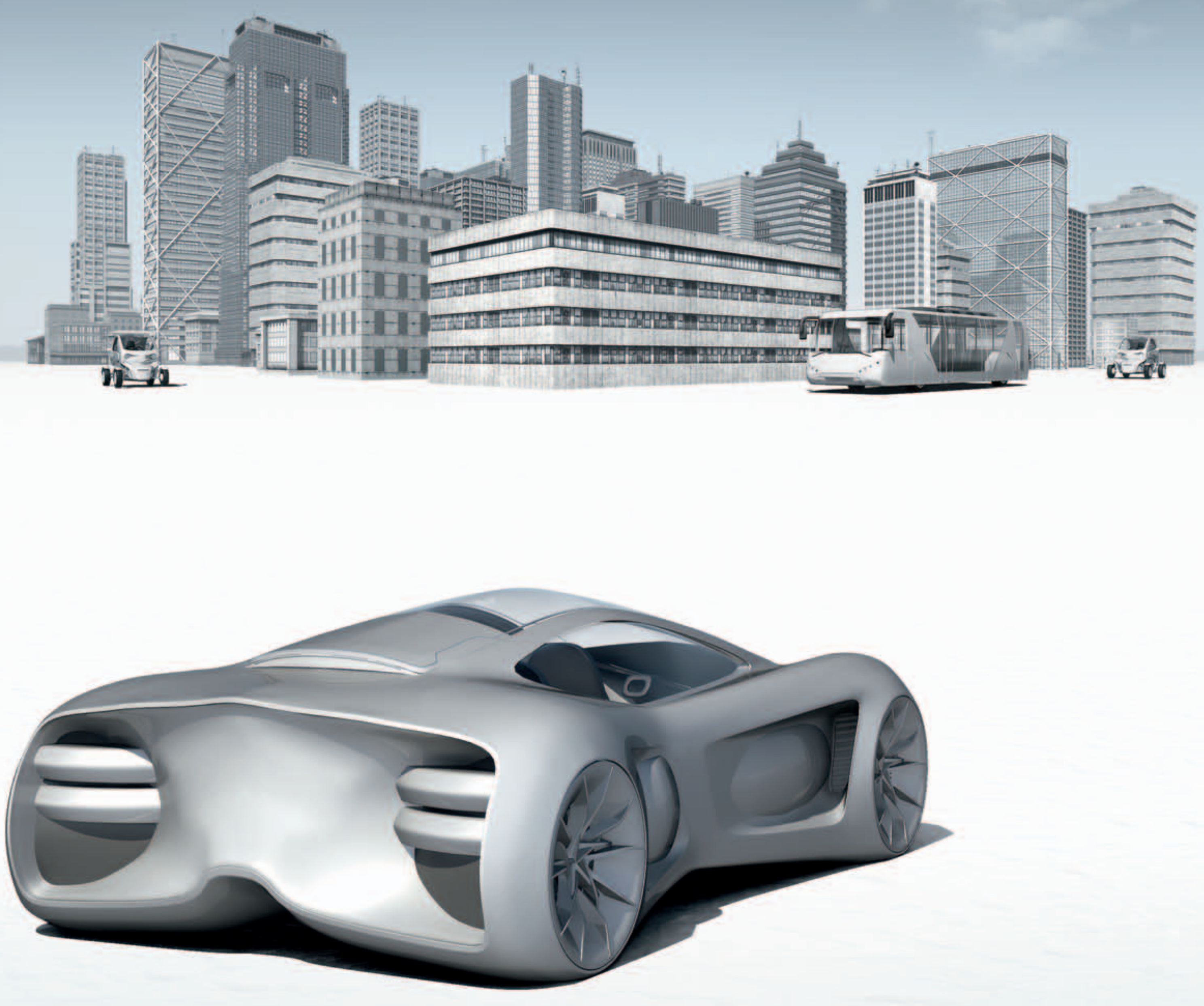
REPORT ON THE 3RD QUARTER AND 1ST NINE MONTHS

Future Inside 2013



elringklinger

Future Inside

ELRINGKLINGER

Which way is the automotive industry heading? What technology will be driving our cars in the future? These questions concern us all in a society characterized by almost unrestricted mobility. The answers will bring about fundamental changes in terms of resource management and infrastructure.

ElringKlinger is one of just a handful of suppliers around the globe that develop and produce technologically sophisticated components for all drive systems – for conventional combustion engines optimized by downsizing as well as for hybrid and electric vehicles using either battery-powered electric engines or fuel cells.

As a development partner and original equipment manufacturer with a global presence, we supply almost all of the world's vehicle and engine manufacturers. To round off our portfolio, ElringKlinger Kunststofftechnik also supplies products made of high-performance PTFE plastics to manufacturers outside the automotive industry. We harness our innovative strengths to achieve the company's goals of sustainable mobility and profitable growth. These efforts are supported by our committed workforce of over 6,500 people at 42 ElringKlinger Group locations worldwide.

Contents

Macroeconomic Conditions and Business Environment

Global economy remains bifurcated

The various regional economies around the globe continued to develop along very different lines in the third quarter of 2013.

The eurozone saw an improvement in leading indicators since the spring of 2013. The real economy, however, has recorded no tangible growth to date. Having said that, there appears to be light at the end of the tunnel, with a visible reduction in the speed of economic downturn over the course of the last quarters. Germany, the largest economy in Europe, again managed to outperform its eurozone compatriots and, buoyed by exports, recorded continued growth in its gross domestic product (GDP).

In contrast to Europe, North America put in a much more positive performance. The United States, for example, saw is GDP expand against the backdrop of a lower unemployment rate. Uncertainty amid renewed tensions surrounding an increase in the US debt ceiling had no significant impact on economic growth in the third quarter.

China was also able to maintain the solid rate of economic growth recorded during the first half of the year. At the same time, loans were becoming more readily available again, and consumer demand remained high. Against the backdrop of a weak yen and with interest rates remaining low, Japan received a boost to its economy and saw GDP expand in the third quarter.

By contrast, the Indian economy is feeling the adverse effects of a hefty budget and current account deficit, which again resulted in relatively weak growth during the third quarter. The Indian rupee lost significant ground against the major international currencies. Despite the expansive monetary policy adopted by Brazil, growth in the country's GDP proved extremely volatile. However, it remained in expansive territory.

GROWTH IN GDP

Year-on-year change

	1st Quarter 2013	2nd Quarter 2013	3rd Quarter 2013
Germany	-0.3 %	0.5 %	0.7 %
Eurozone	-1.0 %	-0.5 %	-0.2 %
United States	1.3 %	1.6 %	1.4 %
Brazil	1.9 %	3.3 %	1.7 %
China	7.7 %	7.5 %	7.8 %
India	4.8 %	4.4 %	3.8 %
Japan	0.3 %	1.2 %	3.0 %

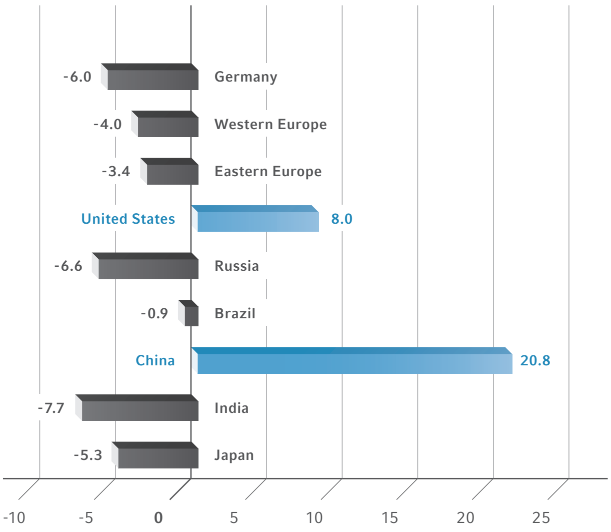
Source: HSBC (September 2013)

Global auto markets: Europe bottoms out – China and USA act as driving force

Once again, there was wide regional disparity in the performance of car markets around the globe during the third quarter of 2013.

NEW CAR REGISTRATIONS JAN.– SEPT. 2013

Year-on-year change (in %)



Source: VDA, ACEA, Automotive News Data Center (October 2013)

Still bearing the scars of the sovereign debt crisis and straining under the weight of high unemployment, Western Europe saw the first signs of a return to stability in demand for new vehicles, which had fallen to a 25-year low in mid-2013. Having said that, this is no cause for euphoric celebration. In September 2013, new car registrations in Western Europe rose for the first time in a long spell, up 5.4 %. Crisis-hit countries such as Spain (28.5 %), Ireland (27.9 %) and Portugal (15.9 %) put in a surprising performance with relatively substantial growth rates. However, although Europe's car markets appear to have bottomed out, there are as yet no signs of a fundamental recovery. As a result, the first nine months of 2013 saw Western Europe firmly wedged in negative territory with regard to new car registrations as well as car production figures. Having bucked the trend over an extended period of time, Germany also had to contend with a reduction in new car registrations and production output between January and September 2013. Despite this, German car manufacturers, led by those operating in the premium segment, continued to reap the rewards of buoyant overseas demand driven by a boom in China and the United States. This trend has also produced gains for ElringKlinger as an automotive supplier, as the Group generates around a quarter of its Original Equipment sales from business with domestic premium-brand manufacturers.

In contrast to Europe, vehicle markets in the United States and China are in peak condition. In the United States, vehicle sales were fueled by the continuing strength in demand for replacement purchases and favorable financing. The Chinese market, which has now outrun the United States in terms of sales volume, saw double-digit growth in the number of cars sold. In September alone, car sales rose by more than 20 % compared with the same month a year ago. The ElringKlinger Group generates more than 50 % of its Original Equipment sales (incl. exports) within the NAFTA region and in Asia, and was able to further expand its revenue in both sales regions during the first nine months of 2013.

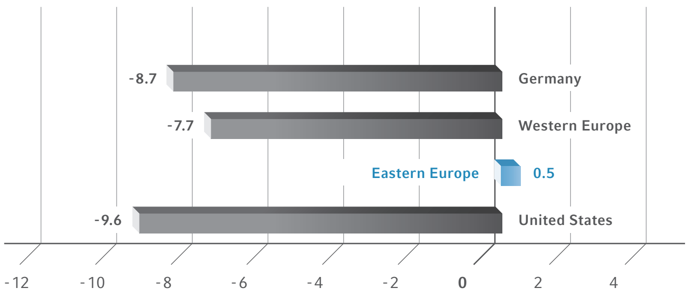
Overall, the dynamic level of demand shown by car buyers in North America and Asia more than offset the extremely weak sales volumes in Europe. Against this backdrop, global automobile production edged up slightly by 2 % in the third quarter.

Commercial vehicle markets in Europe dominated by introduction of EURO VI

Compared to the passenger car segment of the market, commercial vehicle business is even more heavily dependent on economic performance. Fleet operators tend to base their purchasing decisions for the procurement of new trucks on prevailing economic conditions and freight volumes. The truck segment is becoming increasingly important for ElringKlinger, with the Group now generating around 13 % of its Original Equipment sales with components used in trucks.

NEW REGISTRATIONS OF MID-SIZED AND HEAVY TRUCKS JAN. – SEPT. 2013

Year-on-year change (in %)



Source: ACEA, Automotive News Data Center (October 2013)

After a downturn in the first half of the year, Europe's truck market finally benefited from some forward momentum again in the third quarter of 2013. Order intake rose significantly in some areas, pointing to strong demand in the fourth quarter of 2013.

This is attributable mainly to advance purchases prompted by the introduction of the EURO VI standard effective from January 1, 2014. In many cases, freight forwarding companies are currently opting for the more reasonably priced EURO V vehicles. Supported by new products in the area of plastic housing modules, sales revenue achievable by ElringKlinger per EURO VI vehicle is considerably higher, i.e. a rise in the number of EURO VI-compliant trucks should have a clearly positive impact from the second quarter of 2014 onwards, at the latest.

In the United States, sales of Class 8 trucks increased by 10.0 % in September 2013. This helped to offset some of the downturn recorded during the year to date. In total, however, the number of Class 8 registrations in the US during the first nine months of 2013 still fell well short of last year's figure.

