HanseGroup

Annual Report 2014/2015

HanseGroup

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Contents

Greetings from Management

DEAR FRIENDS OF THE HANSEGROUP,

Fiscal year 2014/2015 was a year of new beginnings.

The economic situation allowed for growth in water sports and especially for the HanseGroup in Europe and in particular in the US. In addition, Australia provided us with a vigorous sales volume and it was also possible to expand our market share in Asia as well as in the Near East . Particularly motorboats have been achieving excellent hikes in turnover in many countries. Sailing yachts have been displaying clear trends towards large hulls, thanks to which the markets have again been experiencing light growth in these business divisions. We assume that the HanseGroup has gained additional market share especially in the motorboat division.

Fiscal year 2014/2015 has been substantially marked for the HanseGroup by further expansion of the „Sealine“ motorboat brand. Two new and successful models have been developed: Sealine S330 and Sealine C330. They had their world premieres in Southampton in 2014 and Düsseldorf in 2015. They represent the first products with the new Sealine design. These motorboats were designed in England by the renowned naval architect, Bill Dixon, and have been developed and built by HanseYachts in Germany. A more steep bow, a wider forecastle and the largest window area in its sector are the new signature features of Sealine. Modernity has now joined older values such as space, stowage and brightness. With these new models, we have also been able to gain additional international dealers. As a consequence, Sealine will not only be marketed at several new bases in Germany, France and Spain, now also in Mexico and Kuwait.

An additional highlight was the initial construction of the largest Hanse of all time, the Hanse 675; since May 2015 spacious 22-meter yachts equipped with every imaginable luxury are being built in Greifswald: bathrooms with slate walls, an engine room with its own separate air-conditioning system, a saloon with a American bar and 2 lounges for chilling out, up to eight refrigerators, a fixed bimini, electrically opening roof and round furniture in a wave design are just some of the new incentives to buy. The launch of the first completely finished Hanse 675 has been planned for the end of 2015.

The volume of new orders for the HanseGroup has once again been quite good and moreover above that of recent years. This can primarily be attributed to successful implementation of our multiple-brand strategy as well as to the development of trend-setting models tailored to the needs

Fjord F40 open

and wishes of our markets. A comprehensive presentation of our palette of models, including the newly developed ones, at the international boat shows has made a major contribution in this regard. Introduction of the new Hanse 455 and the Dehler 46 have thus shown that that we are pursuing the right course with our latest developments. It is primarily these models that were booked up for several months in advance in the last fiscal year.
The recognition shown to our products both by our customers as well as by the trade press and their readers is for us both an acknowledgement of our successful work and an incentive to do more. The newly developed Dehler 46 and the Moody 54 have been nominated by the trade press for the coveted „European Boat of the Year“ award. The Dehler 38 won several international prizes in 2014. However, our motorboats from the Sealine brand have also touched the nerve of the times as the Sealine F 380 has shown with the award it won in England.

For fiscal year 2014/2015, we are expecting a continuation of stable – and in some countries even rising – demand on the market for water sports. Furthermore, we also see positive market opportunities in the countries along the Eastern Mediterranean coast, in Asia, the US as well as in South America. In Northern Europe we are expecting demand to remain unchanged at the current stable level. Thanks to sales revenues from the Sealine brand, the accompanying boost in our capacity utilisation and decreases in our fixed costs, we are expecting sales revenues to continue to rise, improvement in results as well as positive earnings before interest, taxes, depreciation and amortization (EBITDA) for the coming fiscal year.

Our employees have performed with extraordinary commitment, tremendous motorboat and sailing savvy and enormous diligence for our enterprise at all of the HanseGroup’s venues worldwide. For this reason, we would like to offer each and every one of you our heartfelt thanks for your efforts and contributions.

Best water-sport regards from Greifswald,

Sealine F380

DEAR SHAREHOLDERS,

In the period under review from 1 July 2014 to 30 June 2015, the supervisory board was regularly and intensively occupied with the HanseYachts AG's status and development and fully performed the duties and competencies incumbent upon it by law and pursuant to the Company's Articles of Incorporation with regard to advising and supervising the management board. For this purpose, regular exchanges of information with the management board have been necessary as well as supervision of the Company's management. Cooperation between the management board and the supervisory board has been characterized by a very intensive exchange of information and opinions. The supervisory board has been involved in all essential decisions made by the management board.

The management board regularly informed the supervisory board in oral and written reports—even outside of board meetings—in particular about the Company's developments in turnover and earnings, its financial status, its risk situation and its risk management as well as the strategic direction of the HanseGroup, its policies on brands and models as well as about personnel questions. These aspects were discussed and reviewed with the management board during meetings of the supervisory board.

In fiscal year 2014/15, 8 meetings of the entire supervisory board were held, either requiring attendance in person or as conference calls; in addition 1 resolution was adopted using circulation procedure. The supervisory board was also informed of any events of particular significance occurring between these meetings. The supervisory board has been informed about current developments in business on a monthly basis.

The focus of the deliberations at each meeting of the management and supervisory boards was on current developments in the business of HanseYachts AG and its subsidiaries, on presiding over financing strategies of the HanseGroup, shaping policies regarding brands as well as corporate planning, including personnel planning.

On 03 September 2014 the supervisory board resolved to approve the budget for fiscal year 2014/15. The purchase of a parcel of land by our Polish subsidiary to expand production capacity was also approved as well as the sale of yachts of the HanseYachts AG at fair market conditions to a company, in which the chairman of the supervisory board and both members of the management board own participations.

The object of the supervisory board meeting on 02 October 2014 was to hold deliberations on approving the annual and consolidated financial statements of HanseYachts AG for fiscal year 2013/14 as well as on the report of the management board on relations with affiliated companies (dependent companies report).

Report of the Supervisory Board

A joint declaration of the supervisory and management boards in accordance with Article 161 of the German Stock Corporation Act (AktG) was adopted on 20 October 2014 and made accessible to the public on HanseYachts' website.

At its meeting of 12 November 2014, the supervisory board deliberated on developments in business, in particular over the impact on developments in results of the higher production costs to manufacture motorboats of the Sealine brand.

With one circular resolution in December 2014, the Corporate Governance Report and the Report of the Supervisory Board for the annual general meeting as well as the agenda for said general meeting were prepared and adopted.

The meeting held on 29 January 2015 had as its object a report submitted by the management board on the course of business developments and deliberations about it. In particular the discussions focussed on the demands for a wage agreement made by IG Metall.

At the meeting on 10 April 2015, which was continued on 11 April 2015, operative measures were deliberated and approved for policies on models and development as well as the areas of marketing and sales and eventual year-end results.

On 07 May 2015 the supervisory board particularly occupied itself with corporate planning as well as internal corporate restructuring.

In the past fiscal year, the supervisory board of HanseYachts AG initially consisted of three members, then subsequently of six members.

Gert Purkert, Dr. Frank Forster and Dr. Luzi Rageth were elected for an additional term as members of the supervisory board and Mr Fritz Seemann as a new member by the shareholders at the annual meeting on 29 January 2015. Alexander Herbst and Ronny Riechert were elected as members of the supervisory board by the workforce of HanseYachts AG on 20 May 2015. Mr Purkert is the chairman and Dr. Forster is the vice-chairman of the supervisory board.

Moreover, Dr. Rageth is chairman of the audit committee, to which Mr Purkert and Dr Forster belong as additional members. The audit committee is obliged to perform a preliminary audit of the annual financial statements and to prepare a resolution for the supervisory board on finalizing said statements. The supervisory board has no additional committees.

The audit committee convened twice in fiscal year 2014/2015. At a meeting held on 02 October 2014, the audit committee had the key results of the audit reported to them by the auditors and conducted their own auditing activities. Acceptance of the key points in the audit and a preliminary discussion of the results from the audit of the financial statements have been conducted in behalf of the audit committee by the chairman of said committee and the auditor.

The object of the meeting of the audit committee on 12 November 2014 was to confer about a resolution to be presented to the shareholders at the annual meeting on the appointment of an auditor for fiscal year 2014/15.

All members of the supervisory board took part in the meetings and conferences in person. During the adoption of a resolution on 03 September 2014 regarding approval of sale of yachts at fair market conditions to a company, in which supervisory board chairman Gert Purkert owns a participation, said supervisory board member Gert Purkert found himself in a conflict of interest under the terms of Clause 5.5.3 of the German Corporate Governance Code. As a consequence, Mr Purkert abstained from voting when it came to a vote for the above-mentioned business arrangements.

In the period reported here, the management board consisted of Dr. Jens Gerhard (Marketing and Quality) and Sven Göbel (Finance and Production).

Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft in Hamburg was appointed as auditor at the general shareholders' meeting on 29 January 2015 and was then commissioned by the supervisory board.

The annual financial statements of HanseYachts AG for the period from 1 July 2014 to 30 June 2015 have been prepared in accordance with the rules of the German Commercial Code (HGB) and the consolidated financial statements for the period from 1 July 2014 to 30 June 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) as well as the respective management reports appertaining thereto have been audited by Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft and have all been issued an unqualified auditors' opinion.
At the meeting on 30 September 2015, the supervisory board and the audit committee had the key results of the audit reported to them by the auditors.

The supervisory board has examined the annual financial statements and consolidated financial statements prepared by the management board as at 30 June 2015, while taking into account the auditors' reports submitted by Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft and the respective management reports pertaining thereto, and approved them at its meeting on 30 September 2015. The annual financial statements have thus been finalized.

The report of the management board on relations with affiliated enterprises in fiscal year 2014/2015 has also been examined by external auditors and issued an unqualified auditors' opinion that the factual information in said report is correct and the contribution of the enterprise was not unduly high in light of the legal transactions indicated in the report. The supervisory board has examined the report of the management board in particular with regard to correctness and completeness. In accordance with the finalizing results of its own examination, the supervisory board has accepted the results of the audit conducted by the auditors. No objections have arisen to the concluding statement contained in the report of the management board on relations with affiliated enterprises.

The members of the supervisory board would like to thank the management board for its constructive cooperation and would also like to thank the shareholders for their confidence in HanseYachts AG. The supervisory board would like to thank everyone involved for their enormous commitment and dedication.

Greifswald, 23. October 2015

Gert Purkert
Chairman of the Supervisory Board

DECLARATION OF THE MANAGEMENT BOARD OF HANSEYACHTS AG IN ACCORDANCE WITH ARTICLE 289A OF THE GERMAN COMMERCIAL CODE (HGB):

This declaration of the management board contains a declaration of compliance in accordance with Art. 161 of the German Stock Corporation Act (AktG) in compliance with the German Corporate Governance Code (DCGK), details on practises of corporate management and a description of the workings of the management and supervisory boards. In so doing, HanseYachts AG is aiming to ensure that the presentation of management remains lucid and meaningful.

The management and supervisory boards of HanseYachts AG are committed to the German Corporate Governance Code (DCGK) and identify with the goals of this Code to promote proper and responsible corporate management, oriented towards that which benefits the shareholders, employees and customers.

This fact is evident from a policy of responsible management and supervision of HanseYachts AG based on maximizing profitability. This also entails transparently presenting its corporate principles and developments in its business, with the aim of ensuring and reinforcing the confidence of customers, business partners and investors in HanseYachts AG. Parameters of proper corporate management continue to be close and efficient cooperation between the management board and the supervisory board, regard for shareholders' interests, effective corporate communication, correct accounting and auditing as well as responsible risk management.

HanseYachts AG regards corporate governance as an ongoing process and will continue to follow future developments attentively and make use of them accordingly.

DECLARATION ON THE GERMAN CORPORATE GOVERNANCE CODE (DCGK) IN ACCORDANCE WITH ARTICLE 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

Since its last declaration of compliance of 20 October 2014, HanseYachts AG has complied, and will continue to comply, with the recommendations of the Government Commission on the German CGC in the version of 05 May 2015 throughout the period reported here, with the exception of the following deviations and will continue to do this in future with the exception of the following non-conformance:

- Contrary to Item 3.8 DCGK (Deductible in the D&O Insurance also for the supervisory board), the D&O Insurance taken out by HanseYachts AG for its supervisory board does not provide for a deductíble.

The management and supervisory boards are fundamentally not of the opinion that the motivation and responsibility, with which the members of the supervisory board discharge their duties, could not be improved upon by means of such a deductible. Consequently, HanseYachts AG is not planning any changes in its current D&O insurance contracts.

- Contrary to the recommendations in accordance with Item 4.2.1 DCGK, HanseYachts AG has not one, but two spokesmen for the management board.

Both members of the management board have also been appointed as spokespersons, as said management board and the supervisory board are of the opinion that all members of this management board should be fundamentally equal.

- Contrary to Item 4.2.2, Para. 2, Sentence 3 of the Code, determination of the remuneration for the management board also does not take the relation to the remuneration of senior management and the work force into account altogether in developments over time.

With the changes to the German Corporate Governance Code in the version of 13 May 2013, a recommendation was introduced for the first time, by which the supervisory board was also advised to take the relation of the remuneration for the management board to the remuneration of senior management and the work force into account altogether in developments over time. When concluding the current management board contracts in accordance with the dictates of the German Stock Corporation Act prior to implementation of this recommendation, the supervisory board took care to ensure that the total remuneration allotted to the members of the management board remained within a commensurate relation to the general wage and salary structures within the company, thereby maintaining so-called "vertical commensurateness" with management board remuneration. As far as these had already been substantiated beforehand by the examination for vertical commensurateness of management-board remuneration as demanded by the German Corporate Governance Code and the reference groups relevant for a comparison as well as the time frame of the comparison have been more closely defined, a deviation will be explained to a certain extent as a precaution. While concluding the currently valid management-board contracts within the framework of an examination for commensurateness, the supervisory board did not distinguish between the reference groups in accordance with Item 4.2.2, Para. 2, Sentence 3 and also did not conduct any surveys on developments over time regarding wage and salary structures.

- Contrary to Item 4.2.3, Para. 2, Sentence 3 of the Code, the variable remuneration components stipulated in one management-board member's contract do not contain a multi-year basis for assessment — a notable exception.

The supervisory board does not consider such a basis for assessment to be mandatory. In the opinion of the supervisory board, remuneration of the management-board members is ensured altogether, even without such a basis for assessment in light of the circumstances of this individual case and the structuring of the variable remuneration components, in that remuneration of the members of the management board is duly oriented to sustained developments of their enterprise.

- Contrary to Items 4.2.4 and 4.2.5, Para. 3 of the Code, reporting on the remuneration for members of the management board will neither be individualised nor broken down according to its constituent parts — in particular according to benefits granted and to benefits received as well as the cost of benefits — using a model salary schedule enclosed as a supplement with the Code in the remuneration report.

At the general meeting on 31 January 2012, the shareholders adopted a resolution to refrain from disclosing management board remuneration. Against this background, the remuneration can also not be subdivided in the remuneration report on the basis of a model salary schedule enclosed with the DCGK, as this would lead to an individualised disclosure of management-board remuneration and would thus go directly against the resolution adopted at the general shareholders' meeting of 31 January 2012. Moreover, the management and supervisory boards of HanseYachts AG are of the opinion that the disclosures on management-board remuneration resulting from the applicable accounting principles utilised by HanseYachts AG are sufficient. Disclosure of the remuneration for management-board members according to its components – in particular according to benefits granted and according to benefits received as well as the cost of benefits – using the model salary schedule included as a supplement to the Code in the remuneration report, which in light of the above mentioned resolution adopted at the general shareholders' meeting on 31 January 2012 may not be individually made public, would not provide any additional relevant information for the capital market.

- Contrary to the recommendations in accordance with Item 5.1.2, Paragraph 2, Sentence 3, and Item 5.4.1, Sentence 2 of the German CGC, an age limit for members of the management and supervisory boards has not been fixed.

A generalised age limit does not represent a suitable criterion for quality in the opinion of HanseYachts AG and would unnecessarily restrict the search for particularly qualified and experienced candidates. Moreover, the present age structure of the directors and officers (D&O) would not make fixing such an age limit imperative.

- Contrary to the recommendations in accordance with Item 5.3.3 of the German CGC, a nominating committee has not been formed.

The supervisory board considers it preferable to present the nominations to the general shareholders' meeting for election to the supervisory board as members in the overall supervisory board in order to permit the diversity already present in said supervisory board to flow into such nominations.

- In the past, the recommendations in accordance with Item 5.4.1, Sentences 2 to 4 of the German CGC (Defining Concrete Goals for the Composition of the Supervisory Board) have not yet been pursued, as a resolution on the goals to be defined has not yet been adopted and will also not be pursued in future. Nevertheless the supervisory board intends to formulate corresponding goals in future and then to include them in subsequent Corporate Governance reports. However, there is no fixed timetable for this as yet.

- The recommendation contained in Item 7.1.2 of the German CGK to make the consolidated financial statements publicly accessible within 90 days after the end of a given fiscal year, has not been observed. HanseYachts AG is nevertheless striving to implement this recommendation in future.

DISCLOSURES ON CORPORATE MANAGEMENT PRACTISES

HanseYachts makes use of any and all legally stipulated corporate management practises. There are no additional guidelines, such as ethical standards or labour and social standards that are valid company-wide.

PROCEDURES OF THE MANAGEMENT AND SUPERVISORY BOARDS

The supervisory and management boards of HanseYachts AG cooperate closely and trustfully with each other. All relevant questions relating to the business situation and developments, financing as well as strategy and planning are discussed between the two management entities.

The supervisory board advises and monitors the management board in managing the HanseGroup and reviews all major business transactions by examining the relevant documents on the basis of the German Stock Corporation Act and the Articles of Incorporation. The supervisory board is elected at the general shareholders' meeting. The management board is appointed by the supervisory board. The supervisory board decides on the number of members on the management board and determines the chairman (CEO). In the internal bylaws for the management board, the supervisory board stipulates a catalogue of transactions requiring board approval as well as a schedule of responsibilities. The supervisory board acts on the basis of its own rules of procedure.

The supervisory board finalizes the annual financial statements and approves the consolidated financial statements. Each year the chairman of the supervisory board explains the activities of said board in his report to the shareholders and at the general shareholders' meeting. The supervisory board of HanseYachts AG consists of six members. There is also an audit committee that includes three members of the supervisory board. In addition to advising on examining the annual financial statements, its duties include discussing corporate planning.

The management board currently consists of two members. The management board runs the company on its own responsibility. Individual areas of responsibility are stipulated in the schedule of responsibilities. The heads of the various business units report to the management board about their respective departments/divisions and bear responsibility for the results of their respective units. The management board reports to the supervisory board comprehensively about planning and developments in business as well as the status of the HanseGroup, including risk management, at regular intervals and in timely fashion, both in writing and at regularly scheduled meetings. The management board takes part in all of the meetings of the supervisory board, reports orally and in writing on the individual items on the agenda as well as on drafts of resolutions and responds to questions of individual members of the supervisory board.

Drafts of resolutions are conveyed to the members of the supervisory board in writing prior to the respective meetings. The possibility of drafting resolutions by circulation procedure is especially used in cases that are particularly urgent.

REMUNERATION OF THE MANAGEMENT BOARD (REMUNERATION REPORT) PURSUANT TO ITEM 4.2.5 OF THE GERMAN CGC

Total remuneration for the management board has been fixed at a commensurate level by the supervisory board. Criteria for determining this commensurate level are, in particular, the responsibilities of the respective member of the management board, personal performance, the situation of the economy, the Company's success and future prospects as well as the usual level of such remuneration in light of that, which is paid in comparable companies and the salary structure otherwise applicable within HanseYachts.

Remuneration for the members of the management board is determined by the supervisory board, which regularly assesses the commensurateness of said remuneration. This remuneration comprises a fixed and a variable component. The variable components are dependent on targets that are determined on a yearly basis. There is a ceiling on the variable components. The variable remuneration component is paid once annually, depending on the results of the past fiscal year relative to achieving the respective targets agreed upon. Furthermore, in cases of extraordinary accomplishments, the supervisory board can grant the management board a special bonus that would also have a ceiling. For the fiscal year reported here, the management board will receive a variable remuneration component. No arrangements have been made for pensions.

In the fiscal year that ended on 30 June 2015, total remuneration for the entire management board, including use of company vehicles and insurance premiums, amounted to EUR 614K (EUR 920K last year). EUR 505K (534K last year) thereof covered fixed salary components and EUR 109 (EUR 386K last year) thereof was paid for variable salary components.

At two-year intervals, the supervisory board reviews total remuneration paid to the management board, considering in particular the earnings situation of HanseYachts AG and the performance of individual members, and adjusts said total remuneration commensurately.

Furthermore, HanseYachts has taken out liability insurance for pecuniary damages for directors and officers (D&O insurance) with a commensurate deductible to be borne by the management-board members themselves.

In the event of revocation of an appointment of a member to the management board, the employment contract, and hence payment of remuneration and other benefits provided by HanseYachts AG, shall end on the date, on which said revocation shall have been received. Should the office as a member of the management board expire or be eliminated due to, or as a result of, a change in corporate form or a restructuring measure, HanseYachts or a legal successor thereof shall have, inter alia, the option of terminating the employment contract of the members of the management board with 6 months notice. If a member of the management board resigns in such a case, any severance payments shall be limited to his or her income for six months. In case of a change of control, within 2 months after it becomes legally binding, the management board shall be entitled to resign by giving 1 month‘s notice and to step down on the date said notice shall expire as well as to demand payment of 12 months salary as compensation for the loss of employment, restricted to a maximum severance payment of their (fixed) remuneration until the regular termination of their contract.

