

Interim Financial Report for the 3rd Quarter and First Nine Months of 2012
For the period from January 1, 2012 to September 30, 2012

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Key Figures (unaudited)

€k	€ Tsd.	Q3/2012	Q3/2011	9M/2012	9M/2011
Revenues (A)	Umsatz (A)	7,275	7,402	20,809	20,937
Subcontracting and cost of materials (B)	Fremdkosten und Materialkosten (B)	991	1,060	2,116	2,964
Gross Profit (A – B)	Rohhertrag (A – B)	6,285	6,342	18,693	17,973
Gross Margin	Rohhertragsmarge	86.4%	85.7%	89.8%	85.8%
Operating Income (EBIT)	Operatives Ergebnis (EBIT)	370	30	584	497
Non-recurring Costs	Einmalkosten	0	0	0	0
EBIT after Non-recurring Costs	EBIT nach Einmalkosten	370	30	584	497
Operating Margin	Operative Marge	5.1%	0.4%	2.8%	2.4%
Income Before Tax (EBT)	Ergebnis vor Steuern	270	-81	512	208
Pre-tax Margin	Vorsteuerermarge	3.7%	n.a.	2.5%	1.0%
Net Income	Periodenergebnis	257	-81	425	208
Net Income Margin	Marge	3.5%	n.a.	2.0%	1.0%
Operating Cash Flow	Operativer Cashflow	1,822	2,211	1,758	1,142
Number of shares outstanding	Aktienanzahl	62,423,328	42,686,691	62,423,328	42,686,691
Earnings per Share (basic)	Ergebnis je Aktie (unverwässert)	0.00	0.00	0.01	0.01
Earnings per Share (diluted)	Ergebnis je Aktie (verwässert)	0.00	0.00	0.01	0.01
Solvability (Equity / Total Assets)	Solvabilität (Eigenkapital / Bilanzsumme)	29.3%	46.6%	29.6%	46.6%

To Our Shareholders

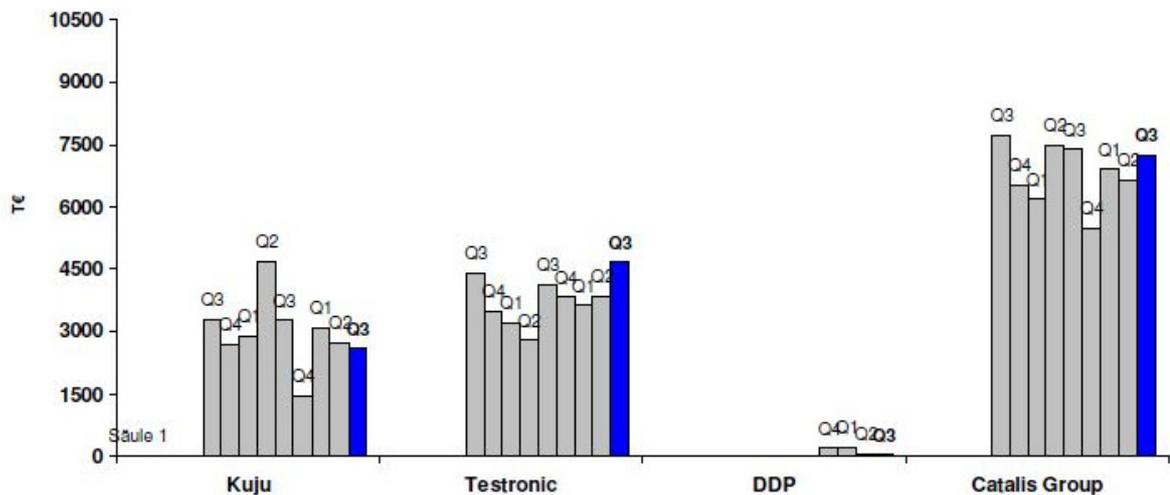
Third Quarter and Nine Month Result – The Turnaround continued to filter through to the Operating Result.

Despite difficult trading conditions in the video game industry and general uncertainties in the world economy we are proud to announce good results in revenues and EBIT. Our revenue has further grown with Q3 as the best quarter for the last nine months. The Catalis Group has achieved a turnaround in profitability as it can be seen in the diagrams below. Although Kuju had declining revenues during the last nine months, Testronic was able to straighten that for the group result. Our positive performance in Q3 shows that recent strategic measures have been effective.