Significant Events

With retrospective effective from January 1st, 2013, ElringKlinger AG acquired an additional 24.99 % of the interests in exhaust gas purification specialist Hug Engineering AG from the former owner family and one other partner in the company in the third quarter 2013. ElringKlinger thus holds 93.67 % of the interests in the Swiss subsidiary, the majority acquisition of which took place in May 2011.

In 2012, the Hug Group generated revenue of EUR 36.6 million and a loss before taxes of EUR 3.5 million. The earnings situation improved significantly in the first nine months of 2013, with revenue increasing to EUR 42.3 million and earnings before taxes totaling EUR 7.0 million. The purchase price payable for the additional ownership interest was around CHF 5.7 million (EUR 4.6 million).

It is the declared aim of ElringKlinger AG to scale back non-controlling interests within the Group to the largest extent possible. The latest transaction has helped to strengthen the company's position in the rapidly growing segment of exhaust gas purification technology, the objective being to introduce technical innovations to the market even faster, open up new fields of application and move into previously untapped regions.

Also with the aim to gradually scaling back non-controlling interests, ElringKlinger AG acquired the remaining 10 % interest in Elring Parts Ltd., United Kingdom, in the third quarter 2013, effective from January 1, 2013. Thus, ElringKlinger became the sole owner of the aforementioned company, which operates in the aftermarket sector. The purchase consideration for the remaining 10 % interest was approx. GBP 0.6 million (EUR 0.7 million).

In the third quarter 2013, tool specialist Hummel-Formen GmbH was merged into ElringKlinger AG retrospectively as of January 1, 2013, for the purpose of optimizing Group structures. Since then, the Lenningen site has been managed as a plant of ElringKlinger, complementing the existing toolmaking operations of the ElringKlinger Group as a center of excellence for injection-molding tools.

Sales and Earnings Performance

Solid revenue growth despite anemic European market and negative foreign exchange effects
In spite of difficult market conditions in Europe, the ElringKlinger Group again managed to outpace the global vehicle markets by a considerable margin during the first nine months of 2013.

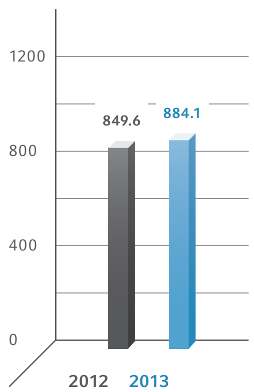
Benefiting from new product launches, more dynamic business in North America and continued buoyancy in overseas demand from Asia, ElringKlinger was able to compensate for the severe malaise afflicting Western European automotive markets. Group sales revenue rose by 4.1 % to EUR 884.1 (849.6) million.

Group revenue was visibly diluted by the direction taken by the US dollar, the Brazilian real and several Asian currencies. ElringKlinger generates around 40 % of its sales revenue outside the euro-zone. The negative effect of translating revenues into the Group currency – the euro – was equivalent to EUR 16.4 million in the first nine months of 2013. If exchange rates had remained unchanged, revenue growth within the Group would have amounted to 6.0 %.

The Group saw an acceleration in the rate of growth during the third quarter, despite the unfavorable effects of foreign currency translation. In fact, it managed to increase its sales revenue by 5.1 % to EUR 294.0 (279.8) million in the third quarter of 2013. If foreign exchange rates had remained unchanged, sales revenue would have expanded by 8.6 % to EUR 303.8 million, i.e. at a rate well in excess of growth achieved by the automotive markets.

The full acquisition of the former joint venture ElringKlinger Korea Co., Ltd., Changwon, South Korea, effective from February 1, 2013, contributed EUR 3.8 million to revenue in the financial year to date, with earnings before taxes just within positive territory.

GROUP SALES 9 MONTHS
in EUR million



Performance of acquired companies – Turnaround at exhaust specialist Hug

Buoyant demand within the US retrofit business for trucks as well as new projects centered around inland waterway vessels and exhaust gas purification systems for gas-fired power plants provided a significant boost for sales of the Swiss Hug Group in the first nine months of 2013, with revenue expanding to EUR 42.3 (22.5) million. ElringKlinger AG now holds 93.7 % of the ownership interests in the Hug Group, having acquired a majority stake in 2011. Revenue for the third quarter alone was almost doubled to reach EUR 13.1 (7.2) million.

The turnaround achieved at the Hug Group and its gradual improvement in earnings performance were largely due to restructuring measures and the deployment of state-of-the-art production technology. Additionally, the company managed to secure a number of new projects, allowing it to cover its fixed costs more effectively.

Having posted a loss before taxes of EUR 3.6 million for the first nine months of 2012, the Hug Group generated positive earnings before taxes of EUR 7.0 million in the first nine months of 2013. In the third quarter of 2013, earnings before taxes improved from minus EUR 0.7 million to EUR 2.2 million – despite the negative effects of a purchase price allocation of EUR 0.3 (- 0.5) million.

Thus, Hug was able to meet and even exceed the specified target of matching ElringKlinger's Group operating margin (13.1 % in the third quarter of 2013).

Acquired in 2012 and subsequently merged into ElringKlinger AG, Hug supplier ThaWa GmbH, Thale, was integrated into ElringKlinger AG as a production site. During the first half of 2013, construction work on a new building was completed at the site. The facility is to accommodate various operations: precision welding, canning of diesel particulate filters and the production of housings for end-to-end exhaust gas purification systems. The process of migrating elements of production as well as logistics from Hug's sites in Switzerland was also finalized. Production has now commenced and is helping to reduce costs and exchange-rate risks in the Exhaust Gas Technology division.

Restructuring at ElringKlinger Meillor bears fruit

With the French vehicle market languishing in the doldrums – new car registrations contracted by a further 8.5 % in the first nine months of 2013 – the former Freudenberg company ElringKlinger Meillor SAS, Nantiat, had to contend with a downturn in revenue during the period under review. In total, sales revenue generated at the former Freudenberg sites stood at EUR 37.8 (38.5) million, down on the previous year's figure.

Whereas earnings at the two former Freudenberg sites in Gelting, Germany, and Settimo Torinese, Italy, were well within positive territory, earnings before taxes at ElringKlinger Meillor SAS, France, remained negative in the first nine months of 2013. ElringKlinger implemented restructuring measures at the Nantiat site for the purpose of adapting capacity levels to sluggish demand within the market. Back in the first quarter, other liabilities of EUR 1.8 million were recognized in connection with these measures, which will have a one-off dilutive effect on earnings performance in 2013. In the first nine months of 2013, this non-recurring item resulted in negative earnings before taxes of minus EUR 0.3 (1.0) million.

On a more positive note, the earnings situation has shown signs of improvement on a quarter-on-quarter basis. In the third quarter of 2013 the former Freudenberg sites recorded greatly improved earnings before taxes of EUR 0.9 (0.5) million in total, despite stagnating revenue of EUR 11.5 (11.5) million.

Strong growth in Asia – Business in Europe outperforms market as a whole

In Germany, the slight downturn in vehicle production output recorded within the domestic automotive industry also had an impact on ElringKlinger's sales performance. Having said that, the company benefited from a relatively large proportion of revenue generated from sales to domestic car manufacturers operating in the premium segment of the market. Business in this sector continues to be supported by strong demand from consumers in Asia and North America. Against this backdrop, ElringKlinger managed to expand its sales revenue in its home market of Germany by 4.4 % in the first nine months of 2013, taking the figure to EUR 271.2 (259.8) million. As a result, the percentage share of domestic sales in relation to total Group revenue actually edged up slightly to 30.7 % (30.6 %).

In Europe, ElringKlinger succeeded in offsetting the effects of sluggish vehicle demand by rolling out a number of newly developed products. The third quarter saw initial signs of a return to market stability. In total, revenue generated in the region encompassing the "Rest of Europe" (excluding Germany) developed better than the market as a whole, rising by 2.5 % to EUR 269.5 (263.0) million in first nine months of 2013.

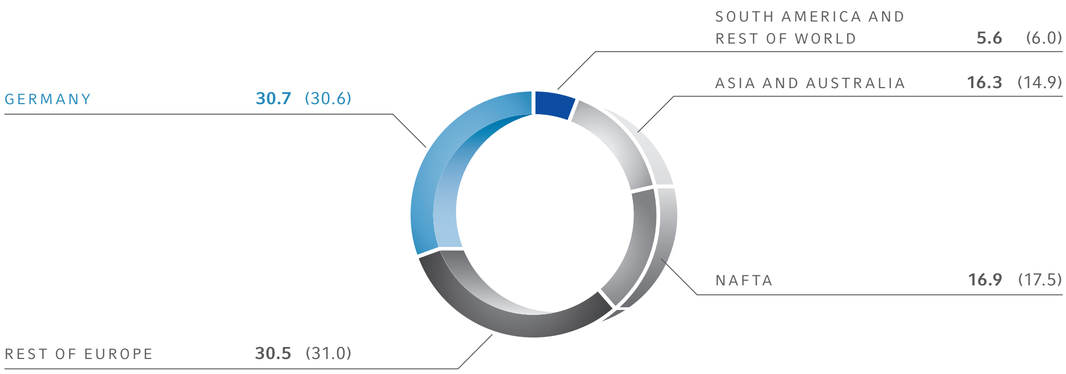
Europe remains the strongest sales region for the ElringKlinger Group in terms of revenue. However, it should be noted that a large proportion of the engines and vehicles manufactured in Europe – and particularly Germany – for which ElringKlinger supplies parts are destined for export markets in Asia and North America.

In North America, ElringKlinger recorded a slight increase in sales revenue of 0.7 %, taking the figure to EUR 149.8 (148.8) million. Having initially been faced with a downturn in revenues during the first half of the year, particularly as a result of a contraction in business in Canada attributable to the product mix, ElringKlinger benefited from the strong performance of its US subsidiaries during the third quarter, which provided a positive boost to revenue generated in this region.

With the Brazilian real depreciating against the euro, ElringKlinger's revenue from sales in South America was adversely affected, particularly in the third quarter. Expressed in local currency, revenue actually expanded by a near double-digit figure. However, translated into euros – the Group currency – it fell by 2.7 % to EUR 49.6 (51.0) million.

The most significant forward momentum achieved by ElringKlinger was in Asia. At EUR 144.0 (126.9) million, business in this region grew by 13.5 % in the first nine months of 2013. The largest share of growth was attributable to the Chinese subsidiaries, although the company based in India also contributed to growth to an increasing extent.

GROUP SALES BY REGION 9 MONTHS 2013 (prior year) in %



The share of total Group sales generated in Asia rose to 16.3 % (14.9 %) in the first nine months. Including exports from Europe to Asia, the share of Original Equipment sales revenue attributable to Asia would amount to around 24 %.

The company's plant in Suzhou, China, is currently expanding its production capacity in order to cover buoyant demand in this region. Since the beginning of 2013, ElringKlinger has been serving the booming ASEAN region via its joint venture ElringKlinger Marusan Corporation, which has its own production facility in Indonesia. In acquiring the Korean joint venture in its entirety in February 2013, ElringKlinger has also strengthened its position in South Korea.

Overall, the share of foreign sales in total Group revenue remained stable at a high level in the period under revenue – at 69.3 % (69.4 %).

Original Equipment contributes higher revenue and earnings

The growth in revenue achieved by the ElringKlinger Group was fueled first and foremost by gains made in the largest segment of its business, Original Equipment. Despite the dilutive effects of currency translation, ElringKlinger managed to compensate for the dire situation of vehicle markets in Western Europe and lift sales revenue by 4.7 % to EUR 711.4 (679.3) million in the period from January to September 2013. This was made possible by a number of product launches and the sustained buoyancy in demand from Asia. At the same time, Original Equipment has been reaping the rewards of structural growing demand from vehicle and transmission manufacturers for turbocharger gaskets, components used in automatic transmissions, shielding parts and lightweight modules.

During the first nine months of 2013, earnings before taxes attributable to the Original Equipment segment were dented slightly by negative foreign exchange effects relating to the company's funding requirements as well as substantial start-up costs in the area of E-Mobility. Despite these factors, earnings before taxes within the Original Equipment segment expanded in line with revenue growth – up 4.6 % to EUR 71.0 (67.9) million.

