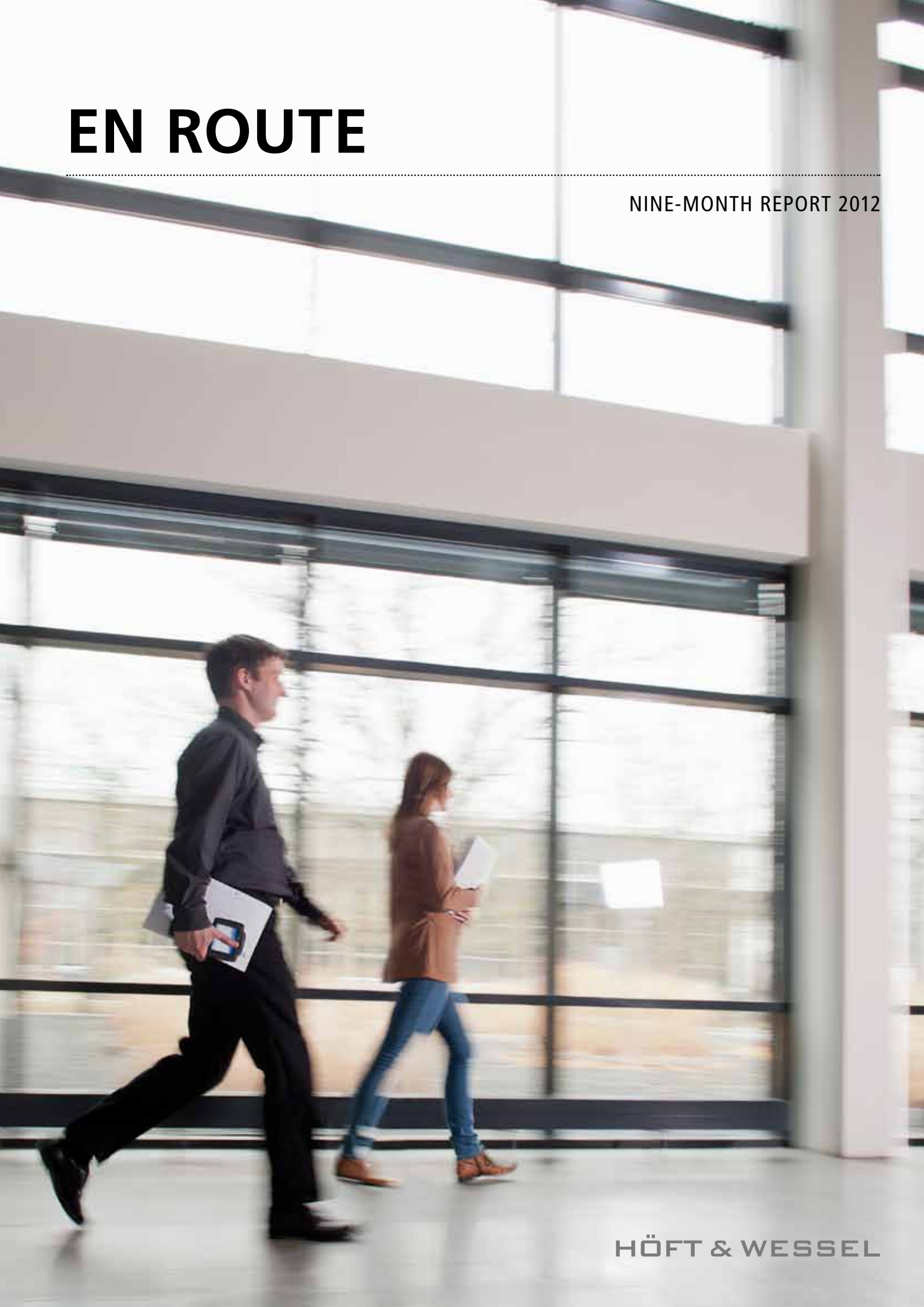
EN ROUTE

NINE-MONTH REPORT 2012



HÖFT & WESSEL

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THE COMPANY

Höft & Wessel is the leading IT and engineering technology Group for ticketing, parking and mobile solutions in Germany and Great Britain. Established in 1978 by the two entrepreneurs who gave the company its name and listed on the stock market since 1998, the enterprise has developed into a group of companies with sales revenues of approx. EUR 80 million and a workforce f more than 400 employees. Its main locations are Hannover (Germany), and Swindon (UK), to the west of London.

The annual investment volume in the Research & Development division, which sets the pace in the Group's technological orientation and employs approximately one third of the total workforce, amounts to approximately 10 per cent in terms of turnover. According to the EU Industrial R&D Investment Scoreboard, Höft & Wessel ranks amongst the top companies in Europe.