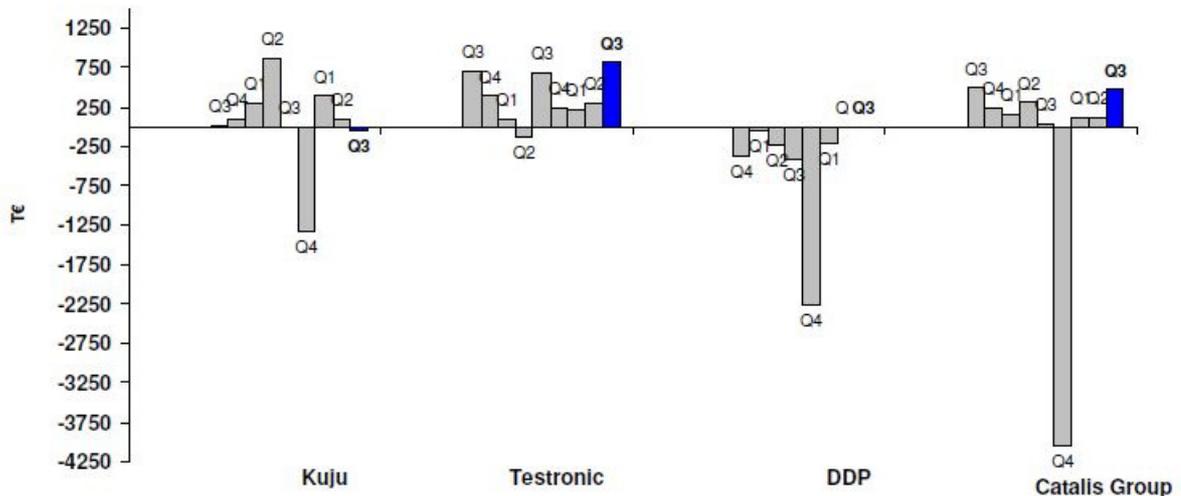
The volatile market environment made it a hard challenge for us to continue our growth and further strengthen our market position. But we have overcome that hurdle with great success and are willing to continue improving our operating and organisational processes in order to maintain growth in our business. This is a turnaround for our Group as we expect that our favourable trend will continue for the future.

To sum it up, we are confident that we have reached a turning point in our Group performance with the aim to follow that positive path. However, we still have to pay attention of developments in the video game industry and the economy in general.

Revenue Development per Quarter since 2010



EBIT Development per Quarter since 2010



For the first nine months of 2012, revenues of Catalis Group amounted to € 20.81m (2011: € 20.94m). This is a decrease of 0.6%. EBIT (operating income) before non-recurring costs was up to € 0.58m (2011: € 0.50m). There were no non-recurring costs. Including the financial result of € -0.07m (2011: € -0.29m), pre-tax earnings amounted to € 0.51m (2011: € 0.21m). Net income for the period amounted to € 0.43m (2011: € 0.21m). Earnings per share for the first nine months of the fiscal year 2012 amounted to € 0.01 (2011: € 0.01).

In the third quarter of the fiscal year 2012, revenues of Catalis Group were down 1.6% from € 7.40m in 2011 to € 7.28m. The EBIT increased from € 0.03m to € 0.37m. Earnings per share for the third quarter amounted to € 0.00 compared to € 0.00 for the third quarter of 2011.

Testronic Financials

For the first nine months of 2012, revenues at Testronic amounted to €12.11m (2011: €10.11m), an increase of 19.7% from the previous year. Testronic's EBIT for the first nine months of 2012, amounted to € 1.33m (2011: € 0.67m). Testronic has seen revenues for the third quarter of 2012 move up from € 4.12m in 2011 to € 4.65m. This represents an increase of 12.9%. Testronic generated an EBIT of € 0.82m (2011: €0.69m).

Recent highlights for Testronic in the first nine months of 2012 include:

- Testronic Labs has been selected by the Wireless Power Consortium (WPC) as the Qi interoperability testing center. The interoperability testing center keeps a library of all Qi-certified products and performs functional interoperability tests with these products on behalf of the WPC. Qi, the global standard for wireless charging, allows devices to be charged just by placing them on any Qi charging surface without connecting cords or wires.
- It has been selected by De Lijn to support a major digital upgrade to the official Flemish public transport system. De Lijn is the commercial name of the Vlaamse Vervoermaatschappij, an autonomous state enterprise responsible for urban and regional transport by bus and tram in Flanders. The upgrade, known as ReTiBo (Registration,

Ticketing, and On Board Computers), will revolutionize the system by providing important planning information, from ticketing to financial reporting and analysis.