Aftermarket segment adversely affected by non-recurring exceptional charge

After a sluggish first half, the Aftermarket segment saw a return to more dynamic revenue growth during the third quarter of 2013, with third-quarter sales expanding by 5.2 % year on year. In the first nine months of 2013, sales revenue increased by 1.9 % to EUR 92.9 (91.2) million.

Fragile economic conditions and persistently high levels of unemployment in Western Europe continued to exert downward pressure on the company's spare parts business. In view of the volatile economic climate, vehicle owners have been postponing repairs for as long as possible. Having said that, the effects of this trend were largely offset by growth in Eastern Europe.

ElringKlinger is also committed to driving business forward in the Aftermarket segment by capturing new markets with its "Elring – das Original" brand. In acquiring the metallic flat gaskets unit from the Freudenberg Group in 2011, ElringKlinger added to its portfolio of cylinder-head and specialty gaskets for the French and Italian market. Drawing on its broader product range, ElringKlinger will be able to unlock additional sales potential in these key markets – an attractive prospect for its business in the medium term.

As part of efforts to penetrate the market, the Aftermarket segment recorded a non-recurring exceptional charge of EUR 1.5 million in the third quarter of 2013. Consequently, earnings before taxes were lower than in the same period a year ago. In the first nine months of 2013, earnings before taxes fell to EUR 17.5 (19.5) million.

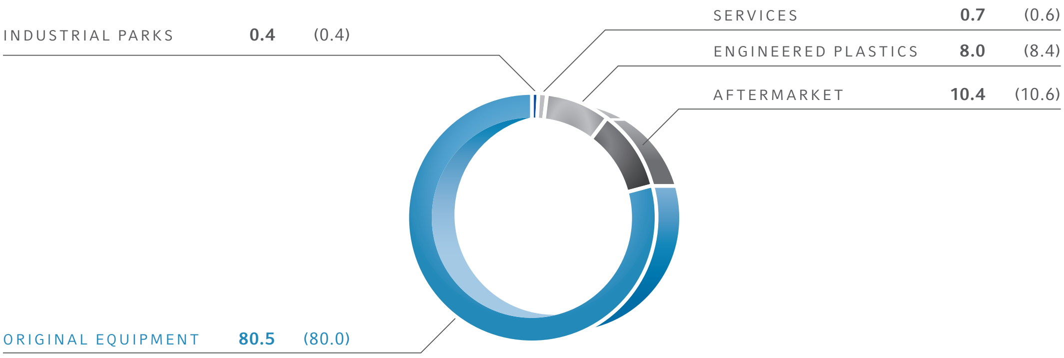
Engineered Plastics segment with slight contraction in revenue

Within the Engineered Plastics segment, ElringKlinger develops and manufactures products made of the high-performance plastic PTFE (polytetrafluoroethylene), which are also supplied to a large extent to industries not associated with the automotive sector. Demand within the mechanical engineering industry in Western Europe, but also within the automotive sector, picked up slightly during the third quarter of 2013, following a period of visible weakness. In spite of this, the Engineered Plastics segment had to contend with a marginal downturn in revenue by 0.6 % in the first nine months of 2013. Sales revenue totaled EUR 70.4 (70.8) million.

ElringKlinger is now looking to internationalize its business in this area, which is currently focused to a large extent on Central Europe. To this end, it has already established its own manufacturing operations at the site in Suzhou, China. The introduction of sales structures in the United States as well as start-up efforts to cultivate the world's most important market for PTFE applications are associated with initial outlays. This is reflected in higher costs incurred within the Engineered Plastics segment.

Despite sustained market weakness, earnings before taxes within the Engineered Plastics segment gradually improved over the course of the current year to date – a tribute to decisive cost management. In the first nine months of 2013, however, it nevertheless remained 13.7 % down on the figure reported for the same period a year ago and stood at EUR 11.3 (13.1) million in total.

GROUP SALES BY SEGMENT 9 MONTHS 2013 (prior year) in %



Industrial Parks unchanged year on year

In the first nine months of 2013, rental income from the industrial parks in Idstein, Germany, and Kecskemét-Kádafalva, Hungary, amounted to EUR 3.4 (3.2) million in total.

After an improved third quarter, earnings before taxes totaled EUR 0.2 (0.2) million.

Strong demand for engineering services

Within the Services segment, Elring Klinger Motortechnik GmbH offers vehicle manufacturers and other automotive suppliers a range of development services. These include, for example, services relating to SCR technology (Selective Catalytic Reduction) for the purpose of nitrogen oxide reduction as well as services such as particle counting for diesel particulate filters. Additionally, ElringKlinger Logistic Service GmbH provides internal and external logistics services within the area of sorting and packing.

Increasingly strict legislation governing vehicle emissions, such as Euro 6 for passenger cars and EURO VI for trucks, has prompted a significant rise in demand among industry players for services centered around engine, transmission and exhaust tract testing. Revenue generated within the Services segment grew by 15.4 % to EUR 6.0 (5.2) million in the first nine months of 2013.

Earnings before taxes remained stable at EUR 1.5 (1.5) million.

Group headcount rises to 6,556 in third quarter

Against the backdrop of growing revenue and brimming order books, ElringKlinger expanded its workforce in the period under revenue. In the third quarter of 2013, the Group's headcount rose by 122 (1.9 %) compared to June 30, 2013, which was less pronounced relative to revenue growth (5.1 %).

As of September 30, 2013, the ElringKlinger Group employed 6,556 (6,284) people worldwide, up by 4.3 % or 272 staff members compared to the figure reported a year ago.

The full takeover of ElringKlinger's joint venture in Korea, completed in February 2013, saw the Group's headcount rise by 37. Excluding this takeover, the expansion in personnel levels would only have totaled 3.7 %.

The ElringKlinger Group continues to employ a large proportion of people at its sites in Germany. At the end of the third quarter, the domestic headcount stood at 3,022 (2,920), which represents 46.1 % (46.5 %) of the total workforce. This equates to a year-on-year increase in personnel of 3.5 %. As of September 30, 2013, the parent company ElringKlinger AG employed 2,266 (2,060) members of staff in total. The year-on-year increase in staffing levels was attributable mainly to the merger of Hummel-Formen GmbH into ElringKlinger AG, which took place in the third quarter of 2013. As a result, the headcount at ElringKlinger AG rose by 117.

The international subsidiaries operating within the ElringKlinger Group employed 3,534 (3,364) people. This corresponds to a share of 53.9 % (53.5 %) of the total workforce. The increase in staffing levels by a headcount of 170 was attributable largely to the expansion of capacity levels in Asia as well as North and South America.

Gradual improvement in gross profit margin during financial year

The ElringKlinger Group maintained its solid earnings performance in the first nine months of 2013. The Group's gross profit margin stood at 28.6 % (29.1 %). Overall, the margin at Group level was diluted by as yet lower gross profit margins contributed by the former Freudenberg entities acquired by ElringKlinger.

Another factor that exerted downward pressure on the gross profit margin from July 2013 onward was the additional wage increase by 3.4 % agreed for employees in Germany. This resulted in a significant rise in staff costs, which were attributable primarily to cost of sales. Furthermore, a profit-sharing bonus of EUR 1,300 (1,150) per employee was paid in respect of the previous year to employees at ElringKlinger AG, ElringKlinger Kunststofftechnik GmbH and Elring Klinger Motortechnik GmbH. This generated additional expenses of EUR 3.7 (3.3) million in the first quarter of 2013.

Purchase prices for most of the input materials used by ElringKlinger, especially alloy surcharges for high-grade steel, trended slightly lower during the first nine months of 2013. By contrast, scrap-related revenue generated by ElringKlinger from discarded cut-outs fell markedly. Material prices for polymer granules remained relatively high.

Overall, the cost of sales rose by 4.8 % in the first nine months of 2013, i.e. at a faster rate compared to the increase in sales revenue (4.1 %). In the third quarter of 2013, the cost of sales rose at a slower rate relative to sales revenue, which prompted another quarter-on-quarter improvement in the gross profit margin by 0.6 percentage points from 28.9 % in the second quarter to 29.5 % (28.8 %) at the end of the period under review.

Research and development ratio remains at 5 %

ElringKlinger directed a total of EUR 45.0 (44.7) million at research and development projects (R&D) in the first nine months of 2013. Of this amount, EUR 14.5 (14.4) million was attributable to the third quarter. On this basis, the R&D ratio contracted slightly to 5.1 % (5.3 %) in the first nine months of 2013.

In total, ElringKlinger AG received government grants of EUR 4.0 (2.4) million for ongoing research and development projects in the first nine months of 2013. These grants were assigned mainly to projects in the field of fuel cell technology, battery engineering and lightweight construction. In parallel, the company incurred expenses at a comparable level for development work and prototyping.

Merely EUR 4.9 (5.0) million in development costs were capitalized in the period under review. At the same time, systematic depreciation/amortization totaled EUR 4.1 (4.0) million. Therefore, the net effect of these two factors on earnings was marginally positive.

While selling expenses in the period from January to September 2013 increased by just 0.4 %, general and administrative expenses rose by a more substantial 7.9 %, i.e. at a faster rate than revenue growth. The upturn in costs within this area was mainly due to higher staff costs.

The significant increase in other operating expenses by EUR 3.2 million to EUR 5.9 (2.7) million was attributable primarily to the exceptional charge recorded in the third quarter in connection with market penetration within the Aftermarket segment, as discussed earlier.

The figure relating to other operating income, which rose to EUR 8.8 (8.0) million, includes non-recurring income of EUR 1.4 million attributable to the acquisition, in stages, of the former joint venture ElringKlinger Korea Co., Ltd. This item was accounted for back in the first quarter of 2013.

Operating result up by 5.8 % in third quarter – EBIT restricted by foreign exchange effects

Earnings before interest, taxes, depreciation and amortization (EBITDA), which include foreign exchange effects associated with financing measures, contracted by 4.0 % year on year in the first nine months of 2013. Within this context, EBITDA was diluted by foreign exchange losses of EUR 2.9 million during the nine-month period and totaled EUR 165.2 (172.1) million. The third quarter contributed EUR 53.4 (56.7) million to EBITDA.

Depreciation/amortization declined by EUR 5.5 million to EUR 55.0 (60.5) million in the first nine months of 2013. This was mainly due to the fact that a large proportion of investments made by ElringKlinger went into land and buildings. The purchase price allocation relating to the Hug Group had a negative effect of EUR 1.0 million in total. In the third quarter, depreciation/amortization amounted to EUR 18.3 (20.7) million.

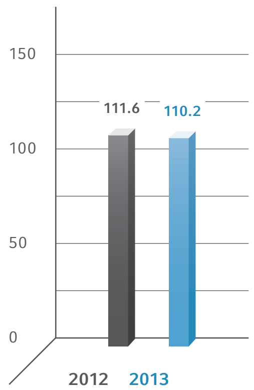
As regards its operating result for the first nine months of 2013, the ElringKlinger Group succeeded in matching the record set for the same period a year ago, at EUR 113.1 (113.1) million. In this context, the Group's operating result for the third quarter of 2013 was dented by a one-off expense of EUR 1.5 million associated with market penetration efforts in the Aftermarket segment, as outlined above. Earnings were also diluted in particular by significant start-up costs incurred in the area of E-Mobility, where several large-scale projects were about to be taken forward to serial production level. Despite these factors, the Group's operating result improved at a faster rate than revenue in the third quarter, up 5.8 % to EUR 38.6 (36.5) million. The operating margin in the third quarter of 2013 edged up slightly year on year to 13.1 % (13.0 %).

Earnings before interest and taxes (EBIT), which unlike the operating result include foreign exchange gains and losses, were impacted by negative foreign exchange effects equivalent to EUR 2.9 million in total over the course of the nine-month period. Against this backdrop, EBIT reached EUR 110.2 (111.6) million, down 1.3 % on the figure reported for the same period a year ago, which had included foreign exchange losses of EUR 1.5 million.