At the general meeting, the chairman of the supervisory board will also inform the shareholders of HanseYachts AG about the basic principles of the remuneration system and any amendments to it.

REMUNERATION OF THE SUPERVISORY BOARD PURSUANT TO SECTION 5.4.6 OF THE GERMAN CGC

Remuneration for members of the supervisory board is determined by the shareholders at the general meeting and has been regulated in Article 14 of the Articles of Incorporation of HanseYachts AG. In addition to reimbursement for expenses, first of all each member of the supervisory board receives fixed annual remuneration of EUR 6000, payable at the end of each fiscal year. In addition each member of the supervisory board receives variable remuneration of EUR 50 for each cent, by which consolidated earnings after taxes per share exceed EUR 1.30. The chairman of the supervisory board receives three times the normal fixed and variable remuneration; the vice-chairman and heads of commissions receive two times the above-mentioned amounts. For the fiscal year reported here, as in previous years, the supervisory board has not received any variable remuneration components.

SHAREHOLDINGS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD PURSUANT TO SECTION 6.2 OF THE GERMAN CGC

With one exception, the members of the management and supervisory boards of HanseYachts AG do not have any shareholdings above 1% of stock issued by their company that would require disclosure within the scope of Item 6.2 of the German CGC; supervisory board chairman Gert Purkert holds 5.47 % of the shares in Aurelius SE & Co. KGaA (former Aurelius AG), which in turn directly holds 15 % of the stock in HanseYachts AG. In addition, Aurelius SE & Co. KGaA holds 100% of the shares in the HY Beteiligungs GmbH, which in turn holds 59.13% in HanseYachts AG. The total holding of the two management-board members and supervisory board member Dr. Luzi Rageth in stock issued by HanseYachts AG amounts to 1.29 %, whereas management board member Sven Göbel and management board member Dr Jens Gerhard each holds the same number of shares at 0.64 %.

HanseYachts AG publishes extensive information about the shareholdings and stock transactions of the management and supervisory boards. Stock transactions falling under Article 15a of the Securities Trading Act on mandatory disclosure of Directors‘ Dealings have always been appropriately published on the website of HanseYachts AG.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

Transparency and the requirement to inform shareholders and the public quickly and comprehensively have a high priority at HanseYachts AG. Consequently, current developments and vital company information are made available on HanseYachts AG’s website (http://www.hansegroup.com). In addition to information on corporate governance, the website also publishes details about the management board, the supervisory board and the general shareholders’ meeting, legally required company reports (annual financial statements, six-month financial reports and interim reports from management), a financial calendar including all key dates as well as ad hoc press releases and mandatory disclosure of notifiable securities transactions (Directors’ Dealings).

Greifswald, 23 October 2015

HanseYachts AG

The Supervisory Board The Management Board


Dehler
Dehler

Consolidated Manangement Report

1. FOUNDATIONS OF THE HANSEGROUP

1.1 Corporate Profile

The HanseGroup numbers among the world's three largest manufacturers of seagoing sailing yachts with hull lengths of approx. 29 to 67 ft (= 10 – 21 m). The HanseGroup's products are innovative, are established on the market and have a long history. Hence, in the sailing yachts sector, the "Hanse" has been on the market for 20 years, the "Dehler" brand for more than 50 years and the "Moody" brand in fact for nearly 80 years. The motor yachts of the "Fjord" and "Sealine" brands have been on the market for 50 and 40 years, respectively. Within the respective brands, various types of yachts are offered for sale on the market so that the entire portfolio of products includes 32 different models. The yachts are sold via contractual dealers and in part via the HanseGroup's own distributorships. Our yachts are almost exclusively produced according to the personal orders of our end-customers, which are passed on to HanseGroup by our dealers.

Research and development and central coordination of marketing including media and boat show planning are all performed at our production facility favorably located in Greifswald, which has access to the sea. Central procurement for the HanseGroup is also provided there as well as overall distribution management and administration. Additional production facilities are located in Goleniow, Poland, approx. 170 km away. We also have our own distributorships in Germany and the US. Sales activities are conducted via a worldwide network of over 200 dealers.

1.2 Organisation and Subsidiaries

HanseYachts AG is the parent company of the HanseGroup. It exercises centralised authority as a holding company and manages the majority of the HanseGroup's business operations. HanseYachts AG holds 100-% participations in all of its subsidiaries, either directly or indirectly. The subsidiaries include Hanse (Deutschland) Vertriebs GmbH & Co. KG and its fully liable partner, Verwaltung Hanse (Deutschland) Vertriebs GmbH, Sealine GmbH with its subsidiary, Powerboat 2013 Ltd., HanseYachts US, LLC in the US, Technologie Tworzyw Sztucznych sp.z o.o. in Poland, HanseYachts Technologie und Vermögensverwaltungs GmbH, the no longer operative Dehler Yachts GmbH as well as Yachtzentrum Greifswald Beteiligungs-GmbH with its no longer operative Mediterranean Yacht Service Centre SARL in France.

HanseYachts AG and its subsidiaries have been included in the financial statements of Aurelius AG in Grünwald.

HanseYachts AG is publicly listed on the General Standard of the Frankfurt Stock Exchange.

1.3 Developments in Our Sector and Market Position

Yachts are considered luxury goods due to their high purchase prices and the fact that they are used as leisure-time products in the market for water sports. In principle the market for luxury goods is materially dependent on general trends in the economy. The decline in economic power worldwide due to the financial crisis in 2008 and 2009 has led to a drastic slump in demand for yachts. Demand in the boat sector has not recovered since then, and a significant improvement is also not expected for the coming fiscal year. We only expect substantial growth rates again when the economic and European sovereign debt crises have been resolved in the Mediterranean coastal countries and the rest of the world economy has achieved more stable growth.

The worldwide market for motor and sailing yachts is characterised by intensive competition. A number of manufacturers of motor and sailing yachts exist throughout the world that produce yachts in single-digit numbers on a yearly basis. There is also a number of competitors that offer yachts every year in high double-digit numbers and only a small number of competitors worldwide, which – like the HanseGroup - produce yachts in three-digit numbers each year and with which we face tough competition. Moreover, the market for motor and sailing yachts is characterised by low entry barriers for manufacturers with small-scale production. It is thus possible for new manufacturers to enter the market on short notice and to gain market share primarily on a regional level.

Owing to the sustained low level of demand and tough competition, consolidation has been pervading the market for motor and sailing yachts, which has also been characterised by takeovers and even bankruptcies. Some competitors have thus been forced out of the market in recent years. Moreover, market players that have come under increased pressure tend to offer their yachts at significant reductions so that competitive pricing has grown considerably stronger.

Nevertheless, from a global perspective the maritime market climate remains stable to slightly growing for the HanseGroup. In this context, this growth is being driven by North America and Asia. The sales situation in Europe has remained stable, despite the geopolitical crises in the Ukraine, the Middle East and West Africa. In Italy as well as Spain we have even been able to discern a slight upturn in the market for water sports in light of an improved economic climate.

The HanseGroup has responded to this demanding market with an advanced and regularly upgraded palette of products, which are tailored to the needs and wishes of customers for individuality and diversity in the respective yacht variants, whereas the wishes of many customers can vary widely and can even differ greatly from region to region. In our opinion, only with close to assembly-line production and modular design, which can match such a diversity of variants, and with clearly defined brands will a manufacturer be able to position itself sustainably and successfully on the market. In the past 12 months, our growth in turnover of around 9 % has testified to the success of our strategy and our products.

The HanseGroup manufactures sailing yachts under the "Hanse", "Moody", "Dehler" and "Varianta" brands and produces motorboats under the "Fjord" und "Sealine" brands. This multiple-brand strategy permits us to make clear distinctions within the individual groups of products. Our products have thus been clearly positioned and have a strong identity with the respective brand. In this way, we can address varying customer demands with pinpoint accuracy and have greater potential for adaptability to changing market conditions. By using variably combinable modules for the interiors, colour schemes, fabrics, various types of wood and a wide variety of optional equipment, end-customers are given the possibility of adapting their yachts to their individual needs and wishes.

In the sailboat sector, we offer comfortable family yachts under our "Hanse" brand, under the "Moody" brand luxurious deck-saloon as well as classic yachts and with our "Dehler" brand high-quality performance cruisers. The "Varianta" brand stands for a sailing experience in its most pristine form.

In the motorboat sector we have consciously been focussing on a particular market niche with the cool and minimalist design of the "Fjord" brand. These seaworthy motoryachts have been conceived for cruising near the coast and can be used for voyages of several days. Since the second half of fiscal year 2013/14, the HanseGroup has been producing and marketing motor yachts of the "Sealine" brand, which fits perfectly into the HanseGroup's portfolio of products thanks to its elegant and light design and which focusses on practical use, without neglecting sportiness and design.

2. ECONOMIC REPORT

2.1 Overall Economic Situation

The European market and in particular the German market is the most important individual market of the HanseGroup. In this respect Germany remains unchanged in sticking out among the Euro States with its excellent economic robustness, whereas the economic situation in the Southern European countries with the exception of Spain shows no real sign of improvement.

2.2 Business Developments

In such a demanding market climate, we were nevertheless able to achieve around 9 % growth in turnover amounting to EUR 99.3 million in fiscal year 2014/15, although the motorboat business largely accounted for this growth. Thanks to intensive marketing activities with over 200 dealers, we were able to export our yachts to more than 35 countries. A high degree of acceptance by the market, both for new as well as for well-established boats, and financial incentives such as discounts and improved furnishings and equipment have contributed to this growth in turnover.

With the buildup of the production and marketing of motorboats from the "Sealine" brand, the HanseGroup has entered a new product segment secured by a long-term license agreement, which triggered substantial impulses for growth in fiscal year 2014/2015. Integrating the Sealine motorboats into a industrial production nevertheless led to additional costs in the fiscal year reported here so that EBITDA worsened despite the growth in turnover.

We have again invested substantially in our palette of products during the entire fiscal year. Additional new developments and/or facelifts are in preparation for the coming fiscal year and have even now been reaping positive feedback for the Hanse 315, Hanse 675, Dehler 34, Dehler 42 and Sealine F 530. Some of these models have already been bought although they have in part only been presented in drawings and have not yet even been exhibited at boat shows. Traditionally this will take place for the first time at major autumn and spring boat shows as well as in the press at the same time. Among the HanseGroup's market activities, there is primarily regular participation at national and international boat shows, such as for example in Düsseldorf, Hamburg and Friedrichshafen as well as those in Cannes (France), Paris (France), Annapolis (US) and Sydney (Australia). Every year, the HanseGroup is represented at over 100 boat shows in 40 countries either on its own or via its dealers.

In the opinion of the management board, developments in turnover reflect the correctness of the HanseGroup's strategic direction, while the earnings situation in the fiscal year reported here was not yet satisfactory, primarily due to the start-up losses caused by launching "Sealine". The management board assumes, however, that thanks to the near-assembly line production of Sealine motorboats to be established by the end of this fiscal year, learning-curve effects can be realised. The groundwork has thus been laid for significant growth in earnings in the coming fiscal year.

2.3 Control System – Financial and Non-financial Performance Indicators

The essential financial performance indicators primarily include turnover revenues and earnings before interest, taxes, depreciation and amortisation (EBITDA), which can be reported to the management board on short notice within the framework of an aggregated income statement for the HanseGroup (IFRS) on a monthly basis for the respective month just completed as well as cumulated for the current fiscal year ("YTD"). In so doing, deviations are systematically analysed both in relation to the original planning as well as to the previous year. The format for reporting an income statement on short notice basically corresponds to production-related contribution-margin accounting, which also contains additional indicators such as e.g. the ratio of cost of materials to total operating revenues, the ratio of manufacturing costs to sales, and a contribution margin figure and correlates certain types of expenses in accordance with economic principles, deviating from HGB- and/or IFRS-classifications (for example, correlating the expenses for temporary workers to manufacturing costs instead of cost of materials/cost of purchased services). Moreover, reporting directed towards the management board comprises a consolidated balance sheet (IFRS) and a consolidated cash-flow statement (IFRS), on the basis of which additional essential indicators for capital and liquidity management (e.g. equity ratio, working capital, cash and cash equivalents) are regularly monitored. In addition within the framework of ongoing liquidity management, payments and receipts are monitored on a daily basis and weekly liquidity forecasts are prepared and compared with the available structure of cash and cash equivalents (level of cash and cash equivalents plus the free financing facilities).

Regular monthly reporting to the management board does not include a further breakdown of revenues and expenses, of the results of business operations, of assets and debt as well as of cash flow in individual operating divisions (segments) or separate reporting about individual legal entities of the HanseGroup.

In addition to financial performance indicators, the management board also controls and monitors developments in business activities by means of a number of non-financial performance indicators that are aggregated within the framework of monthly reporting at the Group level and are analysed with respect to their development in comparison to planning and/or to the previous year. This includes the volume of incoming orders for the respective brands during the course of the year (No. of items, EURK, EURK/No. of items), the number of boats invoiced and produced, the number of boats contained in the inventory as well as personnel figures.

Attention is drawn to the developments in essential performance indicators as provided in the following explanations.

2.4 Earnings

The HanseGroup has a fiscal year, which deviates from a calendar year, from 1 July to 30 June of the respective following year. The following comparison with the previous year shows the developments in results:

in EUR 1000	01/07/2014 - 30/06/2015	01/07/2013 - 30/06/2014	Deviation absolute	Deviation in %
	Comparison with last Year			
Turnover	**99.251**	**91.382**	**7.869**	**9%**
Increase / Decrease in inventories in finished and unfinished products	1.853	1.250	603	48%
Other own work capitalized	1.939	1.906	33	2%
Total operating revenues	**103.043**	**94.538**	**8.505**	**9%**
Other operating income	2.129	3.433	-1.304	-38%
Cost of materials	-62.972	-58.711	-4.261	-7%
Personnel costs	-26.281	-21.225	-5.056	-24%
Other operating expenses	-15.445	-16.025	580	4%
EBITDA	**474**	**2.010**	**-1.536**	**-76%**
Depreciations	-5.291	-4.532	-759	-17%
EBIT	**-4.817**	**-2.522**	**-2.295**	**-91%**
Net financial costs	-1.865	-1.160	-705	-61%
Net earnings before taxes	**-6.682**	**-3.682**	**-3.000**	**-81%**
Income taxes	248	-303	551	182%
Consolidated net earnings after taxes	**-6.434**	**-3.985**	**-2.449**	**-61%**

Thanks to our successful marketing activities, ample acceptance of our new yachts, and a trend in demand towards boats of greater value, turnover increased by around 9 % to EUR 99.3 million. With a total of 499 boats sold (531 last year), it was possible to increase the average proceeds per boat from EUR 172K to EUR 199K. At around EUR 96.6 million, the (Group-wide) volume of incoming orders for fiscal year 2014/15 was approx. 6 % above the figure for last year. Our sailboat business accounted for the lion's share of turnover at around 79 % (92 % last year), while ca. 73 % thereof (80 % last year) came from boats of the "Hanse" brand as the main source of revenues. Turnover from motorboats rose significantly with a share of revenues of ca. 19 % (6 % last year); the two motorboat brands, "Fjord" and "Sealine", each accounted for roughly 50 % thereof. This shift in the relative proportions in turnover between sailing yachts and motorboats was expected due to the growth planned with "Sealine". Altogether developments in turnover nevertheless remained below the expectations of the previous fiscal year, which foresaw planned growth of over 13 %. With the usual shifts in the sales-volume mix, the turnover targets forecast in particular for "Sealine" could not yet be completely realised.

Total operating revenues also rose by 9 % to EUR 103.0 million including of increased inventories of boats ordered but not yet delivered (EUR 1.8 million) and capitalised own work (EUR 1.9 million).

A total of 493 boats were produced during the period reported here (528 last year). With materials costs of EUR 63.0 million (EUR 58.7 million last year), our ratio of cost of materials to total operating revenues at 61 % improved by 1 percentage point compared to the figure for the same period last year (62 %). We earned total gross profits (total operating revenues minus cost of materials) of EUR 40.1

million, which was EUR 4.2 million above last year's level primarily due to additional contribution margins resulting from the increase in total operating revenues.

Other operating income of EUR 2.1 million was significantly below last year's level at EUR 1.3 million, as the previous year contained the profit from the sale of the non-operationally necessary marina/harbour real estate (EUR 1.5 million). Revenues from reversal of provisions and valuation adjustments as well as derecognition of debt amounted to EUR 0.7 million (EUR 0.8 million last year).

Personnel costs of EUR 26.3 million have increased compared to last year (EUR 21.2 million), which is mainly due to hiring new industrial employees. In addition to a higher volume of incoming orders, manufacturing the new motorboat models of the Sealine brand in particular led to a considerable increase in the work force. On average for the year, we employed a total of 1016 people (817 last year). In relation to total operating revenues, personnel costs have increased by 3 percentage points to 25.5 %.

Other operating expenses decreased absolutely by EUR 0.6 million to EUR 15.4 million and in relation to total operating revenues, to 15 % (17 % for the same period last year). Essential components of Other operating expenses are the expenditures for advertising and for participating in boat shows, freight and packaging, warranties and license fees. The cost cuts compared to last year mainly relate to discontinuation of expenditures directly related to the bond issue as well as last year's one-off expenditures to cancel a long-term consultant's contract prior to expiration.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) decreased by EUR 1.5 million to EUR 0.5 million as a result of the aforementioned effects. In addition to the above-mentioned contingencies in comparison to last year, EBITDA was primarily charged for start-up losses caused by entering the market with motorboats from the SEALINE brand. To implement near-assembly line production, the necessary personnel and/ or temporary workers as well as unduly high materials consumption led to contribution margins that were not yet sufficient in the period reported here. Additional earnings contributions arising from higher total revenues were not sufficient to offset those start-up losses so that EBITDA has in toto worsened compared to last year. The significantly higher earnings foreseen in the planning with a considerably more positive EBITDA could not be achieved, owing to the inordinately high ratio of materials input (materials ratio) and manufacturing costs (manufacturing ratio) to total turnover in conjunction with Sealine motorboats as well as to lower turnover revenues.

Depreciation rose by EUR 0.8 million to EUR 5.3 million. This came as a result of high investments in development and production forms in past fiscal years that have been written down on schedule over a relatively short time frame of three years.

Our net interest income/deficit amounted to EUR -1.9 million. This primarily includes pro rata temporis interest expenditures for bonds recently issued as well as scheduled interest payments for servicing financial debt. Due to raising external capital last year, interest payments have increased accordingly.

While taking income taxes into account, consolidated net results amounted to EUR -6.4 million (EUR -4.0 million last year)

2.5 Financial Position

Cash flow from operating activities was EUR -0.5 million and has thus improved compared to last year's level (EUR -2.6 million). In particular reductions in trade receivables and higher advances from customers led to improved cash flow in the operating divisions compared to last year.

Cash flow from investment activities at EUR -7.2 million was mainly marked by expenditures for investments in intangible assets and property, plant and equipment (EUR 7.3 million).

Investments in intangible assets and property, plant and equipment primarily pertained to new yacht developments as well as new production forms for yachts. Moreover, other investments went for expanding production capacities at our subsidiary in Poland.

Cash flow from financing activities totalled EUR -3.5 million and thus turned out to be considerably lower in comparison to last year (EUR 17.1 million), as last year bearer bonds were issued and a capital increase took place. Within cash flow from financing activities, extinguishing financial liabilities and/or refinancing the bonds 2013/14 in toto led to expenditures of EUR 1.6 million. Furthermore, bank loans and debt from finance leasing were reduced on schedule.

As at the balance sheet date there were positive balances held at lending institutions of EUR 2.5 million, which were well below last year's balance (EUR 13.1 million) owing to the bond issues at the end of the previous fiscal year. Of our liquid funds a total of EUR 0.7 million is subject to constraints on disposition (EUR 2.1 million last year). In addition, there are overdraft facilities amounting to EUR 3.7 million (EUR 3.7 million last year), which are partially secured by a state guaranty. As at the balance sheet date, these facilities had been utilised in the form of surety loans (EUR 0.5 million) and cash advances in euros (EUR 1.7 million) (Total utilisation last year: EUR 1.5 million). Cash and cash equivalents consisting of liquid assets (EUR 2.5 million) minus cash advances utilised in euros (EUR 1.7 million) decreased to EUR 0.8 million (EUR 12.1 million last year).

Liabilities over and above the above-mentioned debt owed to lending institutions relate to short- to medium-term investment loans and have been reduced by EUR 1.4 million from EUR 2.5 million to EUR 1.1 million by means of scheduled repayment of principal. No additional loans were taken out from lending institutions to finance investments during the period reported here.

In June 2019 bonds will fall due amounting to EUR 13.0 million. These bonds draw 8.0 % interest. The majority shareholder, Aurelius AG, has in toto subscribed to bonds with a nominal value of EUR 0.7 million.

To support our franchised dealers, we have concluded a master agreement with an independent institutional sales finance company in addition to the above-mentioned financing instruments. This lending institution permits dealers with sufficient creditworthiness to finance boats ordered by customers as well as boats to be used as demonstrators and at trade fairs.

Attention is drawn to the payments expected in conjunction with the capital increase implemented after the balance sheet date as provided in the report on past-balance sheet date-events.

2.6 Net Assets

As at the balance sheet date, the HanseGroup's total assets amounted to EUR 58.8 million (EUR 67.2 million last year). They have decreased in value primarily because of the lower balance of cash and cash equivalents.

At EUR 32.7 million, long-term assets have increased by EUR 1.6 million compared to last year (EUR 31.1 million). The proportion of total assets attributable to non-current capital employed was thus 55.6 % as at the balance sheet date (46.2 % last year).