In Europe, Höft & Wessel, with its brand Almex, is a leading provider of ticketing and telematics systems for public transport and check-in solutions for the airline industry.

The British subsidiary Metric Parking is one of the largest global providers of car park ticket vending machines.

With its brand Skeye, Höft & Wessel is one of Europe's largest manufacturers of mobile terminals, e.g. for retail and logistics, and has become the market leader for the retail sector in Germany.

KEY FINANCIALS

in EUR thousands	30/09/12	30/09/11	30/09/10	30/09/09	30/09/08
Sales revenues	56,740	62,764	60,057	71,037	70,031
Operating result before depreciation and amortisation (EBITDA)	(5,025)	1,116	2,749	5,638	5,480
Operating result (EBIT)	(7,656)	(3,199)	(799)	2,325	2,088
in % of sales revenues	-	-	-	3.3	3.0
Earnings before taxes (EBT)	(8,649)	(3,911)	(1,454)	1,618	1,002
in % of sales revenues	-	-	-	2.3	1.4
Group earnings	(8,624)	(3,318)	(1,481)	1,120	863
Earnings per share (in EUR)	(1.02)	(0.39)	(0.17)	0.13	0.10
Cash flow from operating activities	(783)	(4,477)	5,756	(1,258)	(1,839)
Average number of employees	489	508	499	502	507

1. Presentation of fundamentals and business operations

1.1 Economic environment

According to a forecast by the Institute for World Economy in Kiel (IfW), global Gross Domestic Product (GDP), at 3.3 per cent this year, will grow slightly less rapidly than in the preceding year. In Europe, the key region for the Höft & Wessel Group's business, a slight decline in aggregate economic output by -0.4 per cent is even anticipated. In the two most important countries for the Company, namely Germany and the United Kingdom, GDP is to rise only slightly by 0.8 and decline by -0.2 per cent, respectively.

Accordingly, the economic environment is growing increasingly bleak for 2012. For this reason, the industry sectors of key importance to the Company's business trends, namely public passenger transport, parking as well as the retail and logistics segment, are carefully monitored and the resultant opportunities and risks are weighted accordingly and taken into account in the Company's strategic orientation.

1.2 Business trends

In the first nine months of 2012, the Höft & Wessel Group's sales revenues, at EUR 56.7 million, turned out as expected for the year as a whole. Since Höft & Wessel AG is undergoing a fundamental reorientation in 2012, sales revenues are 10 per cent down on the previous-year figures (2011: EUR 62.8 million).

Following the delivery of an EMV contactless ticketing system for buses as part of a large-scale order placed by the FirstGroup, the share of revenue generated in the United Kingdom increased. In Germany, numerous consignments of mobile data capture devices were delivered to retail chains.

According to a revenue breakdown, Germany was the key sales market at 36 per cent, followed closely by the United Kingdom at 34 per cent. 15 per cent was accounted for by the remaining EU states as well as by countries such as Switzerland, the U.S. and others.

The operating result (EBIT), at -EUR 7.7 million, turned out clearly negative in the first nine months of 2012, as expected (2011: -EUR 3.2 million). On the other hand, this includes -EUR 3.0 million in restructuring expenses.

The positive order intake trend also continued in the third quarter. New orders with a total volume of EUR 61.8 million were booked in the first nine months of 2012 (2011: EUR 54.4 million). Accordingly, the book-to-bill ratio amounts to 1:1.

In 2012, orders for stationary ticket terminals were placed e.g. by the Belgian state-owned railway SNCB, by a Polish partner for the industrial region of Upper Silesia and by the Danish national railway. In France, the Company succeeded in being awarded its first contract by Aérolis / Les Cars Air France. On the buses of the Keolis subsidiary, on-board ticket vending terminals are being installed with ticket printers. Two cities in the U.S. opted for car park terminals from the British subsidiary Metric. In the retail sector in Germany, the Rossmann and Rewe chains ordered additional mobile data capture terminals. The Company managed to sign up Fressnapf, a specialist pet food chain, as a new customer.

The order portfolio rose substantially in the course of the year until 30 September 2012, to reach EUR 48.9 million (31 December 2011: EUR 43.9 million). Germany accounted for 28 per cent of these orders, the UK for 24 per cent, the remaining EU countries for 27 per cent, with 21 per cent being contributed by countries like Switzerland, the U.S., and others.