The strength of the euro was particularly evident in the third quarter of 2013, when foreign exchange losses of EUR 3.5 (-0.5) million had a dilutive effect on earnings. Thus, at EUR 35.1 (36.0) million, EBIT was noticeably weaker than the Group's operating result.

GROUP EBIT 9 MONTHS

in EUR million



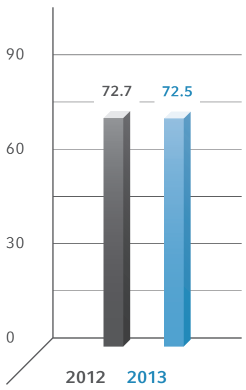
Attributable to the Group's financing activities, foreign exchange losses were also the key factor behind the substantial increase in net finance costs compared to the third quarter of 2012. The latter rose to EUR 6.3 (3.6) million year on year. While net interest expenses were scaled down to EUR 2.8 (3.1) million, the net result of foreign exchange gains and losses was considerably weaker than in the same quarter a year ago at minus EUR 3.5 (-0.5) million.

The foreign exchange effects also resulted in higher net finance costs for the first nine months of the financial year, up at EUR 11.5 (10.8) million. By contrast, net interest expenses improved year on year and stood at EUR 8.6 (9.4) million.

On this basis, the ElringKlinger Group saw earnings before taxes contract marginally to EUR 101.6 (102.2) million. In the third quarter of 2013, earnings before taxes were slightly lower year on year, at EUR 32.3 (33.0) million.

With a tax rate of 25.5 % (26.6 %), net income after non-controlling interests remained largely unchanged at EUR 72.5 (72.7) million for the first nine months of 2013. At 30.5 % (26.0 %), the income tax rate in the third quarter was substantially higher than in the previous year, as a result of which net income after non-controlling interests contracted slightly to EUR 22.5 (23.3) million.

PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF ELRINGKLINGER AG 9 MONTHS
in EUR million



As of September 30, 2013, the number of ElringKlinger shares outstanding remained unchanged year on year at 63,359,990. Thus, basic and diluted earnings per share totaled EUR 1.14 (1.15) in the first nine months of 2013. In the third quarter of 2013, earnings per share stood at EUR 0.36 (0.37).

Financial Position and Cash Flows

As of September 30, 2013, the ElringKlinger Group remained solid both in terms of its financial position and its cash flows, with an equity ratio of 49.3 %. In the first nine months, ElringKlinger generated positive net cash from operating activities of EUR 86.8 million.

Expansion of total assets by 6.7% outpaces revenue growth

Total assets held by the ElringKlinger Group as of September 30, 2013, amounted to EUR 1,353.3 million. Compared to June 30, 2013, total assets thus remained largely unchanged. Total assets expanded by 6.7 % or EUR 84.7 million in comparison to the figure posted at the end of 2012.

The increase in total assets reflects the trend of solid growth maintained by the Group, with revenue gains being accompanied by a comparable increase in assets. With regard to assets, this is illustrated in particular by the expansion in property, plant and equipment by EUR 21.3 million. In this context, investments in machinery and buildings played a prominent role. Working capital (inventories and trade receivables) also trended higher compared to December 31, 2012, as a result of more expansive business, rising by EUR 53.9 million.

Receivables down, inventories up

Compared to December 31, 2012, trade receivables increased by EUR 34.1 million as of the end of the third quarter of 2013. In comparison to the figure posted on June 30, 2013, the Group managed to scale back trade receivables by EUR 2.3 million with the help of stringent receivables management. The Group is looking to further reduce trade receivables by the end of 2013, with the express purpose of optimizing its working capital.

Group inventories include tool stocks, which were – as of September 30, 2013 – up EUR 20.4 million compared to December 31, 2012. Compared to the end of 2012, inventories rose at a faster rate relative to sales revenue, up EUR 19.8 million or 8.6 %. In comparison with June 30, 2013, tool stocks were up by EUR 11.8 million. Eliminating this factor, capital tied up in inventories would have been lower. As of September 30, 2013, inventories accounted for 18.4 % of total assets, which was slightly higher than the figure recorded at the end of 2012 (18.1 %).

CURRENT AND NON-CURRENT ASSETS

in EUR million	Sept. 30, 2013	June 30, 2013	Dec. 31, 2012
Intangible assets	138.8	138.8	136.0
Property, plant and equipment	586.3	580.0	565.0
Others	47.2	51.9	50.3
Non-current assets	**772.3**	**770.7**	**751.3**
Inventories	249.4	236.7	229.6
Trade receivables	220.0	222.3	185.9
Others	111.6	113.6	101.8
Current assets	**581.0**	**572.6**	**517.3**
Total assets	**1,353.3**	**1,343.3**	**1,268.6**

Equity ratio at 49 %

As of September 30, 2013, the Group's equity stood at EUR 667.8 million, up from EUR 640.3 million at the end of 2012. The equity ratio thus reached 49.3 %. This is attributable mainly to an increase in revenue reserves by EUR 46.8 million as a result of higher allocations from net income. The contraction in other reserves, which fell to minus EUR 10.6 million, had a contrary effect. This was due to foreign exchange translation differences, which are recognized directly in this item but have no influence on profit or loss.

Net debt reaches EUR 299 million

The Group's funding requirements were covered by net cash from operating activities together with bank loans. ElringKlinger expanded its current and non-current financial liabilities by EUR 45.1 million compared to December 31, 2012. Among other factors, it should be taken into account that interim financing was in place for the dividend payment that took place in the second quarter of 2013. Compared to June 30, 2013, financial liabilities only increased by EUR 3.3 million. As from the beginning of the year there was evidence to suggest a slight rise in interest rates, in response to which ElringKlinger increasingly restructured its financial liabilities in favor of longer-term maturities.

The Group's net debt (current and non-current financial liabilities less cash) thus rose to EUR 298.9 million. Compared to the figure recorded at the end of 2012, net debt increased by EUR 38.5 million. ElringKlinger expects to be in a position to scale back its net debt over the remainder of the financial year with the help of net cash from operating activities.

Trade payables rose by EUR 12.4 million or 21.3 % compared to December 31, 2012, which was attributable primarily to revenue growth in Asia as well as invoices received in respect of construction work at the new plant in Thale and the logistics center at the site operated by ElringKlinger Logistic Service GmbH. Compared to June 30, 2013, however, trade payables were scaled back slightly by EUR 0.9 million.

CURRENT AND NON-CURRENT LIABILITIES

in EUR million	Sept. 30, 2013	June 30, 2013	Dec. 31, 2012
Provisions for pensions	103.0	102.2	101.6
Non-current financial liabilities	218.5	163.9	131.0
Others	58.7	62.0	68.0
Non-current liabilities	**380.2**	**328.1**	**300.6**
Trade payables	70.5	71.4	58.1
Current financial liabilities	141.3	192.6	183.7
Others	93.6	95.5	85.9
Current liabilities	**305.4**	**359.5**	**327.7**

Operating cash flow increases by almost 40 % in fourth quarter

In the third quarter of 2013, the ElringKlinger Group generated net cash from operating activities of EUR 31.8 (34.1) million. In total, net cash from operating activities in the first nine months of 2013 amounted to EUR 86.8 (62.5) million, which represents a year-on-year increase of 38.9 %.

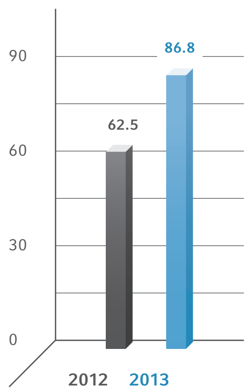
Due to the rise in working capital, operating cash flow was adversely affected by an amount equivalent to EUR 11.6 (10.5) million in the third quarter of 2013. In the period from January to September 2013 this amount totaled EUR 53.3 (43.2) million.

In the third quarter, the reduction in trade payables and other non-current liabilities also had a dilutive effect on operating cash flow, equivalent to minus EUR 1.7 (- 0.5) million. By contrast, higher trade payables in the first nine months as a whole – particularly in the first half of 2013 – had a positive effect on cash flow of EUR 12.2 (- 30.1) million in total.

It should be noted that operating cash flow for the same period a year ago had been adversely affected by payments in connection with a warranty incident (Notes, page 47) amounting to EUR 6.0 million. In this context, a final payment of EUR 1.0 million was completed in the current financial year.

NET CASH FROM OPERATING ACTIVITIES 9 MONTHS

in EUR million



Cash flow from investing activities moves within normal range

Cash flows from investing activities were dominated primarily by payments in connection with new plants and machinery. The majority of these investments were directed at the international subsidiaries operating within the Group. Assets aimed at expanding capacity levels were purchased in particular for sites in North America and Asia. Among other items, ElringKlinger AG bought new machinery for the production of turbocharger components as well as for operations in the area of E-Mobility.

In the third quarter of 2013, payments made by ElringKlinger in connection with investments in property, plant and equipment, investment property and intangible assets totaled EUR 27.8 (30.8) million. In the first nine months of 2013, the outflow of funds for investments amounted to EUR 82.0 (76.2) million. Capital expenditure was financed entirely from operating cash flow.

The investment ratio (payments for investments relative to sales revenue) stood at 9.3 % (9.0 %) in the first nine months of 2013.

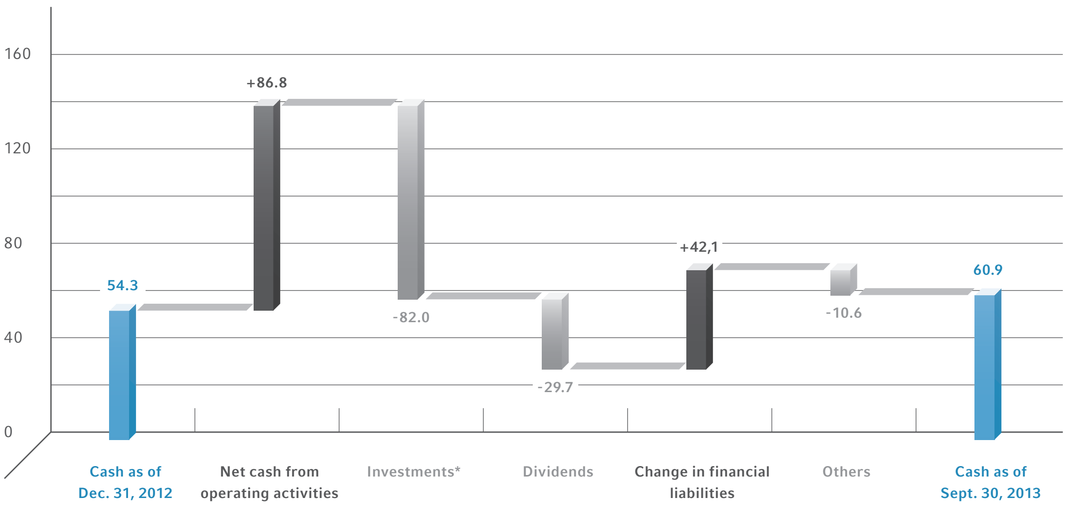
ElringKlinger AG paid EUR 3.2 million for the acquisition of the remaining 50 % interest in the former South Korean joint venture ElringKlinger Korea Co., Ltd. effective as of February 1, 2013. Payment of the purchase price was effected as early as the first quarter of 2013.

In total, net cash used in investing activities amounted to EUR 27.6 (29.6) million in the third quarter of 2013, the majority being directed at property, plant and equipment. In the first nine months of 2013, net cash used in investing activities totaled EUR 84.7 (74.9) million.

In the third quarter of 2013, the ElringKlinger Group again generated positive operating free cash flow (cash flow from operating activities less cash flow from investing activities, adjusted for payments in respect of acquisitions). It stood at EUR 4.2 (4.5) million. Having already achieved a significant improvement in operating free cash flow in the first half of the year, the Group also saw a substantial year-on-year increase in free cash flow from operating activities for the first nine months of 2013 – up at EUR 5.3 (- 11.1) million.

CHANGE IN CASH JAN. – SEPT. 2013

in EUR million



* Investments in property, plant and equipment, investment property and intangible assets

Year-on-year decline in cash flow from financing activities

In the third quarter of 2013, ElringKlinger acquired an additional 25% interest in Swiss exhaust specialist Hug (Significant Events, page 5). The increase in payments to non-controlling interests in the first nine months of 2013 to EUR 5.9 (0.3) million is mainly attributable to the outflow of funds to settle the aforementioned purchase consideration.