With intangible and tangible assets, there were EUR 5.3 million in depreciations as against EUR 7.3 million in new investments primarily in our palette of products as well as in the production capacities of our Polish subsidiary. Moreover, real estate of our subsidiary in France has been removed from Property, plant and equipment and disclosed separately.

At EUR 18.7 million, inventory assets have increased by EUR 1.0 million compared to last year. The reason

for this increase was essentially the excellent volume of incoming orders, which has led to a rise in the number of yachts currently being built. However, a greater increase in inventories is set against a higher rise in advance payments of EUR 2.2 million to EUR 9.1 million so that in toto the funds committed in working capital has been reduced.
As at the balance sheet date, trade receivables only amounted to EUR 2.2 million (EUR 2.7 million last year). In comparison to last year, the number of boats delivered in the month of June declined so that trade receivables also decreased accordingly.

Non-current assets held for sale contain real estate and movable assets located thereon, which are to be sold on a short-term basis. The assets to be sold are to be recognised at their carrying amounts and/or at their estimated lower realisable value and are located in France. Attention is hereby drawn to the supplementary report under Section 8.

Equity dropped by EUR -6.4 million to EUR 11.5 million due to net losses in the last fiscal year. Our ratio of equity to total capital is 19.6 % (26.7 % last year).

Retiring bond issue 2013/2014 of EUR 3.6 million led to a reduction in short-term liabilities. Repayment of the bond liabilities amounting to EUR 2.0 million by means of an unsecured loan from the majority shareholder was partially refinanced, which was granted as an aid to liquidity. This led to a rise in liabilities owed to related parties.

Short- and long-term financial liabilities (in particular loan and current account liabilities owed to banks) were reduced by EUR 0.7 million to EUR 3.0 million by means of scheduled payments on principal.

Provisions and trade payables decreased altogether by EUR 1.5 million to EUR 13.9 million compared to last year (EUR 15.4 million last year).

2.7 Investments and Depreciation

Thanks to our extensive investments in past years, no additional major investments were necessary for our production facilities in the year under review. The assembly lines involved in manufacturing sailing yachts using the continuous flow method as well as cellular manufacturing are regularly subject to service and maintenance.

For this reason, the focus of our investments was essentially placed on developing new types of boats as well as manufacturing and acquiring production forms. The cost of developing new yachts has been capitalised in the amount of EUR 0.7 million (EUR 0.7 million last year). For machinery and technical equipment and/or facilities under construction, additions accounted for a total of EUR 5.7 million (EUR 3.2 million last year). At HanseYachts AG, four new “Sealine” models accounted for a large proportion of these investments as well as three new models from the “Hanse” brand and the Fjord 48. Relative to one individual model, a major proportion was invested in our largest yacht to date, the Hanse 675. Moreover, other investments went for expanding production capacities at our Polish subsidiary. It was necessary to initiate an unscheduled write-down of EUR 0.3 million because of a damage claim. The form was repurchased on short notice. The damage claim was covered up to EUR 0.2 million by our insurance so that our earnings situation was only affected to a limited extent.

2.8 Research and Development

Our development efforts are primarily focussed on developing new and innovative yachts utilising the most advanced materials and manufacturing technology. Know-how gained within the framework of ongoing process optimisation has been flowing into our development efforts. The extensive experience of HanseYachts’ own staff has been enhanced by cooperation with internationally recognized draughtsman‘s bureaus and yacht designers.

The use of computer-aided design (CAD) software called Catia V5 permits us to use a database to illustrate entire development and production processes, from the initial design to controlling production machinery. In addition to hardware and software costs, expenses have been incurred for advanced training courses for our staff and for utilising external specialists.

In the year under review, the focus of our development activities was to generate new models for our "Hanse", "Dehler" and "Sealine" brands. In so doing, it has been important not only to continue developing exterior and interior layouts for existing models, but also in particular to come up with new designs and concepts and to determine construction and manufacturing standards.

Expenditures for our research and development activities amounted to EUR 3.1 million in the year reported here (EUR 3.0 million last year). These mainly include personnel expenditures and purchased services. Insofar as the recognition criteria for intangible assets (development costs) and/or for machinery and technical equipment / facilities under construction (production forms) were satisfied, a corresponding capitalisation was rendered via own work capitalized (EUR 1.6 million; EUR 1.6 million last year). In total, expenditures of EUR 1.5 million have thus been recognised for research and development (EUR 1.4 million last year) as an expense charged to the accounting period.

3. PERSONNEL

Securing the jobs of our employees represents an essential constituent of our corporate policy. In so doing, it is not only important for us to retain their professional expertise for our boatyard, but also to be mindful of our social responsibility as the largest commercial employer in Greifswald as an economic entity.

We foster objectivity and fairness in dealing with the works council. This cooperation includes mutual information exchanges on a timely basis as well as open dialogs between all the parties involved.

The supervisory board of HanseYachts AG was expanded from three to six members. Two members thereof are elected by the HanseGroup's work force.

As at the balance sheet date, we employed a total of 1024 people (920 last year), 26 thereof trainees (21 last year).

4. QUALITY ASSURANCE AND SERVICE

In the fiscal year under review, we continued to strengthen our commitment with respect to quality assurance and service for our dealers and their customers. The salary system for employees engaged in quality assurance and in production areas contains a component based on quality.

The high production figures of recent years have led to a corresponding flotilla of boats on the market that require support. The costs thus incurred have been borne in part by the respective dealers and in part by the HanseGroup in accordance with contractual arrangements made between the HanseGroup and its dealers.

5. DISCLOSURES RELEVANT TO TAKEOVERS

HanseYachts' subscribed capital at EUR 9 592 590.00 is comprised of 9 592 590 no-par value ordinary bearer shares. Without exception, only equally valid ordinary shares have been issued and each share grants one voting right.

The following participations are each over 10 % of HanseYachts' share capital, including any notifications received prior to completion of this management review: the HY Beteiligungs GmbH holds 59.13 % and Aurelius AG 15.00 % of the shares in the HanseGroup.

The appointment or dismissal of members of the management board has been regulated in Articles 84 and 85 of the German Stock Corporation Act (AktG) as well as in Article 7 of the Articles of Incorporation (AoI) in the version of 29 January 2015. According to Art. 7 of the AoI, the management board comprises at least one person; otherwise, the supervisory board determines the number of members on the management board. Amendments to the AoI are made as per Articles 179 & 133 of the AktG and Article 23 of the AoI (version: 29 January 2015); according to the latter regulation, the supervisory board is authorised to amend or augment the AoI so long as it only affects wording.

At the general meeting of the HanseYachts AG on 14 January 2014, the management board was authorised, subject to the consent of the supervisory board, to increase HanseYachts AG's share capital against cash or in-kind contributions by up to a nominal value of EUR 4 796 295.00 by issuing new shares on a one-off or multiple basis by 13 January 2019 (Authorised Capital 2014).

Share capital has been contingently increased by up to EUR 3 500 000.00 by issuing up to 3 500 000 new no-par value shares made out to the bearer (Contingent Capital 2012). The contingent capital increase will only be implemented insofar as the owners of convertible bonds and options, which have been issued based on authorisation resolved by the shareholders at HanseYachts AG's general meeting on 10 December 2012 until 10 December 2017, make use of their convertible bonds and/or options.

The banks providing financing as well as the major shareholder are entitled to partial rights of termination for long-term loans in case of a change in control.

Owners of bonds are entitled to rights of termination in case of a change in control of more than 50 % of the voting rights of HanseYachts AG. Bondholders only have a right to early redemption of their bonds if said bondholders make use of their right to terminate said bonds at a nominal value of at least 25 % of the bond issue.

The management board has been granted an extraordinary right to give notice to cancel their employment contracts in case a shareholder should take over control of a majority of the voting rights. Should this right be exercised, the board members are entitled to compensation amounting to the fixed salary, to which they would have been entitled until expiration of the regular term of their contracts, but limited to the fixed remuneration for one year.

6. RISK AND OPPORTUNITIES

6.1 Opportunities Report

6.1.1 Growth impetus generated by Sealine

In the past turnover from motorboats has only represented a negligible proportion of turnover. In our opinion there is significant potential for growth in this market, as worldwide turnover for boatyards in this market is considerably higher than that for the sailboat market.

In the motorboat market we have only been able to cover a very small niche of the overall business with the “Fjord” brand. For this reason, we have augmented our palette of products with the “Sealine” brand, which focusses on practical use with its elegant design, without neglecting sportiness. In this connection we acquired the Sealine GmbH in March 2014 and have concluded a long-term licensing agreement with the holder of the rights to use the trademark to produce and market yachts under the “Sealine” brand until the end of 2019.

We are planning to make use of synergies in producing and marketing the “Sealine” brand via our network of dealers to bring it once again up to that level that the brand had once originally enjoyed since being established on the market for over 40 years. We are thus expecting substantial impulses for growth for the HanseGroup from business with motorboats of the “Sealine” brand in the coming years.


Hanse

6.1.2 Strong product portfolio

We have strong and well-known brands on the market for sailing yachts and motorboats. The six different types of yachts produced and marketed by the HanseGroup under the "Hanse", "Dehler", "Moody", "Varianta", "Fjord" and "Sealine" brands have in part been around for a very long time. Yachts bearing the "Moody" brand have thus been produced and marketed since the 19th century. "Varianta" presents itself as young and innovative. Moreover, the yachts of each brand have their own particular features, a clear design to distinguish them from one another and can thus appeal to the varying interests of different customer groups.

Moreover, our yachts are highlighted by continually recurring innovations that enhance the value of our products for customers. In this case we benefit from having our own Research & Development Department, in that in addition to the sailing and technical features of our yachts our focus is especially placed on design and interior decoration. It is just in these areas that we have been setting new trends again and again as well as continually reworking and expanding our palette of products. In so doing, we can adapt to rapidly changing developments in our markets and respond quickly and flexibly to shifts in the needs and wishes of our customers. In the opinion of the management board, the HanseGroup is well positioned in comparison to its competitors thanks to its differentiated multiple-brand strategy and thus has a firm base, from which to grow more than the overall market in future.

6.2 Risk Management

As a rule, the HanseGroup's management board pursues a policy of avoiding risks as much as possible or wherever possible to hedge them accordingly. General risks, such as destruction of production facilities, e.g., through fire, have been covered by corresponding insurance with limits of indemnity commensurate with the risks involved.

Our internal early-warning system is focussed on risks that could restrict development or jeopardise either the assets or the existence of the HanseYachts Group. Essential risks are assessed with respect to the probability of their occurring and their significance for our concern. Systematic presentation and descriptions of the risk groups, damage scenarios and potential countermeasures, relevant control mechanisms and the channels to be used by risk officers when communicating with risk management have been regulated in a risk handbook. It also contains the HanseGroup's principles of risk policy as well as the structure of risk management and risk communication. Relevant risk positions are communicated from the respective business divisions directly to the management board.

In addition to regular internal reports on the course of business operations, a uniform, Group-wide planning and budgeting process is also an integral part of risk management. Targets for the stock corporation and the HanseGroup have been bundled in short-term and medium-term planning. Aside from model-based forecasts for sales volume, these are essentially the critical indicators used as decisive factors for determining success, such as the ratio of cost of materials to total operating revenues, the ratio of personnel costs to turnover as well as the budgets for marketing and distribution. Investments and liquidity also form part of the planning. By means of regular reporting, HanseYachts ensures compliance with its forecast targets. Deviations to planning and/or the previous year are systematically analysed on a monthly basis so that when they occur, countermeasures can be determined and implemented.

6.3 Internal Controlling System

The management board has set up an internal controlling system for the various organisational, technical and commercial processes within the company. An essential component is the principle of separate functions, which should guarantee that executive activities (e.g. processing procurement), bookkeeping (e.g. financial accounting) and administrative procedures (e.g. managing inventories) that are undertaken within the framework of a corporate process are not combined in one single source. This has been supported by ERP software called Pro Alpha, while taking an authorisation concept into consideration. Staff only have access to such processes and data as are necessary for their work. The Four-eye Principle ensures that essential procedures are not performed without proper supervision. For various processes within the HanseGroup, there are target concepts and instructions, by which an assessment can be made if staff are working in compliance with said target concept. Staff in the Accounting Department have mostly been employed at the HanseGroup for many years and consequently are very experienced and sure-handed when dealing with routine business operations and transactions, which are brought on by the HanseGroup's day-to-day commercial activities.

Our risk-management system ensures that critical information and data are passed directly to senior management. To ensure financially proper compilation and appraisal of entrepreneurial facts, close and regular collaboration takes place between the management board and commercial direction. With respect to new legal regulations and novel or unusual business transactions, we also maintain close contact with our auditors during the course of the year. Problematic cases are first analysed, discussed and are then subjected to critical evaluation together with our auditors. The Group financial statements are centrally prepared with the aid of certified consolidation software called LucaNet by HanseGroup's own staff, which is equipped with extensive experience and special expertise in questions of consolidation and IFRS accounting principles. For reports from our major foreign subsidiary TTS to the parent company, we use standardized reporting packages that contain all of the data for complete consolidated financial statements in accordance with IFRS.

Moreover, the HanseGroup is also subject to the internal audits of Aurelius AG, in whose consolidated financial statements the HanseGroup and its subsidiaries have been included.

6.4 Areas of Risk

6.4.1 Overall Market and Sector

HanseYachts operates in an international market environment and is thus subject to intensive competition. Our products are luxury items, demand for which is heavily dependent on the overall economic situation and the accompanying propensity to consume on the part of potential customers in various markets. Changes in the overall economic framework in essential sales markets can only be partially cushioned in spite of the broad regional distribution of our international franchised dealer networks.

The military hostilities in Eastern Europe and in the Middle East have only impacted our sales volume in a few exceptional cases. Nevertheless these hostilities could generate a greater negative impact on the economy in Europe, with adverse consequences for our sales markets. Moreover, the European sovereign debt crisis in many nations along the Mediterranean coast still represents a risk to economic development in those countries.

There is a general sales risk due to comparable competing products that are aggressively priced and marketed by competitors. HanseYachts has minimized this risk with short development cycles, innovative products, but also in part with discounts or improved furnishings and equipment. In addition, our palette of products will become broader by means of enlarging formerly smaller business divisions, such as the recent expansion of our motor-yacht division by undertaking production of yachts from the "Sealine" brand, thereby increasing the circle of potential customers on a regional basis, as well.

6.4.2 Operative Business Risks

Yachts are technically demanding luxury goods that call for a high degree of expertise on the part of the seller. For this reason, successful marketing of yachts places high demands on the respective sellers. HanseYachts' marketing strategy and growth prospects rely heavily on a network of independent franchised dealerships and are dependent on their number, performance potential and quality. The failure of certain franchised dealers or a worsening of their financial soundness would result in erratic marketing of our products in the respective markets.

The design of our yachts represents an essential aspect of our success. Changes in customer tastes or the development of new models that are not in line with customer tastes could have a significant, materially adverse impact on sales of our yachts. Moreover, despite the chances of reaching new markets, there is a general risk that newly developed models would not be accepted by the market and that the development costs could thus not be amortised.

Yachts produced by the HanseGroup must satisfy the highest demands for quality and safety. Deficiencies in quality cannot be completely prevented despite the care taken and current systems for quality assurance. Product liability cases and accidents involving yachts produced by HanseYachts as well as recall actions due to product risks could cause a substantial financial burden and be injurious to our reputation.

Handling yachts is demanding and requires a high degree of experience. In particular in critical situations, danger might arise for life and limb for the crew if mistakes in navigation or in operation should occur. Even if the HanseGroup cannot be held legally responsible for such accidents or damage, there is a risk that the HanseGroup‘s image could suffer.

When producing our boats, there is a risk that planned external and internal logistical operations for production could not be maintained. Hence unexpected delivery bottlenecks, logistical problems or deviations in quality at suppliers of raw materials, parts and components could arise that could not be remedied on short notice. However, something could also occur internally, such as machinery breakdowns, accidents or other incidents, such as natural catastrophes (floods), fire, etc., which could lead to an interruption in production as well as to injury to persons or damage to third-party property or to the environment.
Insurance taken out by the HanseGroup can only compensate for such possible financial mishaps to a limited extent.

6.4.3 Procurement and Purchasing Risks

The HanseGroup obtains the raw materials, intermediate products as well as parts and components needed to produce its yachts from a number of suppliers. In general, market price risks are essentially hedged by concluding master agreements with suppliers wherever possible that in particular stipulate the purchase prices of goods and services for the respective production year. Components that are critical for success are preferably procured from major, international suppliers.

Purchasing risks, e.g., loss of individual suppliers or delays in delivery, can be mitigated by ensuring that wherever possible alternative suppliers are available for purchasing parts at any time.

Fluctuations in the prices of raw materials can lead to varying prices in essential supplier categories. This risk can only be partially cushioned by longer-term price agreements.

6.4.4 Financial Risks

The fact that the yachts are almost exclusively produced on end-customer orders, while an advance payment must be paid by the respective customer before the start of final assembly, largely obviates the risk of customer or end-user defaults. The payments received on account for orders are sufficient to cover any marketing risks. Moreover, yachts are only handed over to customers or their freight forwarders when they have been paid in full or binding confirmation of financing for the sale has been received. Exceptions to this rule require the approval of the management board. As a consequence, our risk is low with respect to loss through default in conjunction with trade receivables for yacht sales.

There is a marketing obligation and in extreme cases a buyback obligation for the respective boat involved on the part of the HanseGroup, arising from a master agreement concluded with an institutional sales finance company in case a franchised dealer should fail. For these boats HanseYachts AG has collected advance payments and has been making regular payments on principal to the finance company, thereby minimizing the recovery risk.

Currency risks are hedged by billing in euros to the greatest extent possible. Otherwise, sales denominated in foreign currencies are hedged with forward currency sales whenever necessary if major impact on earnings is expected as a result of fluctuations in exchange rates.

HanseYachts has been granted public subsidies under certain conditions. Should it violate these conditions, it could be required to return the funds thus disbursed. In addition, repayment of funds could be demanded in the event of violations of European financial aid regulations.

For risks involving fluctuations in interest rates for current Euribor loans, agreements on interest-rate swaps have been concluded that nevertheless no longer fulfil the criteria for a valuation unit after the conditions for interest had been newly set last year and due to unscheduled payments on principal.

Contracts for long-term loans with our banks call for compliance with certain key fiscal indicators, such as dynamic and static debt gearing. Any violation of these fiscal indicators would trigger an extraordinary right of cancellation on the part of lenders that in such cases would be justified in demanding immediate repayment of the respective loan. This could possibly result in making such financing more expensive or in causing a gap in financing to arise that could jeopardise the going concern. In the year under review — as in previous years — compliance was not possible with any of these covenants, for which a credit term exists. The lending institutions were informed early on about the expected failure to comply with the financial indicators with the aid of planning and budgeting forecasts. All commercial banks have declared that no additional consequences will result from non-compliance with said covenants.

The HanseGroup issued the five-year bonds 2014/2019 on 3 June 2014 for a total of EUR 13.0 million. The holders of bonds 2014/2019 have the right to demand redemption of said bonds in case of a change in control as well as in other cases, such as with default in payment, cessation of payment or cross default. Furthermore, compliance with a Group equity ratio was guaranteed in the course of the year.

The HanseGroup has received a subordinated loan from its major shareholder, HY Beteiligungs GmbH, of EUR 2.0 million, which will first fall due for repayment of an installment of EUR 1.6 million after full retirement of bonds 2014/2019. The loan can be cancelled on the date, on which the lender sells its stake in the borrower to an extent that it then holds less than a total of 25 % of the voting rights of the borrower (directly and indirectly through affiliated companies according to the meaning of Article 15 of the German Stock Corporation Act (AktG)).

Commensurate with the seasonality of our business activities, commitment of resources fluctuates with respect to working capital throughout the entire fiscal year. For this reason, there is a greater need for liquidity during the winter months than in the summer months. To cover this need, in addition to cash and cash equivalents available to us as well as purposeful working capital management (for example, utilising due dates and supplier loans), we also have partially State-backed overdraft facilities from our supporting lending institutions available to us. In light of the capital increase implemented after the balance sheet date, financing and liquidity needs are covered for this year based on our corporate planning. In addition, there are other financial instruments based on the possibility of topping up the bonds 2014/19 by up to EUR 7.0 million to a volume then of EUR 20.0 million, so long as potential loan investors can be gained to a commensurate extent.

In line with the seasonality of our business, essential contributions to earnings are first realised in the second half of the respective fiscal year, while deficits accrue during the first half of the fiscal year. Our planning provides for compliance with the minimum equity base terms while taking into consideration the capital increase and the subordinated shareholder loan until the financial review has been prepared.

Inherent uncertainties in our planning are mainly present concerning our corporate planning primarily with regard to sales volume, the sales mix and turnover revenues, as a large proportion of orders are regularly submitted at the autumn boat shows in late autumn/winter and thus after the annual financial statements have been prepared and/or after corporate planning has been completed. Furthermore, learning curve effects have been included in the planning for sustained increases in profitability in our Sealine business. At this time, it is still difficult for the management board to assess to what extent the sovereign debt crisis in the important sales regions in Southern Europe will have an adverse impact on the water-sports market. Nevertheless, the management board does not expect any additional market slumps in this region. The actual trend of business can deviate from our expectations due to unforeseen circumstances.

6.4.5 Environmental Risks

Production of glass-reinforced plastics (GRP) has led, inter alia, to emissions of acetone and styrene, for which environmentally sustainable standards must be observed. We strictly comply with these standards. Restrictions on the use of styrene and acetone in our production could cause manufacturing shortfall.

