paragon®

GROUP INTERIM REPORT
AS OF SEPTEMBER 30, 2017
NINE MONTHS

Highlights of the First Nine Months of 2017

- **Group sales up 15.0% to € 84.7 million (prior year: € 73.7 million)**
- **EBITDA grows 23.9% to € 12.6 million (prior year: € 10.2 million)**
- **EBIT increases 20.3% to € 6.1 million (prior year: € 5.1 million)**
- **Revenue and earnings forecast for the current fiscal year confirmed**

Group Key Figures (IFRS)

In € thousands/as indicated	Jan. 1, 2017 to Sep. 30, 2017	Jan. 1, 2016 to Sep. 30, 2016	Change in %	Jul. 1, 2017 to Sep. 30, 2017	Jul. 1, 2016 to Sep. 30, 2016	Change in %
Revenue	84,745	73,699	15.0	29,454	24,877	18.4
EBITDA	12,595	10,163	23.9	4,595	3,365	36.6
EBITDA margin in %	*14.9*	*13.8*	*n/a*	*15.6*	*13.5*	*n/a*
EBIT	6,132	5,098	20.3	2,422	1,574	53.9
EBIT margin in %	*7.2*	*6.9*	*n/a*	*8.2*	*6.3*	*n/a*
Group result	2,141	815	162.7	544	147	270.1
Earnings per share in €	0.47	0.20	138.8	0.12	0.04	238.7
Investments	13,313	16,714	-20.3	3,763	5,801	-35.1
Operating cash flow	-3,180	8,443	-137.7	-4,882	3,729	-230.9

In € thousands/as indicated	Sep. 30, 2017	Dec. 31, 2016	Change in %	Sep. 30, 2017	Sep. 30, 2016	Change in %
Total assets	152,146	115,553	31.7	152,146	99,911	52.3
Equity	35,043	34,674	1.1	35,043	19,124	83.2
Equity ratio in %	*23.0*	*30.0*	*n/a*	*23.0*	*19.1*	*n/a*
Available liquidity	52,272	17,324	201.7	52,272	8,056	548.9
Interest-bearing liabilities	72,390	49,181	47.2	72,390	53,319	35.8
Net debt[1]	20,118	31,857	-36.8	20,118	45,263	-55.6
Employees[2]	556	519	7.1	556	495	12.3

Share

	Sep. 30, 2017	Dec. 31, 2016	Change	Sep. 30, 2017	Sep. 30, 2016	Change
Xetra closing price in €	88.55	41.53	113.3%	88.55	34.70	155.2%
Number of shares outstanding	4,526,266	4,526,266	0%	4,526,266	4,114,788	10%
Market capitalization in € million	400.8	188.0	212.8	400.8	142.8	258.0

1 Net debt = interest-bearing liabilities – available liquidity
2 Plus 109 temporary employees (December 31, 2016: 107; September 30, 2016: 85)

Investor Relations at paragon

The first nine months of the year were characterized by a sustained positive economic environment. Industry remained the backbone of the strong economy in the third quarter thanks to buoyant export demand. The strong industrial production figures were particularly supported by the automotive manufacturers.

The beginning of the third quarter was marked by profit-taking on the stock exchange due to a general uncertainty surrounding the possible end to the European Central Bank's loose monetary policy. By the beginning of August, this was overshadowed by geopolitical risks – particularly the intensifying dispute between the U.S. and North Korean governments. As a result, August was neutral on the German stock market. Investor sentiment brightened somewhat in September, and this was increasingly supported by private investors. The outcome of the Bundestag elections had no notable effect.