1.2.1 Almex segment – Ticketing

With its Almex product portfolio, Höft & Wessel is a well known solution provider for ticketing and check-in systems in Europe. In the first nine months of 2012, this segment generated EUR 25.0 million, down by roughly 19 per cent year-on-year (2011: EUR 31.1 million).

As expected, the operating result in this segment, at -EUR 4.1 million, turned out substantially negative on account of restructuring expenses and fewer contribution margins (2011: -EUR 15 k).

In the first nine months of 2012, Höft & Wessel delivered ticket vending machines to the Danish national railways and the commuter transport utilities in the Swiss city of Geneva. Lufthansa received additional check-in terminals. The delivery of on-board computers with ticket printers and reading devices for e-Tickets and credit cards with EMV contactless function to the FirstGroup in the United Kingdom continued. In addition, the first mobile e-Ticket readers of a completely newly developed generation of devices were delivered to the Danish state railways. A new mobile communications system based on GSM Rail is being developed for shunters and construction workers of the Swiss Federal Railways SBB.

The order intake for ticketing solutions was also gratifying in the third quarter of 2012. In France, Höft & Wessel managed to enter the market with a first contract award. The bus company Les Cars Air France operated by Aérolis, a joint subsidiary of Keolis and Air France, ordered an innovative e-Ticketing system for its buses in service between the airports of Paris Charles-de-Gaulles and/or Paris Orly and the inner city of Paris. The state-owned Belgian railways (SNCB) ordered ticket vending terminals. These will gradually replace the existing terminals. The range of items supplied includes a background system, the application on the ticketing terminals and seamless integration into the SNCB system world. In the process, MOBIB e-Ticketing with contactless cards is also in the process of being integrated.

By winning a contract award in Poland, business in Eastern Europe was further extended. 109 ticket vending machines are to be supplied to the municipal public transport association of the industrial region of Upper Silesia, headquartered in the city of Katowice. The new generation of terminals will be set up at bus and tram stops in combination with the introduction of a smart card featuring RFID technology. Moreover, the Danish State Railway ordered additional ticket vending terminals. Follow-up orders for on-board computers for buses were received from a partner in South Africa.

1.2.2 Metric segment – Parking

In the first nine months of 2012, the Höft & Wessel subsidiary Metric, a producer of car park terminals and service provider headquartered in Swindon to the west of London, recorded EUR 15.3 million in sales, a similar performance as in the previous year (2011: EUR 16.0 million).

The operating result, at -EUR 173 k, turned out slightly negative (previous year: EUR 181 k).

In the first nine months of 2012, the Metric subsidiary further extended its international partner business. Car park terminals were supplied for the first time to new partners in Australia and New Zealand. Furthermore, the first 50 of 100 terminals were delivered to a parking space operator in South Africa. The towns of Cardiff and Coventry in the UK were supplied with car park terminals of the very latest generation.

In the United Kingdom, the order book was filled with orders placed by two London boroughs as well as by the Swale and South Lakeland districts. In the U.S., orders were received from the cities of Seaside Heights, New Jersey, and Port Jefferson, New York. In the U.S. Metric entered into a strategic partnership with Amano McGann.

1.2.3 Skeye segment – Mobile solutions

With its Skeye brand product portfolio, Höft & Wessel is one of the leading producers of mobile terminals in Europe. In the first nine months of 2012, sales revenues came to EUR 16.4 million, slightly up on the same period a year earlier (2011: EUR 15.7 million).

The negative operating result, at -EUR 1.1 million, was decreased on account of improved contribution margins and despite restructuring expenses (2011: -EUR 2.3 million).

In the first nine months of 2012, mobile terminals were delivered to various retailers in Germany, such as Edeka and Rewe, to the U.S. restaurant chain Outback Steakhouse and to the Swiss Post.

A contribution to the order intake was made e.g. by an order placed by Fressnapf, a new customer, for 1,500 data capture devices. New orders placed by portfolio customers were received from Fegro-Selgros for more than 1,300 mobile terminals, from Rewe for a further 800 units, and from Rossmann.

1.2.4 Corporate Services

The costs of administration and the stock exchange listing summarised in this segment amounted to -EUR 2.3 million as at 30/09/2012 (previous year: -EUR 1.1 million). Taking account of the restructuring costs incurred in the first nine months of 2012, amounting to -EUR 1.2 million, the general administrative expenditure was on the same level as in previous year.

1.3 Workforce

On average, the Höft & Wessel Group employed 489 persons in the first nine months of 2012 (Previous year: 506). Within the scope of the reorientation, the Company is currently undergoing an adjustment in terms of its corporate structures and size to take account of anticipated sales revenues and as a result will have in future over 400 employees.