The amount of financial liabilities taken on (EUR 13.0 million) during the third quarter was comparable to the amount repaid (EUR 12.8 million) over the course of the same period. In the first nine months of 2013, ElringKlinger expanded its bank borrowings by a net amount of EUR 42.1 (49.1) million. As outlined above, the majority of these loans were attributable to the second quarter, which saw not only an outflow of funds as part of investing activities but also the interim financing of ElringKlinger's dividend payment.

Due to the lower net amount of financial liabilities taken on by the Group, net cash from financing activities, totaling EUR 6.7 (10.9) million, was well below the figure reported in the same period a year ago.

At the end of the third quarter of 2013, cash held by the Group amounted to EUR 60.9 (64.1) million.

Opportunities and Risks

As regards the assessment of opportunities and risks for the ElringKlinger Group, there were no significant changes to the details discussed in the 2012 Annual Report of the ElringKlinger Group (Page 107 et seqq.).

There are currently no identifiable risks that might jeopardize the future existence of the Group as a going concern, either in isolation or in conjunction with other risk factors.

The report on opportunities and risks can be accessed on the website of ElringKlinger at www.elringklinger.de/ar2012/report-on-opportunities-and-risks.

Outlook

Outlook – Market and Sector

China remains growth driver – Europe overcomes recession

Forecasts for the global economy have been revised downwards recently. While the industrialized countries are gaining in strength, some of the emerging economies are having to contend with a slowdown in growth. The International Monetary Fund (IMF) now anticipates that global economic growth in 2013 will fall short of the figure recorded in 2012 (3.2 %). In October, it thus downgraded its growth projection for the current year from 3.1 % to 2.9 %. The world economy is expected to gain some ground in 2014, with global economic growth estimated at 3.6 %.

Despite the slight loss of momentum, the emerging countries are still contributing the lion's share of growth with regard to global economic output. They remain the driving force behind the world economy. In China, growth is stabilizing at around 7 %, the level targeted by its central government. Elsewhere, the US economy is also showing signs of solid growth against the background of the easy monetary policy being sustained by the Federal Reserve. Japan and Brazil are currently benefiting from the depreciation of their local currencies, which has helped to make products exported by these countries less expensive.

While the eurozone is gradually clawing its way out of recession, it will still fail to generate growth in GDP in 2013 as a whole. Starting from a low base, the European economy is expected to record some forward momentum again as from 2014. Germany, which has been benefiting from more dynamic exports to Asia and North America, will act as an important pillar underpinning this growth.

GDP GROWTH PROJECTIONS
Year-on-year change

	2012	2013 Projection	2014 Projection
World	3.2 %	2.9 %	3.6 %
Germany	0.9 %	0.5 %	1.4 %
Eurozone	-0.6 %	-0.4 %	1.0 %
United States	2.8 %	1.6 %	2.6 %
Brazil	0.9 %	2.5 %	2.5 %
China	7.7 %	7.6 %	7.3 %
India	3.2 %	3.8 %	5.1 %
Japan	2.0 %	2.0 %	1.2 %

Source: International Monetary Fund (October 2013)

Europe's auto market reaches nadir – Global vehicle markets on track for growth

Global car sales will continue to develop in line with regional economic performance.

According to estimates issued by industry experts, the international vehicle markets as a whole will merely expand by a modest rate of 1.7 % in 2013. This is likely to be followed by more forceful growth of 3.3 % in 2014.

The ElringKlinger Group anticipates that the global automotive market will see only slight growth in 2013. Having said that, the Group will benefit from its global presence and broad customer base, with growth in Asia and North America compensating for the anemic state of Europe's vehicle markets.

Against the backdrop of significant disparity in the performance of vehicle markets around the globe over the course of the year to date, the outlook for the immediate future gives little hope for a fundamental turnaround. In Western Europe, there is evidence to suggest that car markets will gradually bottom out during the remainder of this year and in 2014. However, it will take some time yet before this market regains its former strength. In the fourth quarter of 2013 – as was the case in the third quarter – both car sales and car production are expected to expand compared to the dire figures recorded a year ago. However, this growth will not be sufficient to offset the downturn witnessed during the first half of the year. In 2013 as a whole, the number of new cars registered in Europe is projected to fall by around 3 %

German vehicle manufacturers are still reaping the rewards of buoyant demand in the emerging markets as well as in North America, where they have also seen an increase in overall market share. According to data published by Germany's association of the automobile industry, VDA (Verband der Deutschen Automobilindustrie), domestic production output is unlikely to show any significant growth – particularly as an increasing proportion of these companies' value creation processes are being moved to local markets. However, at around 5.4 million units, production output will remain at a high level.

Global demand for vehicles will continue to be fueled primarily by the emerging markets. Sales in these countries will account for as much as 55 % of the passenger cars and light commercial vehicles produced worldwide. What is more, this share looks set to rise. China, for instance, will boast growth in sales by more than 15 % in 2013. This will almost be matched by the rate of expansion in local production output. The emerging economies of the ASEAN region, among them Indonesia, Malaysia and Vietnam, are also making an increasingly strong contribution to the substantial levels of demand seen in Asia.

North America is another supportive force when it comes to global vehicle demand. The dynamic upturn seen in the United States looks set to continue. Against this backdrop, 2013 is likely to produce a marked increase in auto sales of around 7 %.

Brazil, meanwhile, recorded moderate growth in September. Having now reached a substantial level, overall car sales are unlikely to expand significantly in 2013 as a whole. In South America, second-tier markets such as Chile and Argentina look set to make a larger contribution to the sustained growth in car sales on this continent.

Vehicle markets in India and Japan are projected to contract slightly in 2013 as a whole. While India is expected to gain considerable momentum in 2014, Japan is again likely to be faced with a downturn in demand and production in the coming year.

Inconsistent picture for truck markets

The international market for commercial vehicles is expected to make marginal gains in 2013. The general outlook for 2014 is brighter, with the prospect of a return to increasingly solid growth. ElringKlinger now generates around 13 % of its Original Equipment revenue from business within the truck segment and is thus in a position to benefit directly from an upturn in demand within this area.

In Europe, the introduction of the EURO VI standard effective from January 1, 2014, will prompt fleet operators to bring forward purchases, with a focus on more affordable EURO V trucks. Therefore, the first half of the coming year is likely to be relatively sluggish, before business picks up again in the second six months of 2014. Stronger demand for EURO VI trucks, which is expected from the second quarter of 2014 at the latest, will offer ElringKlinger interesting potential for additional business in this area. Offering a new portfolio of weight-saving plastic housing modules for trucks, ElringKlinger will see a significant increase in revenue per vehicle.

In North America, the market for heavy trucks is likely to be in negative territory at the end of 2013. However, order intake by truck manufacturers suggests more buoyant demand in 2014. Asia and Latin America are expected to see growth in truck sales in 2013.

Outlook – Company

Despite challenging market conditions, relentless pressure on prices from vehicle manufacturers and intense competition, ElringKlinger's strong technological position and high proportion of new products within its portfolio continue to provide interesting potential for revenue and earnings growth for the Group.

Order intake grows by 11 %

The Group maintained its high level of order intake. Having already expanded by 11.0 % in the second quarter of 2013 compared to the same period a year ago, incoming orders rose by 11.5 % to EUR 298.2 (267.5) million in the third quarter. As of September 30, 2013, the value of order backlog stood at EUR 578.1 (472.8) million, up 22.3 % on the equivalent figure for the previous year.

Improved earnings performance by acquired companies – Turnaround at Hug

The successful turnaround at Hug, together with streamlined cost structures at the site operated by ElringKlinger Meillor SAS in Nantiat, France, will help to improve the Group's overall earnings performance.

The Hug Group is expected to achieve a sustained swing in earnings for the financial year as a whole. Losses amounting to EUR 3.0 million in 2012 are to be followed by positive earnings before interest and taxes (EBIT) in 2013, estimated at more than EUR 9 million. Despite the ongoing purchase price allocation of around EUR 1.5 million, Hug's EBIT margin will thus already be on a par with that of the wider Group in the current financial year.

Driven by CARB (California Air Resources Board) legislation, the company's retrofit business in the United States is developing very well, as evidenced by strong demand for mobiclean R™ diesel particulate filters. ElringKlinger is currently expanding its capacity levels in production.

Additionally, projects to equip vessels used on inland waterways with complete nauticlean™ exhaust gas purification systems are expected to contribute to revenue as the current financial year progresses. An innovative particulate filter that has been designed specifically for deployment in ocean vessels powered by heavy fuel oil is currently undergoing testing and patenting. The company also sees growth potential in the area of exhaust gas cleaning technology at natural gas power stations, a market that is becoming increasingly important due to the widespread availability of inexpensive natural gas in North America.

In view of one-time restructuring expenses in the first quarter of 2013, ElringKlinger anticipates that earnings before taxes achieved by the former Freudenberg entities acquired by the company will be stable compared to 2012 or, at best, marginally higher year on year. Despite the protracted lull in demand seen throughout vehicle markets in Western Europe, ElringKlinger is confident that the earnings situation will benefit from improvements made to cost structures and from automation measures implemented in production at the French plant in Nantiat. This site managed a turnaround in earnings in the third quarter, which is to be followed in future by a sustained level of positive earnings before taxes. Overall, the former Freudenberg entities will again have a dilutive effect on the Group's profit margin in 2013. However, the impact will become less severe over time.

Stricter cost control

Moving into the second half of 2013 we have already seen a rise in wages relating to the collective agreement applicable to the metal and electrical industry leading to higher personnel expenses, which will have to be offset at least in part by cost savings and streamlining measures.

In particular, the focus will be on identifying potential savings and optimizing processes in respect of selling, general and administration expenses. To an increasing extent, administrative tasks are to be centralized at the parent company for the purpose of improving cost structures. The aim is to curb administrative costs, which have seen an above-average increase over the course of the first nine months of 2013, and scale them back as a percentage of sales revenue.

Capex ratio returns to more normal levels

Based on current orders and scheduled project ramp-ups, the ElringKlinger Group will invest between 8 and 10 % of sales revenue during 2013 as a whole and the subsequent years. The investment ratio, which in previous years had been raised to as much as 17 % of Group sales revenue, will thus return to a more normal level.

After EUR 103.1 million in 2012, ElringKlinger has earmarked around EUR 100 million in 2013 for investments at Group level. These funds will be directed primarily at production buildings, new machinery and operating systems required for production ramp-ups and streamlining measures. As a general rule, newly acquired large-scale projects or the introduction of entirely new products may necessitate an increase in the investment budget.

The Asian sites operated by the Group will form the main focus of investment spending. At present, the Group is establishing a new plant at its future Korean site in Gumi. This factory will commence operations in 2014. Additional production capacities are being introduced in Suzhou, China, as well as a local development center. In the ASEAN region, meanwhile, further production systems are to be purchased for the new plant in Indonesia, which was officially opened in October 2013.

Increase in revenue and faster earnings growth expected for 2013

The Group anticipates that automobile production at a global level will expand only slightly in the year as a whole. While the Western European car market appears to have reached its nadir, there are as yet no signs of a fundamental recovery. The Group's operating margin for 2013 will be reduced to some extent by the as yet below-average aggregate profit margin of the entities acquired from Freudenberg. However, the dilutive effect is expected to be less pronounced compared to the previous year. At the same time, the E-Mobility division is currently facing substantial up-front expenses and start-up costs. This division will see the launch of several serial production projects at the end of the year, which will increasingly contribute to revenue over the course of 2014.

Against this background, the ElringKlinger Group plans to increase sales revenue by 5 to 7% in 2013 in terms of organic growth. Consequently, ElringKlinger anticipates that EBIT adjusted for non-recurring items will grow at a more pronounced percentage rate compared to sales revenue in 2013, taking the estimated figure to between EUR 150 and 155 million (EUR 136.0 million in 2012). Looking forward to the remainder of the financial year, revenue and EBIT growth may be positioned at the lower end of these ranges if the euro continues to appreciate significantly against other currencies that are of relevance to the Group.