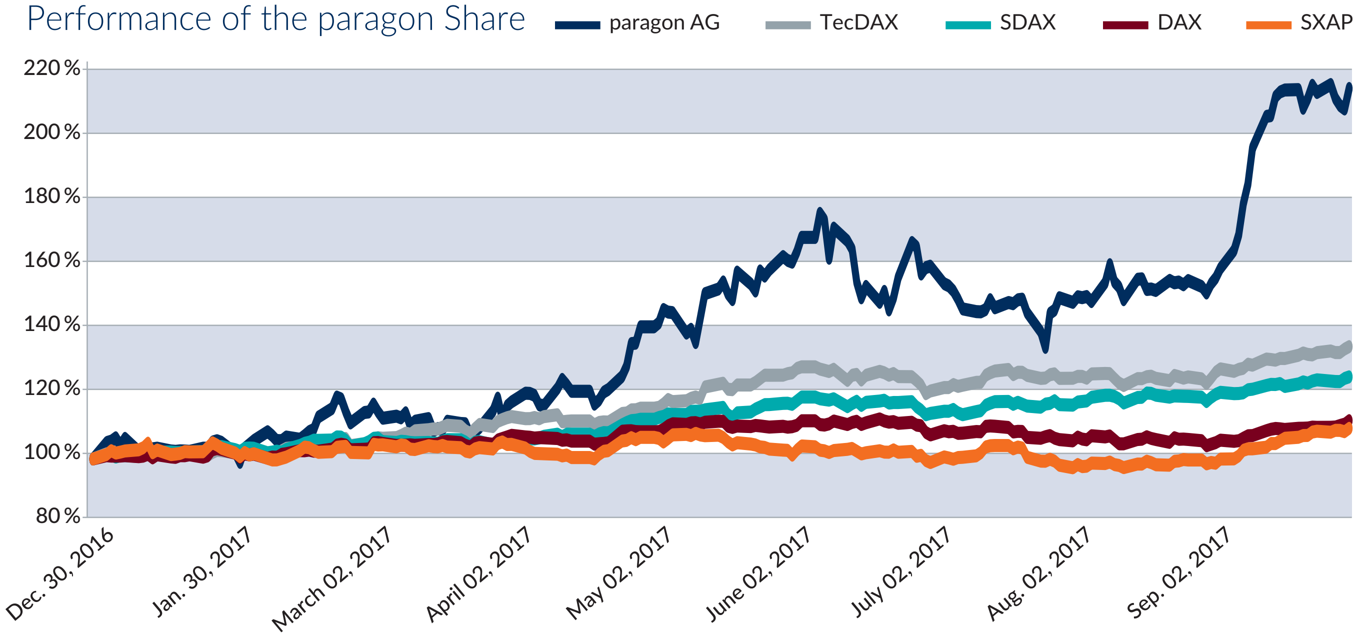
On the whole, Germany's most important stock indices concluded the first nine months with gains (DAX 11.7%, SDAX 25.1%, TecDAX 34.4%). The STOXX Europe 600 Automobiles & Parts (SXAP) index, which lists the most important European automotive industry stocks, posted a growth of 9.4%.

In this market environment, the paragon stock again outperformed the market in the first nine months of the year – achieving a 113.2% increase in its share price. Starting at an initial price of € 43.61, which was near the low of € 41.10 from January, the share price reached a new high of € 89.05 at the end of September. The first nine months of the year closed with a share price of € 88.55. This corresponds to a market capitalization of approximately € 400.8 million for paragon AG as of the end of the reporting period, which represents an increase of around € 212.9 million over the first nine months of 2017.

The paragon AG corporate bond 2013/18 remained very stable in the reporting period at an average value of 104.96%. With a total volume of € 50 million and a fixed annual interest rate of 4.5% (July 5), the corporate bond 2017/22, which has been tradable since June 28, was also very steady in the third quarter with an average value of 102.98%.

Otus Capital Management informed us that its share of voting rights in paragon AG fell below the threshold of 3% of the share capital of the company on June 6, and amounted to 2.74% on that day.

Performance of the paragon Share



Dear shareholders, customers, business partners and employees,

The megatrends in the automotive sector are rapidly taking shape. In addition to climate change (CO_2 reductions) and urbanization (shared mobility), the focus in the third quarter was again on the digitalization (autonomous driving) and electrification (e-mobility) of vehicles. The relationship between automotive manufacturers and suppliers is shifting as part of a revolutionary change to traditional value chains, and industry players are increasingly repositioning themselves worldwide. In Berlin, Deutsche Telekom is operating its first test stations with the super-fast 5G mobile network standard, which is generally regarded as a prerequisite for the introduction of fully autonomous driving. The VW Group is planning on creating its own board position for digital and IT topics. Opel will be fundamentally restructured into a manufacturer of electric and plug-in hybrid cars; BMW and Brilliance will jointly open a battery factory in China, and Bosch will be merging its powertrain activities into a new business unit in the future – to name just a few recent examples.

