



UMS United Medical Systems International AG i. L.

Quarterly Financial Report May 1 to July 31, 2015

Contents

Key Indicators 3

To our Shareholders 4

Earnings Position 4

Financial Condition, Assets and Liabilities 4

Outlook, Opportunities and Risk Report 5

Balance Sheet 6

Income Statement 8

Cash Flow Statement 9

Statement of Changes in Equity 10

Notes 11

Legal Notice 12

Key Indicators

| | | May 1 to July 31, 2015 | January 1 to March 31, 2015 |
|------------------------|---------|---------------------------|--------------------------------|
| Earnings per share | € | 0,00 | -0,03 |
| | | July 31, 2015 | March 31, 2015 |
| Number of employees | | 1 | 1 |
| Net financial position | mill. € | 15,8 | 48,4 |
| Total equity | mill. € | 14,9 | 48,7 |
| Outstanding Shares | in k. | 4.282 | 4.282 |
| Market Capitalisation | mill. € | 15,6 | 44,0 |

Financial Calendar

November 30, 2015

Annual Shareholders Meeting, Hamburg

December 14, 2015

6- Month Report 2015 / 2016

Letter to the Shareholders

Dear Shareholders,

The liquidation of UMS AG began on May 1, 2015. First, the notice to creditors was published in the electronic version of the Federal Gazette on May 6, 2015. By law, the ensuing one-year waiting period before the company can distribute its remaining assets will thus end on May 6, 2016. The liquidator and his team have also taken all actions and steps to complete the liquidation of UMS AG as quickly as possible. The liquidation progressed according to plan in the first quarter of 2015 / 2016.

I would like to thank everyone for their work and for their trust and support in the first quarter of the liquidation.

Signed Jorgen Madsen

Liquidator

Earnings

No material expenses were incurred in the liquidation phase that were not covered by the provision established for expenses during the liquidation. Therefore the Earnings Position is not comparable with Q1 2015. The interest and other income related to the cash invested in a term deposit for one quarter. The interest is payable as the respective tranches mature. As a result the coupon payments are shown under other receivables.

Financial Condition

The other assets of €377k primarily relate to a sales tax receivable from the fourth quarter of 2014. The bank balances fell by €250k from May 1 and now amount to €15.8 million. Accordingly, the other provisions and the trade payables decreased as well. The equity amounted to €14,950k, following €14,945k at the beginning of the liquidation period. That corresponds to an equity ratio of 93%.

Report on Risks and Opportunities, Forecast

The Company is not aware of any matters that would result in a change in the material forecasts and other statements made in the last management report on the progress of the liquidation of the Company during the current fiscal year. The statements on risks and opportunities made in the annual report for the short fiscal year from January 1 to April 30 2015 remain unchanged.

If the liquidation continues to proceed as planned, the Company believes that the liquidation will be complete in the late summer of 2016.

UMS United Medical Systems International AG, Hamburg
Balance Sheet as of July 31, 2015

| ASSETS | July 31 2015 € | April 30 2015 € |
|---|-------------------------------|--------------------------------|
| A. Non-current assets | | |
| Tangible Assets | | |
| Other Equipment | 671,66 | 761,06 |
| | <u>671,66</u> | <u>761,06</u> |
| B. Current Assets | | |
| I. Receivables Trade and other Receivables | | |
| Other Receivables | 376.950,35 | 446.643,73 |
| thereof due after more than one year | | |
| € 21,909.7€ | | |
| | <u>376.950,35</u> | <u>446.643,73</u> |
| II. Cash, Cash in Banks | <u>15.768.382,99</u> | <u>16.016.781,99</u> |
| | 15.768.382,99 | 16.016.781,99 |
| C. Deferred Charges and Prepaid Expenses | <u>14.437,84</u> | <u>0,00</u> |
| | 14.437,84 | 0,00 |
| | <u><u>16.160.442,84</u></u> | <u><u>16.464.186,78</u></u> |

UMS United Medical Systems International AG, Hamburg
Balance Sheet as of July 31, 2015

| EQUITY AND LIABILITIES | | July 31 2015 € | April 30 2015 € |
|-----------------------------------|-------------------------|-------------------------------|--------------------------------|
| A. Equity | | | |
| I. Common Stock | Share Capital | 6.016.261,00 | 6.016.261,00 |
| | Treasury Shares | 601.426,56 | 601.426,56 |
| | | <u>5.414.834,44</u> | <u>5.414.834,44</u> |
| II. Capital Reserve | | 11.120.348,82 | 11.120.348,82 |
| III. Accumulated loss | | <u>-1.585.443,53</u> | <u>-1.590.631,14</u> |
| | | 14.949.739,73 | 14.944.552,12 |
| B. Provisions and Accruals | | | |
| | Other Accruals | <u>1.197.365,01</u> | <u>1.338.965,00</u> |
| | | 1.197.365,01 | 1.338.965,00 |
| C. Liabilities | | | |
| 1. | Trade Accounts payables | 13.338,10 | 170.871,79 |
| 2. | Other Liabilities | <u>0,00</u> | <u>9.797,87</u> |
| | | 13.338,10 | 180.669,66 |
| | | <u>16.160.442,84</u> | <u>16.464.186,78</u> |