Events after the Reporting Period

No significant events requiring disclosure occurred after the reporting period.

Dettingen/Erms, November 6, 2013

The Management Board

Dr. Stefan Wolf	Theo Becker	Karl Schmauder

ElringKlinger and the Capital Markets

Stock markets trend upwards

Despite a string of unfavorable headlines such as speculation that the US Federal Reserve would taper its program of quantitative easing, the ongoing crisis in Syria and a slowdown in the performance of many of the world's emerging economies, international stock markets remained upbeat over the course of the third quarter of 2013, albeit with signs of fluctuation. Germany's blue chip index DAX moved beyond the mark of 8,500 points to reach a new all-time high in September. Stock exchange prices were driven mainly by an improvement in leading economic indicators for the eurozone and the continuation of an expansive monetary policy by central banks.

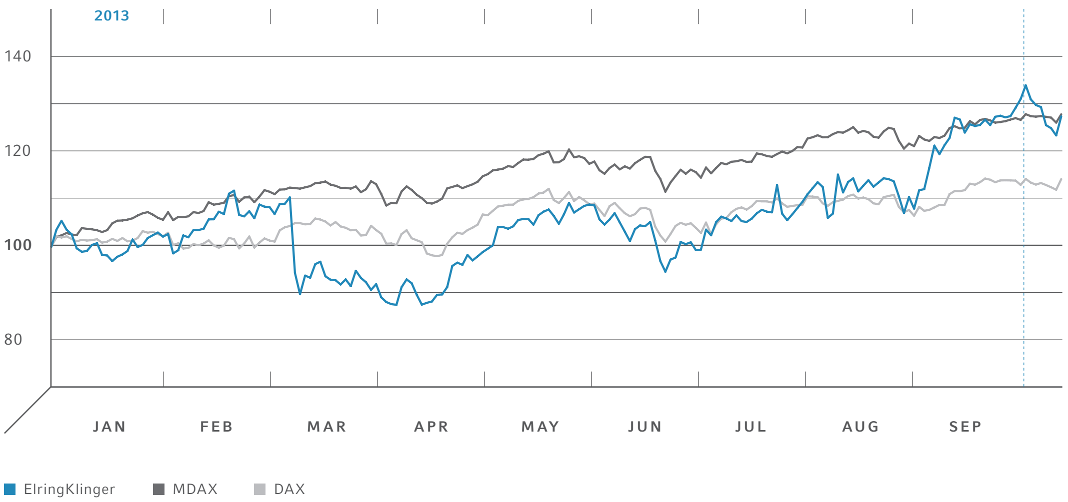
ElringKlinger shares reach new all-time high

With market conditions as a whole remaining bullish, prices for cyclical stock – which included automotive suppliers in particular – edged upwards during the third quarter. ElringKlinger's shares were given an additional boost by the company's solid financial results for the first half of the fiscal year and a visible improvement in profitability levels at its acquired entities, together with signs of greater stability within Europe's car markets.

In rising above the former all-time high recorded at the end of 2007, the company's stock managed to breach an important technical line of resistance of EUR 29.00, which was followed by a visible surge. At the end of the reporting period, the company's share price stood at EUR 33.26, a new high as of September 30, 2013. ElringKlinger AG's market capitalization thus rose well above the mark of EUR 2 billion.

ELRINGKLINGER'S SHARE PRICE PERFORMANCE (XETRA) SINCE JAN. 1, 2013

compared to MDAX and DAX



The company's share price increased by 29.7 % in the course of the third quarter. Since the beginning of the year, ElringKlinger shareholders have seen the value of their stock rise by 30.4 %. The company's stock has thus performed considerably better than the benchmark DAX and MDAX indices, which expanded by 12.9 % and 26.2 % respectively during the same period.

Trading volume down on previous year

The average daily trading value of ElringKlinger shares totaled EUR 2.3 (3.1) million in the first nine months of the year, which was lower than in the same period a year ago. Having said that, the stock's liquidity within the Small & Mid Cap segment was still relatively high. The average volume of shares traded per day in the year to date fell to 88,100 (143,400) units. However, this reduction in volume contrasts with a significantly higher average share price. The decline in the number of shares traded coincided with the downward trend in trading volumes on stock exchanges in general and an increase in the proportion of ElringKlinger shares traded via alternative exchanges and trading platforms.

A large proportion of the freefloat shares are held by investment companies with a long-term approach. In the third quarter, two further international funds exceeded the statutory disclosure threshold of 3 % with regard to interests held in ElringKlinger AG.

Investor Relations against the backdrop of the IAA

ElringKlinger organized a number of events for investors and media representatives at this year's International Motor Show in Frankfurt/Main – staged at the company's newly designed exhibition stand. Under the heading "It's all about Emissions", ElringKlinger showcased a number of newly developed products and outlined the latest technological trends within the automotive market. Additionally, the company presented its business model to analysts and investors attending the capital market conference held in parallel with the motor show.

Beyond this, ElringKlinger also engaged in a dialog with a number of shareholders and potential investors as part of on-site company meetings and telephone conferences as well as at several roadshows and conferences. The latter included events in Munich, Frankfurt, Paris, Brussels and Toronto as well as in the United States.

In October 2013, private shareholders were again given the opportunity to converse directly with the company's CEO Dr. Stefan Wolf as part of an online chat session. The 30-minute live chat event provides investors with a platform for online discussion. The company's CEO responds directly to questions that have been put to him. Using this forum, a number of private investors again took the opportunity to exchange their views with the company's management beyond the Annual General Meeting.

Silver for ElringKlinger's 2012 Annual Report

ElringKlinger's 2012 Annual Report received a silver medal at the renowned LACP Vision Awards in the "Automobiles & Components" category. The US-based League of American Communications Professionals (LACP) awarded 97 out of a possible 100 points for the company's annual report. The highly coveted design award is presented once a year in recognition of outstanding achievements in the field of financial communication, based on a number of criteria. Among the criteria assessed are first impression, report cover, report narrative and creativity as well as message clarity and information accessibility.

ELRINGKLINGER STOCK (ISIN DE 0007856023)

	Jan.–Sept. 2013	Jan.–Sept. 2012
Number of shares outstanding	63,359,990	63,359,990
Share price (daily closing price in EUR) [1]		
High	33.26	25.20
Low	22.46	17.51
Closing price on Sept. 30	33.26	20.59
Average daily trading volume (German stock exchanges; no. of shares traded)	88,100	143,400
Average daily trading value (German stock exchanges; in EUR)	2,349,700	3,107,000
Market capitalization at Sept. 30 (EUR millions)	2,107.4	1,304.6

[1] Xetra trading

Group Income Statement

of ElringKlinger AG, January 1 to September 30, 2013

	3rd Quarter 2013 EUR k	3rd Quarter 2012 EUR k	9 months 2013 EUR k	9 months 2012 EUR k
Sales revenue	**293,953**	**279,793**	**884,063**	**849,601**
Cost of sales	-207,128	-199,095	-630,796	-601,992
Gross profit	**86,825**	**80,698**	**253,267**	**247,609**
Selling expenses	-21,423	-20,679	-60,410	-60,189
General and administrative expenses	-12,840	-11,701	-37,681	-34,935
Research and development costs	-14,542	-14,377	-44,980	-44,744
Other operating income	3,612	3,242	8,766	8,029
Other operating expenses	-3,043	-635	-5,875	-2,693
Operating result	**38,589**	**36,548**	**113,087**	**113,077**
Finance income	1,109	1,988	7,498	7,634
Finance costs	-7,407	-5,562	-18,997	-18,467
Net finance costs	**-6,298**	**-3,574**	**-11,499**	**-10,833**
Earnings before taxes	**32,291**	**32,974**	**101,588**	**102,244**
Income tax expense	-9,845	-8,574	-25,924	-27,244
Net income	**22,446**	**24,400**	**75,664**	**75,000**
of which: attributable to non-controlling interests	-58	1,127	3,206	2,259
of which: attributable to shareholders of ElringKlinger AG	**22,504**	**23,273**	**72,458**	**72,741**
Basic and diluted earnings per share in EUR	**0.36**	**0.37**	**1.14**	**1.15**

Group Statement of Comprehensive Income

of ElringKlinger AG, January 1 to September 30, 2013

	3rd Quarter 2013 EUR k	3rd Quarter 2012 EUR k	9 months 2013 EUR k	9 months 2012 EUR k
Net income	**22,446**	**24,400**	**75,664**	**75,000**
Currency translation difference	-5,042	-824	-13,093	2,146
Gains and losses that can be reclassified to profit or loss in subsequent periods	**-5,042**	**-824**	**-13,093**	**2,146**
Other comprehensive income after taxes	**-5,042**	**-824**	**-13,093**	**2,146**
Total comprehensive income	**17,404**	**23,576**	**62,571**	**77,146**
of which: attributable to non-controlling interests	-1,015	960	3,155	2,786
of which: attributable to shareholders of ElringKlinger AG	**18,419**	**22,616**	**59,416**	**74,360**

Group Statement of Financial Position

of ElringKlinger AG, as at September 30, 2013

	Sept. 30, 2013 EUR k	Dec. 31, 2012 EUR k	Sept. 30, 2012 EUR k
ASSETS			
Intangible assets	138,846	135,989	133,703
Property, plant and equipment	586,326	565,000	557,188
Investment property	12,806	13,329	13,647
Financial assets	2,156	1,637	1,221
Non-current income tax assets	2,432	2,830	2,570
Other non-current assets	2,486	2,737	1,576
Deferred tax assets	27,290	29,552	21,068
Non-current assets	**772,342**	**751,074**	**730,973**
Inventories	249,403	229,586	240,957
Trade receivables	219,953	185,850	204,101
Current income tax assets	3,615	2,208	2,691
Other current assets	47,136	45,351	36,611
Cash and cash equivalents	60,873	54,273	64,078
Current assets	**580,980**	**517,268**	**548,438**
Non-current assets held for sale and discontinued operations	0	249	0
	1,353,322	1,268,591	1,279,411

	Sept. 30, 2013 EUR k	Dec. 31, 2012 EUR k	Sept. 30, 2012 EUR k
LIABILITIES AND EQUITY			
Share capital	63,360	63,360	63,360
Capital reserves	118,238	118,238	118,238
Revenue reserves	471,406	424,631	412,839
Other reserves	-10,587	3,048	24,117
Equity attributable to the shareholders of ElringKlinger AG	**642,417**	**609,277**	**618,554**
Non-controlling interest in equity	25,344	30,978	30,452
Equity	**667,761**	**640,255**	**649,006**
Provisions for pensions	103,006	101,559	80,378
Non-current provisions	10,764	11,121	7,935
Non-current financial liabilities	218,503	130,993	140,433
Deferred tax liabilities	44,089	46,781	45,025
Other non-current liabilities	3,801	10,149	11,309
Non-current liabilities	**380,163**	**300,603**	**285,080**
Current provisions	16,702	18,409	14,501
Trade payables	70,495	58,065	51,492
Current financial liabilities	141,302	183,716	197,846
Tax payable	13,489	11,513	15,314
Other current liabilities	63,410	56,030	66,172
Current liabilities	**305,398**	**327,733**	**345,325**
	1,353,322	1,268,591	1,279,411

Group Statement of Changes in Equity

of ElringKlinger AG, January 1 to September 30, 2013

	Share Capital EUR k	Capital reserves EUR k	Revenue reserves EUR k
Balance as of Dec. 31, 2011/Balance as of Jan. 1, 2012	**63,360**	**118,238**	**376,847**
Dividend distribution			-36,749
Purchase of shares from controlling interests			
Total comprehensive income			72,741
Net income			72,741
Other comprehensive income			
Balance as of Sept. 30, 2012	**63,360**	**118,238**	**412,839**
Balance as of Dec. 31, 2012/Balance as of Jan. 1, 2013[1]	**63,360**	**118,238**	**424,631**
Dividend distribution			-28,512
Change in scope of consolidated financial statements			391
Purchase of shares from controlling interests			2,438
Total comprehensive income			72,458
Net income			72,458
Other comprehensive income			
Balance as of Sept. 30, 2013	**63,360**	**118,238**	**471,406**

[1] A different presentation was selected for Other Reserves. Figures as of Dec. 31, 2012 have been adjusted.