In addition, NVidia recently introduced the DRIVE PX Pegasus, the world's first artificial intelligence-based computer for fully autonomous driving, with processing power of more than 320 trillion operations per second. According to the prevailing opinion, however, this last phase of autonomous driving – driverless robotaxis with no driver's seat or controls – will only begin around 2030. The state of New York recently established the legal basis for the first detailed tests of fully autonomous vehicles from 2018 onwards. The first demonstration of the technology was held in June by Audi of America Inc.

With these technologically sophisticated and complex innovations, systems engineering is once again gaining importance throughout the entire automotive sector as the key to digitalization. This is a development approach that we at paragon have been using in certain areas for quite some time. Finally, with last year's introduction of agile methods and the creation of operating segments at the turn of the year, we have laid the organizational foundations to thrive in this new environment. In the Electronics operating segment, for example, we were not only able to develop the new sensor for particulate matter with diameters of 2.5 µm or less for series production more quickly than originally planned, we also received the first order from a German premium manufacturer this past quarter. Serial production will begin as planned at the beginning of 2019. For the megatrend of autonomous driving, we are also creating a completely new range of system-level services across several units in the Electronics operating segment. Here, we are focusing on reliably monitoring the driver's condition via sensors, as every automated system must be able to measure the driver's readiness to assume control. In May, the German Bundesrat approved the corresponding Act on Automated Driving (amendment to the Road Transportation Act), which allows automated driving systems to assume driving control independently in the future.

With the introduction of highly automated systems starting in 2020, the next stage of autonomous driving is imminent. In September, Euro NCAP published a new road map that stretches to 2025. Accordingly, driver monitoring will be included as a separate aspect of primary safety starting in 2020. In this respect, we have once again positioned ourselves at the forefront of the next growth phase in the Electronics operating segment.

In the Electromobility operating segment, the strategic focus continues to be on applications for capital goods like local public transportation, intralogistics (forklifts and automated guided vehicles), mining vehicles and, increasingly, agricultural vehicles. Here, either lead-acid batteries are being swapped out directly or diesel generators are being replaced with a combination of e-drives and our state-of-the-art lithium-ion battery systems. We are increasingly benefiting directly from substitution effects in existing markets where electric drives have long been established and offer clear advantages. Business continued to be dominated by the serial production of ready-to-use battery modules for intralogistics. In addition, serial production of 5Ah starter batteries for motorcycles began in the third quarter. At the same time, we also pushed ahead with the construction of another prototype for a large, newly designed Komatsu underground mining vehicle. This battery system is based on innovative pouch cells and weighs approx. 8.5 tons with an energy content of about 800 kWh.

Following a positive performance of the new car market in the first quarter, global sales dynamics slowed slightly in the second quarter, and the third quarter showed uneven performance. In the first nine months of the year, around 12.0 million new passenger cars were registered on the European market, representing growth of approximately 4%. The market volume in the U.S. amounted to 12.8 million light vehicles in this period, which corresponds to a decline of 2%. In contrast, sales in China have increased roughly 3% since the beginning of the year, with a total of 16.7 million passenger cars sold.

Global dynamics after the first half of the year prompted the German automotive industry association to adjust its growth forecast for the three major sales markets of the U.S., China and Europe, which represent about 70% of the global passenger car market. Accordingly, sales of light vehicles in the U.S. are expected to be at the prior year's level with around 17.5 million units sold. For China, the growth expectations, originally at 5%, have been reduced to 2%, which corresponds to a volume of approximately 24.1 million units. For Europe (EU28 + EFTA), slight growth of 2%, or about a total of 15.4 million units, is currently expected.