- In March, Testronic has announced the completion of an expansion of their central London facility. The bigger footprint at the Testronic Borough High Street location includes new testing environments and offices.
- Also in March, Testronic published its membership of the Digital Entertainment Content Ecosystem (DECE) LLC. DECE is the cross-industry consortium responsible for developing UltraViolet an ecosystem delivering a new and compelling way to collect and enjoy home video entertainment. UltraViolet represents the next step for the home entertainment market. UltraViolet is based on open, licensable specifications and is designed by the DECE to create a viable, global digital marketplace.
- Testronic Labs has implemented a Veristream testing tool into its File-Based QC Lab that is designed by Deluxe Digital Studios. Deluxe Digital Studios is the world's largest provider of Blu-ray authoring services along with creative, subtitling, compression, and authoring for the home entertainment industry.
- In June, Testronic Labs received its fifth nomination for the Develop Industry Excellence Awards. For the fifth consecutive year, the division has earned a spot in the Services category.
- Also in June, Testronic was approved for USB SuperSpeed Certification. Now it is an official certification test lab for SuperSpeed USB testing. USB 3.0 is gaining worldwide acceptance, and is a crucial technology that enables transfer rates of up to 5Gbits per second.
- At the beginning of July, Testronic has signed a contract with a major social games publisher which is projected to increase staff levels by over 100 people by the second quarter next year.

Kuju Financials

In the first nine months of 2012, Kuju generated revenues of € 8.54m (2011: € 10.82m), representing a decrease of 21.0%. Kuju's EBIT for the first nine months of the fiscal year 2012 amounted to € 0.47m (2011: € 1.16m). In the third quarter of 2012, Kuju generated revenues of € 2.60m (2011: € 3.28m), representing a decrease of 20.7%. Regarding profit Kuju was breaking even (EBIT 2012: € -0.04m) as the year before (2011: € 0.0m).

Recent highlights for Kuju in the first nine months of 2012 include:

- In March, Kuju, Testronic Labs and Doublesix Digital Publishing unveiled FullCycle, an integrated, quality-focused services package for the development, digital publishing, and testing of video games. The combination of services creates an end-to-end development cycle for the games industry, which can streamline the entire process and increase savings for customers. FullCycle is a one-stop-shop that allows all the services necessary to make a game to be provided as a single product – including design, development, production, localisation, testing, publishing and marketing. It can handle all the relationships with digital distribution channels, hardware manufacturers, and suppliers, and provides efficiency, faster turnarounds, creative continuity, and improved workflow.
- Zoë Mode, a studio of Kuju, reported the release of a new title. Zoë Mode Entertainment in partnership with NanaOn-Sha and Microsoft announced the release of "Haunt" on Xbox Live Arcade. Developed in conjunction with NanaOn-Sha and Microsoft, Haunt is a first-

person adventure designed exclusively for Kinect. The game has already been a hit with the critics, who have praised the story, controls and humour.

- In April, Kuju announced the release of a new, original title from its Headstrong Games studio. Headstrong Games, in partnership with 505 Games, reported the release of 'Top Gun: Hard Lock' on Playstation® 3, Xbox 360 and PC. The game has received lavish praise in the gaming press, appreciated for its bold take on a license and as a great addition to the arcade flight combat genre.
- In the middle of fiscal year 2012, Kuju has created a new division Kuju Partners, to help independent games studios bring their titles to the market. Headed by Adrian Hawkins and supported by our new business development team, Kuju Partners has now signed an agreement with b.AND.x Studios run by Christian Bittler. b.AND.x is working on a major new game with a planned several million dollar budget. Kuju Partners leverages Kuju's experience to help games studios to monitor production, give technical advice, purchase game technologies at preferred rates and negotiate with publishers. For this Kuju Partners charges a fee based on the production budget and shares in the commercial success.

Doublesix Digital Publishing (DDP)

Doublesix Digital Publishing (DDP) is currently undergoing a restructuring process. The EBIT of DDP in the third quarter amounted to € 0.00m (2011: € -0.42m) and € -0.18m (2011: € -0.70m) for the first nine months.