1.4 Production and procurement

External manufacture of its products, predominantly by German suppliers, represents a key element of the business model of Höft & Wessel AG. The entire development work, all the way through to preparing the parts lists, remains with Höft & Wessel. Moreover, the company is closely involved in external production activities and performs detailed quality control. The British subsidiary Metric has its own final assembly operation for car park terminals.

1.5 Research and development

Roughly one third of the workforce of the Höft & Wessel Group is engaged in research and development. The IT specialists and engineers located in Hannover and Swindon develop new hardware and software solutions, adapt products and software to customers' requirements and write complex application programs. In the first half of 2012, the creation of software modules and further product improvements and new developments continued.

1.6 Service

With a contribution to sales revenues amounting to about 40 per cent, services represent a key mainstay of basic business. As an integral part of hardware and software solutions, this service provides customers with a high level of investment security.

2. Statement of the Company's asset, financial and earnings position

2.1 Asset position

Non-current assets, at EUR 11.6 million, are nearly at their previous-year level. The increase in capitalised development costs, amounting to EUR 0.3 million, is essentially based on the activation of third-party services for Almex products. Property, plant and equipment declined by EUR 0.4 million, whereas deferred tax assets remained more or less unchanged.

The volume of inventory assets increased slightly, by EUR 0.3 million, in the period under review.

The volume of receivables decreased by EUR 0.8 million. This was achieved in spite of a EUR 3.2 million decline in factoring operations.

Total assets declined by EUR 2.1 million in the period under review. Due to the loss accrued in the period under review, the level of equity decreased by EUR 8.1 million. The equity ratio therefore is at 11 per cent; as at 31/12/2011 it had been equivalent to 24 per cent.

EUR 0.3 million in non-current debts were repaid, while current debts increased by EUR 6.4 million. The increase in current debts was essentially due to the increase in current liabilities to banks (EUR 4.4 million) as well as advance payments received (EUR 2.7 million).

Trade liabilities were at an unusual high level as at 31/12/2011 and are now EUR 3.7 million below this value at EUR 6.1 million. On the basis of a social plan (essentially a redundancy scheme) agreed at the end of the second reporting quarter, a restructuring provision amounting to EUR 1.5 million was set up.

Current and non-current liabilities to banks, after taking account of cash and cash equivalents, increased from EUR 17.7 million as at 31 December 2011 to a present level of EUR 21.8 million.

2.2 Financial position

The cash flow from current operating activities amounts to -EUR 0.8 million (previous year: -EUR 4.5 million). Both values virtually correspond to the cumulative level of the previous quarter.

Against the backdrop of a lower capitalisation of own development costs, the negative cash flow from investment activities amounts to -EUR 2.3 million, compared with -EUR 3.8 million in the first nine months of 2011.

The funding requirements resulting from the above-mentioned negative cash flows were covered by taking out additional current credit lines. This leads to a positive cash flow from financing activities of EUR 2.7 million (previous year: EUR 4.6 million).

The decrease with an impact on payments in the fund of financial assets before currency influences on bank inventories thus amounts to -EUR 0.4 million, compared with -EUR 3.7 million in the same period a year earlier.

2.3 Earnings position

Whereas the sales revenues generated by the Höft & Wessel Group declined by 10 per cent in relation to the previous year, to EUR 56.7 million, the level is in line with expectations. Sales revenues of the Metric and Skeye segments were roughly at their previous-year level. In contrast, revenues generated by the Almex segment were significantly lower year-on-year since parts of a large-scale order that has since been finalised were still settled in the previous-year period.

Following a build-up in the previous year, the inventory of finished devices declined again slightly in the first half of 2012. The inventory change amounts to -EUR 1.1 million after an addition of EUR 3.9 million in the same period a year earlier. Income from capitalised, company-produced additions to property, plant & equipment, at EUR 1.3 million, are down on the previous-year figure of EUR 2.5 million. Aggregate output was thus down by 18 per cent year-on-year, to reach EUR 56.9 million.

In the period under review, 1 January to 30 September 2012, the percentage-based contribution margin increased 2.5 percentage points year-on-year, to 45.6 per cent. On the other hand, the intra-year margin trend is only meaningful to a certain extent owing to the immense volatility of individual projects.

Personnel expenditure is up by EUR 2.8 million year-on-year. In addition to exchange-rate effects from the currency translation of Metric, this essentially includes EUR 1.6 million in restructuring expenses. These expenses chiefly relate to severance payments to be made.

Owing to the impairment charges at the end of the previous year, depreciation and amortisation was down by -EUR 1.7 million in relation to the previous year.