Thanks to our specific product and customer portfolios, we increased Group sales in the first nine months of the year by 15.0% to € 84.7 million – with an improved EBIT margin of 7.2% (prior year: 6.9%). We once again achieved our strategic goal of growing significantly faster than the automotive market. The growth is primarily attributable to the excellent performance of the Electromobility and Mechanics operating segments. We are therefore well on our way to meeting our forecast for the full year. We are targeting revenue of between € 120 million and € 125 million and an EBIT margin between 9.0% and 9.5%.

Our share price also reached record levels in the third quarter. At the end of September, the company was valued by the market at around € 400 million. Voltabox's initial public offering (IPO) at the beginning of October came at exactly the right time. As the first company in Germany with an exclusive focus on e-mobility to go public, this step will act as a growth accelerator. The IPO proceeds of around € 140 million will be used for accelerated growth through acquisitions, the targeted further development of products and the expansion of production capacities. Voltabox's IPO also provides a variety of advantages to paragon. paragon will remain the majority shareholder of Voltabox in the future and therefore participate directly in its further development. Yet, when it comes to the operational business, the two companies function mainly independently of each other.

The great success of the Voltabox IPO is a further confirmation that our growth strategy is gaining recognition on the capital market. It is also further incentive for the entire paragon team to keep adding to our growth story one step at a time.

We would like to take this opportunity to thank all our employees for their outstanding work and our business partners, customers and shareholders for their trust.

Klaus Dieter Frers
Chief Executive Officer

Dr. Stefan Schwehr
Chief Technology Officer (Electronics)

Business Performance

The excellent operative performance in the Electromobility and Mechanics operating segments was a key factor in the company's growth in the first nine months of 2017.

new generation of cockpit instruments for a long-standing customer in the first quarter. The Acoustics unit recorded revenue growth of 26.2% to € 16.3 million (prior year: € 12.9 million) as a result of increased volumes of the current version of the premium hands-free microphones. EBIT for the operating segment amounted to about € 12.5 million.

Operating Segment	Electronics		Electromobility		Mechanics		Eliminations	Group
in € thousands/as indicated	9M/2017	Share in %	9MH1/2017	Share in %	9M/2017	Share in %	9M/2017	9M/2017
Revenue with 3rd parties	65,784	77.6	13,765	16.2	5,196	6.1	0	84,745
Revenue intersegment	2,341	n. a.	2,556	n. a.	43,741	n. a.	- 48,637	0
Segment revenue	**68,125**	**n. a.**	**16,321**	**n. a.**	**48,937**	**n. a.**	**- 48,637**	**84,745**
Segment EBIT	**12,445**	**n. a.**	**- 1,754**	**n. a.**	**- 2,599**	**n. a.**	**- 1,960**	**6,132**

The largest operating segment, Electronics, dominated Group activities as expected with revenue of € 68.1 million. Of this amount, € 65.8 million (prior year: € 64.5 million) was attributable to third-party revenue in the Sensors, Cockpit and Acoustics units, which corresponds to approximately 77.6% of Group sales (prior year: 87.5 %).

Revenue in the Sensors unit decreased 9.4% to € 23.9 million (prior year: € 26.4 million). This is primarily due to life-cycle effects with simultaneously increasing take-rates in the current vehicle models with the latest sensor generation from paragon. In the Cockpit unit, revenue rose 1.0% to € 25.5 million (prior year: € 25.2 million), mainly due to the start of serial production for a

Revenue in the Electromobility operating segment totaled € 16.3 million, of which € 13.8 million (prior year: € 6.9 million) is attributable to third-party revenue. The operating segment is represented by the subsidiary Voltabox AG, headquartered in Delbrück and also located in Aachen, and by its subsidiary Voltabox of Texas, Inc., in Austin, Texas, U.S. The largest growth driver was the gradual entry into the highly automated serial production of battery modules for intralogistics applications. During the period under review, the operating segment accounted for 16.2% Group sales (prior year: 9.3%). EBIT for the operating segment amounted to € -1.8 million.