Other reserves					
Actuarial gains and losses from pension commitments, net[1] EUR k	Equity impact of controlling interests EUR k	Currency translation differences[1] EUR k	Equity attributable to the shareholders of ElringKlinger AG EUR k	Non-controlling interests in equity EUR k	Group equity EUR k
-8,287	**-1,484**	**31,979**	**580,653**	**29,458**	**610,111**
			-36,749	-1,173	-37,922
	290		290	-619	-329
		1,619	74,360	2,786	77,146
			72,741	2,259	75,000
		1,619	1,619	527	2,146
-8,287	**-1,194**	**33,598**	**618,554**	**30,452**	**649,006**
-23,866	**-833**	**27,748**	**609,277**	**30,978**	**640,255**
			-28,512	-1,138	-29,650
21			412	67	479
	-614		1,824	-7,718	-5,894
		-13,042	59,416	3,155	62,571
			72,458	3,206	75,664
		-13,042	-13,042	-51	-13,093
-23,845	**-1,447**	**14,706**	**642,417**	**25,344**	**667,761**

Group Statement of Cash Flows

of ElringKlinger AG, January 1 to September 30, 2013

	3rd Quarter 2013 EUR k	3rd Quarter 2012 EUR k	9 months 2013 EUR k	9 months 2012 EUR k
Earnings before taxes	32,291	32,974	101,588	102,244
Depreciation/amortization (less write-ups) of non-current assets	18,347	20,698	55,017	60,486
Net interest	2,794	3,066	8,578	9,358
Change in provisions	-454	-2,175	-3,049	-1,371
Gains/losses on disposal of non-current assets	-19	-595	-1,549	-461
Change in inventories, trade receivables and other assets not resulting from financing and investing activities	-11,606	-10,493	-53,294	-43,233
Change in trade payables and other liabilities not resulting from financing and investing activities	-1,665	-547	12,245	-30,146
Income taxes paid	-10,783	-7,430	-28,993	-29,398
Interest paid	-2,405	-2,162	-6,428	-6,800
Interest received	91	55	206	155
Other non-cash expenses/income	5,241	685	2,485	1,629
Net cash from operating activities	**31,832**	**34,076**	**86,806**	**62,463**
Proceeds from disposals of property, plant and equipment, intangible assets and investment property	215	820	850	1,004
Proceeds from disposals of financial assets	354	402	569	1,583
Payments for investments in intangible assets	-2,485	-2,998	-6,573	-6,218
Payments for investments in property, plant and equipment and investment property	-25,328	-27,835	-75,440	-69,975
Payments for investments in financial assets	-393	-1	-958	-9
Payments for the acquisition of subsidiaries, less cash	0	0	-3,151	-1,315
Net cash from investing activities	**-27,637**	**-29,612**	**-84,703**	**-74,930**
Proceeds from non-controlling interests for the purchase of shares	0	0	98	0
Payments to non-controlling interests for the purchase of shares	-5,307	0	-5,896	-329
Dividends paid to shareholders and to non-controlling interests	0	0	-29,650	-37,924
Proceeds from the addition of financial liabilities*	12,978	-2,053*	107,922	71,601*
Payments for the repayment of financial liabilities*	-12,773	-1,429*	-65,811	-22,458*
Net cash from financing activities	**-5,102**	**-3,482**	**6,663**	**10,890**
Changes in cash	-907	982	8,766	-1,577
Effects of currency exchange rates on cash	-913	-436	-2,166	502
Cash at beginning of period	62,693	63,532	54,273	65,153
Cash at end of period	**60,873**	**64,078**	**60,873**	**64,078**

* A different presentation was selected for net cash from financing activities. Prior-year figures have been adjusted for comparability.

Group Sales by Region

	3rd Quarter 2013 EUR k	3rd Quarter 2012 EUR k	9 months 2013 EUR k	9 months 2012 EUR k
Germany	92,522	86,931	271,195	259,806
Rest of Europe	86,396	80,934	269,543	263,036
NAFTA	50,351	46,855	149,750	148,808
Asia and Australia	48,894	47,091	144,014	126,905
South America and other	15,790	17,982	49,561	51,046
Group	**293,953**	**279,793**	**884,063**	**849,601**

Segment Reporting

of ElringKlinger AG, July 1 to September 30, 2013

Segment	Original Equipment		Aftermarket		Engineered Plastics	
	2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k
Sales revenue	**233,293**	**221,316**	**33,771**	**32,103**	**23,709**	**23,406**
Intersegment revenue	4,679	6,049	0	0	67	18
Segment revenue[1]	**237,972**	**227,365**	**33,771**	**32,103**	**23,777**	**23,424**
EBIT[2]	**24,152**	**24,325**	**6,117**	**6,445**	**4,255**	**4,636**
Interest income	74	29	4	2	109	94
Interest expense	-2,496	-2,714	-313	-351	-160	-82
Earnings before taxes	**21,730**	**21,640**	**5,808**	**6,096**	**4,204**	**4,648**
Depreciation and amortization	-16,782	-19,264	-389	-347	-912	-757
Capital expenditures[3]	25,345	28,989	996	598	1,125	642

January 1 to September 30, 2013

Segment	Original Equipment		Aftermarket		Engineered Plastics	
	2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k
Sales revenue	**711,446**	**679,299**	**92,866**	**91,211**	**70,351**	**70,768**
Intersegment revenue	13,520	17,355	0	0	386	259
Segment revenue[1]	**724,966**	**696,654**	**92,866**	**91,211**	**70,737**	**71,027**
EBIT[2]	**78,478**	**76,234**	**18,444**	**20,521**	**11,440**	**13,057**
Interest income	183	106	10	9	294	304
Interest expense	-7,624	-8,398	-934	-1,013	-479	-247
Earnings before taxes	**71,037**	**67,942**	**17,520**	**19,517**	**11,255**	**13,114**
Depreciation and amortization	-50,406	-56,266	-1,080	-919	-2,739	-2,257
Capital expenditures[3]	72,902	70,318	1,704	1,728	4,087	2,700

[1] A different presentation was selected for segment revenue
[2] Earnings before interest and taxes
[3] Investments in intangible assets and property, plant and equipment and investment property

Industrial Parks		Services		Consolidation and other		Group	
2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k
1,289	**1,087**	**1,891**	**1,881**	**0**	**0**	**293,953**	**279,793**
10	52	1,151	1,152	-5,907	-7,271	0	0
1,299	**1,139**	**3,042**	**3,033**	**-5,907**	**-7,271**	**293,953**	**279,793**
112	**-51**	**448**	**684**			**35,084**	**36,039**
0	0	5	3	-100	-73	92	55
-15	-41	-1	-5	100	73	-2,885	-3,120
97	-92	452	682			32,291	32,974
-12	-103	-252	-227			-18,347	-20,698
8	68	339	536			27,813	30,833

Industrial Parks		Services		Consolidation and other		Group	
2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k	2013 EUR k	2012 EUR k
3,410	**3,170**	**5,990**	**5,153**	**0**	**0**	**884,063**	**849,601**
85	380	3,207	3,266	-17,198	-21,260	0	0
3,495	**3,550**	**9,197**	**8,419**	**-17,198**	**-21,260**	**884,063**	**849,601**
280	**287**	**1,524**	**1,502**			**110,166**	**111,601**
3	1	14	10	-298	-275	206	155
-44	-116	-1	-13	298	275	-8,784	-9,512
239	172	1,537	1,499			101,588	102,244
-33	-304	-759	-740			-55,017	-60,486
47	197	3,273	1,250			82,013	76,193

Notes to the Third Quarter and First Nine Months of 2013

ElringKlinger AG is an exchange-listed stock corporation headquartered in Germany.

The accompanying condensed consolidated interim financial statements of ElringKlinger AG and its subsidiaries as of September 30, 2013, have been prepared on the basis of IAS 34 (Interim Financial Reporting). The interim financial statements conform with the International Financial Reporting Standards (IFRS), including the Interpretations issued by the IFRS Interpretations Committee, as adopted by the European Union.

As the consolidated interim financial statements are presented in a condensed format, the financial statements as of September 30, 2013, do not include all information and disclosures required under IFRS for annual consolidated financial statements.

The consolidated interim financial statements have not been audited. They were authorized for issue based on a resolution passed by the Management Board on November 6, 2013.

Basis of reporting

The following new or amended Standards and Interpretations issued by the IASB were to be applied to the consolidated interim financial statements for the first time:

IFRS 7 – Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendment to IFRS 7 necessitates additional disclosures in the notes with regard to the offsetting of financial instruments. To the best of our knowledge at present, the amended version of IFRS 7 will have no significant effects on the presentation of the Group's financial position, financial performance and cash flows.

IFRS 13 – Fair Value Measurement

The requirements for the measurement of fair value, which had previously been dispersed across several International Financial Reporting Standards, were brought together in a single Standard and replaced by consistent regulations. IFRS 13 is to be applied prospectively for annual periods beginning on or after January 1, 2013. To the best of our knowledge at present, first-time application will not give rise to any material changes to the measurement of assets and liabilities. The changes will apply in particular to the notes to the consolidated financial statements. All information pertaining to the market values of financial instruments as well as the categorization of financial instruments, which previously only had to be disclosed in the notes relating to the financial statements for the annual period as a whole, must now also be disclosed as part of interim financial reporting.

IAS 19 – Employee Benefits

Owing to an amendment to the definition of "termination benefits", top-up amounts relating to partial retirement obligations may no longer be classified as "termination benefits" but rather as other long-term employee benefits. In future, therefore, associated expenses may not be recognized immediately in full but rather pro rata temporis. As a result of the associated changes to the recognition of part-time retirement obligations, provisions for part-time retirement obligations within the ElringKlinger Group would have decreased from EUR 4,119k to EUR 3,342k as of December 31, 2012, and earnings before taxes would have increased by EUR 777k.

Beyond this, the accounting policies applied to the consolidated interim financial statements for the first nine months of 2013 correspond to those used in the consolidated financial statements for the financial year ended December 31, 2012.

For a detailed description of the basis of preparation and accounting policies, please refer to the notes to the consolidated financial statements of the 2012 Annual Report published by ElringKlinger AG.

The cost-of-sales (also referred to as function-of-expense) method has been applied when preparing the Group income statement. The presentation currency of the ElringKlinger Group is the euro.

Scope of consolidated financial statements

Alongside the interim financial statements of ElringKlinger AG, the interim financial statements as of September 30, 2013, include the interim financial statements of six domestic and 26 foreign entities in which ElringKlinger AG holds more than 50 % of the interests, either directly or indirectly.

On April 8, 2013, ElringKlinger Engineered Plastics North America, Inc., USA, a subsidiary of ElringKlinger Kunststofftechnik GmbH, Germany, was established.

On April 29, 2013, KOCHWERK Catering GmbH, with its registered office in Dettingen/Erms, Germany, was established. ElringKlinger AG holds 100 % of the interests in this entity.

Effective from May 10, 2013, HURO Invest S.R.L., Timisoara, Romania, was merged into HURO Supermold S.R.L., Timisoara, Romania.

In the third quarter of 2013, Hummel-Formen GmbH, with its registered office in Lenningen, Germany, was merged into ElringKlinger AG with economic effect as of January 1, 2013.

The joint-venture enterprise ElringKlinger Marusan Corporation, Tokyo, Japan, together with its subsidiaries, has been included in the interim report on the basis of proportionate consolidation, in accordance with IAS 31. In the case of proportionate consolidation, all assets and liabilities as well as expenses and income of the joint ventures are included in the consolidated financial statements at the proportionate interest held (50 %). On April 19, 2013, an additional subsidiary of ElringKlinger Marusan Corporation, by the name of ElringKlinger (Thailand) Co. Ltd., Thailand, was established.