Pre-tax earnings amount to -EUR 8.6 million (previous year: -EUR 3.9 million). Adjusted for scheduled restructuring expenses (EUR 3.0 million), pre-tax earnings amount to -EUR 5.6 million. Group earnings for the period under review, from 1 January to 30 September 2012 amount to -EUR 8.6 million (previous year: -EUR 3.3 million), in line with expectations.

3. Outlook

In 2012, the Höft & Wessel Group has initiated a comprehensive reorientation in order to ensure sustainable, positive and long-term, stable business trends in years to come. The year 2012 therefore is a year of changes and challenges for Höft & Wessel AG. As part of the reorientation, an adjustment to the corporate and leadership structures has now been made. The impacts of the deteriorating economic fundamentals cannot be conclusively quantified as yet and may have corresponding effects on business trends of the Höft & Wessel Group.

In accordance with the adjusted planning and budget figures for 2012, Höft & Wessel expects a level of sales of roughly EUR 78 million, less than the value for the preceding year. Accordingly, the operating result (EBIT) will be in considerably negative territory at roughly -EUR 9.7 million. This includes about -EUR 4.8 million in restructuring expenses.

For fiscal 2013, Höft & Wessel AG then expects initial positive effects to arise from the reorientation, with rising sales revenues and earnings.

IFRS Consolidated Half-Year Financial Statement (unaudited)
Consolidated Balance Sheet as of 30/09/2012

ASSETS in EUR thousands	30/09/2012	31/12/2011
Non-current assets		
Intangible assets	8,123	7,873
Property, plant and equipment	2,129	2,479
Deferred tax assets	1,302	1,258
Total non-current assets	**11,554**	**11,610**
Current assets		
Inventories	22,667	22,355
Trade receivables	18,799	19,602
Cash and cash equivalents	2,760	3,103
Other assets	1,449	2,359
Other non-financial assets	133	389
Total current assets	**45,808**	**47,808**
Total assets	**57,362**	**59,418**

EQUITY AND LIABILITIES in EUR thousands	30/09/2012	31/12/2011
Equity		
Subscribed capital	8,497	8,497
Capital reserves	12,154	12,149
Accumulated retained earnings	(9,363)	(800)
Other comprehensive income	(4,985)	(5,430)
Total equity	**6,303**	**14,416**
Non-current liabilities		
Personnel related provisions	946	841
Financial leasing liabilities	17	17
Financial liabilities to banks	4,436	5,106
Other liabilities	1,300	1,057
Total non-current liabilities	**6,699**	**7,021**
Current liabilities		
Provisions	3,874	3,755
Current income tax liabilities	50	440
Financial leasing liabilities	3	29
Financial liabilities to banks	20,144	15,721
Trade payables	6,084	9,753
Advance payments received	5,317	2,657
Personnel-related accrued/deferred liabilities	2,953	964
Other financial liabilities	4,193	3,251
Other non-financial liabilities	1,742	1,411
Total current liabilities	**44,360**	**37,981**
Total equity and liabilities	**57,362**	**59,418**

Consolidated Statement of Income and Comprehensive Income for the Period from 1 January to 30 September 2012 (unaudited)

in EUR thousands	Q2 01/07 – 30/09 2012	Q2 01/07 – 30/09 2011	Cumulative 01/01 – 30/09 2012	Cumulative 01/01 – 30/09 2011
Sales revenues	18,597	19,406	56,740	62,764
Inventory changes relating to finished goods and work-in-progress	(584)	1,081	(1,138)	3,932
Other company-produced additions to plant and equip.	323	802	1,308	2,476
Aggregate output	**18,336**		**56,910**	
Other income	59	(246)	1,674	457
Cost of materials and services procured	(9,175)	(12,483)	(29,731)	(39,651)
Personnel expenses	(6,569)	(6,205)	(21,794)	(19,019)
Other expenses	(3,949)	(2,799)	(12,084)	(9,843)
Operating result before depreciation and amortisation (EBITDA)	**(1,298)**	**(444)**	**(5,025)**	**1,116**
Depreciation and amortisation of property, plant, and equipment and intangible assets	(878)	(1,452)	(2,301)	(4,315)
Loss of value	-	-	(330)	-
Operating result (EBIT)	**(2,176)**	**(1,896)**	**(7,656)**	**(3,199)**
Financial income	0	-	0	-
Financial expenses	(399)	(262)	(993)	(712)
Net financial income	**(399)**	**(262)**	**(993)**	**(712)**
Earnings before taxes (EBT)	**(2,575)**	**(2,158)**	**(8,649)**	**(3,911)**
Tax position	1	594	25	593
Group earnings	**(2,574)**	**(1,564)**	**(8,624)**	**(3,318)**
Reconcilation to comprehensive income				
Difference arising from currency translation	42	646	418	20
Cash flow hedges	(192)	(500)	126	(256)
Deferred taxes on cash flow hedges	62	153	(38)	76
Cumulative other equity	**(88)**	**299**	**506**	**(160)**
Total earnings for the period	**(2,662)**	**(1,265)**	**(8,118)**	**(3,478)**
Earnings per share in EUR (basic)	(0.31)	(0.18)	(1.02)	(0.39)
Earnings per share in EUR (diluted)	(0.31)	(0.18)	(1.02)	(0.38)