Business unit in € thousands/as indicated	**9 Months 2017**	Share in %	9 Months 2016	Share in %	Change in %	**3rd quarter 2017**	Share in %	3rd quarter 2016	Share in %	Change in %
Sensors	23,876	28.2	26,353	35.8	-9.4	7,399	25.1	8,858	35.6	-16.5
Cockpit	25,464	30.0	25,216	34.2	1.0	8,216	27.9	8,974	36.1	-8.4
Acoustics	16,330	19.3	12,935	17.5	26.2	4,889	16.6	4,034	16.2	21.2
Body kinematics	5,310	6.3	2,334	3.2	127.5	3,215	10.9	659	2.7	387.9
Electromobility	13,765	16.2	6,861	9.3	100.6	5,735	19.5	2,352	9.5	143.8
thereof: Voltabox AG	11,597	13.7	3,278	4.4	253.8	5,520	18.7	1,922	7.7	187.2
thereof: Voltabox of Texas, Inc.	2,168	2.5	3,583	4.9	-39.5	215	0.7	430	1.8	-50.0
Total	84,745	100.0	73,699	100.0	15.0	29,454	100.0	24,877	100.0	18.4

Segment revenue in the Mechanics operating segment amounted to € 48.9 million. Of this figure, € 5.3 million was attributable to third-party revenue in the Body Kinematics unit (prior year: € 2.3 million). This corresponds to 6.3% of Group sales (prior year: 3.2%). The performance of sales with third parties in this operating segment is mainly attributable to the start of serial production for the latest generation of adaptively extendible rear spoilers, which began in the second quarter. EBIT for the operating segment amounted to € -2.6 million.

Financial Performance

In the first nine months, paragon AG generated Group sales of € 84.7 million (prior year: € 73.7 million), which constitutes an increase of 15.0%. The increase in inventories of finished goods and work in progress of € 1.1 million (prior year: € 0.3 million increase) is mainly due to the expansion of business activities in the Electromobility operating segment. Capitalized development costs increased 13.4% to € 10.6 million (prior year: € 9.3 million), a large portion of which is attributable to the Electronics (49%) and Electromobility (29%) operating segments. Due to the expansion of production in the newest units, the cost of materials increased considerably by 11.7% to € 45.6 million (prior year: € 40.8 million). The material input ratio decreased accordingly to 53.8% (prior year: 55.3%). This results in a gross profit for the reporting period of € 51.5 million (prior year: € 43.2 million), which constitutes a gross profit margin of 60.8% (prior year: 58.6%). Personnel costs increased mainly as a result of the new hires in connection with operational growth in the new units – especially in the field of development – by 19.4% to € 25.8 million (prior year: € 21.6 million). The personnel expense ratio accordingly came to 30.4% (prior year: 29.3 %).

Earnings before interest, taxes, depreciation and amortization (EBITDA) rose 23.9% to € 12.6 million (prior year: € 10.2 million), which corresponds to an EBITDA margin of 14.9% (prior year: 13.8%). After increased depreciation and amortization of € 6.5 million (prior year: € 5.1 million), earnings before interest and taxes (EBIT) improved to € 6.1 million (prior year: € 5.1 million). Accounting for the increase in revenue, the EBIT margin therefore increased slightly to 7.2% (prior year: 6.9%). With a reduced financial result of € -2.9 million (prior year: € -2.4 million) and lower income taxes of € 1.1 million (prior year: € 1.9 million), the paragon Group generated a notably higher consolidated net income of € 2.1 million in the period under review (prior year: € 0.8 million). This corresponds to earnings per share of € 0.47 (prior year: € 0.20).

Net Assets and Financial Position

The balance sheet total increased as of September 30, 2017, to € 152.1 million (December 31, 2016: € 115.6 million), which is mainly attributable to the further increase in intangible assets.

Noncurrent assets increased € 5.6 million to € 81.4 million (December 31, 2016: € 75.8 million). This gain is attributable to an increase in intangible assets, up € 7.8 million to € 45.0 million, resulting from the further capitalization of own work in connection with the development of new product generations and product innovations.