UMS United Medical Systems International AG i.L., Hamburg
Income Statement for the Period from May 1 to July 31, 2015

| | May 1 to July 31, 2015 | January 1 to March 31, 2015 |
|--|-----------------------------------|--|
| | € | € |
| 1. General and Administrative Expenses | -89,40 | -146.843,03 |
| 2. Other operating Income | 1,44 | 1,44 |
| thereof from currency exchange € 1.44 | | |
| 3. Other operating Expenses | -91,10 | -18.001,34 |
| 4. Interest and similar Income | 5.366,67 | 29.533,33 |
| 5. Interest and similar Expenses | 0,00 | -207,81 |
| 5. Result from ordinary Operations | 5.187,61 | -135.517,41 |
| 6. Profit / Loss for the Period | 5.187,61 | -135.517,41 |
| 7. Loss / Profit Carried Forward | -1.590.631,14 | 32.268.814,47 |
| 8. Accumulated loss / gain | -1.585.443,53 | 32.133.297,06 |

UMS United Medical Systems International AG i.L., Hamburg
Cash Flow Statement
for the Period from May 1, 2015 to July 31, 2015

| | May 1, till July 31, 2015 € | January 1, till March 31, 2015 € |
|---|--|---|
| Profit / Loss for the Period | 5.188 | -135.517 |
| Adjustment to reconcile profit for the year to net cash flows: | | |
| Depreciation | 89 | 89 |
| Working Capital adjustments: | | |
| Increase(-)/Decrease(+) in Prepaid expenses and other current assets | 55.256 | -47.346 |
| Increase(+)/Decrease(-) in trade payables | -157.534 | -374.660 |
| Increase(+)/Decrease(-) in other accrued expenses and current liabilities | -151.398 | -89.750 |
| = Net cash provided by operating activities | -248.399 | -647.184 |
| = Net cash used for investing activities | 0 | 0 |
| Payments for own Shares | 0 | -4.993.895 |
| = Net cash used in financing activities | 0 | -4.993.895 |
| Net increase/decrease in cash and cash equivalents | -248.399 | -5.641.079 |
| + Cash and cash equivalents at beginning of the period | 16.016.782 | 54.017.368 |
| = Cash and cash equivalents at end of period | 15.768.383 | 48.376.289 |
| | 0 | 0 |
| Additional information on cash flows | | |
| Payments for interest | 0 | 0 |
| Proceeds from interest | 3.053 | 0 |
| Payments for taxes on income | 0 | 0 |

UMS United Medical Systems International AG i. L., Hamburg
Statement of Changes in Equity

| | Share Capital € | Additional Paid-in Capital € | Earning Reserve- Other Reserve | Accumulated gain/deficit € | Total Equity € |
|----------------------------------|-----------------------|------------------------------------|-----------------------------------|----------------------------------|----------------------|
| Balance January 1, 2015 | 6.016.261 | 11.120.349 | 4.392.468 | 32.268.814 | 53.797.892 |
| Share Buy Back | -601.427 | | | | -601.427 |
| Comprehensive Income | | | | -135.517 | -135.517 |
| Use Up of Earning Reserve- Other | | | -4.392.468 | | -4.392.468 |
| Balance March 31, 2015 | 5.414.834 | 11.120.349 | 0 | 32.133.297 | 48.668.480 |
| Balance May 1, 2015 | 5.414.834 | 11.120.349 | 0 | -1.590.631 | 14.944.552 |
| Comprehensive Income | | | | 5.188 | 5.188 |
| Balance July 31, 2015 | 5.414.834 | 11.120.349 | 0 | -1.585.444 | 14.949.739 |

Notes

Accounting Principles

The interim report at July 31, 2015 was prepared in accordance with the statutory provisions, as was the report on the short fiscal year from January 1, 2015 to April 30, 2015. The Company is capital market oriented within the meaning of § 264d of the German Commercial Code and is therefore considered a large corporation under § 267(3) of the German Commercial Code.

The Company is exempt from the requirement to prepare consolidated financial statements under §290(5) of the German Commercial Code, because its only subsidiary, Neuromed Italia S.r.L, Italy, is in liquidation and no longer does business, and thus, pursuant to § 296 of the German Commercial Code, it is not to be included in consolidated financial statements.

The following information should be read in conjunction with the audited financial statements for the short fiscal year, the notes and the management report at April 30, 2015 contained in our annual report.

The accounting principles explained in the notes to the annual financial statements for the short fiscal year ended April 30, 2015 were used to prepare this report. For the prior period figures of the balance sheet, the figures from the last published balance sheet as of April 30th 2015 were taken. The prior period figures of the p&l-, cash flow- and changes in equity statement are the last published Q1 figures for the period from January 1st to March 31st 2015.

Events after the balance sheet date

There were no events that could have a material effect on the Company's assets, financial position or earnings and would thus have to be reported.

Shares held by members of the governing bodies

| | Number of Shares held | |
|--------------------------|------------------------------|--------------------------|
| | <u>directly</u> | <u>indirectly</u> |
| CEO / Liquidator | | |
| Jorgen Madsen | 320.965 | |
| Supervisory Board | | |
| Wolfgang Biedermann | | 269.667 |
| Dr. h.c. Norbert Heske | 33.084 | 33.084 |

Legal Notice

Forward-looking statements

This report contains forward-looking statements. These statements are based on current estimates and currently available information. They are not guarantees of future performance, involve certain risks and uncertainties that are difficult to predict and are based upon assumptions as to future events that may not be accurate. Many factors could cause the actual results, performance or achievements of UMS AG to be materially different from those that may be expressed or implied by such statements. We do not assume any obligation to update the forward-looking statements contained in this report.

Variations for technical reasons

For technical reasons (e.g. conversion of technical formats) there may be variations between the accounting documents contained in the financial statements and management report and those submitted to the electronic Federal Gazette (*Bundesanzeiger*). In this case, the version submitted to the electronic Federal Gazette shall be binding.

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