Consolidated Cash Flow Statement (unaudited) for the Period from 1 January to 30 September 2012

in EUR thousands		2012	2011
	Group earnings	(8,624)	(3,318)
+/–	Tax position	(50)	(593)
–	Taxes with no impact on payments	(158)	(462)
+	Financial results	993	712
–	Interests with no impact on payments	-	-
+	Depreciation of fixed assets	2,631	4,264
+	Losses from reduction of assets	346	153
+	Increase in provisions	-	52
–	Rate effects with no impact on payments	(758)	-
–	Profits from impairments on receivables	(68)	-
+	Losses from Impairments on inventories	(817)	-
+	Other effects with no impact on payments	(11)	-
+/–	Decrease/increase in inventories	503	(2,363)
–	Increase in trade receivables	1,389	(1,408)
+	Decrease in other assets	998	1,313
–/+	Decrese/increse of other accrued liabilties	69	-
+/–	Increase/decrease in trade payables	(3,684)	(3,180)
–	Decrease in down payments	2,661	520
+/–	Increase/decrease in other liabilties	4,151	(49)
–	Payouts for income tax	(354)	(118)
Cash flow from current operating activities		**(783)**	**(4,477)**
–	Disbursements for investments in intangible assets	(2,306)	(3,810)
Cash flow from investment activities		**(2,306)**	**(3,810)**
+	Deposits from taking out financial credit facilities	3,753	5,510
–	Disbursements from repaying financial credit facilities	-	-
–	Disbursement for finance leasing	(26)	(57)
+	Interest revenues	-	-
–	Interest expenditures	(993)	-
–	Disbursements for dividend payments	-	(850)
Cash flow from financing activities		**2,734**	**4,603**
Decrease / increase in liquid funds		**(355)**	**(3,684)**
Cash and cash equivalents at the beginning of the period		**3,103**	**4,495**
–	Changes in exchange-rate compensation item	12	-
Cash and cash equivalents at the end of the period		**2,760**	**811**

Performance of Shareholders' Equity (unaudited) for the Period from 1 January to 30 September 2012

in EUR thousands	Subscribed capital	Capital reserves	Accumulated retained earnings	Other comprehensive income			Total
				Hedging activities	Currency reserves	Sum	
Status as of 01/01/2011	**8,497**	**20,167**	**5,469**	**(1,034)**	**(4,786)**	**(5,820)**	**28,313**
Currency differences from translation of entities abroad (including taxes)	–	–	–	–	385	385	385
Effective portion of time changes of cash flow hedges (including taxes)	–	–	–	5	–	5	5
Other earnings	**0**	**0**	**0**	**5**	**385**	**390**	**390**
Earnings for period	–	–	(13,447)	–	–	–	(13,447)
Total consolidated earnings	**0**	**0**	**(13,447)**	**5**	**385**	**390**	**(13,057)**
Issue of stock options	–	9	–	–	–	–	9
Dividend payments	–	–	(849)	–	–	–	(849)
Withdrawal from capital reserve	–	(8,027)	8,027	–	–	–	0
Status as of 31/12/2011	**8,497**	**12,149**	**(800)**	**(1,029)**	**(4,401)**	**(5,430)**	**14,416**
Currency differences from translation of entities abroad (including taxes)	-	-	-	-	418	418	418
Effective portion of time changes of cash flow hedges (including taxes)	-	-	-	88	-	88	88
Other earnings	**0**	**0**	**0**	**88**	**418**	**506**	**506**
Earnings for period	-	-	(8,624)	-	-	-	(8,624)
Total consolidated earnings	**0**	**0**	**(8,624)**	**88**	**418**	**506**	**(8,118)**
Issue of stock options	-	5	-	-	-	-	5
Status as of 30/09/2012	**8,497**	**12,154**	**(9,424)**	**(941)**	**(3,913)**	**(4,924)**	**6,303**

Segment Reporting (unaudited) for the Period from 1 January to 30 September 2012

The Group is engaged in the following business segments:

- Almex: ticketing and telematics for the public transport sector
- Metric: parking space management systems and services rendered within the scope of full-service agreements
- Skeye: mobile terminals and POS systems
- Corporate services: costs of administration function and the listing on the securities exchange

Group sales revenues are not subject to any particular seasonal or cyclical influences but may fluctuate more strongly from one quarter to another, depending on the projects under way.