6.4.6 Personnel Risks

As with other small to medium-sized enterprises, the HanseGroup's future success is to a considerable extent materially dependent on the continued involvement and contributions of its senior management, its executives and its employees in other key positions. Whether we will be in a position to implement our plans for growth successfully will also depend on whether and to what extent we will be able to hold key personnel currently on our staff as well as to gain other highly qualified employees and executives with experience in our sector and to bind them to our enterprise on a long-term basis.

At the HanseGroup, we employ people of various nationalities, who occasionally perform tasks for various subsidiaries within our concern. Moreover, a number of independent entrepreneurs also work for HanseYachts. Unlimited freedom of movement still does not exist within Europe even today. Any violations of social security provisions or of regulations involving German legislation on re-assigning personnel abroad could lead to a classification that deviates from the current status and to correspondingly higher charges for social security contributions.

6.4.7 Insurance Risks

The HanseGroup decides on the type and extent of insurance coverage on the basis of a commercial cost-benefit analysis in order to cover essential risks according to their viewpoint. However, we cannot ensure that losses will not occur or that claims will not be lodged against us that would exceed the coverage of our current insurance or that the type and/or extent of our current insurance would cover all claims for damages. To check the coverage and the respective amounts of our insurance, it is subject to regular reviews and in mutual discussions with the insurance agents involved.

7. REMUNERATION REPORT

At HanseYachts' general meeting on 31 January 2012, it was resolved that remuneration for members of the management board would not be disclosed on an individual basis for the next five years.

Remuneration for the members of the management board is determined by the supervisory board, which regularly assesses the commensurateness of said remuneration. This remuneration comprises a fixed and a variable component. The variable components are dependent on targets that are determined on a yearly basis and that are oriented to certain indicators (for example, turnover, EBITDA, targets related to marketing, purchasing and manufacturing, and quality). There is a ceiling on the variable components. The variable remuneration component is paid once annually, depending on the results of the past fiscal year relative to achieving the respective targets agreed upon. Furthermore, in cases of extraordinary accomplishments, the supervisory board can grant the management board a special bonus that would also have a ceiling. No arrangements have been made for pensions. For the fiscal year reported here, the management board will receive a variable remuneration component.

Remuneration for members of the supervisory board is determined by the shareholders at the general meeting and has been regulated in Article 14 of the Articles of Incorporation of HanseYachts AG. In addition to reimbursement for expenses, first of all each member of the supervisory board receives fixed annual remuneration of EUR 6000, payable at the end of each fiscal year. In addition each member of the supervisory board receives variable remuneration of EUR 50 for each cent, by which consolidated earnings after taxes per share exceed EUR 1.30. The chairman of the supervisory board receives three times the normal fixed and variable remuneration; the vice-chairman and heads of commissions receive two times the above-mentioned amounts. For the fiscal year reported here, as in previous years, the supervisory board did not receive any variable remuneration components.

8. REPORT ON POST-BALANCE SHEET DATE EVENTS

To strengthen the liquidity situation, on 3 September 2015 the Supervisory Board of HanseYachts AG resolved to issue 1 498 840.00 new no-par value bearer shares at a placement price of EUR 2.00 per share within the framework of a capital increase against cash contributions, which have been entitled to a dividend since 1 July 2015. HanseYachts reckons with gross proceeds of around EUR 3 million from this issue. HanseYachts AG has utilized its authorised capital to increase share capital from EUR 9 592 590 million up to EUR 11 091 430 million.

By the time these financial statements were completed, the capital increase had been fully subscribed.

The property at the venue of the no longer operatively active French subsidiary has been sold. The HanseGroup expects liquid cash flow of EUR 0.6 million from the sales contract.

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

9. FORECAST REPORT

Nevertheless, we consider the market to be stable to slightly growing. In this context, this growth is being driven by North America and Asia. The sales situation in Europe remains stable, while in Italy as well as Spain we have even been able to discern a slight upturn in the market for water sports in light of an improved economic climate. For Europe in 2015 and 2016, moderate growth of 1.5 % and 1.8 % is expected, respectively, whereas for the world economy growth of 3.4 % and 3.8 % is forecast for 2015 and 2016, respectively.[1]

With our product innovations and our intensified commitment in the motorboat market, we consider ourselves well-positioned in our markets. Presentation of our sailing yachts and motorboat brands as well as our broad range of models at all major boat shows and additional newly-developed models will once again form the basis for successful marketing in the coming season.

After achieving a rise in turnover of around 9 % in fiscal year 2014/15, we expect growth to continue and are planning a significant increase in turnover that in our estimation will exceed the level reached in the fiscal year under review. On this basis, we are expecting noticeable improvement in our results with very positive earnings before interest, taxes, depreciation and amortization (EBITDA). According to our expectations, growth in turnover will indeed be driven in particular by our renewed commitment on the motorboat market with Sealine. Realisation of learning-curve effects in Sealine production should significantly contribute to improving our results. However, sailing yachts will still account for nearly 70 % of turnover revenues. We are expecting a renewed but lower consolidated deficit for this fiscal year. Thanks to the capital increase implemented by the time this financial review was prepared, we are planning on a moderate increase in the equity ratio at Group level despite the renewed consolidated deficit.

Corresponding to the planned increase in turnover, we are expecting the usual build-up in inventories, while the commitment of funds in working capital will rise in the winter months, commensurate with the seasonality of our business activities.

The planned growth will require additional investments in our palette of models to a certain extent, but also in expanding production capacities at our manufacturing facilities in Poland.

To finance this growth, the HanseGroup has been assessing additional financing possibilities wherever appropriate. In addition to the capital increase implemented by the time this financial review was prepared, this could also include additional bank loans in the form of overdraft facilities.

Greifswald, 29 September 2015

The Management Board

Dr. Jens Gerhardt | Sven Göbel

[1] Kiel Economic Report No. 7

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET (IFRS)

	Notes	30/06/2015	30/06/2014
		EUR	EUR
ASSETS		**58.839.398,47**	**67.235.941,20**
Non-current assets		**32.716.088,11**	**31.092.318,63**
Intangible assets	6.1.	6.301.022,35	5.735.019,99
Property, plant and equipment	6.2.	25.955.899,41	25.137.111,64
Deferred tax assets	6.3.	459.166,35	220.187,00
Current assets		**26.123.310,36**	**36.143.622,57**
Inventories	6.4.	18.666.606,65	17.711.147,92
Trade receivables	6.5.	2.191.464,27	2.749.744,79
Receivables to reladed parties	11.	333.291,81	404.193,29
Other assets	6.6.	1.792.395,82	2.196.822,13
Cash and cash equivalents	6.7.	2.499.980,76	13.081.714,44
Non-current assets held for sale	6.8.	639.571,05	0,00
EQUITY & LIABILITIES		**58.839.398,47**	**67.235.941,20**
Equity	6.9	**11.547.645,65**	**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		191.018,56	189.772,23
Net earnings		(400.849,28)	6.032.921,82
Non-current liabilities		**14.518.297,87**	**14.950.842,86**
Deferred tax liabilities	6.3.	0,00	2.722,00
Bonds	6.11., 11.	12.674.854,85	12.591.724,67
Other financial liabilities	6.11.	209.923,24	756.396,19
Finance lease liabilities	6.11.	33.519,78	0,00
Liabilities to related parties	11.	1.600.000,00	1.600.000,00
Current liabilities		**32.773.454,95**	**34.304.927,92**
Other provisions	6.10.	2.697.797,55	2.305.053,45
Bonds	6.11., 11.	0,00	3.594.035,95
Other financial liabilities	6.11.	2.765.811,73	2.932.215,19
Current finance lease liabilities	6.11.	8.727,35	537.606,46
Payments on account received	6.11.	9.130.953,30	6.927.889,96
Trade payables	6.11.	11.188.136,92	13.088.274,51
Income tax liabilities	6.3.	131.330,01	118.368,72
Liabilities to related parties	11.	3.365.334,72	1.214.251,49
Other liabilities	6.11.	3.485.363,37	3.587.232,19

STATEMENT OF COMPREHENSIVE INCOME
and other results (IFRS)

in EUR	Notes	01/07/2014 bis 30/06/2015	01/07/2013 bis 30/06/ 2014
Revenues	**5.1.**	**99.251.067,56**	**91.382.315,26**
Decrease/ Increase in work in progress and finished goods	5.1.	1.852.935,38	1.250.236,52
Own work capitalised	5.1.	1.938.882,91	1.906.362,34
Other operating income	5.2.	2.129.005,30	3.432.536,31
Cost of materials	5.3.	(62.972.420,88)	(58.711.366,55)
Personnel expenses	5.4.	(26.280.503,90)	(21.224.968,64)
Other operating expenses	5.5.	(15.445.267,63)	(16.025.075,55)
EBITDA		**473.698,74**	**2.010.039,69**
Amortisation, depreciation and write-downs	5.6.	(5.290.447,15)	(4.531.794,77)
EBIT		**(4.816.748,41)**	**(2.521.755,08)**
Net financial costs	5.7.	(1.865.090,40)	(1.160.215,93)
Earnings before income taxes		**(6.681.838,81)**	**(3.681.971,01)**
Income taxes	5.8.	248.067,71	(302.861,83)
Consolidated loss / net earnings		**(6.433.771,10)**	**(3.984.832,84)**

Earnings per share	**5.9.**	**(0,67)**	**(0,44)**
(undiluted / diluted)			
Consolidated loss / net earnings		**(6.433.771,10)**	**(3.984.832,84)**
Other income			
Items which are retroactively allocated to the statement of comprehensive income			
Currency translation difference		1.246,33	1.419,39
Total result for the period		**(6.432.524,77)**	**(3.983.413,45)**

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

in EUR	Notes	01/07/2014 bis 30/06/2015	01/07/2013 bis 30/06/2014
Earnings before interest and taxes (EBIT)		**(4.816.748,41)**	**(2.521.755,08)**
Amortisation, depreciation and write-downs		5.290.447,15	4.531.794,77
Interest paid (net)	7.	(1.874.270,20)	(1.015.454,17)
Income taxes paid (net)	7.	42.346,00	(436.542,79)
Gains from disposals of assets as well as profits from disposals of non-current assets (netted with losses)		(37.260,84)	(1.337.147,19)
Changes in inventories, receivables and other assets not related to investing or financing activities		78.149,58	(2.250.311,63)
Changes in liabilities not related to investing or financing activities		800.492,14	401.246,18
Cash flow from operating activities		**(516.844,58)**	**(2.628.169,91)**
Proceeds from disposals of assets from property, plant and equipment as well as proceeds from non-current assets held for sale		96.771,12	2.493.000,00
Investments in			
intangible assets	6.1	(1.251.689,67)	(855.102,75)
property, plant and equipment	6.2	(6.080.251,16)	(3.762.556,94)
Cash outflow from extension of holding group		0,00	(125.889,08)
Cash flow from investing activities		**(7.235.169,71)**	**(2.250.548,77)**
Repayments of liabilities from finances leases		(495.359,33)	(736.356,29)
Cash in from bond issue		0,00	16.119.865,75
Proceeds from other financial liabilities	6.11, 11.	2.199.240,70	0,00
Repayments of bonds	6.11	(3.623.000,00)	0,00
Repayments of bank loans		(1.609.032,33)	(3.280.905,90)
Cash in from capital increase		0,00	4.977.772,82
Cash flow from financing activities		**(3.528.150,96)**	**17.080.376,38**
Change in cash and cash equivalents		**(11.280.165,25)**	**12.201.657,70**
Exchange rate-related changes in financial funds		(28.464,00)	329,21
Cash funds at beginning of period		12.061.626,00	(140.360,91)
Cash and cash equivalents at end of period		**752.996,75**	**12.061.626,00**
Composition of cash and cash equivalents			
Bank balances	6.7	2.496.562,03	13.077.255,22
Cash in hand	6.7	3.418,73	4.459,22
Bank overdrafts	6.11	(1.746.984,01)	(1.020.088,44)
		752.996,75	**12.061.626,00**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

	Number of no-par value shares	Subscribed capital	Capital reserves	Net retained earnings / loss	Reserve for currency translation differences	Consolidated equity *)
		EUR	EUR	EUR	EUR	EUR
30/06/2013 / 01/07/2013	**7.000.000**	**7.000.000,00**	**6.000.371,41**	**3.797.086,82**	**188.352,84**	**16.985.811,07**
Consolidated net earnings		0,00	0,00	(3.984.832,84)	0,00	(3.984.832,84)
Other income		0,00	0,00	0,00	1.419,39	1.419,39
1) Total result for the period		0,00	0,00	(3.984.832,84)	1.419,39	(3.983.413,45)
2) Capital increase for cash	2.592.590	2.592.590,00	2.385.182,80	0,00	0,00	4.977.772,80
3) Usage of Capital reserves		0,00	(6.220.667,84)	6.220.667,84	0,00	0,00
30/06/2014 / 01/07/2014	**9.592.590**	**9.592.590,00**	**2.164.886,37**	**6.032.921,82**	**189.772,23**	**17.980.170,42**
Consolidated net loss		0,00	0,00	(6.433.771,10)	0,00	(6.433.771,10)
Other comprehensive income		0,00	0,00	0,00	1.246,33	1.246,33
Total result		0,00	0,00	(6.433.771,10)	1.246,33	(6.432.524,77)
30. Juni 2015	**9.592.590**	**9.592.590,00**	**2.164.886,37**	**(400.849,28)**	**191.018,56**	**11.547.645,65**

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

Sealine F530

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

1. GENERAL DISCLOSURES

HanseYachts AG, whose registered office is in Greifswald, Germany, is a publicly listed company (Aktiengesellschaft) and parent company of the HanseGroup. HanseYachts AG is publicly listed on the 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", „Dehler", and „Varianta" brands as well as motorboats under the „Fjord" and „Sealine" brands. The HanseGroup conducted its business activities from production facilities in Greifswald and Poland as well as at two operative distributorship companies in Greifswald and the US.

The consolidated 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.

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

The 2014/2015 consolidated financial statements comply with the standards and interpretations issued by the IASB in London, as adopted by the EU, and with the supplementary requirements of Art. 315a of the German Commercial Code (HGB). In so doing, all standards and interpretations issued and whose adoption was mandatory as at 30 June 2015 have been applied.

The following amended standards, which have been mandatorily applied for the first time in fiscal year 2014/2015, have not had any influence or any material influence on the representation of the assets, earnings and financial position of the HanseGroup.

- IFRS 10 Consolidated Financial Statements (as at 1 January 2014)
- IFRS 11 Mutual Agreements (as at 1 January 2014)
- IFRS 12 Disclosures on Participations in Other Companies (as at 1 January 2014)
- IAS 27* Consolidated and Separate Financial Statements (as at 1 January 2014)

- IAS 28* Investments in Associates (as at 1 January 2014)
- IAS 32* Financial Instruments: Offsetting Financial Assets and Financial Liabilities (as at 1 January 2014)
- IAS 36* Disclosures on Recoverable Amounts for Non-financial Assets (as at 1 January 2014)
- IAS 39* Novation of OTC Derivatives and Continuation of the Existing Hedging Relationship (as at 1 January 2014)
- IFRS 10*, IFRS 12* und IAS 27* Investment Companies (as at 1 January 2014)
- IFRS 10*, IFRS 11*, IFRS 12* Transitional Rules (as at 1 January 2014)
- IFRIC 21 Levies (as at 1 January 2014; EU: 17 June 2014)
- IAS 19* Employee Benefits (as at 1 July 2014)
- Improvements to IFRS 2010 to 2012 (as at 1 July 2014)
- Improvements to IFRS 2011 to 2013 (as at 1 July 2014)

*) Amendments (Amendments to existing standards/ interpretations)

Moreover, the following standards have been passed by the IASB and interpretations adopted by the IFRIC; nevertheless they have not been applied in these consolidated financial statements as at 30 June 2015 as their application will only be mandatory in subsequent fiscal years and/or an endorsement by the European Commission has not yet been issued:

- IAS 1* Presentation of the Financial Statements Disclosures in Notes (as at 1 January 2016)
- IAS 16*, IAS 38* Clarification of Acceptable Methods of Depreciation and Amortisation (as at 1 January 2016)
- IAS 27* Application of the Equity Method in Separate Financial Statements (as at 1 January 2016)
- IFRS 10* und IAS 28* Disposal or Contribution of Assets between an Investor and an Associate or Joint Venture (as at 1 January 2016)
- IFRS 11 Accounting for Acquisition of Shares in a Mutual Business Activity (as at 1 January 2016)
- IFRS 10*, IFRS 12* und IAS 28* Investment Companies: Applying the Regulation on Exceptions to Consolidation (as at 1 January 2016)
- IFRS 14 Regulatory Deferrals and Accruals (as at 1 January 2016)
- IFRS 9 Financial Instruments: Classification and Measurement (as at 1 January 2018)
- IFRS 15 Revenue from Contracts with Customers as at 1 January 2018)
- Improvements to IFRS 2012 to 2014 (as at 1 July 2016)

*) Amendments (Amendments to existing standards/ interpretations)

These standards and interpretations will first be applied by HanseYachts AG when their application becomes mandatory and an endorsement by the European Commission has been issued. According to an estimate made at this time, any future application will not have any material impact on the representation of the assets, earnings and financial position of the HanseGroup.

Because these consolidated financial statements have been prepared in accordance with IFRS, HanseYachts AG is exempt from the requirement to produce consolidated financial statements in accordance with HGB, since the conditions of Art. 315a HGB have been met. The consolidated financial statements have been submitted to the Bundesanzeiger Verlagsgesellschaft mbH in Cologne, the operator of the Federal Gazette (Bundesanzeiger), and will be published electronically by that company in the Federal Gazette.

3. CONSOLIDATION PRINCIPLES

3.1. Scope of Consolidation

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

The Dehler Yachts GmbH, Verwaltung Hanse (Deutschland) Vertriebs GmbH, HanseYachts TVH GmbH, the Yachtzentrum Greifswald Beteiligungs-GmbH, the Sealine GmbH and the Moody Yachts GmbH as well as the HanseYachts Technologie und Vermögensverwaltungs GmbH all intend in future to take advantage of the easing of disclosure regulations under the additional stipulations of Art. 264, Para. 3 of the German Commercial Code (HGB).

Name of Company			Shareholding
Direct holdings:	Abb		
1. Dehler Yachts GmbH	DY	Greifswald	100 % (Vorjahr 100 %)
2. Hanse (Deutschland) Vertriebs GmbH & Co. KG	HVG	Greifswald	100 % (Vorjahr 100 %)
3. Verwaltung Hanse (Deutschland) Vertriebs GmbH	VHV	Greifswald	100 % (Vorjahr 100 %)
4. Yachtzentrum Greifswald Beteiligungs-GmbH	YZGB	Greifswald	100 % (Vorjahr 100 %)
5. HanseYachts US, LLC	HUS	Savannah / USA	100 % (Vorjahr 100 %)
6. Technologie Tworzyw Sztucznych Sp. z o.o.	TTS	Goleniów / Polen	100 % (Vorjahr 100 %)
7. HanseYachts TVH GmbH	HYTVH	Greifswald	100 % (Vorjahr 100 %)
8. Sealine GmbH	Sealine	Greifswald	100 % (Vorjahr 100 %)
9. Moody Yachts GmbH	MY	Greifswald	100 % (Vorjahr 100 %)
Indirect holdings:			
Over No. 4 10. Mediterranean Yacht Service Center SARL	MYSC	Canet en Roussillon / Frankreich	100 % (Vorjahr 100 %)
Over No. 7 11. HanseYachts Technologie und Vermögensverwaltungs GmbH	HYTV	Greifswald	100 % (Vorjahr 100 %)
Over No. 8 12. Powerboat 2013 Ltd.	PB	London, England	100 % (Vorjahr 100 %)

Exemption Regulations for Group Enterprises

By inclusion in HanseYachts AG's consolidated financial statements, the Hanse (Deutschland) Vertriebs GmbH & Co. KG intends to utilise the easing of disclosure regulations under the additional stipulations of Art. 264b of the German Commercial Code (HGB).

Inclusion in Overriding Consolidated Financial Statements

HanseYachts AG and its direct and indirect subsidiaries are to be included in the financial statements of Aurelius AG in Grünwald, which will be forwarded to the operator of the Bundesanzeiger and will be published via the web site of the business register.

3.2. Consolidation Methods

In the consolidated financial statements of HanseYachts AG as at 30 June 2015, all domestic and foreign enterprises – in addition to HanseYachts AG – are generally to be included, which are controlled by HanseYachts AG in accordance with the requirements of IFRS 10. In this sense, HanseYachts AG controls Group enterprises if it is entitled to variable returns in conjunction with said Group enterprises and moreover HanseYachts AG has the possibility of utilising its decision-making power to influence said variable returns. This decision-making power over a Group enterprise applies whenever HanseYachts AG has the possibility based on existing law to determine the core activities of said enterprise. This prerequisite has usually been fulfilled when HanseYachts AG directly or indirectly has a majority of the Concern's voting rights or owns similar rights. In determining a controlling relationship, potential voting rights are taken into consideration that can currently be exercised or converted. The financial statements of the subsidiaries are included in the consolidated financial statements from the date, on which control is obtained until said control ends.

All of the companies included in the consolidated financial statements prepare annual financial statements or interim financial statements at the reporting date of the single-entity financial statements for HanseYachts AG, which serves as the reporting date for the consolidated financial statements. The consolidated financial statements have been prepared on the basis of consistent recognition and measurement policies in accordance with IFRS. Wherever necessary, the financial statements of the subsidiary companies have been adapted so that the accounting policies adopted correspond to those used by the Group.