Current assets increased to € 70.7 million (December 31, 2016: € 39.7 million) as a result of cash inflows from the issue of the corporate bond 2017/22. While inventories rose € 4.6 million to € 18.3 million, and trade receivables increased € 6.8 million to € 15.2 million due to expanded business activities in the new units, cash and cash equivalents increased € 19.5 million to € 33.8 million.

Noncurrent provisions and liabilities also increased significantly to € 77.7 million (December 31, 2016: € 44.9 million) following the issue of the corporate bond.

Current provisions and liabilities increased € 3.4 million to € 39.4 million (December 31, 2016: € 36.0 million). This is mainly due to the inclusion of the corporate bond 2013/18, which reaches maturity in July 2018, in the amount of € 13.1 million with a simultaneous reduction in short-term loans of € 8.2 million to € 4.2 million. Trade payables decreased slightly by € 1.5 million to € 14.8 million.

paragon AG's equity remained nearly unchanged at € 35.0 million (December 31, 2016: € 34.7 million). The equity ratio fell to 23.0% (December 31, 2016: 30.0%) against the background of the higher balance sheet total as of the end of the reporting period.

The cash flow from operating activities decreased in the reporting period, despite the € 0.5 million improvement in earnings before income taxes and the additional € 1.5 million in depreciation and amortization, totaling € -3.2 million (prior year: € 8.4 million). This is mainly due to the increase in trade receivables of € 8.0 million, while the prior year's figure was down by € 3.8 million. Trade payables decreased € 1.9 million, compared with an increase of € 1.4 million in the prior year. Finally, income taxes were up € 1.2 million after having decreased € 0.1 million in the prior year.

Cash flow from investing activities was up by € 3.6 million to € -12.9 million in the period under review (prior year: € -16.5 million), which is mainly due to significantly lower investments in property, plant and equipment.

Cash and cash equivalents totaled € 33.8 million as of the end of the reporting period (December 31, 2016: € 14.3 million).

Opportunity and Risk Report

In the first nine months of 2017, there have been no significant changes in the opportunities and risks described in detail under "Opportunity and Risk Report" in the 2016 Annual Report. The 2016 Annual Report can be accessed on the internet at www.paragon.ag/en/investors.

Events After the Balance Sheet Date

On September 11, the Management Board of paragon AG approved the IPO of the wholly owned subsidiary Voltabox AG. On September 25, it approved the price range for a public offering of Voltabox shares. In the period from September 26 to October 10, a total of up to 6.325 million Voltabox shares were offered at a price of € 20.00 to € 24.00 per share. The offer comprised five million new shares plus a greenshoe option of 0.825 million additional new shares from a capital increase by Voltabox AG as well as a sale of 0.5 million shares by paragon AG.

The placement volume amounted to € 151.8 million, of which Voltabox AG received € 139.8 million in gross proceeds from the issue. paragon AG received € 12.0 million from the sale of its 0.5 million shares. In addition to the targeted further development of its products, the increase in production capacity and the repayment of a shareholder loan from paragon AG, the issue proceeds are primarily intended to increase the flexibility of Voltabox AG as it seeks to grow through value-enhancing acquisitions.

Voltabox AG was listed on the Frankfurt Stock Exchange (Prime Standard) on October 13 under the symbol VBX, the ISIN DE000A2E4LE9 and the WKN A2E4LE with an initial listing price of € 30.00 per share. Voltabox AG's market capitalization at that time was therefore € 474.75 million. paragon AG now holds 60% of Voltabox AG, while the remaining share capital is in free float. paragon AG also intends to remain the majority shareholder of Voltabox in the long term.

The IPO was accompanied by Bankhaus Lampe KG as sole global coordinator and joint bookrunner together with Hauck & Aufhäuser Privatbankiers AG.

Forecast

The Management Board has explained in detail its forecast for the current year and the key assumptions for its derivation in the Group management report for the 2016 fiscal year. Based on its current competitive position and the extensive investments made in recent years, particularly in the development of production sites in Germany, the U.S. and, most recently, in China, paragon AG continues to expect to grow more quickly than the global automotive industry in fiscal year 2017.

