Isar, 19 November 2015

Einhell Germany AG
The Board of Directors

Andreas Kroiss
Jan Teichert
Dr Markus Thannhuber

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