Subsidiaries are consolidated for the first time in accordance with IFRS 3 using the purchase method by offsetting the cost of the shares acquired against the proportionate share of the assets, liabilities and contingent liabilities of the subsidiaries, remeasured at the date of the acquisition. A positive difference arising after a purchase price allocation is recognised as goodwill under Intangible assets in accordance with IFRS 3. Negative differences must be recognised in the income statement.

There are currently no minority shareholders who would be entitled to an allocation of equity and/or year-end earnings.

Intercompany profits and losses, revenues, expenditures and earnings as well as receivables and payables and/or provisions between consolidated companies have been eliminated.

Intercompany profits included in inventories as a result of intra-Group supplies have been eliminated.

Sureties and guaranties assumed by HanseYachts AG for the benefit of consolidated subsidiaries have been eliminated since the underlying liabilities are recognised in the consolidated financial statements.

3.3. Currency Translation

The annual financial statements prepared in foreign currencies of companies included in the consolidated financial statements are translated using the functional currency approach (IAS 21: „The Effects of Changes in Foreign Exchange Rates").

The financial statements of Hanse US in the US and Powerboat 2013 Ltd in England, which are subsidiaries considered to be autonomous economic entities, are translated into euros in accordance with the modified method with the exchange rate in effect on the reporting date in accordance with IAS 21. The companies' functional currencies are the US dollar and the British pound, respectively. Assets and liabilities were translated at the mean rate on the balance sheet date; items in the income statement were translated at the respective average rate on a monthly basis. Differences arising from the use of varying exchange rates for the balance sheet and the income statement are recognised directly in equity and reported separately in the provision for currency translation.

For our TTS subsidiary, the functional currency is the euro since business with HanseYachts AG is mainly transacted in euros. Currency differences are recognised accordingly as profit or loss in the consolidated financial statements. As with TTS the essential investments and refinancing have been completed, the non-monetary items of TTS's financial statements have now been measured at the historical exchange rates in line with the concept of functional currency.

Attention is drawn to the information provided under Section 4.22 relating to the rates of conversion used.

4. ACCOUNTING PRINCIPLES

4.1. General Principles

The consolidated financial statements have been prepared on the basis of the historical cost principle, with the exception of certain derivative financial instruments at fair value through profit or loss. Non-current assets held for sale are measured in accordance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations) with their carrying amount or with lower fair value less selling costs, so long as this is lower.

The income statement has been structured in accordance with the nature of expense method.

4.2. Revenue Recognition

Revenues stem mainly from the sale of sailing yachts and motorboats. Revenues from the sale of products are recognised when the risks and rewards of ownership have been transferred to the customer, a price has been agreed upon or can be determined and it is probable that said price will be paid. Revenues are reported net of discounts, price reductions, customer bonuses and rebates.

4.3. Product-related Expenditures

The costs of advertising and sales promotion as well as other sales-related costs are expensed as incurred. Provisions are formed for possible warranty claims relating to products already sold on the basis of past experience while taking statutory and contractual periods into account. Moreover, additional provisions have been created for known individual cases.

4.4. Expenditures for Research and Development

Development costs are capitalised in the balance sheet if all of the criteria have been fulfilled for recognition of internally generated intangible assets.

The manufacturing costs of internally generated intangible assets comprise all directly attributable costs for development projects approved and budgeted by management (for sailing or motor yacht types). The assets are depreciated over their average useful lives on a straight-line basis in proportion to the length of time involved.

So long as these development costs lead to assets, which must be capitalised as items of property, plant and equipment, these must be recognised under Property, plant and equipment and depreciated on a straight-line basis over the anticipated useful life of these assets. In so doing, production moulds for sailing yachts and motorboats, especially those manufactured internally by the HanseGroup, have been recognised as assets and as in the previous year have been depreciated using a straight-line basis over an estimated service life of between three to five years.

Research costs are recognised in the income statement when incurred.

4.5. Hedging

HanseYachts AG basically makes use of derivative financial instruments for hedging purposes in order to reduce currency and interest rate risks arising from business operations and/or from the financing requirements resulting from them. In accordance with IAS 39, all derivative financial instruments, such as interest rate swaps, are recognised at fair value. All derivatives that serve interest-rate or currency-hedging purposes within the HanseGroup in accordance with microeconomic criteria do not meet the strict criteria for hedge accounting in accordance with IAS 39. They are classified as „financial assets and liabilities at fair value through profit or loss“ and handled accordingly.

4.6. Financial Results

Financial results include interest income from cash deposits and the interest expense on loans as well as the income and expense from any interest rate hedges (ongoing compensation payments and changes in fair value). These are recorded on the date, on which they occur. Moreover, financing-related foreign currency profits and losses, which are incurred in conjunction with investments implemented by TTS as well as their refinancing, have been included in the financial results.

4.7. Income Taxes

On the one hand, income taxes include financial obligations arising from HanseYachts AG‘s taxable earnings. On the other hand they also include recognition of deferred tax assets and liabilities for all temporary differences between the carrying amounts of assets and liabilities in the consolidated balance sheet and their tax bases in accordance with IAS 12 (Income Taxes). See also Sections 4.19 and 4.20.

4.8. Cost of Raising Equity Capital

In accordance with IAS 32.37, costs directly associated with issuing equity capital in the previous year are not recognised as an expense but are deducted directly from the amount of capital raised minus the tax benefit resulting from their deductibility for tax purposes.

The capital increase implemented in the previous fiscal year as well as the capital increase initiated after the balance sheet date as at 30 June 2015 were each brought about from authorised capital so that costs in each case were and/or have been only involved to a limited extent with regard to the stock issue.

4.9. Intangible Assets

Individually purchased intangible assets are measured at cost on initial recognition. The cost of intangible assets acquired as part of a corporate merger is equal to their estimated fair value on the date of the acquisition. After initial recognition, intangible assets are recognised at cost less cumulated amortisation and all impairment write-downs. Internally generated intangible assets are recognised as far as the conditions for such recognition have been fulfilled. The remainder of the costs are recognised in profit or loss for the period, in which they are incurred.

For intangible assets, it is initially necessary to determine whether their useful lives are finite or indefinite. Intangible assets with finitely useful lives are amortised pro rata on a straight-line basis over their useful economic lives and tested for possible impairment whenever there are indications that said intangible assets may be impaired. The amortisation period and method for intangible assets with finitely useful lives are reviewed at least at the end of each fiscal year.

If the expected useful life or the expected rate of amortisation of the asset has changed, a different amortisation period or amortisation method will be selected. Changes of this nature are handled as changes in an estimate.

The useful lives of intangible assets with finitely useful lives are between three and eight years, the same as last year.

For intangible assets with indefinitely useful lives, an impairment test is carried out at least once a year for the individual asset or for the smallest cash-generating unit, to which it belongs. These intangible assets are not systematically amortised. The useful life of an intangible asset with an indefinitely useful life is reviewed once annually to determine whether the estimate that the useful life is indefinite is still justified. Should this prove not to be the case, the estimate would be changed from an indefinitely useful life to a finitely useful life on a prospective basis.

Intangible assets with an indefinite useful life remain unchanged relative to last year and contain the recognised good will (residual carrying amount: EUR 2.0 million) and trademark rights (residual carrying amount: EUR 1.6 million).

4.10. Goodwill

Goodwill is the positive difference between the cost of the investment and the fair value of the assets and liabilities acquired in the context of a company acquisition. Goodwill is not amortised but is instead tested at least once a year for impairment to determine the possible need for an unscheduled impairment write-down.

4.11. Impairment of Assets

The HanseGroup conducts an impairment review of intangible assets and items of property, plant and equipment as soon as there are indications of possible impairment. Impairment is assessed by comparing the carrying amount with the recoverable amount.

The recoverable amount is the higher of the fair value less sales costs and the present value of the attributable future cash flows from continued use of the asset. If the carrying amount is higher than the recoverable amount, an unscheduled impairment write-down is recognised in respect of the asset in the amount of the resulting difference. Reversals of impairment write-downs are recognised to the extent that the reasons for impairment write-downs recognised in previous years no longer exist.

The annual impairment test for goodwill arising from initial consolidation and trademark rights is carried out at the level of the cash-generating unit relevant for the test. Impairment is determined by comparing the carrying amount of the cash-generating unit including the attributable goodwill and the recoverable amount of the cash-generating unit. The recoverable amount for the purposes of this test is the value in use determined on the basis of discounted cash flows before taxes. If the carrying amount of the business unit exceeds its recoverable amount, an impairment write-down is recognised as profit or loss in the amount of the difference.

Unscheduled impairment write-downs of goodwill are not subsequently reversed.

The expected cash flow of the cash-generating unit is derived from the medium-term business plan of the HanseYachts AG. With respect to the HanseYachts AG‘s business units, we draw your attention to the information provided under Section 4.24. (Segment Reporting). Consequently, the cash-generating units correspond to legal entities or combinations of legal entities within the Group, as entrepreneurial arrangements are made on this basis. Planning is based on a time horizon of two years (two years last year). For subsequent periods, cash flow has been extrapolated on the basis of the expected rates of growth in each case. As in the previous year, the average rate of growth applied for perpetual pension benefits amounted to 1 %. The business plan is based in particular on assumptions with respect to the development of revenues, the cost of materials and production ratios as well as budgeted investments. The rate

of interest used to discount cash flows in fiscal year 2014/2015 amounted to between 10.5 % and 11.0 % (10.6 % to 12.4 % last year). The beta factors used ranged between 1.2 and 1.5 (1.2 and 1.5 last year). Goodwill of EUR 2.0 million (EUR 2.0 million last year) was subject to impairment tests and not the scheduled depreciation of the underlying brands of EUR 1.6 million (EUR 1.6 million last year). As the achievable amounts for the cash-generating units to be reviewed would each significantly exceed their carrying values, further sensitivity analyses have been waived.

4.12. Property, Plant and Equipment

In accordance with IAS 16, property, plant and equipment are measured at cost less scheduled and, where appropriate, unscheduled impairment write-downs. The costs of repairs and maintenance are recognised as an expense on the date, on which they are incurred. Significant renewals and improvements are capitalised. Financing costs are not recognised as a component of acquisition or manufacturing costs, but are reported as an expense so long as the assets involved had been acquired prior to fiscal year 2009/10. Financing costs have been capitalised, so long as the requirements for IAS 23 obtain.

The useful lives of property, plant and equipment have been adjusted to reflect the usability of the assets for HanseYachts. Investment subsidies and allowances received are deducted from the cost of the relevant assets. Depreciation is recognised unchanged in proportion to the length of time involved on a straight-line basis using the following estimated useful economic lives:

	Years
Land and buildings	5 - 40
Technical equipment and machinery	2 - 21
Operating and office equipment	1 - 20

An impairment test is performed as soon as there are indications that the carrying amount of an asset is higher than its recoverable amount.

4.13. Finance Leasing

In conformity with IAS 17 (Leasing Arrangements), the lessee is considered to have economic ownership of leased assets if said lessee bears all substantial risks and rewards incidental to ownership (finance leasing). All leased assets whose amount is substantial and which are subject to leases qualifying as finance leases are recognised at their fair value or at the lower present value of the leasing payments. The assets are depreciated over their useful lives or over the term of the leasing agreement.

Liabilities from finance leasing are reported separately under liabilities and are recognised at the fair value of the leased object or at the present value of the future leasing payments, so long as this figure is lower. Leasing payments comprise components for the financing charges and retirement of principal so that the remaining balance is charged a constant rate of interest. Liabilities are classified as current or non-current according to the term of the leasing agreement.

4.14. Inventories

Raw materials, consumables and supplies are generally measured at their average cost or the lower fair value.

Work in progress and finished goods are measured at cost but at no more than their expected sales proceeds less costs not yet incurred. Measurement is based on the contract-related direct costs recorded in the production accounts. These direct costs include production wages and the cost of materials. In addition to materials and production overheads, commensurate shares of general administrative expenses have been included in the cost of production. Borrowing costs are not capitalised, as inventories do not represent qualifying assets due to the short time involved in producing them.

Partial recognition of profit in respect of work in progress and finished goods in accordance with the percentage of completion method was not undertaken because assembly-line production of sailing yachts and motorboats does not meet the required conditions.

Goods for resale are measured at the lower amount of costs and net realisable value.

4.15. Financial Assets and Financial Liabilities

Original Financial Instruments

In the HanseGroup, original financial instruments include trade receivables and other receivables, cash and cash equivalents as well as financial liabilities, trade payables and parts of other liabilities.

Original financial instruments are measured at fair value on initial recognition; directly attributable transactions are added to financial assets and deducted from financial liabilities.

Receivables are measured at amortised cost within the framework of a follow-up assessment. Potential default risks are taken into account with valuation adjustments. Individual adjustments are made if there are indications of impairment such as late payments or information on significant financial difficulties on the part of the contractor; and the cash value of anticipated future payments is below the carrying amount plus any proceeds from realisation of securities or other agreements that reduce the risk of default is below the carrying amount. Uncollectible receivables are written down.

Within the framework of a follow-up assessment, financial liabilities are evaluated at amortised cost under the effective interest method, where the interest expense is determined according to the effective interest rate. The amortised costs thus determined correspond to the acquisition costs, while taking repayments and the amortisation of discounts and/or transaction costs in conjunction with bond issues into account.

That portion of long-term loans whose remaining term does not exceed one year is also regularly included in short-term financial liabilities. Corporate debt is only recognised as long-term debt when the concern has the unrestricted right to postpone settlement of the obligation by at least twelve months after the balance sheet date.

At HanseYachts AG, no original financial instruments have been classified as instruments measured at fair value through profit and loss.

Derivative Financial Instruments

Derivative financial instruments such as forward currency transactions and interest-rate swaps are also used to hedge exposure to risks from currency and interest-rate fluctuations. These hedges cover financial risks arising from booked transactions and currency risks as well as risks from pending transactions for goods and services.

In accordance with IAS 39 (Financial Instruments: Recognition and Measurement), all derivative financial instruments are recognised at fair value in their initial determination. Fair value is also relevant for measurement subsequent to initial recognition.

The fair value of traded derivative financial instruments is in line with their market value. This value can be positive or negative. If there is no market value, fair value can be calculated mathematically using recognised financial modelling. The fair value of derivatives is the present value of estimated future cash flow. To determine the fair value of forward exchange contracts, the forward exchange rate on the balance sheet date is used. Because the conditions for designation as a hedging instrument within the framework of hedge accounting have not been met, the derivative financial instruments of the HanseYachts AG are classified in the category „at fair value through profit and loss“ so that fluctuations in value of derivative financial instruments can be put directly in the income statement.

4.16. Grants from Government Bodies

Grants, to which HanseYachts AG is legally entitled, are recognised as assets if it is established at the balance sheet date that the conditions for awarding them will be met with reasonable certainty, or have already been met, and if the application for the grants has been made to the awarding institution by the date of preparation of the financial statements, or if it is certain that the application will be made. Grants, to which HanseYachts AG has no legal entitlement, i.e. whose award depends on assessments made by an official body, are recognised as receivables if the awarding body has made the decision to award the grant and if it is established with reasonable certainty at the balance sheet date that the conditions for the grant will be met.

The grants are recorded as a reduction in acquisition and production costs, provided that the subsidised assets had already been operationally utilised by the balance sheet date. As in the last fiscal year, no grants were deducted from the acquisition and production costs of purchased assets in the year under review.

Public grants that become receivables to offset expenses or losses already incurred or to provide immediate financial support without any related costs in future shall be recognised in income or loss for the period, in which they become receivables. In 2014/2015, grants totalling EUR 83K (EUR 92K last year) were immediately recognised in profit or loss.

Grants received, which are subject to fulfilling certain conditions, are recognised as provisions if non-fulfilment of the eligibility conditions is likely by the balance sheet date.

4.17. Other Liabilities

Other liabilities are reported at their recovery amounts and/or present value.

4.18. Provisions

Provisions are recognised when there is a present legal or de facto obligation to third parties occasioned by a past event; moreover it is probable (i.e. more likely than not) that an outflow of resources would be required to settle the obligation, and the amount of the outflow could be reliably estimated.

Provisions are measured for recognisable risks and uncertain liabilities in the amount of the probable performance amount and are not set off against any claims for recourse. The performance amount also includes increases in costs to be taken into account on the balance sheet date. Provisions with a term to maturity of more than twelve months are discounted at a current interest rate that is commensurate with the risks involved.

Provisions to cover guarantee obligations are formed by taking into account a previous and/or estimated future volume of damage claims. Provisions for guarantees are formed to cover the estimated costs at the time of the sale of the respective product and/or whenever knowledge is acquired about a concrete damage claim.

Provisions for restructuring measures are formed whenever a detailed, formal restructuring plan has been prepared, and this has been communicated to the parties involved.

Where an outflow of resources is possible but not overwhelmingly probable (contingent liabilities), the amount is not recognised in the financial statements as a provision but is described in the Notes to the Consolidated Financial Statements.

4.19. Deferred Taxes

Deferred tax assets and liabilities are recognised in accordance with IAS 12 using the liability (or balance sheet) method for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the IFRS financial statements that are considered probable at the time of their reversal.

Deferred tax assets also include claims for reductions in taxes due to the expected utilisation of available loss carryforwards and tax credits in subsequent years. Deferred taxes are determined on the basis of the tax rates that will apply or are expected with sufficient probability to apply to the period when the asset or liability has been realised, in accordance with the current legal position in the individual countries.

Deferred tax assets are recognised with respect to temporary differences and tax loss carryforwards only if it is sufficiently probable that the resulting reductions in taxes will actually occur in future. The carrying amount of the deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available, against which the deferred tax asset can be utilised, at least in part. Deferred tax claims that have not been recognised are reviewed at each balance sheet date and recognised to the extent that it has become probable that future taxable profits will permit the deferred tax claim to be realised.

4.20. Actual Tax Refunds and Tax Liabilities

Actual tax refunds and liabilities for the current and earlier periods are measured at the amount, for which rebates from the tax authorities or payments to the tax authorities are expected. Calculation of these amounts is based on the tax rates and tax laws in force as at the balance sheet date.

4.21. Estimates and Assumptions Position

In preparing the consolidated financial statements, assumptions have been made and estimates used, which have affected the method of reporting and the amounts of the assets, liabilities, income and expenses included in the financial statements.

Estimates and assumptions are used in particular for impairment tests of intangible assets and items of property, plant and equipment as well as deferred taxes, the establishment of consistent useful economic service lives across the entire HanseGroup, estimates of recovery risks for inventories (in particular for used boats) as well as assessments of the collectibility of receivables and the measurement of provisions. On the date the consolidated financial statements were prepared, the subjective judgments and estimates underlying the assets and liabilities were not subject to any significant risks so that material adjustments are not expected to occur in the next fiscal year with respect to the assets and liabilities reported in the consolidated balance sheet.

Although these estimates are made according to the best of management‘s knowledge based on current events and measures being taken, actual results may differ from these estimates.

4.22. Currency Translation

The procedures adopted for currency translation in respect to foreign subsidiaries in preparing the consolidated financial statements are explained under Consolidation Principles (3.3.).

In the subsidiaries‘ own single-entity financial statements, assets and liabilities in foreign currencies are measured using the rate of exchange on the balance sheet date. Gains and losses arising from currency translation are reported in the income statement under Other operating income and Other operating expenses.

The significant foreign currencies for HanseYachts are the US dollar, the British pound and the Polish zloty. For the purposes of currency translation, HanseYachts AG uses the euro reference rates published by the European Central Bank. Developments in exchange rates were as follows:

	EUR Reference Rate of the ECB		Average Exchange Rates for	
1,00 Euro	30/06/ 2015	30/06/ 2014	Fiscal Year 2014/15	Fiscal Year 2013/14
USD	1,12	1,37	1,24	1,35
PLN	4,19	4,16	4,17	4,20
GBP	0,71	0,80	0,76	0,84

4.23. Consolidated Cash Flow Statement

The cash flow statement has been prepared in accordance with the regulations of IAS 7. It shows the sources and applications of monetary funds. The payment flows presented in the cash flow statement are divided into cash flow from operating activities, from investing activities and from financing activities. The consequences of a change in the scope of consolidation are eliminated in the individual items.

Cash funds consist of the bank balances reported in the balance sheet, cash and cash equivalents as well as bank overdrafts.

In Cash flow from operating activities, non-cash operating income and expenses as well as the results from the sale of non-current assets are eliminated. This section includes interest received, interest paid and income taxes paid. Cash flow from operating activities is determined using the indirect method.

Cash flow from investing activities comprises payments for investments in intangible assets as well as in property, plant and equipment. Payments for investments in non-current assets are not identical to the amounts for additions and disposals shown in the statement of changes in non-current assets since grants are recorded as a reduction in the acquisition and production costs of purchased assets in so far as the subsidised assets have already been in use for operational purposes at the point in time, at which the claim to the subsidies had originated.

Cash flow from financing activities comprises new borrowings and repayments of financial liabilities and liabilities from finance leasing as well as from incoming payments from capital increases.

4.24. Segment Reporting

In accordance with IFRS 8, identification of reportable operating segments is based on the „Management Approach“. According to this approach, external segment reporting is performed on the basis of internal financial reporting to the top decision-making organ (management board). In the HanseGroup, the management board of HanseYachts AG is responsible for evaluating and managing the concern‘s business success and is the highest management body in accordance with IFRS 8.