Acquisition of non-controlling interests

In the first quarter, with effect as of January 1, 2013, ElringKlinger AG acquired the former non-controlling interests of 49 % relating to the subsidiary ElringKlinger South Africa (Pty) Ltd., with its registered office in Johannesburg, South Africa. The purchase price amounted to EUR 589k and was recognized directly in equity. Since the conclusion of this transaction, ElringKlinger AG has held 100 % of the ownership interests.

In the third quarter, with economic effect as of January 1, 2013, ElringKlinger AG acquired the former non-controlling interests of 10 % relating to Elring Parts Ltd., operating from its registered office in Gateshead, United Kingdom. The purchase price amounted to EUR 701k and was recognized directly in equity. Since the conclusion of this transaction, ElringKlinger AG has held 100 % of the ownership interests. If the transaction had not occurred with retrospective economic effect as of January 1, 2013, the share in net income attributable to the non-controlling interest would have been EUR 58k.

In the third quarter, with economic effect as of January 1, 2013, ElringKlinger AG acquired the former non-controlling interests of 25 % relating to the subsidiary Hug Engineering AG, with its registered office in Elsau, Switzerland. The purchase price amounted to EUR 4,606k and was recognized directly in equity. Since the conclusion of this transaction, ElringKlinger AG has held 93.67 % of the ownership interests. If the transaction had not occurred with retrospective economic effect as of January 1, 2013, the share in net income attributable to the non-controlling interest would have been EUR 645k.

Interests acquired in stages

In the first quarter, with effect as from February 1, 2013, ElringKlinger AG acquired the interests of 50 % relating to ElringKlinger Korea Co., Ltd., Changwon, South Korea. Since the conclusion of this transaction, ElringKlinger AG has held 100 % of the ownership interests. The purchase price amounted to EUR 4,266k. The costs related to the transaction, amounting to EUR 107k to date, were recognized as general and administrative expenses.

The assets and liabilities of the acquired interests were measured at their fair value as of the date of acquisition.

Based on preliminary calculations, the business combination resulted in goodwill amounting to EUR 4,915k. It has been allocated to the Original Equipment segment. Goodwill is not tax deductible.

Due to the consolidation of the entity, Group revenue increased by EUR 3,769k and earnings before taxes by EUR 18k as of September 30, 2013. Had the acquisition become effective as early as January 1, 2013, estimates conducted by management suggest that consolidated revenue would have totaled EUR 4,237k and consolidated net income would have amounted to EUR 39k.

The preliminary allocation of the purchase price to assets and liabilities is presented in the table below:

EUR k	IFRS carrying amount at date of purchase	Purchase price allocation	Fair value at date of purchase
Intangible assets	-	82	82
Property, plant and equipment	2,164	-	2,164
Financial assets	212	-	212
Deferred tax assets	289	-	289
Inventories	2,155	-	2,155
Trade receivables	2,033	-	2,033
Other current assets	1,278	-	1,278
Cash and cash equivalents	2,231	-	2,231
Total assets	**10,362**	**82**	**10,444**
Provisions	164	-	164
Deferred tax liabilities	-	16	16
Current trade payables	6,255	-	6,255
Current provisions	68	-	68
Tax liabilities	11	-	11
Other current liabilities	293	-	293
Total liabilities	**6,791**	**16**	**6,807**
Net assets	**3,571**	**66**	**3,637**

EUR k			**February 1, 2013**
Purchase price of interests 50 %			4,266
Fair value of previously held interests 50 %			4,266
Retained profits brought forward January 2013 50 %			20
Measurement basis for goodwill			**8,552**
Goodwill			4,915

The fair value adjustments in respect of intangible assets relate to the profit margins contained within the existing order backlog at the date of acquisition as well as the thus resulting tax effects in connection with deferrals.

The interests in ElringKlinger Korea Co., Ltd., which were recognized on a proportionate basis at the date of acquisition, were remeasured on acquiring the remaining interests at their fair value of EUR 4,266k. Goodwill arising on the aforementioned acquisition was paid primarily in respect of the positive earnings prospects as well as the anticipated synergies.

The transition to full consolidation resulted in non-cash accounting income of EUR 1,413k, which was recognized as other operating income.

No contingent liabilities were identified during the acquisition procedure. No impairments were recognized in respect of trade receivables.

The fair values presented for the respective assets and liabilities are provisional. A definitive valuation of the assets and liabilities has yet to be made.

Exchange rates

Exchange rates developed as follows:

Currency	Abbr.	Closing rate Sept. 30, 2013	Closing rate Dec. 31, 2012	Average rate Jan.–Sept. 2013	Average rate Jan.–Dec. 2012
US-Dollar (USA)	USD	1.35050	1.31940	1.31841	1.29284
Pound (United Kingdom)	GBP	0.83605	0.81610	0.85381	0.81163
Swiss Franc (Switzerland)	CHF	1.22250	1.20720	1.22867	1.20428
Canadian Dollar (Canada)	CAD	1.39120	1.31370	1.35486	1.29058
Real (Brazil)	BRL	3.04060	2.70360	2.81248	2.53343
Mexican Peso (Mexico)	MXN	17.84620	17.18450	16.88987	16.94385
RMB (China)	CNY	8.26450	8.22070	8.12487	8.14721
WON (South Korea)	KRW	1,451.84000	1,406.23000	1,459.67333	1,447.12500
Rand (South Africa)	ZAR	13.59850	11.17270	12.67907	10.57579
Yen (Japan)	JPY	131.78000	113.61000	127.14000	103.49667
Forint (Hungary)	HUF	298.15000	292.30000	298.01889	288.18167
Turkish Lira (Turkey)	TRY	2.75100	2.35510	2.48728	2.31404
Leu (Romania)	RON	4.46200	4.44450	4.40377	4.45736
Indian Rupie (India)	INR	84.84400	72.56000	76.38278	69.00309
Indonesian Rupiah (Indonesia)	IDR	15,425.27000	12,713.97000	13,409.43333	12,123.76333
Bath (Thailand)	THB	42.26400	40.34700	40.18667	40.05708

Disclosures relating to financial instruments

This section provides a comprehensive overview of the significance of financial instruments and offers additional information on line items of the statement of financial position containing financial instruments.

The following table shows the carrying amounts (CA) and fair values (FV) of financial assets:

	Trade receivables/Cash		Derivatives		Other financial instruments		Total
	CA EUR k	FV EUR k	CA EUR k	FV EUR k	CA EUR k	FV EUR k	CA EUR k
as of Sept. 30, 2013							
Cash and cash equivalents	60,873	60,873	0	0	0	0	60,873
Loans and receivables	219,953	219,953	0	0	4,156	4,156	224,109
held to maturity	0	0	0	0	2,079	2,071	2,079
held for trading	0	0	250	250	0	0	250
available for sale	0	0	0	0	27	27	27
Total	**280,826**	**280,826**	**250**	**250**	**6,262**	**6,254**	**287,338**
as of Dec. 31, 2012							
Cash and cash equivalents	54,273	54,273	0	0	0	0	54,273
Loans and receivables	185,850	185,850	0	0	4,621	4,621	190,471
held to maturity	0	0	0	0	1,386	1,423	1,386
held for trading	0	0	25	25	0	0	25
available for sale	0	0	0	0	508	508	508
Total	**240,123**	**240,123**	**25**	**25**	**6,515**	**6,552**	**246,663**

The fair value of cash as well as loans and receivables corresponds to the carrying amount. This is attributable to the short maturity of such instruments. ElringKlinger measures the fair value of held-to-maturity investments at the market rate observed in an active market. Available-for-sale assets are marked to market.

Financial assets include time deposits amounting to EUR 1,353k.

The following table shows the carrying amounts (CA) and fair values (FV) of financial liabilities:

	Trade payables		Liabilities from finance leases		Other financial liabilities		Total
	CA EUR k	FV EUR k	CA EUR k	FV EUR k	CA EUR k	FV EUR k	CA EUR k
as of Sept. 30, 2013							
Trade payables	70,495	70,495	0	0	0	0	70,495
Financial liabilities	0	0	330	330	359,475	359,889	359,805
Financial liabilities measured at acquisition cost	**70,495**	**70,495**	**330**	**330**	**359,475**	**359,889**	**430,300**
held for trading*	0	0	0	0	393	393	393
Financial liabilities measured at fair value through profit or loss	**0**	**0**	**0**	**0**	**393**	**393**	**393**
as of Dec. 31, 2012							
Trade payables	58,065	58,065	0	0	0	0	58,065
Financial liabilities	0	0	567	567	314,142	320,287	314,709
Financial liabilities measured at acquisition cost	**58,065**	**58,065**	**567**	**567**	**314,142**	**320,287**	**372,774**
held for trading*	0	0	0	0	227	227	227
Financial liabilities measured at fair value through profit or loss	**0**	**0**	**0**	**0**	**227**	**227**	**227**

* These are derivatives that do not qualify for hedge accounting.

The fair value of trade payables and other current financial liabilities corresponds to the carrying amount. ElringKlinger determines the market value of non-current fixed-interest liabilities to banks, finance lease liabilities and derivatives by discounting expected future cash flows with the current prevailing interest rates for similar financial liabilities with comparable residual terms and the company-specific interest rate.

Financial assets and liabilities measured at fair value are classified into the following three-level fair value hierarchy:

	Level 1 EUR k	Level 2 EUR k	Level 3 EUR k
Financial assets			
available for sale	27	0	0
held for trading*	0	250	0
Total	**27**	**250**	**0**
Financial liabilities			
available for sale	0	0	0
held for trading*	0	393	0
Total	**0**	**393**	**0**

* These are derivatives that do not qualify for hedge accounting.

The levels of the fair value hierarchy are defined as follows:
- Level 1: Measurement based on quoted prices
- Level 2: Measurement based on inputs for the asset or liability that are observable in active markets either directly or indirectly
- Level 3: Measurement based on inputs for assets and liabilities not representing observable market data

Contingencies and related-party disclosures

The contingencies and related-party relationships disclosed in the consolidated financial statements for 2012 were not subject to significant changes in the first nine months of 2013.

Government grants

As a result of government grants received in respect of development projects, other operating income rose by EUR 4,027k in the first nine months of 2013, of which a total of EUR 2,193k was attributable to the first half of 2013.

Other information

In connection with a warranty incident, ElringKlinger AG and the customers concerned concluded a settlement agreement in 2011 for the payment of an amount totaling EUR 24.4 million. The warranty case relates to gaskets supplied at the beginning of 2008. A partial amount of EUR 17.4 million was paid in 2011. A further part payment of EUR 5.0 million was made in the first quarter of 2012, while another part payment of EUR 1.0 million was made in the second quarter of 2012. The remaining payment of EUR 1.0 million was made in the second quarter of 2013. In parallel, ElringKlinger AG has a claim against its primary insurer and excess carrier for the same amount, of which EUR 10.0 million was already settled in 2011. Settlement of the remaining amount claimed has not yet occurred. Therefore, ElringKlinger has filed suit. The proceedings have yet to be concluded. ElringKlinger continues to anticipate that this claim will be settled in full.

Events after the reporting period

There were no significant events after the end of the interim reporting period that necessitate additional explanatory disclosure.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Dettingen/Erms, November 6, 2013

The Management Board

Dr. Stefan Wolf   Theo Becker   Karl Schmauder

Print CO2 compensated Id-No. 1333183 www.bvdm-online.de

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This report was published on November 6, 2013, and is available in German and English. Only the German version shall be legally binding.

Financial Calendar

MARCH 28, 2014
Annual Press Conference, Stuttgart
Analysts' Meeting, Frankfurt/Main

MAY 16, 2014
109th Annual General Shareholders' Meeting, Stuttgart

Calendar Trade Fairs 2013

DECEMBER 3 – 4, 2013
12th International CTI Symposium and Exhibition Innovative Automotive Transmissions, Hybrid & Electric Drives, Berlin

DECEMBER 3 – 6, 2013
EuroMold, World Fair for Moldmaking and Tooling, Design and Application Development, Frankfurt/Main

If you would like to receive our interim reports by e-mail please send your details to: stephan.haas@elringklinger.com or give us a call at Phone + 49 (0) 71 23/724-137

Further information is available at www.elringklinger.com

ElringKlinger AG
Max-Eyth-Straße 2
D-72581 Dettingen / Erms
(Germany)