Recent developments at Catalis in the third / fourth quarter:

In order to strengthen the company's capital base, Catalis SE announced on July 10, 2012 to increase its existing share capital of EUR 5,887,172.00 consisting of 58,871,720 shares with a nominal value of EUR 0.10 each by up to EUR 1,261,536.60 representing up to 12,615,366 new shares to up to EUR 7,148,708.60 representing up to 71,487,086 shares. The issue price per share was set at EUR 0.10 reflecting gross funds raised of up to approximately EUR 1.26 million. Any shares which were not subscribed for by existing shareholders were offered to institutional investors as part of a private placement. The subscription period ended on Thursday, July 26, 2012.

On August 09, 2012 Catalis SE announced the completion of its capital increase. A total number of 1,551,608 new shares were placed with private and institutional investors. Through this capital increase, the company's share capital rose from EUR 5,887,172.00 to EUR 6,042,332.80 divided into 60,423,328 shares at a nominal value of EUR 0.10 per share. The proceeds from this transaction amounted to approx. EUR 0.16 million. The expectations were not met, as a result of difficult conditions in the capital markets, especially the unsatisfactory development of the share price.

On August 15, we announced a private placement to raise up to €0.2 million. On August 20, the capital increase has been successfully completed. The new 2,000,000 shares from a capital increase against cash from authorized capital were offered to institutional investors. The shares were allocated at a price of € 0.10 per share. Through this capital increase, the company's share capital rose from € 6,042,332.80 to € 6,242,332.80 divided into 62,423,328 shares at a nominal value of € 0.10 per share. The proceeds from this transaction amounted to approx. € 0.2 million. The shares were issued via private placement to particular investors without pre-emptive rights. No pre-emptive rights trading took place.

There were the following personnel changes in the Management Board in the period under review: In August, Mr. Otto Dauer has announced his resignation from the Board of Directors at his own request for personal reasons. It is not intended to appoint a new member to the

management board to take Mr. Dauer's position. We also have been informed that Mr Seth Hallen has decided not to take on the proposed nomination of the Extraordinary General Meeting of Shareholders to act as a Non-Executive Board Member. Seth focuses on his activity as managing director of Testronic Labs. It is not intended to appoint a new member to the management board to take Seth's position.

At the end of October, the Ordinary General Meeting of Catalis SE took place in Eindhoven. In total, 6.1% of the company's share capital was represented at the meeting. All items of the agenda were approved unanimously by the attending shareholders. This includes especially the proposal to decrease the par value of each issued share from € 0.10 to € 0.01 without repayment to the shareholders and the proposal to consolidate the number of issued shares of the Company at a ratio 10:1 and to increase the par value per share from € 0.01 to € 0.10. The number of issued shares after the amendment is 6,242,333, each share with a par value of € 0.10.

Outlook

In the first nine months of 2012 we achieved a good result in spite of the current difficult market environment and we are progressing towards our business objectives as expected. We are well positioned in all company areas and have substantial potential for further increases.

We are very satisfied with the performance of Testronic Labs. The exceptionally good start in the second half of the year has outstripped our own expectations.

In October, video game retail sales fall 25 percent year-on-year in 11th straight month of decline - it is a really a tough year for the video game industry. Kuju is doing relatively well in spite of the general market trend. The result speaks for itself. Kuju will close out the financial year at a profit.

The long-awaited tax breaks for the games industry have begun to be translated into concrete action. The tax breaks have been announced by the government in March. Chancellor George Osborne said he planned to introduce corporation tax relief from April 2013 for the video games, animation and high-end television industries. UKIE has responded to the government tax relief consultations with its own demands for the scheme. UKIE is the British interest representation of the video game industry. The recommendations include a rate of 30 per cent with no minimum budget threshold, and that is open to everyone from the smallest indies to big studios. DLC and new business models should also be recognised by the scheme. So we would also benefit.

We work continuously to expand upon our expertise and to increase our efficiency in existing projects, while also identifying opportunities to enter new business fields.

The following new partnership was established in the third quarter of 2012: SocialGO, a listed UK company, has entered into a distribution agreement with Catalis Group. SocialGO is an online services provider that allows anyone to create and manage their online presence with a powerful, shiny website. The company offers two platforms - one aimed at those wanting to build a social network, and one for those who are more interested in building an online home for their existing group. Catalis Group acts as an agent for SocialGO, providing marketing, promotion and sales support, as well as financial and creative services. Through this partnership, we are acquiring access to new business fields.