The HanseGroup only undertakes a breakdown of turnover revenues by product line. Altogether, production and sales of sailing yachts account for about 79 % of revenues (92 % last year). Turnover from motorboats has risen significantly with a share of revenues of ca. 19 % (6 % last year). Attention is drawn to the information provided under Section 5.1.

Additional internal reporting is exclusively performed on a consolidated basis. The remaining disclosures required in accordance with IFRS 8 for segment reporting by business segments have not been made because the relevant items are not directly attributable to the respective segments and reliable criteria for allocation are not available. 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

Fjord F48 open

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.

In terms of segmenting by geographical segments, we refer readers to Section 8. The data apply to Germany (domestic market), EU countries and third-countries as the concern's relevant, geographical markets. Allocation of external sales abroad is oriented to the locations of the respective customers. Allocation of non-current assets and inventories to the respective regions is based on the locations of the respective assets. The measurement principles for segment reporting are based on the IFRS standards utilised in the consolidated financial statements.

4.25. Non-current Assets Held for Sale

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 value. Any impairment reversals due to an increase in fair value less selling costs are restricted to the amount of the impairment loss previously recognised on an asset.

5. NOTES TO THE CONSOLIDATED INCOME STATEMENT

The income statement has been prepared in accordance with the nature of expense method.

Gains and losses arising from currency translation are reported in the income statement under Other operating income and Other operating expenses.

In general the individual items comprise the following:

5.1. Revenues, Changes in Inventories and Own Work Capitalised

	2014/15 In EUR 1000	2013/14 In EUR 1000
Turnover Revenues		
Sailing yachts	78.385	83.852
Motorboats	18.988	4.979
Marina	0	33
Others	1.878	2.517
	99.251	**91.382**
Changes in Inventories		
Work in progress	2.216	1.203
Finished goods	(363)	47
	1.853	1.250
Other Own Work Capitalised	1.939	1.906
Total Revenues	103.043	94.538

Own work capitalised represents production moulds manufactured internally by the HanseGroup for sailing yachts and motorboats as well as internally generated intangible assets (development costs).

5.2. Other Operating Expenses

Other operating income consists of the following:

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Income from the reversal of provisions and derecognition of liabilities and reduction of value adjustments on receivables	747	804
Income recharged mainly to dealers (warranties, freight charges, marketing, trade fair costs, etc.)	532	747
Currency translation gains	361	35
Income from disposal of property, plant and equipment and from disposal of non-current assets held for sale	53	1.393
Income from deconsolidation of Fjord Boats AS	0	209
Income from forward currency transactions	0	12
Other income	436	233
	2.129	**3.433**

Currency gains result primarily from converting business transactions settled in US dollars and/or Polish zloty. Earnings from forward exchange transactions are the result of hedging against fluctuations in the dollar rate. Exchange rate losses amounting to EUR 242K (EUR 116K last year) and expenditures for forward exchange transactions of EUR 283K (EUR 1K last year) have been recognised under Other operating expenses as well as exchange rate earnings of EUR 25K under Net financial results (earnings: EUR 19K last year). While taking gains/expenditures from forward currency transactions into account, net income/losses from exchange rate differences thus amounted to EUR -170K (EUR -51K last year).

5.3. Cost of Materials

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Expenditures for raw materials, consumables and supplies	56.758	52.850
Expenditures for purchased services	6.214	5.861
	62.972	**58.711**

The cost of purchased services largely contains the expenditures for temporary workers.

We draw attention to Section 6.4 (Inventories) with respect to impairments summarised under Cost of materials.

5.4. Personnel Expenses

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Wages and salaries	21.893	17.584
Social security contributions / Expenditures / Retirement benefits	4.388	3.641
	26.281	**21.225**

Contributions to pension plan providers (defined contribution plans) amounting to EUR 1.830K are contained in the item on social security contributions and expenditures for retirement benefits (EUR 1.495K last year).

The HanseGroup employed an average of 1016 persons during the year (817 last year).

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Number of employees (average)	**1.016**	**817**
- Salaried staff	147	132
- Hourly-paid workers	869	685

5.5. Other Operating Expense

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Expenditures for marketing, licensing, advertising, and traveling	5.920	6.118
Expenditures for guarantees, freight and packaging	3.113	3.542
Expenditures for legal consel, administration, EDP and insurance	1.961	2.584
Expenditures for rent, energy, maintenance and vehicles	2.617	2.446
Other Expenditures *	1.834	1.335
	15.445	**16.025**
*) Thereof:		
From exchange rate losses	248	116
From forward currency transactions	283	1
Valuation adjustments on receivables and losses in receivables	134	151

In the fiscal year under review as in te previous year, it was possible to cut costs within Other operating expenses primarily with legal and consulting expenditures.

5.6. Amortisation, Depreciation and Write-downs

The composition of amortisation, depreciation and write-downs is derived from developments in fixed assets and is presented in the statement of changes in the movement schedule of non-current assets (cf. Sections 6.1 and 6.2):

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Depreciation of intangible assets and property, plant and equipment		
Scheduled depreciation		
Intangible assets	739	552
Property, plant and equipment	4.171	3.830
	4.910	4.382
Unscheduled depreciation		
Property, plant and equipment	380	150
	5.290	**4.532**

Unscheduled write-downs amounting to EUR 270K pertain to a fixed asset that is no longer usable as a result of fire damage at a supplier. In conjunction with the fire damage, our claim was covered up to EUR 200K by our insurance so that our net results for the period in toto were only affected to a comparatively limited extent.

Moreover, a business property in France accounted for unscheduled write-downs of EUR 110K. Attention is drawn to the information provided under Section 6.8.

The deduction of grants received from the cost of items of non-current assets resulted in a reduction in depreciation of EUR 469K in the period under review (EUR 649K last year).

5.7. Financial Results

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Interest income	9	3
Interest expense	(1.899)	(1.182)
Exchange rate gains/losses from financing TTS	25	19
	(1.865)	**(1.160)**

Interest expenses mainly reflect the cost of servicing bonds already issued, bank loans and our sales financing programme as well as changes in value and ongoing payments for compensation in conjunction with interest hedging transactions that are recorded directly in the income statement with their fair value.

Exchange rate earnings of EUR 25K (EUR 19K last year) resulted from exchange-rate differences to be recognised in the consolidated financial statements and caused by currency translation at TTS in fiscal year 2014/2015. These differences were assigned to the financial results as they were essentially contingent on financing and not allocable to business activities.

5.8. Income Taxes

Income taxes comprised the following:

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Current tax expense (-)	4	(172)
Deferred tax expense(-) / Deferred tax assets (+)	244	(131)
	248	**(303)**

Due to the deficit situation, current income taxes have in toto only accrued to a limited extent.

Deferred taxes essentially result from divergent tax-based and commercial measurement methods. In fiscal year 2014/2015, income of EUR 250K resulted from measurement of deferred tax assets for tax-related loss carryforwards and/or tax-related funding measures (EUR 171K last year). Attention is drawn to the information provided under Section 6.3.

As at 30 June 2015 there were corporate income tax-related loss carryforwards of around EUR 37.1 million (EUR 28.0 million last year) in the HanseGroup and trade tax loss carryforwards of around EUR 36.6 million (EUR 27.7 million last year). Losses are exclusively taken into account, which occurred after the change in shareholders in November 2011. Loss carryforwards of around EUR 35.3 million (corporate income taxes: EUR 26.0 million last year) and/or around EUR 34.8 million (trade taxes: EUR 26.0 million last year) had not been taken into account for the recognition of deferred taxes on loss carryforwards as the requirements for this had not been met. Losses of non-domestic subsidiaries, whose business operations are not to be continued, have not been taken into account in the above-mentioned disclosures as utilisation is no longer to be expected. On the balance sheet date, temporary differences were not present, for which no deferred tax assets had been calculated owing to the absence of the prerequisites (EUR 0.2 million last year).

Our Polish subsidiary operates in a special economic zone. There tax-related losses are not recognised. In return, tax credits can be claimed that also provide relief from income taxes on taxable income. Measurement of these benefits led to income of EUR 256K in fiscal year 2014/2015 (expenses: EUR 179K last year).

The advantage of future tax credits in the special economic zone totals around EUR 2.2 million (EUR 2.0 million last year), approx. EUR 1.7 million thereof has not been capitalised (EUR 1.7 million last year) until now. Tax rebates in Poland have a time limit until 2026 (until 2017 last year).

The average tax rate assumed for the 2014/2015 fiscal year amounts to 29.7 % (29.7 % last year). Reconciliation of the expected tax expense based on the average tax rate to the actual tax expense is as follows:

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Earnings before taxes	**(6.682)**	**(3.682)**
Average overall tax rate	29,7%	29,7%
Expected income tax	(1.985)	(1.094)
Deviations in tax rates	(141)	(270)
Tax effects of differences in the basis for tax assessment	(26)	(655)
Reassessment of deferred tax assets on loss carryforwards and measurement of deferred tax assets	(250)	175
Previous years' income taxes	(81)	81
Derecognition of deferred tax assets on temporary differences and/or generated deficits	2.331	2.452
Reductions in tax expense through utilisation of deferred tax assets and/or non-recognised deferred tax assets/tax credits	(121)	(389)
Other items	25	3
Total actual income taxes	**(248)**	**303**
Consolidated group tax rate	**-3,7%**	**-8,2%**

Deviations in tax rates reflect differences arising from the respective average tax rates applicable to the individual foreign subsidiaries.

As in previous years the essential effect results from reconciliation by setting deferred tax assets against the deficits in the year under review. This would lead to a

Sealine C330

corresponding increase in income tax expenses and/or would not provide any income tax relief. Owing to the current deficit-plagued situation, deferred tax assets have only been formed up to the amount, up to which deficits were incurred during the period under review and to the extent to which offsettable deferred tax liabilities exist at the respective enterprises.

5.9. Earnings per Share

Earnings per share are determined on the basis of the share in earnings of the shareholders in HanseYachts AG and the average number of shares outstanding during the year and are given as follows:

	2014/2015 In EUR 1000	2013/2014 In EUR 1000
Consolidated net loss = Consolidated share of net earnings for this period	(6.434)	(3.985)
Weighted average of ordinary shares issued	9.592.590	9.160.492
Earnings per share in EUR	(0,67)	(0,44)

There are no dilutive shares so that basic earnings per share are the same as diluted earnings per share.

5.10. Research and Development

Expenditures for our research and development activities amounted to EUR 3.073K in the year reported here (EUR 2.997K last year). These mainly include personnel expenditures and purchased services. Insofar as the recognition criteria for intangible assets (development costs) and/or for machinery and technical equipment / facilities under construction (production forms) were satisfied, a corresponding capitalisation was rendered via own work capitalised (EUR 1.561K; EUR 1.571K last year). In total expenditures of EUR 1.512K have thus been recognised for research and development (EUR 1.426K last year) as an expense charged to the accounting period.

6. NOTES TO THE CONSOLIDATED BALANCE SHEET

6.1. Intangible Assets

Developments in intangible assets were as follows:

in EUR 1000		Internally generated intangible assets	Commercial property rights and similar rights	Good will	Prepay-ments	Total
Cost of purchase / Cost of manufacturing	01/07/2013	1.180	5.478	4.618	0	11.276
Additions		676	179	0	0	855
Changes in scope of consolidation		0	901	0	0	901
Disposals		-55	-4	0	0	-59
Cost of purchase / Cost of manufacturing	30/06/2014	1.801	6.554	4.618	0	12.973
Depreciation	01/07/2013	388	3.693	2.610	0	6.691
Additions		376	175			551
Disposals		0	-4	0	0	-4
Depreciation	30/06/2014	764	3.864	2.610	0	7.238
Net carrying amount	**01/06/2013**	**792**	**1.785**	**2.008**	**0**	**4.585**
Net carrying amount	**30/06/2014**	**1.037**	**2.690**	**2.008**	**0**	**5.735**

In EUR 1000		Internally generated intangible assets	Commercial property rights and similar rights	Good will	Prepay-ments	Total
Cost of purchase / Cost of manufacturing	01/07/2014	1.801	6.554	4.618	0	12.973
Additions		720	332	0	200	1.252
Reclassifications		0	54	0	0	54
Disposals		0	0	0	0	0
Cost of purchase / Cost of manufacturing	30/06/2015	2.521	6.940	4.618	200	14.279
Depreciation	01/07/2014	764	3.864	2.610	0	7.238
Currency differences		1	0	0	0	1
Additions		404	335	0	0	739
Disposals		0	0	0	0	0
Depreciation	30/06/2015	1.169	4.199	2.610	0	7.978
Net carrying amount	**01/07/2014**	**1.037**	**2.690**	**2.008**	**0**	**5.735**
Net carrying amount	**30/06/2015**	**1.352**	**2.741**	**2.008**	**200**	**6.301**

In the item on internally generated intangible assets, the manufacturing costs have been recognised for development projects approved and budgeted by management (for sailing or motor yacht types).

In the item on „Intellectual Property Rights and Similar Rights" recognition is primarily focussed on licences for computer software used in the HanseGroup for production and administration as well as brand values and/or rights of use for brand values.

With initial consolidation of Sealine GmbH, the right to use the brand name „Sealine" for a fixed term has been granted to the Sealine GmbH within the framework of a separate licensing agreement, which can only be terminated for the first time as at 31 December 2019. The right to use the brand name will be subject to straight-line depreciation over the minimum term of the licensing agreement according to schedule.

Brand values („Fjord", „Moody" and „Dehler") are not subject to any limits on use and will thus not be subject to scheduled depreciation. The brand values for „Fjord", „Moody" and „Dehler" have been recognised nearly unchanged compared to last year at their original and/or amortised acquisition costs of EUR 1.647K (EUR 1.647K last year).

Goodwill assigned to TTS remained unchanged at EUR 2.0 million at the balance sheet date.

Attention is otherwise drawn to the information provided under Sections 4.10. to 4.12.

In addition to the above-mentioned brand rights, the HanseGroup is also the owner of the rights to the „Hanse“ and „Varianta“ brands. Rights of lien to the „Hanse”, „Dehler“, „Moody“, „Varianta” and „Fjord” brands have been obtained as collateral for bonds 2014/19. The carrying amount for recognised brand rights serving as collateral amounted to EUR 1.647K (EUR 1.647K last year) as indicated above.

6.2. Property, Plant and Equipment

Changes in the individual items of property, plant and equipment are shown in the following fixed-asset movement schedule:

In EUR 1000		Land and buildings including buildings on third-party land	Technical equipment and machinery	Other equipment, facilities and office equipment	Payments on account and assets under construction	Total
Cost of purchase / Cost of manufacturing	01/07/ 2013	27.065	19.069	2.314	461	48.909
Currency differences		78	-3	-3	-10	62
Additions		56	480	551	2.675	3.762
Reclassification of previously separate assets recognised as held for sale in accordance with IFRS 5		1.332	39	29	0	1.400
Reclassifications		107	1.638	18	-1.763	0
Disposals		-947	-773	-191	0	-1.911
Cost of purchase / Cost of manufacturing	30/06/ 2014	27.691	20.450	2.718	1.363	52.222
Depreciation	01/07/ 2013	7.498	14.825	1.914	3	24.240
Currency differences		51	-11	-2	-3	35
Additions		1.317	2.312	351	0	3.980
Reclassification of previously separate assets recognised as held for sale in accordance with IFRS 5		457	16	19	0	492
Disposals		-854	-621	-187	0	-1.662
Depreciation	30/06/ 2014	8.469	16.521	2.095	0	27.085
Net carrying amounts	**01/07/ 2013**	**19.567**	**4.244**	**400**	**458**	**24.669**
Net carrying amounts	**30/06/ 2014**	**19.222**	**3.929**	**623**	**1.363**	**25.137**

In EUR 1000		Land and buildings including buildings on third-party land	Technical equipment and machinery	Other equipment, facilities and office equipment	Payments on account and assets under construction	Total
Cost of purchase / Cost of manufacturing	01/07/2014	27.691	20.450	2.718	1.363	52.222
Currency differences		-4	-8	2	0	-10
Additions		56	703	333	4.988	6.080
Reclassification of previously separate assets recognised as held for sale in accordance with IFRS 5		-1.332	-38	-30	0	-1.400
Reclassifications		1.034	3.128	107	-4.323	-54
Disposals		0	-1.886	-398	-20	-2.304
Cost of purchase / Cost of manufacturing	30/06/2015	27.445	22.349	2.732	2.008	54.534
Depreciation	01/07/2014	8.469	16.521	2.095	0	27.085
Currency differences		-47	-6	-1	0	-54
Additions		1.281	2.906	364	0	4.551
Reclassification of previously separate assets recognised as held for sale in accordance with IFRS 5		-710	-21	-29	0	-760
Disposals		0	-1.872	-372	0	-2.244
Depreciation	30/06/2015	8.993	17.528	2.057	0	28.578
Net carrying amounts	**01/07/2014**	**19.222**	**3.929**	**623**	**1.363**	**25.137**
Net carrying amounts	**30/06/2015**	**18.452**	**4.821**	**675**	**2.008**	**25.956**

Attention is drawn to the information provided under Section 6.10 relating to reclassification of non-current assets held for sale.

Land and Buildings

The additions from fiscal year 2014/2015 primarily relate to investments in renovation work and buildings. In the period under review, no grants were received by the HanseGroup so that no deductions were made from the acquisition costs for assets purchased during the fiscal year under review. The residual carrying amount of buildings included in the financial statements as at 30 June 2015 has been reduced by grants received in previous years amounting to EUR 3.465K (EUR 3.802K last year).

The usual security interests exist for properties and buildings owned by the concern; these serve the HanseGroup's creditors as collateral for the loans that have been granted. The carrying amount for assets serving as collateral amounted to EUR 17.186K (EUR 17.463K last year).

Technical Equipment and Machinery

While taking reclassifications into account, investments in technical equipment and machinery totalled EUR 3.831K (EUR 2.118K last year). They relate mainly to hull and deck moulds for new boat models.

The remaining carrying amount for technical equipment and machinery included in the financial statements as at 30 June 2015 has been reduced by grants received amounting to EUR 178K (EUR 333K last year).

The carrying amount for items of property, plant and equipment financed by finance leasing amounts to EUR 41K (EUR 486K last year).

The usual security interests also exist for technical equipment and machinery for the loans that have been granted. The carrying amount for assets serving as collateral amounted to EUR 390K (EUR 1.334K last year).

Other Assets, Operating and Office Equipment

Additions in the year under review cover the usual investments in IT and office equipment. This item includes assets costing below EUR 150.00 each, which were fully amortised in the year under review and for which a disposal of assets totalling EUR 51K has been assumed for the same year (EUR 70K last year).

Assets under Construction

Assets under construction consist mainly of machinery and equipment (primarily production forms) that have not yet been approved by a final inspection or are not yet in operating condition.

6.3. Deferred Taxes and Income Taxes

Recognised deferred taxes relate to the following balance sheet items:

	30/06/2015		30/06/2014	
	Aktive In EUR 1000	Passive In EUR 1000	Aktive In EUR 1000	Passive In EUR 1000
Intangible assets	30	377	30	299
Property, plant and equipment	75	485	83	491
Receivables	0	22	0	26
Fair value measurement of forward transactions	25	0	38	0
Inventories	109	0	112	0
Liabilities	128	98	118	121
Accruals	51	0	0	0
Loss carryforwards	516	0	518	0
Tax relief	507	0	255	0
	1.441	982	1.154	937
Netting	(982)	(982)	(934)	(934)
	459	**0**	**220**	**3**

Deferred tax assets on intangible assets result from the divergent measurements for brand rights in the accounts prepared for taxation purposes and for financial reporting purposes. Deferred tax expenses on intangible assets exclusively relate to capitalised development costs. Deferred tax expenses on tangible assets primarily cover an estimate of useful life that deviates from economic principles as well as the currency translation of fixed assets at historical exchange rates of the Polish subsidiary that is considered an „integrated unit“.

Deferred tax assets on tax-relief measures affect the special economic zone in Poland. Deferred taxes for future tax credits have only been capitalised for amounts, up to the amount at which deferred tax liabilities have been recognised and/or their future usability appears to be sufficiently certain. The planning period used to evaluate such usability was three years (3 years last year). Deferred tax assets on losses incurred in fiscal year 2014/2015 were exclusively formed in the amount of an existing surplus in deferred tax liabilities.

Deferred tax claims and obligations at the consolidated companies are offset so long as they involve the same tax authority.

Deferred tax assets and liabilities have the following terms:

	30/06/2015		30/06/2014	
	Aktive In EUR 1000	Passive In EUR 1000	Aktive In EUR 1000	Passive In EUR 1000
Short-term deferred taxes	313	22	270	26
Long-term deferred taxes	1.128	960	884	911
Netting	(982)	(982)	(934)	(934)
	459	**0**	**220**	**3**

For deferred taxes incurred for short-term assets (receivables, futures transactions and inventories) as well as for liabilities and provisions, a reversal of the underlying temporary differences is expected within one year.

Income tax obligations reported under liabilities affect any tax liabilities expected for fiscal years not yet assessed. The expected term is under one year. Income tax obligations consisted of the following:

	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
Foreign and domestic income tax		
Corporate income tax	4	1
Solidarity surcharge	0	0
Trade income tax	127	117
	131	**118**

6.4. Inventories

	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
Raw materials and supplies	6.640	7.223
Work in progress	8.264	6.053
Finished goods and goods for resale	3.644	4.415
Advance payments and inventories	119	20
	18.667	**17.711**

Work in progress includes boats currently in production and finished plastic parts and items of furnishings made to order. Finished products and goods consist of boats still owned by the HanseGroup. All boats are produced to order or for boat shows and/or for exhibition purposes. Goods for resale comprise second-hand boats. It is assumed that inventories will be turned over in the usual orderly course of business within 12 months.