Group sales are expected to grow from € 102.8 million to between € 120 million and € 125 million in the current fiscal year. An EBIT margin of around 9.0% to 9.5% is expected, which corresponds to an EBIT range between € 10.8 million and € 11.9 million.

The Electromobility operating segment is expected to account for roughly half of sales growth. Accordingly, this operating segment will contribute about € 25 million in additional growth to Group sales in the current year.

The Mechanics operating segment is expected to record the highest relative sales growth. It should contribute about € 4 million to the growth of Group sales.

The remaining revenue growth is distributed among the units Sensors, Cockpit and Acoustics, which are part of the largest operating segment: Electronics.

For the current year, the Management Board is now expecting an investment volume of around € 21 million, since a portion of the originally planned investment volume has been postponed until next year. The planned investment portfolio will consist of own work capitalized (€ 12 million), new buildings (€ 1 million) and new/replacement investments in machinery (€ 8 million).

The further significant expansion planned in the Electromobility operating segment is intended to make paragon more independent of macroeconomic factors in the automotive industry and broaden the customer structure.

Development of Key Performance Indicators:

In € thousands / as indicated	2016	**Year-to-date/ 9 Months 2017**	Forecast 2017
Financial performance indicators			
Group revenue	102,790	84,745	€ 120 million to € 125 million
EBIT margin	8.7 %	7.2 %	9.0 % to 9.5 %
Investments	23,262	13,313	Approx. € 21 million

Note for the condensed interim consolidated financial statements: rounding differences of +/- one unit (€ 000s) may occur in the tables.

Condensed Group interim financial statement: consolidated statement of comprehensive income of paragon AG, Delbrück, for the period of January 1 to September 30, 2017 (IFRS)

In € thousands	Jan. 1 - Sep. 30, 2017	Jan. 1 - Sep. 30, 2016	Jul. 1 - Sep. 30, 2017	Jul. 1 - Sep. 30, 2017
Revenue	**84,745**	**73,699**	**29,454**	**24,877**
Other operating income	720	653	222	219
Increase or decrease in inventory of finished goods and work in progress	1,060	349	2,901	297
Other own work capitalized	10,557	9,311	3,028	3,018
Total operating performance	**97,082**	**84,012**	**35,605**	**28,411**
Cost of materials	-45,567	-40,792	-17,830	-14,264
Gross profit	**51,515**	**43,220**	**17,775**	**14,147**
Personnel expenses	-25,765	-21,573	-9,033	-7,019
Depreciation of property, plant and equipment and amortization of intangible assets	-6,458	-5,028	-2,173	-1,754
Impairment of property, plant and equipment and intangible assets	-5	-37	0	-37
Other operating expenses	-13,155	-11,484	-4,147	-3,763
Earnings before interest and taxes (EBIT)	**6,132**	**5,098**	**2,422**	**1,574**
Financial income	6	2	1	1
Financial expenses	-2,892	-2,361	-1,373	-807
Financial result	**-2,886**	**-2,359**	**-1,372**	**-806**
Earnings before taxes (EBT)	**3,246**	**2,739**	**1,050**	**768**
Income taxes	-1,105	-1,923	-506	-621
Group result	**2,141**	**815**	**544**	**147**
Earnings per share in € (basic)	0.47	0.20	0.12	0.04
Earnings per share in € (diluted)	0.47	0.20	0.12	0.04
Average number of shares outstanding (basic)	4,526,266	4,114,788	4,526,266	4,114,788
Average number of shares outstanding (diluted)	4,526,266	4,114,788	4,526,266	4,114,788
Other result				
Actuarial gains and losses	0	0	0	0
Currency translation reserve	-640	-64	-188	-102
Total comprehensive income	**1,501**	**751**	**356**	**45**

Condensed Group interim financial statement: consolidated balance sheet of paragon AG, Delbrück, as of September 30, 2017 (IFRS)