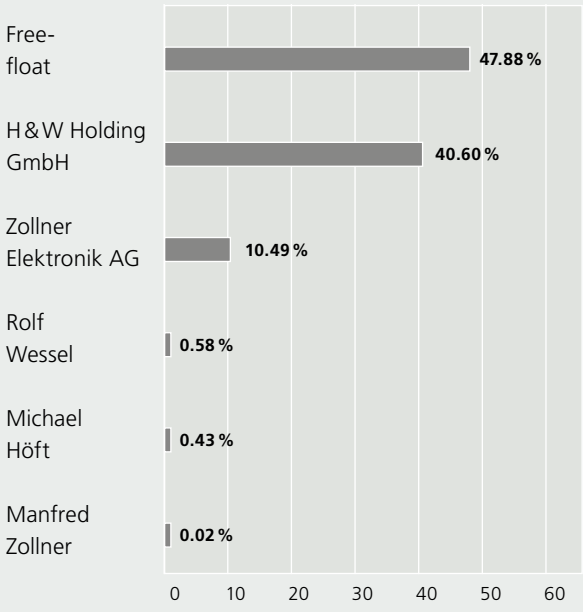
The results of the strategic units are reported to the Board of Management within the scope of the monthly internal reporting.

Segment results are reported before income tax, after consolidation. Deliveries between the segments are billed with an appropriate surcharge on top of the cost of sales.

01/01 – 30/09 in EUR thousands	Almex		Metric		Skeye		Corporate Services		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Germany	9,580	15,796	-	80	11,489	10,308	-	-	21,069	28,184
Great Britain	6,374	682	12,972	13,176	96	83	-	-	19,442	13,941
Rest of EU	6,104	5,955	175	370	2,099	2,494	-	-	8,378	8,819
Outside EU	2,996	8,977	2,496	2,448	2,734	2,797	-	-	8,226	14,222
Intragroup	(7)	(321)	(368)	(71)	-	(10)	-	-	(375)	(462)
Total sales revenues	**25,048**	**31,089**	**15,275**	**16,003**	**16,418**	**15,672**	-	**-**	**56,740**	**62,764**
Inventory change	(278)	3,889	(135)	382	(706)	(337)	(19)	(1)	(1,138)	3,932
Cost of materials and services procured	(14,849)	(22,014)	(5,550)	(7,117)	(9,319)	(10,555)	(13)	36	(29,731)	(39,651)
Contribution margin 1	**9,920**	**12,963**	**9,590**	**9,269**	**6,393**	**4,779**	**(32)**	**35**	**25,871**	**27,046**
Company-produced additions to plant and equipment	717	1,046	591	643	-	787	-	**-**	1,308	2,476
Personnel expenses	(8,453)	(6,830)	(5,713)	(4,964)	(4,134)	(3,646)	(3,494)	(3,579)	(21,794)	(19,019)
Contribution margin 2	**2,184**	**7,180**	**4,468**	**4,948**	**2,259**	**1,919**	**(3,526)**	**(3,545)**	**5,385**	**10,502**
Other expenses and income	(5,139)	(5,831)	(3,673)	(3,680)	(3,001)	(2,490)	1,403	2,615	(10,410)	(9,386)
EBITDA	**(2,955)**	**1,349**	**795**	**1,267**	**(742)**	**(571)**	**(2,123)**	**(930)**	**(5,025)**	**1,116**
Depreciation and amortisation	(1,170)	(1,364)	(968)	(1,087)	(22)	(1,695)	(141)	(169)	(2,301)	(4,315)
Impairment	-	-	-	-	(330)	-	-	-	(330)	-
Operating result (EBIT)	**(4,125)**	**(15)**	**(173)**	**181**	**(1,094)**	**(2,265)**	**(2,264)**	**(1,099)**	**(7,656)**	**(3,199)**
Financial income									(993)	(712)
Financial expenses									0	-
EBT									**(8,649)**	**(3,911)**
Tax position									25	593
Group earnings									**(8,624)**	**(3,318)**