Value adjustments recognised for individual items under Inventories have been broken down as follows:

	Raw materials and supplies		Work in progress		Finished goods and goods for resale		Advance payments on inventories		Total	
	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14
Cost of acquisition / Cost of manufac-turing	7.200	7.685	8.517	6.053	4.105	4.941	119	20	19.941	18.699
Valuation adjustments	-560	-462	-253	0	-461	-526	0	0	-1.274	-988
Carrying amounts as at 30/06	6.640	7.223	8.264	6.053	3.644	4.415	119	20	18.667	17.711

Devaluations on net realisable values cover depreciation allowances for slow- or non-moving inventories, raw materials and supplies as well as write-downs on work in progress and goods (used boats) to take possible resale risks into account. Changes in value adjustments – as the net balance from additions, reversals and utilisation – have been recognised under Cost of materials. During the reporting period, this led to charges („expenses") to cost of materials of EUR 286K (earnings: EUR 764K last year).

There are the usual collateral agreements with house banks and a sales finance firm (e.g., storage assignments of inventories, boats pledged as collateral, etc.) with respect to raw materials and supplies as well as finished and unfinished products and used boats. The carrying amount for assets serving as collateral amounted to EUR 15.331K (EUR 14.573K last year).

6.5. Trade Receivables

	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
Trade receivables	2.710	3.263
Minus valuation allowances	-519	-513
	2.191	**2.750**

As in the previous year, the remaining maturity of all trade receivables is less than one year; the receivables are secured by the boats themselves, which will not be delivered until full payment of the sale price has been received. The carrying amount of the receivables is equal to their fair value through profit and loss.

The expenses for losses in receivables and valuation adjustments with regard to trade receivables in the period under review totalled EUR 134K (EUR 151K last year).

Unimpaired receivables are set up according to time periods as follows:

	30/06/ 2015 In EUR 1000	30/06/ 2014 In EUR 1000
Neither overdue nor individually value-adjusted receivables	276	641
Overdue but not single-valued receivables		
Less than 30 days	1.267	1.364
Between 31 and 60 days	66	286
Between 61 and 90 days	0	3
More than 90 days overdue	559	239
Total	2.168	2.533
Residual book values: individually value-adjusted payables	23	217
Reported values: Trade payables	**2.191**	**2.750**

The value adjustments for risks of default on trade receivables have developed as follows:

	2014/15 In EUR 1000	2013/14 In EUR 1000
Status as at 1 July	513	726
Value adjustments of the fiscal year		
- Additions	93	107
- Utilisation	-38	-211
- Reversals	-49	-109
Status as at 30 June	**519**	**513**

These adjustments have been calculated on the basis of past experience with payment defaults and the age structure of the trade receivables.

Loans granted by banks have been secured by a blanket assignment of part of the trade payables. The carrying amount for assets serving as collateral amounted to EUR 1.416K (EUR 2.223K last year).

6.6. Other Assets

As in the previous year, Other assets all have a term to maturity that is in all likelihood less than one year.

	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
Other assets		
- VAT	964	1.241
- Deferrals	700	678
- Debit-side creditors	80	159
- Other	48	119
	1.792	**2.197**

Prepaid expenses consist principally of payments in advance for participating in trade fairs, for insurance premiums and for licensing fees.

6.7. Cash and Cash Equivalents

	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
Cash in bank	2.497	13.077
Cash in hand	3	5
	2.500	**13.082**

The carrying amount of cash and cash equivalents is equal to their fair value through profit and loss. They consist of demand deposits and call loans available whenever needed. Amounting to EUR 711K (EUR 2.103K last year), liquid funds are subject to constraints on disposition imposed by lending institutions.

6.8. Non-current Assets Held for Sale

Sale of the business property of our French subsidiary is expected to occur on short notice within the next twelve months. Contractual agreements have already been concluded for this purpose with a potential buyer and processing of the sale has been initiated.

As a consequence, the assets involved have been classified as „available for sale" as at the balance sheet date on 30 June 2015 and have been separately recognised at EUR 640K in the balance sheet. As at the balance sheet date of fiscal year 2013/2014, these assets were contained in Property, plant and equipment with a carrying amount of EUR 750K.

In fiscal year 2014/2015, unscheduled write-downs totalling EUR 110K (EUR 150K last year) were recognised for the assets involved. Attention is drawn to the information provided under Section 5.6.

Hanse 575

6.9. Equity

Developments in equity are presented in the statement of changes in equity (Annex 4).

Attention is drawn to information on the capital increase implemented after the balance sheet date to be found in Section 14 (Events occurring after the Balance Sheet Date).

Share Capital

The fully paid-up share capital of HanseYachts AG as at 30 June 2015 amounted to EUR 9 592 590.00 (EUR 9 592 590.00 last year), divided into 9 592 590 (9 592 590 last year) no-par value shares with a nominal value of EUR 1.00 each. All of the shares are bearer shares.

Authorised Capital

At the general meeting of the HanseYachts AG on 14 January 2014, the management board was authorised, subject to the consent of the supervisory board, to increase HanseYachts AG's share capital against cash or in-kind contributions by up to a nominal value of EUR 4 796 295.00 by issuing new shares on a one-off or multiple basis by 13 January 2019 (Authorised Capital 2014).

Contingent Capital

Share capital has been contingently increased by up to EUR 3 500 000.00 by issuing up to 3 500 000 new no-par value shares made out to the bearer (Contingent Capital 2012). The contingent capital increase will only be implemented insofar as the owners of convertible bonds and options, which have been issued based on authorisation resolved by the shareholders at HanseYachts AG's general meeting on 10 December 2012 until 10 December 2017, make use of their convertible bonds and/or options.

Capital Reserves

As at the balance sheet date, the HanseGroup has reported capital reserves that have developed during fiscal year 2014/2015 as follows:

	2014/15 In EUR 1000	2013/14 In EUR 1000
Capital reserves at the beginning of the fiscal year	2.165	6.000
Withdrawals from capital reserves	0	-6.221
Capital increase	0	2.386
Capital reserves at the end of the fiscal year	**2.165**	**2.165**

Capital reserves are subject to the restrictions of Art. 150 of the German Stock Corporation Act (AktG).

6.10. Other Provisions

	01/07/2014 In EUR 1000	Utilisation In EUR 1000	Reversals In EUR 1000	Additions In EUR 1000	30/06/2015 In EUR 1000
Guarantees	2.109	122	0	418	2.405
Contingent losses	0	0	0	173	173
Restructuring	120	0	0	0	120
Dealer bonuses	76	0	76	0	0
	2.305	**122**	**76**	**591**	**2.698**

	01/07/2013 In EUR 1000	Utilisation In EUR 1000	Reversals In EUR 1000	Additions In EUR 1000	30/06/2014 In EUR 1000
Guarantees	1.729	955	11	1.346	2.109
Dealer bonuses	176	0	100	0	76
Restructuring	255	23	112	0	120
	2.160	**978**	**223**	**1.346**	**2.305**

Provisions for guarantees cover guarantee work on boats that have been sold during the guarantee period as well as for court costs in conjunction with guarantee claims. Provisions are formed both for known, concrete individual cases as well as for matters experienced in the past. Measurement of the provisions for guarantee claims is based on costs incurred in the past for comparable cases or on current cost estimates (e.g. a quotation of costs from an expert). With commensurate concretisation, measurement of provisions for litigation is generally directed towards out-of-court settlements and/or court decisions or towards the judgments or arguments of the legal counsel involved or even of the company's own employees.

Provisions for impending losses takes into account the lossless measurement of production orders for yachts recently incorporated into the HanseGroup's programme.

Provisions for restructuring pertain to repayment obligations that were still possible as at 30 June 2015 for grants received in previous years, for which compliance with the eligibility conditions is no longer sufficiently ensured because of restructuring measures recently implemented (EUR 120K; EUR 120K last year).

All of these obligations are generally due to expire within one year. Cost increases and/or interest factors have not been taken into account due to the short-term character of the expiration date. Exchange-rate differences are also contained in the schedule of provisions to a lesser extent in the column entitled „Utilisation“ above.

6.11. Liabilities

Bonds 2013/14 and Bonds 2014/19

	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
Remaining terms 1 to 5 years Bonds 2014/19	12.675	12.592
Remaining terms up to 1 year Bonds 2013/14	0	3.594
	12.675	**16.186**

Bonds 2014/19 pertain to fixed rate bonds with a nominal value of EUR 13 000 000, which draw 8.0 % interest and which are due to expire on 3 June 2019. These bonds are secured by rights of lien on the „Hanse“, „Dehler“, „Moody“, „Varianta“ and „Fjord“ brands (cf. Section 6.1.). Bonds 2013/14 were redeemed in December 2014.

Interest accrued by the balance sheet date is contained in Other liabilities (EUR 75K; EUR 155K last year) and/or Short-term liabilities owed to related individuals and companies (EUR 4K; EUR 103K last year).

The transaction costs directly attributable to bond emissions (EUR 504K) were deducted from the nominal amounts and will be amortised over the term of the bonds in accordance with the effective interest method. The share in these transaction costs not yet amortised amounted to EUR 325K (EUR 437K last year) as at the balance sheet date.

The bonds have been admitted for trading on the open market of the Deutsche Börse AG (Unofficial Market of the Frankfurt Stock Exchange in the Entry Standard for Bonds segment).

The bonds were subscribed by companies of the AURELIUS Corporate Group at a nominal value of EUR 700K (EUR 2.700K last year). Attention is drawn to the information provided in Section 11.

In addition, there is the possibility of topping up the bonds 2014/19 by up to EUR 7.000K to a volume then of EUR 20.000K, so long as potential bond investors can be gained to a commensurate extent.

With respect to the anticipated liquidity outflows, attention is drawn to Section 9.2.; with respect to fair value through profit and loss, attention is drawn to Section 9.5. and with respect to the stipulated covenants, attention is drawn to the information provided in Section 9.6.

Other Financial Liabilities

Under Other financial liabilities, interest-bearing obligations have been recognised that are owed to lending institutions and other external loan providers.

Altogether financial liabilities are classified according to their terms to maturity as at the balance sheet date as follows:

	30/ 06/2015 In EUR 1000	30/ 06/2014 In EUR 1000
Liabilities to banks / other lenders		
Up to 1 year	2.766	2.932
1 to 5 years	210	756
	2.976	**3.688**

As at the balance sheet date, liabilities owed to banks stood at EUR 2.976K (EUR 3.688K last year). They resulted from loans charged fixed and variable interest rates (EUR 1.144K; EUR 2.540K last year), from the negative fair value of interest hedging transactions (EUR 85K; EUR 128K last year) as well as overdraft facilities that were actually utilised (EUR 1.747K; EUR 1.020K last year).

Financial debt owed to related individuals and companies is discussed in Section 11.

With respect to the anticipated liquidity outflows, attention is drawn to Section 9.2.; with respect to interest hedging, attention is drawn to Section 9.3.; with respect to fair value through profit and loss, attention is drawn to Section 9.5.; and with respect to stipulated covenants, attention is drawn to the information provided in Section 9.6.

With regard to the assets serving as collateral for financial debt, attention is drawn to the information provided in Sections 6.2., 6.4., 6.5. and 6.7.

Liabilities from Finance Leasing

Liabilities from finance leasing are recognised at the present value of future leasing instalments. Leasing items are assets under Property, plant and equipment. Minimum leasing instalments are reconciled to the present value as follows:

	30/06./015 In EUR 1000	30/06/2014 In EUR 1000
Present value: Leasing payments		
Up to 1 year	9	538
1 to 5 years	33	0
	42	538
Interest portion		
Up to 1 year	1	30
1 to 5 years	4	0
	5	30
Minimum leasing payments		
Up to 1 year	10	568
1 to 5 years	37	0
	47	**568**

Removal of these liabilities from finance leasing has resulted from regular payments on principal and from completed finance leasing arrangements.

Other Liabilities

As in the previous year, all of the liabilities shown below fall due within one year.

	30/06/2015 In EUR 1000	30/06(/2014 In EUR 1000
Trade payables	11.188	13.088
Advance payment on orders	9.131	6.927
Liabilities owed to related individuals/companies	3.365	1.214
Other liabilities		
Liabilities for staff costs	2.718	2.896
Customer accounts with debit balances	173	190
VAT payables	382	54
Other	213	447
	3.486	3.587
	27.170	**24.816**

Payments on account received relate to payments in advance for sailing yachts and motorboats, which have already been ordered.
Liabilities for staff costs mostly comprise normal amounts due for wages and salaries amounting to EUR 400K (EUR 792K last year) and outstanding holiday entitlements and overtime of EUR 1.497K (EUR 1.252K last year).

Attention is drawn to the information provided in Section 11 relating to liabilities owed to related individuals and companies.

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7. NOTES ON THE CONSOLIDATED CASH FLOW STATEMENT

Interest payments reported net under operating cash flow relate almost exclusively to interest paid and only to a negligible extent to interest received.

Income taxes paid contain a rebate from a correction in the corporation tax assessment for the assessment period of 2011 (EUR 83K) as well as regular advance tax payments of a subsidiary (EUR -41K). Last year's payments pertained to the results of tax audits for 2008 to 2010.

Cash flow from investing activities comprises payments for investments in intangible assets as well as in property, plant and equipment.

In addition to repayment of principal on existing loans and/or finance leasing debt, cash flow from financing activities mainly contains repayment of Bonds 2013/14 as well as an unsecured shareholder loan recently taken out of EUR 2.000K.

Following the cash flow statement, the composition of financial funds has been broken down. With regard to bank balances that are subject to restrictions on availability, attention is drawn to the information provided in Sections 6.7. and 10.1.

8. NOTES ON SEGMENT REPORTING

In total, production and sale of sailing yachts account for a major proportion (about 79 %) of revenues (92 % last year). With respect to analysing revenues by product segments, attention is drawn to the information given under Section 5.1. No further information on segment reporting by business division has been provided for the reasons given under Section 4.24.

In the following, analyses by geographical aspects have been undertaken. For purposes of providing segment information by region, revenues are determined according to the location of the respective customers, while other items are determined according to the venues of the Group's companies.

2013/2014	Domestic Market In EUR 1000	EU States In EUR 1000	Non-EU States In EUR 1000	Consolidation In EUR 1000	Total In EUR 1000
Turnover	49.367	36.524	41.931	-36.440	91.382
Segment assets	67.821	10.441	2.008	-13.034	67.236
Investments	4.350	261	7	0	4.618

2014/2015	Domestic Market In EUR 1000	EU States In EUR 1000	Non-EU States In EUR 1000	Consolidation In EUR 1000	Total In EUR 1000
Turnover	54.881	49.917	41.150	-46.697	99.251
Segment assets	55.976	14.747	2.363	-14.247	58.839
Investments	5.624	1.694	14	0	7.332

9. MANAGEMENT OF FINANCIAL RISKS

9.1. Default and Credit Risks

Default risk refers to the risk of insolvency of a contractual partner and the credit risks associated with cash deposits and derivative financial instruments. For the most part, the HanseGroup is only exposed to the risk of insolvency on the part of dealers and their customers.

In order to minimise this default risk, the HanseGroup generally requires payments on account from the dealers or their customers up to the point of completion of a sailing yacht or motorboat, which has been ordered; these payments are then deducted from the contractual sale price. Yachts are physically delivered only after the full amount of the sale price has been received—regardless of simultaneous or prior revenue realisation. Exceptions to this rule require the approval of the management board.

Key Other financial assets are mostly due from government bodies. Bank balances are maintained at banks with sound credit ratings.

The HanseGroup is exposed to credit risks with derivative financial instruments; these risks result from failure to fulfil contractual agreements on the part of the other party to the contract. Credit risks can be minimised by only concluding such business arrangements with contractual partners of first-class creditworthiness.

As in the previous year, the maximum risk of defaulting as at the balance sheet date corresponds to the carrying amounts of trade receivables, other assets as well as cash and cash equivalents recognised in the balance sheet.

9.2. Liquidity Risks

Liquidity risks refer to the risk that the HanseGroup would not be in a position to fulfil its financial obligations as they fall due. 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. By means of this short-term financial

planning, the HanseGroup can ensure that sufficient funds are available on call in order to be able to cover expected business expenses including funds needed to service financial obligations.
Undiscounted gross cash flow payments (on interest and principal) for financial liabilities are structured as follows:

			Remaining terms thereof	
		In EUR 1000	Up to 1 year In EUR 1000	1 to 5 years In EUR 1000
Bonds		17.160	1.040	16.120
	(Last year)	(22.149)	(4.989)	(17.160)
Other financial liabilities		3.004	2.789	215
	Last year)	(3.785)	(3.005)	(780)
Liabilities from financial leasing		47	10	37
	Last year)	(568)	(568)	0
Trade payables		11.188	11.188	0
	Last year)	(13.088)	(13.088)	0
Liabilities owed to related parties		6.436	833	5.603
	Last year)	(3.351)	(1.239)	(2.112)
Other liabilities		173	173	0
	Last year)	(190)	(190)	0
		38.008	**16.033**	**21.975**
	Last year)	(43.131)	(23.079)	(20.052)

The cash outflows from bonds and liabilities owed to related companies contain major parts of the interest owing to loan obligations contained therein. Moreover, parts of interest are contained to a limited extent in cash outflows from other financial debt and from liabilities from finance leasing. Whenever interest payments have been based on variable parameters, undiscounted amounts have been determined on the basis of the yield curve at the end of the reporting period.

Short-term repayment is basically assumed for overdraft facilities already utilised (EUR 1.747K; EUR 1.020K last year). For loan obligations contained under Liabilities owed to related companies, it has been assumed that repayment would follow at the latest in conjunction with refinancing of the bond liabilities. Repayment of these loans was thus assumed within one to five years due to deviation from recognition of duration in the consolidated balance sheet.

9.3. Risk of Fluctuations in Interest Rates

Financing the HanseGroup with loans has been effected by means of Bonds 2014/2019 at essentially a fixed rate of interest of 8.0 % henceforth. Loans extended by the majority shareholder also provide for fixed interest arrangements. Hence, risk of fluctuations in the interest rate does not exist with respect to this financing.

The remaining liabilities owed to lending institutions still partially provide for variable interest rates that are no longer congruently covered by the interest-hedging agreements originally concluded due to amendments to the conditions and special or balloon payments. As the total volume of the bank debt recognised as „other financial liabilities" was further reduced in the fiscal year reported here and the remaining terms have been successively decreasing in duration, there are nevertheless no longer any meaningful risks involving fluctuations in interest rates with respect to these liabilities.

In the period under review, financial instruments in the categories of „loans and receivables", „financial liabilities measured at cost" and „liabilities / assets measured at fair value through profit or loss" have led to interest expenses totalling EUR 1.946K (EUR 1.283K last year). Income from market measurement of interest swap transactions of EUR 48K (income: EUR 100K last year) has not been included in this amount as at the balance sheet date. As in the previous fiscal year, interest income only accrued to a negligible extent.

Interest Rate Sensitivity Analyses

In the following segment, the results of a sensitivity analysis are shown with respect to the risk of fluctuations in interest rates for derivative and non-derivative financial instruments as at the balance sheet date. Financial instruments with fixed interest rates are measured at amortised cost and thus are not subject to interest sensitivity in accordance with IFRS 7. For variable interest-bearing liabilities, this analysis is conducted on the hypothesis that the amount of the outstanding liability on the balance sheet date has been outstanding for the entire year. Within the framework of assessing the risk of fluctuating interest rates, an increase or decrease of the interest rate by 100 points is assumed. This represents the management board's assessment with respect to a well-founded, possible fluctuation in the interest rate. Such an increase would lead to additional interest income of EUR 7K p.a. for the HanseGroup from its underlying transactions and agreements on interest-rate swaps (EUR 16K p.a. last year). A decrease of 100 points in the interest rate would lead to an interest expense of EUR 7K p.a. (EUR 2K p.a. last year). As revenues and expenses of all financial instruments included in the analysis are included in the income statement, there would not be any additional impact on equity.

Contracts for Interest Rate Swaps

In the concluded interest rate swap transactions, the HanseGroup traded variable for fixed interest payments that were calculated on the basis of stipulated nominal amounts. Fair value of interest rate swaps on the balance sheet date is determined by discounting future cash flow using interest structure curves on the balance sheet date and the credit risks involved in the contracts in accordance with the mark-to-market method (procedures, in which all input parameters significantly affecting fair value are either directly or indirectly observable (Step 2 for the purposes of IFRS 7.27a)).

The following table shows the nominal amounts and fair value of existing interest rate swaps at the balance sheet date:

	30/06/2015		30/06/2014	
	Current value	Nominal value	Current value	Nominal value
	In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000
Interest rate swaps	-80	1.080	-128	1.377

Interest rate swaps are reconciled every six months. Fair value represents the prices, at which unrelated third parties would acquire the rights or assume the obligations arising from the financial instruments. The fair values are the current values of the derivative financial instruments, without taking into account any inverse movements in the values of the respective hedged transactions.

Derivative financial instruments are measured as financial assets or financial liabilities at fair value through profit or loss, as the stringent demands of hedge accounting in accordance with IAS 39 have not been fulfilled. For this reason, the fair value of derivative financial instruments is carried under Short-term financial debt in the balance sheet. An adjustment in fair value on the balance sheet date is carried in the HanseGroup's financial results.