In € thousands	Sep. 30, 2017	Dec. 31, 2016
ASSETS		
Noncurrent assets		
Intangible assets	44,968	37,188
Goodwill	843	843
Property, plant and equipment	35,214	37,378
Financial assets	326	326
Other assets	89	88
	81,440	**75,823**
Current assets		
Inventories	18,318	13,716
Trade receivables	15,154	8,377
Income tax assets	44	1,210
Other assets	3,370	2,149
Liquid funds	33,820	14,278
	70,706	**39,730**
Total assets	**152,146**	**115,553**

In € thousands	Sep. 30, 2017	Dec. 31, 2016
EQUITY AND LIABILITIES		
Equity		
Subscribed share capital	4,526	4,526
Capital reserve	15,165	15,165
Revaluation deficit	-908	-908
Profit/loss carried forward	15,297	12,867
Group result	2,141	3,561
Currency translation differences	-1,178	-537
	35,043	**34,674**
Noncurrent provisions and liabilities		
Noncurrent liabilities from Finance Lease	1,701	2,215
Noncurrent loans	16,800	20,369
Noncurrent bonds	48,927	13,186
Special item for investment grants	1,027	1,092
Deferred income tax liabilities	6,666	5,475
Pension provisions	2,615	2,516
	77,736	**44,853**
Current provisions and liabilities		
Current liabilities from Finance Lease	766	998
Current loans and current portion of noncurrent loans	4,196	12,413
Current bonds	13,083	0
Trade payables	14,839	16,383
Other provisions	1,309	18
Income tax liabilities	0	82
Other current liabilities	5,174	6,132
	39,367	**36,026**
Total equity and liabilities	**152,146**	**115,553**

Condensed Group interim financial statement: consolidated cash flow statement of paragon AG, Delbrück, for the period of January 1 to September 30, 2017 (IFRS)

In € thousands	Jan. 1. – Sep. 30, 2017		Jan. 1. – Sep. 30, 2016	
Earnings before taxes	3,246		2,739	
Depreciation/amortization of noncurrent fixed assets	6,458		5,028	
Financial result	2,886		2,359	
Gains (-), losses (+) from the disposal of property, plant and equipment and financial assets	-92		-44	
Increase (+), decrease (-) in other provisions and pension provisions	1,529		789	
Income from the reversal of the special item for investment grants	-66		-66	
Other non-cash income and expenses	-970		-118	
Increase (-), decrease (+) in trade receivables, other receivables, and other assets	-7,999		3,764	
Impairment of intangible assets	5		37	
Increase (-), decrease (+) in inventories	-4,602		-4,946	
Increase (+), decrease (-) in trade payables and other liabilities	-1,853		1,394	
Interest paid	-2,892		-2,361	
Income taxes	1,170		-133	
Cash flow from operating activities		-3,180		8,443
Cash receipts from the disposal of property, plant and equipment	451		262	
Cash payments for investments in property, plant and equipment	-1,554		-6,079	
Cash payments for investments in intangible assets	-10,973		-9,480	
Cash payments for the acquisition of consolidated companies and other business units	-786		-1,155	
Interest received	6		2	
Cash flow from investment activities		-12,856		-16,450
Distribution to shareholders	-1,132		-1,029	
Loan repayments	-11,479		-3,499	
Proceeds from loans	110		8,969	
Repayments of liabilities from finance lease	-745		-656	
Net cash flow from loans	48,824		0	
Cash flow from financing activities		35,578		3,785
Changes in cash and cash equivalents	19,542		-4,222	
Cash and cash equivalents at the beginning of the period	14,278		8,454	
Cash and cash equivalents at the end of the period	33,820		4,233	

Financial Calendar

November 27-29, 2017	Deutsches Eigenkapitalforum, Frankfurt am Main
March 28, 2018	Annual Report – consolidated financial statements 2017
May 8, 2018	Group interim statement as of March 31, 2018 – 1st Quarter
May 8, 2018	Annual General Meeting, Delbrück
August 22, 2018	Group interim report as of June 30, 2018 – first six months
November 14, 2018	Group interim statement as of September 30, 2018 – 9 Months

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