Based on the results of the first nine months of 2012 and our expectations for the fourth quarter we expect full fiscal year 2012 revenues of approximately € 28.0m (2011: € 26.4m) and an EBIT between € 0.8m and € 1.2m (2011: loss of € 1.8m), a strong improvement over 2011 and 2010.

Catalis is looking forward to reporting on our progress in the months ahead and thank you for your continued support.

Yours sincerely

Dominic Wheatley (Executive Director)

Eindhoven, November 25, 2012

Introduction

Catalis SE yearly financial reporting is based on the International Financial Reporting Standards (IFRS) as adopted by the European Union. The consolidated condensed interim reporting for the nine months ending September 30, 2012 is prepared as an update of the business report focusing on the current reporting period and does not include all the information and disclosures required in the Annual Report. It should be read in conjunction with the consolidated Annual Report 2011.

Management Report

Market & Industry Environment

Video Games Industry

2012 was and is a difficult year for the video game industry: U.S. and European retail sales of video games have not been good at all this year, with monthly declines regularly in the double digits. It is expected that even big software this holiday (e.g. Halo, Call of Duty 2, Far Cry3) and the launch of the new console Wii U won't be enough to really reverse the damage done throughout the year.

The NPD Group has released its August retail sales report for the US market, and once again it was not a pretty sight, as total industry sales dropped 20 percent to \$515.6 million. Total software sales (including PC retail software) dropped 11 percent to \$252.8 million while hardware sales declined a sizable 39 percent to \$150.6 million. Accessories were also down seven percent to \$127.3 million. In September, the total industry sales (U.S.) fell 24 percent to \$848.3 million. Hardware sales plummeted 39 percent to \$210.9 million, while software sales (including physical PC titles) fell 14 percent to \$547.3 million. Accessories also dipped 11 percent to \$139.9 million. The month was dominated by the release of the title "Madden NFL 13", which quickly sold through 1.65 million copies in its first week on sale.

Analysts say that the industry really needs new consoles from Microsoft and Sony to push sales into positive territory again. But the analysts also expect a PS4 no later than November 2013, and a next Xbox no later than March 2014. "The current hardware systems are showing their age, so it goes without saying that it would be great to have new systems breathe life into traditional retail industry sales," said NPD industry analyst Anita Frazier.

This is corroborated by figures produced by Microsoft. Microsoft has announced its first-quarter earnings for the period ended on September 30. Shipments of the Xbox 360 console dipped from 2.3 million to 1.7 million units for the period. Overall, Xbox 360 platform revenue decreased \$418 million (24 percent), "due mainly to lower volumes of consoles sold and lower video game revenue, offset in part by higher Xbox LIVE revenue."

Nonetheless, there is also good news to report for this year: According to Nintendo, September saw a significant boost in 3DS software sales, up 89 percent year-over-year. The jump was led by New Super Mario Bros. 2, which topped 295,000 copies sold in its second month on shelves.

However, there is now something new to report: Nintendo has announced that the Wii U will launch in the US on November 18, with European consumers having to wait until November 30. The basic set will be sold for \$299 in the US, while a deluxe configuration will be sold for \$349. Analyst reactions to Nintendo's announcement were generally positive, and the pricing seemed to be in line with what was expected. Analysts were less sure about the long-term success of the platform, given the relative lack of information about when titles are launching exactly and the much more complicated market conditions in general.

And Sony released a new PlayStation 3 at the end of September, a 500GB model in a super-slim casing 25 per cent smaller than the current model. And finally the PlayStation Mobile store went live on October 3, offering 30 games to players in Japan, the US and Europe. PlayStation Mobile

is Sony's games offering for smartphone and tablet formats, running on the Android platform and previously known as PlayStation Suite.

The following figures bear that there is a significant interest in the video game industry. Mergers and acquisitions activity in the game sector during 2012 has broken all previous records, according to investment bank Digi-Capital. The firm's latest report finds that by the third quarter of 2012, the value of transactions is 105 per cent of all M&A activity in the previous year. In 2011 there were 113 M&A transactions generating \$3.4 billion, at an average value of \$30 million. That record has been smashed in the first three quarters of 2012, with 71 transactions generating \$3.6 billion in value and an average of \$51 million.