The Company Share

ISIN:	DE0006011000
Symbol:	HWS
Type of share:	Bearer shares without par-value
Stock exchange:	Frankfurt, Germany – Prime Standard
Industry segment:	Technology
Index:	Technology All Share
Reuters:	HWSG.DE
Bloomberg:	HWS GR
Number of shares:	8,497,490
Market capitalisation:	EUR 14.9 million (28/09/2012)



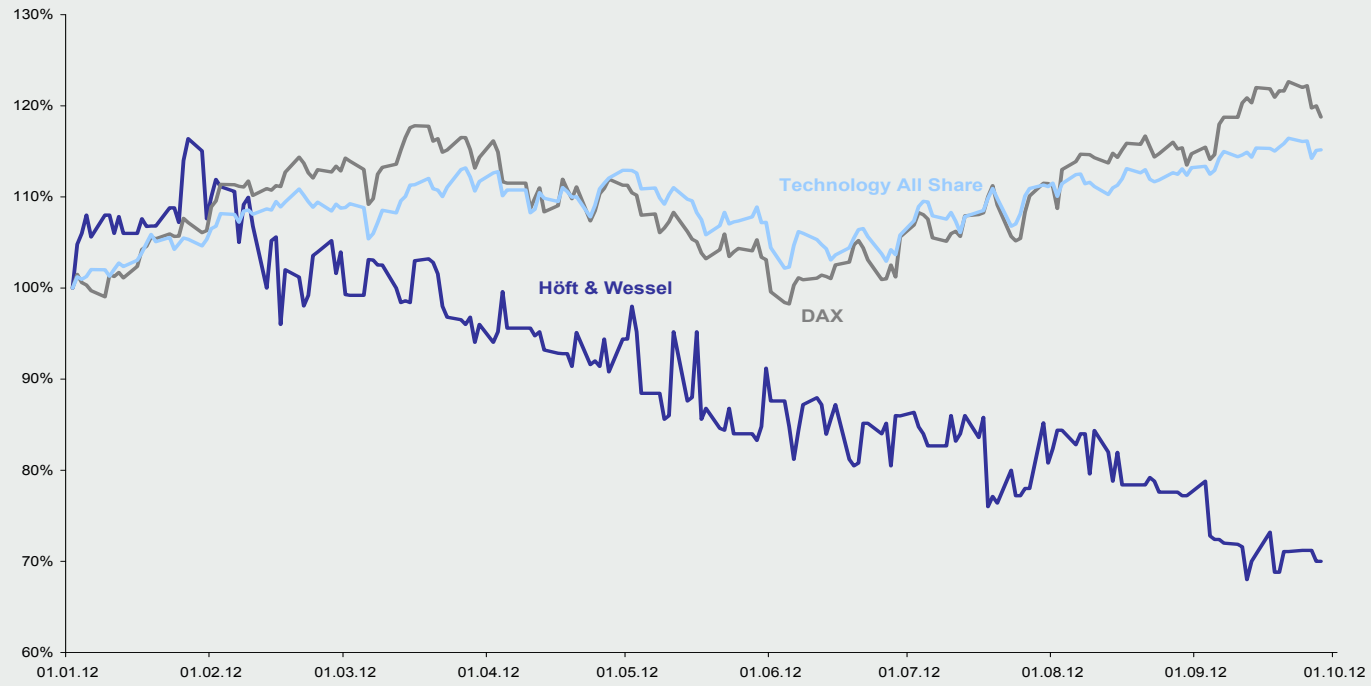
While prices of the Technologie All Share Index were up by 15 per cent and the DAX by 19 per cent in the first nine months of 2012, the Höft & Wessel's share price declined by 30 per cent.

Höft & Wessel shares reached their highest price on the Xetra at EUR 2.91 on 27 January 2012 and their lowest level at EUR 1.70 on 12 September 2012. The average share price came to EUR 2.26.

The average daily trading volume on all stock markets, at approx. 4,800 shares, was down on the previous year's level at 7,800 shares. The highest trading volume was recorded on 31 January 2012, with roughly 49,000 shares traded.

On the whole the liquidity of Höft & Wessel shares has declined year-on-year. In the second quarter in particular, trading turnover were low, with customer interest picking up again slightly in the third quarter.

Market trend since the beginning of 2012



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CALENDAR

German Equity Forum 2012 / analyst conference	Frankfurt	14/11/2012
Annual Press Briefing Annual Report 2012	Hannover	28/03/2013
Quarterly Report 2013		07/05/2013
AGM 2013	Hannover	13/06/2013
Half-Year Report 2013		06/08/2013
Nine-Month Report 2013		05/11/2013

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