9.4. Currency Risks

Currency risks represent the risk of changes in the value of items in the financial statements as a result of fluctuations in exchange rates. For the HanseGroup, this risk arises in particular in relation to cash inflow from trade receivables in

US dollars resulting from supplying goods and services to dealers outside of the Eurozone.

On the basis of forecasts of expected US dollar inflow, HanseYachts sells US dollars forward on a targeted basis for the dates of expected cash inflow in order to hedge against any negative exchange rate fluctuations. As at the balance sheet date, 30 June 2015, the following forward transactions were pending in US dollars with a term of two months:

	30/06/2015		30/06/2014	
	Current value	Nominal value	Current value	Nominal value
	In EUR 1000	TUSD	In EUR 1000	TUSD
Forward rate sale	-5	550	0	0

Fair value of forward currency transactions on the balance sheet date is determined by discounting future cash flow using interest structure curves on the balance sheet date and the credit risks involved in the contracts in accordance with the mark-to-market method (procedures, in which all input parameters significantly affecting fair value are either directly or indirectly observable (Step 2 for the purposes of IFRS 7.27a)). Thanks to the modest volume of the contracts and the brief terms, fluctuations in the exchange rates would only lead to minor changes in the market value of forward currency transactions. The impact on the consolidated results and/or equity is also correspondingly negligible so that we have dispensed with a disclosure.

Trade receivables in foreign currency amounted to EUR 584K as at the balance sheet date (EUR 493K last year). This corresponded to a 27-% proportion of total trade receivables (18 % last year). We have trade receivables in the following currencies:

	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
USD	584	492
PLN	1	1
	585	**493**

A 10-% fluctuation either plus or minus in the value of foreign currency relative to the euro as at the balance sheet date would have had an impact on our consolidated Group earnings after taxes and/or on equity of EUR 65K (EUR 54K last year) and/or EUR -53K (EUR -44K last year), respectively.

Moreover, our Polish subsidiary is also exposed to currency risks resulting from transactions with HanseYachts AG that are settled in euros. These currency risks have been hedged using euro/zloty forward currency transactions. As at the balance sheet date on 30 June 2015, there were no outstanding forward transactions in zloty.

Liabilities in foreign currency consisted of the following liabilities in the following currencies as at the balance sheet date:

	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
PLN	611	480
USD	0	102
GBP	0	89
NOK	0	16
	611	**687**

A 10-% fluctuation either plus or minus in the value of trade payables in foreign currency relative to the euro as at the balance sheet date would have had an impact on our consolidated Group earnings after taxes and/or on equity of EUR -67K (EUR -62K last year) and/or EUR 56K (EUR 76K last year), respectively.

9.5. Fair Value through Profit and Loss

The fair value of the financial assets and liabilities reported in the consolidated balance sheet are generally determined with reference to information available on the market. The fair value of interest rate swap contracts and forward currency transactions is determined using recognised mathematical models on the basis of the market data available at the time of such calculations. Information on market prices for the bond liabilities is available.

	in accordance with IAS 39	30/06/2015 Carrying amount	30/06/2015 Fair Value	30/06/2014 Carrying amount	30/06/2014 Fair Value
		In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000
FINANCIAL ASSETS					
Current Financial Assets		**5.104**	**5.104**	**16.395**	**16.395**
Trade receivables	lar	2.191	2.191	2.750	2.750
Receivables from related companies and individuals	lar	333	333	404	404
Other receivables	lar	80	80	159	159
Cash and cash equivalents	lar	2.500	2.500	13.082	13.082
Total financial assets		**5.104**	**5.104**	**16.395**	**16.395**
FINANCIAL LIABILITIES					
Non-current Financial Liabilities		**14.519**	**14.324**	**14.948**	**15.291**
Bonds	flac	12.675	12.480	12.592	12.935
Bank loans and other loans	flac	210	210	756	756
Finance leasing	flac	34	34	0	0
Payables to related companies and individual	flac	1.600	1.600	1.600	1.600
CURRENT FINANCIAL LIABILITIES		**17.576**	**17.576**	**21.711**	**21.776**
Trade payables	flac	11.188	11.188	13.088	13.088
Bonds	flac	0	0	3.594	3.659
Bank loans, bank overdrafts and other loans	flac	2.681	2.681	2.804	2.804
Interest hedging agreements and exchange rate hedging with negative fair valuet	fvtpl	85	85	128	128
Finance leasing	flac	9	9	538	538
Liabilities to related parties	flac	3.365	3.365	1.214	1.214
Other current liabilities	flac	248	248	345	345
Total: Financial Liabilities		**32.095**	**31.900**	**36.659**	**37.067**

lar = loans and receivables
flac = financial liability at cost
fvtpl = fair value through profit and loss

Owing to the short duration, the carrying amounts of current financial assets and debt correspond to fair value. With non-current financial assets and debt, interest rates correspond to the usual market interest levels and/or the volume is also of a comparatively manageable size so that here the carrying amounts also correspond to fair value. Only for the bond liabilities can fair value deviate from the carrying amounts as a result of available share prices from the market.

In aggregate form, financial assets and debt can be seen in the following table:

	30/06/2015		30/06/2014	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000
Aggregated Recognition according to Measurement Categories				
Loans and receivables	5.104	5.104	16.395	16.395
Financial liabilities recognized at fair value through profit and loss	85	85	128	128
Financial liabilities measured at amortised cost	32.010	31.815	36.531	36.939

The net results taken into account in the statement of recognised income and expenses for financial assets and debt comprise the following:

	Measurement Categories			
2014/2015	lar	flac	fvtpl	Gesamt
	In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000
Currency translation differences	113	0	-283	-170
Release of individual valuation adjustments	49	0	0	49
Impairment and losses in receivables	-134	0	0	-134
Derecognition of liabilities	0	205	0	205
Financial compensation: SWAP/forward currency transactions	0	0	-50	-50
Measurement of forward currency transactions	0	0	42	42
	28	**205**	**-291**	**-58**

	Bewertungskategorie			
2013/2014	lar	flac	fvtpl	Gesamt
	In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000
Currency translation differences	-81	19	11	-51
Release of individual valuation adjustments	109	0	0	109
Impairment and losses in receivables	-151	0	0	-151
Financial compensation: SWAP/forward currency transactions	0	0	-128	-128
Measurement of forward currency transactions	0	0	100	100
	-123	**19**	**-17**	**-121**

9.6. Capital Management

The basic principle of the management board is to maintain a stable capital base and to ensure a sufficient supply of liquidity at all times. In this connection, the financing structure of the HanseGroup was reorganised by means of a capital increase and a bond issue in the previous year, while our activities in the year under review were focussed on managing liquidity. The most important indicator in this context is net working capital (working capital minus trade payables).

In order to manage capital and liquidity, the HanseGroup has an internal monthly reporting system. Reporting directed towards the management board comprises a consolidated balance sheet (IFRS) and a consolidated cash-flow statement (IFRS), on the basis of which additional essential indicators for capital and liquidity management (e.g. equity ratio, working capital, cash and cash equivalents) are monitored. Moreover, short-term to medium-term financial planning is derived from integrated corporate planning. By means of this financial planning, the HanseGroup can ensure that sufficient funds will be available on call at all times in order to be able to cover expected business expenditures as they fall due. In addition within the framework of liquidity management, payments and receipts are monitored on a daily basis and weekly liquidity forecasts are prepared, the available structure of cash and cash equivalents is analysed (level of cash and cash equivalents plus the free financing facilities) and receivables from customers are tracked. With regard to additional shaping of the internal control system, attention is drawn to the information provided in Section 2.3 of the consolidated management report.

Loan contracts concluded with banks call for compliance with certain key fiscal indicators, which HanseYachts AG and its subsidiaries have had to verify on the basis of their annual financial statements. Dynamic and static debt gearing is the key indicator at the centre of interest with these contracts and as such represents the target figures for capital management and is thus regularly monitored.

Any violation of fiscal indicators would trigger an extraordinary right of cancellation on the part of lenders that in such cases would be justified in demanding immediate repayment of the respective loan. This could possibly result in making such financing more expensive or in causing an unanticipated need for financing to arise. As in the year before, compliance was not possible with any of these covenants, for which a credit term exists. The lending institutions involved in the financing were informed early on about the expected failure to comply with the criteria with the aid of planning forecasts. All commercial banks have declared that no additional consequences will result from non-compliance with said covenants until the balance sheet date.
The holders of bonds issued on 6 June 2014 (Bonds 2014/19) have also been given a right of termination, should a change of control occur and at least 25 % of the bondholders exercise this right of termination or the consolidated equity ratio should drop below 15 % on the basis of IFRS accounting principles during the term of the bonds, while according to the conditions of the bonds a shareholder loan with subordination is to be allocated to the reported equity. Our planning provides for compliance with the minimum equity base terms while taking into consideration the capital increase and the subordinated shareholder loan until the financial review has been prepared. In this connection, attention is drawn to the information provided in the consolidated management report (Risk Report/ Financial Risks, Supplementary Report).

9.7. Impairment of Financial Assets

Impairment write-downs of current financial assets only relate to trade receivables. They consist of individual valuation adjustments in each case. Attention is drawn to the information provided under Section 6.5.

10. CONTINGENT LIABILITIES, OTHER FINANCIAL OBLIGATIONS AND LITIGATION

10.1. Contingent Liabilities

A financing programme has been established with an independent sales finance firm with a total volume of EUR 2.211K (EUR 3.061K), with the aid of which dealers can fund acquisition of their boats from HanseYachts AG. This financing programme was utilised in the amount of EUR 387K (EUR 720K 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 on the part of HanseYachts AG, payment guarantees have been made available by its house banks amounting to EUR 947K (EUR 840K last year), which have been collateralised by pledging cash and cash equivalents amounting to EUR 550K (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 and only part of the respective sale price for a given boat is financed in this way, the risk of a possible compulsory buyback is considered to be low.

HanseYachts AG is liable for guaranties of EUR 21K (EUR 21K last year).

HanseYachts AG is not liable for any contingent liabilities to third parties.

10.2. Other Financial Obligations

Other financial obligations primarily include those for leasing and rental agreements as well as for service contracts. The stipulated and/or expected terms of the contractual arrangements have been taken into account.

Commitments from Long-term Contractual Obligations	30/06/2015 In EUR 1000	30/06/2014 In EUR 1000
Due within one year	254	490
Due after one year	492	735
	746	1.225
Order commit-ments from investments already begun	17	461
	763	**1.686**

In the above-mentioned financial obligations, EUR 540K (EUR 120 thereof due within one year) resulted from contracts with companies in the AURELIUS Corporate Group. 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 Corporate Group.

Additional clarification can be found in the section on Transactions with related persons (Section 11).

In fiscal year 2014/2015, expenses incurred through operating lease contracts were EUR 117K (EUR 105K last year).

10.3. Litigation

HanseYachts AG or one of its Group companies are involved in litigation both with suppliers as well as with customers within the framework of their ongoing business activities.

Litigation with customers usually involves payments of compensation for damages with respect to defects and downtime or are aimed at having the sales contracts revoked. Amounts in dispute with customers are oriented, inter alia, to the purchase prices of the respective boats, which range from ca. EUR 0.1 million to ca. EUR 1.2 million. Provisions formed for litigation are usually significantly higher than the amount set in the dispute. Thanks to its experience in the past, HanseYachts AG is of the opinion that any risks involving possible realisation of litigation are completely covered by the provisions that it has formed.

In one individual case, HanseYachts AG has been ordered to pay EUR 1.1 million by a court in a country outside of the European Union and other Western confederations of States, with which a treaty has not been concluded under international law for reciprocal recognition of judicial decisions. HanseYachts AG considers this judgment to be manifestly invalid and thus null and void. It is considered highly unlikely that consequences from this judgment would be asserted against HanseYachts AG (cf. as a result of enforcement measures). For this reason, no other provisions have been undertaken against any risk from this matter.

Attention is drawn to the information provided under Section 6.10 relating to measurement of provisions.

11. RELATIONSHIPS TO RELATED INDIVIDUALS AND COMPANIES

In accordance with IAS 24, persons or companies, over which the reporting entity has significant influence or which could exercise significant influence over said entity, must be disclosed, unless they are consolidated companies already included in the consolidated financial statements.

In principle members of the management board and of the supervisory board come into consideration as related parties 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 is included. Consequently, related companies include in particular those of the consolidated Group of Aurelius AG.

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

As in the previous year, there were no doubtful or uncollectible receivables from related parties in the reporting period.

Management Board

The members of the Management Board of HanseYachts AG in fiscal year 2014/2015 were:

- Dr. Jens Gerhardt, Hamburg,
  Chief Marketing and Quality Assurance Officer
- Sven Göbel, Naumburg,
  Chief Financial and Production Officer

Remuneration for the management board amounted to EUR 614K for fiscal year 2014/2015 (EUR 920K last year). EUR 505K (534K last year) thereof covered fixed salary components and EUR 109 (EUR 386K last year) thereof was paid for variable salary components.

By virtue of a resolution passed at the general shareholders meeting held on 31 January 2012, HanseYachts was exempted from the obligation of disclosing the total remuneration of the management board and any benefits payable on termination of a contract of employment on an individual basis. This exemption is valid for a period of five years.

Supervisory Board

The supervisory board comprised the following members with the following supervisory board appointments:

- Gert Purkert, Munich, *Chairman of the supervisory board*
  Additional appointments:
  - Aurelius Beteiligungsberatungs AG, Munich (vice-chairman),
  - Aurelius Portfolio Management AG, Munich (chairman),
  - Aurelius Transaktionsberatungs AG, Munich,
  - Lotus AG, Grünwald,
  - Berentzen Group Aktiengesellschaft, Haselünne (chairman).
  - Fidelis HR GmbH, Würzburg (chairman),
  - Publicitas AG, Zurich, Switzerland.
- Dr. Frank Forster, Munich, *corporate counsel of Aurelius AG, vice-chairman*
  Additional appointments:
  - Aurelius Portfolio Management AG, Munich,
  - Berentzen Group Aktiengesellschaft, Haselünne.
- Dr. Luzi Rageth, Zurich, *chairman of the examination commission*
  Additional mandates:
  - ISOCHEM, Paris (president of the supervisory board)

- Fritz Seeman, Düsseldorf, *corporate consultant* (since 29 January 2015)
- Alexander Herbst, Trassenheide, *employee representative in the supervisory board* (since 20 May 2015)
- Ronny Riechert, Greifswald, *employee representative in the supervisory board* (since 20 May 2015)

During the reporting period, the supervisory board received remuneration of EUR 46K (EUR 42K last year).

In addition to the above-mentioned remuneration of the members of the executive bodies, there were also business relations with companies from the Aurelius Corporate Group shown in the following list :

Fiscal year 2014/15	Revenues	Expenditures	Acquisition/ Disposal	Receivables. 30/06/2015	Payables. 30/06/2015
	In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000
Consulting services (incl. travel costs)	3	328	0	0	9
Licensing fees	0	274	0	0	215
Cost transfers	0	0	0	333	0
Loans	0	291	0	0	4.737
Bonds 2013/2014	0	81	0	0	0
Bonds 2014/2019	0	56	0	0	704

Fiscal year 2013/14	Revenues	Expenditures	Acquisition/ Disposal	Receivables. 30/06/2014	Payables 30/06/2014
	In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000	In EUR 1000
Consulting services (incl. travel costs)	0	766	0	0	54
Licensing fees	0	59	0	0	51
Cost transfers	280	0	0	333	0
Other receivables	0	0	0	70	0
Loans	0	145	0	0	2.606
Bonds 2013/2014	0	99	0	0	2.099
Bonds 2014/2019	0	4	0	0	704
Acquisition of Sealine GmbH	0	0	300	0	0

Receivables and/or payables from costs and allocated charges and/or invoicing consulting services as well as licensing fees contain the statutory VAT and are all short-term.

In the above-mentioned presentation, liabilities from loans and/or bonds also contain proportionately accrued interest in addition to the nominal amounts.

The bonds subscribed by the AURELIUS Corporate Group have been recognised in the balance sheet with their nominal amounts according to their maturity term under the liabilities item entitled „Bonds". Interest accrued by the balance sheet date is recognised under Short-term liabilities owed to related individuals and companies. With regard to the conditions for said bonds, attention is drawn to the information in Section 6.11. In conjunction with repayment and/or refinancing of the Bonds 2013/14, HanseYachts AG was granted an additional, short-term and unsecured loan of EUR 2.000K in this fiscal year.

So far as the loan debt is not subject to any collateralisation and where appropriate a postponement of priority has been declared, the interest rate for the loans conforms to the conditions for comparable new loans. So far as the loan debt is subject to collateralisation, the interest rate conforms to the conditions for credit lines allowed by banks. Of this loan debt, an amount of EUR 1.600K was allocated to Long-term liabilities. Loan debt of EUR 3.137K including accrued interest was allocated to Short-term liabilities. Existing loan debt has been charged interest rates ranging from 8.0 % to 9.5 % during this fiscal year.

Dehler 38

In addition to the above-mentioned disclosures, the HanseGroup would like to point out voluntarily wherever appropriate that the chairman of the supervisory board as well as the members of the management board are owners of a company in Germany, the object of its business is chartering sailing yachts and motorboats. The boats intended for chartering have been acquired from external dealers of HanseYachts AG, which obtains the boats via HanseYachts AG and at the same time does the actual chartering of said boats for a fee. The dealer acquired boats for EUR 388K from HanseYachts AG in the year under review. These boats were ordered last year. Moreover, an additional boat was ordered by this dealer in fiscal year 2014/2015 for a price of EUR 100K that is expected to be delivered in the coming fiscal year 2015/16.

12. DECLARATION OF COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE

The declaration of compliance with the German Corporate Governance Code stipulated by Art. 161 of the AktG has been submitted and has been made available to shareholders at all times as part of our declaration on corporate management in accordance with Article 289a HGB via publication on our home page (at www.hansegroup.com under Corporate Governance).

13. AUDITORS' FEES

(In accordance with art. 314, Para. 1, No. 9 HGB)

The fees for the HanseGroup's auditors have been calculated as follows:

	2014/15 In EUR 1000	2013/14 In EUR 1000
Expenses for statutory auditing	68	66
Other audit-related services	26	64
Tax-related services	0	0
Other services	22	30
	116	**160**

The fees for auditing services cover the annual and consolidated financial statements of HanseYachts AG (including expenses).

Other confirmation services include an audit of the interim financial statements as at 31 December 2014 for the purpose of integrating the consolidated financial statements of HanseYachts in the superordinate consolidated financial statements of Aurelius AG.

14. EVENTS AFTER THE BALANCE SHEET DATE

To strengthen the liquidity situation, on 3 September 2015 the supervisory board of HanseYachts AG resolved to issue 1 498 840 new no-par value bearer shares at a placement price of EUR 2.00 per share within the framework of a capital increase against cash contributions, which have been entitled to a dividend since 1 July 2014. HanseYachts reckons with gross proceeds of around EUR 3 million from this issue. HanseYachts AG has utilised its authorised capital to increase share capital from EUR 9 592 590 million up to EUR 11 091 430 million.

By the time these financial statements were completed, the capital increase had been fully subscribed.

The property at the venue of the no longer operationally active French subsidiary has been sold. The HanseGroup expects liquid cash flow of EUR 0.6 million from the sales contract.

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

15. AUTHORISATION FOR PUBLICATION

On 29 September 2015, the management board of HanseYachts AG authorised the consolidated financial statements for submission to the supervisory board. The responsibility of the supervisory board is to examine the consolidated financial statements and to state whether it would approve said consolidated financial statements.

Greifswald, 29 September 2015

The Management Board

Dr. Jens Gerhardt   Sven Göbel

RESPONSIBILITY STATEMENT

To the best of our knowledge we assure that in accordance with the applicable accounting principles the consolidated financial statements give a true and fair view of the assets, financial position and earnings situation of the Group and are presented in the consolidated management report so that a true and fair assessment is presented and the material opportunities and risks associated with the expected developments of the Group are described.

Greifswald, 29 September 2015

Dr. Jens Gerhardt Sven Göbel

TEXT OF THE AUDITORS' OPINION

We have audited the consolidated financial statements prepared by HanseYachts AG in Greifswald as at 30 June 2015 – comprising the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flow, the consolidated statement of changes in equity and the notes to the consolidated financial statements – as well as the consolidated management report from 1 July 2014 to 30 June 2015. The preparation of the consolidated financial statements and consolidated management report in accordance with IFRS as adopted by the European Union (EU) and the additional requirements of German commercial law pursuant to Art. 315a (1) HGB [Handelsgesetzbuch: German Commercial Code] is the responsibility of the management board of said AG. Our responsibility is to express an opinion on the consolidated financial statements and on the consolidated management report based on our audit.

We have conducted our audit of the consolidated financial statements in accordance with Art. 317 HGB and generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW)) [Institute of Public Auditors in Germany]. Those standards require that we plan and perform the audit so that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the consolidated management report are recognised with reasonable certainty. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the consolidated management report are examined primarily on a random test basis within the framework of the audit. The audit comprises assessment of the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the management board as well as evaluation of the overall presentation of the consolidated financial statements and the consolidated management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Art. 315a (1) HGB and give a true and fair view of the net assets, financial position and results of operations of HanseYachts AG in accordance with these requirements. The consolidated management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future developments. Any publication or distribution of the consolidated financial statements and/or the consolidated management report in a form deviating from the certified version (including translation into other languages) requires our prior opinion, in so far as in so doing our auditor's opinion is quoted or reference is made to our audit; we cite Article 328 HGB for this eventuality.

Hamburg, 29. September 2015

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