Finally, there were also many positive signs in the first nine months of 2012.

DVD & Blu-ray

The results for the home entertainment industry have so far been very satisfactory.

U.S. Consumer spending on home entertainment in the first nine months of this year is up 1% from the first nine months of 2011, according to the latest report from DEG: The Digital Entertainment Group. The lift — which reflects a slight 0.24% uptick in the third quarter after a 1.4% gain at the year's mid-year mark — is once again attributed to gains in Blu-ray Disc sales, subscription streaming and electronic distribution.

Meanwhile, DEG reported that UltraViolet registrations have surpassed 6 million. In March, Testronic published its membership of the Digital Entertainment Content Ecosystem (DECE) LLC. DECE is the cross-industry consortium responsible for developing UltraViolet an ecosystem delivering a new and compelling way to collect and enjoy home video entertainment. Thus we are even better prepared for a future in our core business.

As of September 30, 2012, U.S. consumers this year have spent an estimated \$12.342 billion on home entertainment, up from \$12.215 billion for the same period last year. The third quarter accounted for \$3.94 billion of this year's tally, compared with \$3.93 billion last year. Packaged-media sellthrough spending for DVD and Blu-ray Disc combined for the year is pegged at \$5.4 billion, down from \$5.6 billion in the first nine months of 2011 — a drop of just 3.8%, a far cry from the double-digit drops the industry saw in prior years. Factor in electronic sellthrough and the dropoff dwindles to 1.7%, with EST spending rising from \$406 million in the first nine months of 2011 to \$517 million in the same period this year — a gain of 27%. The DEG report says there were 2.8 million Blu-ray Disc players (including BD set-tops, PS3s and HTiBs) sold in the third quarter, up 5% from a year earlier. Total household penetration of all Blu-ray compatible devices now stands at close to 50 million U.S. homes.

The consumer behavior pattern of using media and information is continuously changing. More than a third of online consumers surveyed said they rented a movie disc in the past 30 days compared with 25% who streamed and 22% who purchased transactional video-on-demand, according to a new study. While a majority of consumers still rent movies on DVD and Blu-ray Disc from kiosks and video stores, that practice is changing among younger people. A research firm has found that streaming movies is more popular than physical discs among 18- to 24-year-olds. Overall, digital downloads, subscription streaming and VOD sales of movies are expected to increase tenfold in the 10-year period 2007 to 2017. From 2007 to 2012, sales more than quadrupled from \$1.3 billion to \$5.5 billion.

While it isn't making the headlines it was two years ago, 3D for the home is quietly catching on in U.S. households. The following figures are indicative in this context.

The week ended October 14, 20th Century Fox's movie "Prometheus", in its first week in stores, generated 25% of its unit sales (and 33% of Blu-ray sales) from the 3D version. Two weeks

earlier, Disney's movie "The Avengers" debut week included 23% of its unit sales from the 3D version. Some older titles have generated similar traction. Shipments of 3D displays will more than quadruple before 2020 over the 50.8 million units shipped in 2011, according to a new report from DisplaySearch. Revenue for 3D displays was \$13.2 billion in 2011, according to the research firm, but by 2019 that should grow to more than \$67 billion worldwide, with 226 million units shipped. "Despite some industry sentiment that the 3D bubble has burst, we expect 3D to continue to grow across several categories including TVs, portable devices and public displays," said a analyst of DisplaySearch. Today worldwide household penetration of 3DTV is about 10%. If DisplaySearch's forecast holds, before 2020 approximately half of all households will have a 3DTV. Therefore it is a fact that the 3D trend cannot be halted.

We are currently going on the assumption that the positive trend, observed over the past year, will continue.

Business Development

Segment Information

Testronic

The quality assurance business of Catalis SE is the historical core business of the group and is operated through the company's subsidiary Testronic, which runs the entire quality assurance operations through its internationally located sites.

Testronic specialises in quality control of any content (video film, video game, music, software) for any communication medium (DVD, Blu-ray, CD, online, wireless) for all end devices, ranging from DVD and Blu-ray players, personal computers and mobile devices to video game consoles and much more. Testronic is the leading testing service provider active in both the film and game industries.

The third quarter of 2012 was the best quarter in several years. The following factors were crucial:

The games division had another very good quarter with revenues up 91% on Q3 in 2011. The third quarter saw the start of a significant new relationship with the largest social games company in the world. The games market is still console heavy but there is more emphasis on casual and social games and the mobile platforms. Testronic is now well placed to ensure that it can make the most of this opportunity. Social and mobile gaming is becoming more prevalent and so presents a major opportunity for Testronic Labs. Testronic Labs is now working with some of the world's largest players in these spaces. Two major new clients pilot projects started in Q3, which will bring in significant additional revenues to the group in the coming years. We're consequently in a good position to face the future, and the business in the fields of social and mobile gaming.

Revenues in the film and TV testing segment decreased about 8% year-on-year. The revenues in the certification segment increased 42% year-on-year and the revenues in the hardware testing segment decreased slightly in Q3 2012 but increased in the first nine months of 2012 40% year-on-year. The European market has had exceptional quarterly results. E.g. within the Belgian market, hardware testing in particular has had a great start, revenues are 40% ahead of the nine months to September 2011. The U.S. market has had a more difficult period in the film and TV testing segment, its traditional market. However there are some big opportunities on the horizon in the non disc space, which we fully expect to capitalise on in the near future.

The social and mobile gaming trend is confirmed by recent surveys. PopCap Games, has announced the results of its latest survey of mobile games consumption which found an overall increase in the mobile games market, a broadening audience, new opportunities unlocked through tablets and new developments in play and spending habits. The survey found increases in overall usage and frequency of mobile game playing among U.S. and U.K. adults. Projections from the data indicate that there is now an addressable market of more than 125 million people playing mobile games in the U.S. and U.K. More people are playing mobile games: more than 4 in 10 (44%) of adults surveyed had played at least one mobile game in the past month – an increase of 29% compared to just a year ago. Almost half (46%) of all video game time is spent on a mobile device: Phones and computers are the most common game devices (33% and 32% respectively), with dedicated consoles trailing behind at 18%. Frequency and play time have increased since last year: The number of people who play daily is up by 29% in the last year, from 35% to 45%. In addition, 22% play more than 3 hours a week, compared to 14% in 2011. An encouraging conclusion can be derived from these figures - we are on the right way.

While the physical disc (DVD and Blu-ray) volume is slowly declining as consumer habits and the technology are changing, Testronic is currently positioned to become the premiere quality control company for emerging digital formats such as UltraViolet. Our division is anticipating the needs of

the Hollywood film studios with the next generation of Home Entertainment. But we also see it as an incentive to continue the development of our services to fulfill the high claim of our clients also in the future.

The investment activities of Testronic in plant & equipment is lower overall than 2011. Testronic has set up the file-based QC laboratory in the USA in 2011. However, excluding these investments, the investment activities on plant & equipment in the year 2012 is up caused by new projects.

The third quarter is traditionally the peak period for the games and film and TV sectors and this was the case this year. The third quarter 2012 exceeded the 2011 results and Q4 is also expected to exceed 2011 results and therefore Testronic expects to end the year significantly ahead of 2011 in both revenue and profit terms.

We will continue to focus on our solid business strategy which has brought us well through the first nine months of 2012 and on delivering high quality services to our customers.

Kuju

The work for hire video games development services business of Catalis SE is undertaken by our Kuju division, one of Europe's leading game developers. Kuju studios develop all genres of video games for a variety of consoles, PC and handheld platforms.

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Diverse and challenging tasks are awaiting us. The hard times continue for the video game industry as sales e.g. in the United States have declined for the 11th month in a row. According to the latest numbers from NPD Group, sales of games, hardware and accessories fell 25% year-over-year in October from \$1 billion in 2011 to 755.5 million. Console sales have plummeted 37% to \$187.3 million as consumers continue to wait for the next-generation offerings from Microsoft, Sony and Nintendo, while software sales fell 25% to \$432.6 million.

The games market has transformed and evolved significantly over the past years. Not only are we seeing transitional changes in the console market as the 'next generation' approaches and the increase in digital downloads is apparent but also the establishment of the mobile/tablet digital phenomenon which has dramatically caused the industry to rethink their entire long-term strategies.

The old 'work for hire' model has always been governed by the 40% gross profit per project, which makes a comfortably sustainable business provided the sales pipeline is constant and there is consistent work for all studio employees. However, there is a marked increase of publishers terminating projects mid-way which normally leaves the studio stranded without short-term income and a staff surplus.

Although sales of traditional retail games will remain strong and sustainable for the next few years there is no doubt the impact of both the next-gen consoles and premium tablet sales on this market. However, the user-base will remain significant for at least the next 2 years and it is our intention to continue to pursue opportunities for these platforms.

With regard to the above, we now also should be looking to create our own IP and leverage any success to build ongoing franchises, whether via DLC, sequels or other formats.

The mobile / tablet systems are huge areas which Kuju can no longer afford to ignore. Certainly, all of the publishers have jumped into this space with both feet and it is difficult to ignore some of the phenomenal successes that have been achieved in this market. One thing is clear though –

the serious revenues are not generated by games sales per se, but by the micro-transactions for additional content/services that the game offers. Getting this right is the biggest challenge, but also yields the greatest rewards.

We will meet the anticipated new challenges dynamically, competently and consistently.

In 2012 numerous projects were processed and promoted - here is a small selection.

- Kuju, Testronic Labs and Doublesix Digital Publishing unveiled FullCycle, an integrated, quality-focused services package for the development, digital publishing, and testing of video games.
- Kuju has created a new division Kuju Partners, to help independent games studios bring their titles to the market.
- The new title Zumba Fitness Core is available on Kinect for the Xbox 360 since November. The newest addition to the hit Zumba Fitness video game franchise that has sold more than eight million copies worldwide. The title is developed by Kuju's studio Zoe Mode.

During Q3 of 2012, Kuju's existing customer base remained evenly spread between US, European and Japanese publishing groups. The majority of signed contracts in Kuju were with existing customers indicating the strong relationship between developer and publisher that has been built up over many years.

Doublesix Digital Publishing (DDP)

The division is currently undergoing a restructuring process.

Doublesix Digital Publishing will continue to support all of its existing products - including All Zombies Must Die!, Who Wants To Be A Millionaire? Special Editions and Burn Zombie Burn! - with new content on the way for both Burn Zombie Burn! and Who Wants To Be A Millionaire? Special Editions.

Investments

Total investments in the first nine months of the fiscal year amounted to € 0.4m and were attributable to the purchase of property, plant and equipment.

At Testronic, total investments of € 0.3m comprised the investment in a new testing kit and new equipment for the hardware testing team. At Kuju there were no significant investments in the purchase of property, plant and equipment in the third quarter.

Development of Earnings, Financial and Asset Situation

Earnings Situation

Catalis Group

For the first nine months of 2012, revenues of Catalis Group amounted to € 20.81m (2011: € 20.94m). This is a slightly decrease of 0.6%. EBIT before non-recurring costs was up to € 0.58m (2011: € 0.50m). There were no non-recurring costs. Including the financial result of € -0.07m (2011: € 0.29m), pre-tax earnings amounted to € 0.51m (2011: € 0.20m). Net income for the period amounted to € 0.43m (2011: € 0.21m). Earnings per share for the first nine months of the fiscal year 2012 amounted to € 0.01 (2011: € 0.01).

In the third quarter of 2012, total revenues of Catalis Group amounted to € 7.28m (2011: € 7.40m). This represents a slightly decrease of 1.6% from the previous year which is due to reduced revenues at Kuju. EBIT (operating result) for the reporting period amounted to € 0.37m

(2011: € 0.03m). The company's pre-tax result amounted to € 0.27 m compared to € -0.08m in the previous year. Net income for the period amounted to € 0.26 m (2011: € -0.08m). This equals earnings per share of € 0.00 (2011: € 0.00).

Testronic

For the first nine months of 2012, revenues at Testronic amounted to € 12.11m (2011: € 10.11m), an increase of 19.7% from the previous year. Testronic's EBIT for the first nine months of 2012, amounted to € 1.33m (2011: € 0.67m).

Testronic has seen revenues for the third quarter of 2012 move up from € 4.12m in 2011 to € 4.65m. This represents an increase of 12.9%. Testronic generated an EBIT of € 0.82m (2011: € 0.69m).

Kuju

In the first nine months of 2012, Kuju generated revenues of € 8.54m (2011: € 10.82m), representing a decrease of 21.0%. Kuju's EBIT for the first nine months of the fiscal year 2012 amounted to € 0.47m (2011: € 1.16m).

In the third quarter of 2012, Kuju generated revenues of € 2.60m (2011: € 3.28m), representing a decrease of 20.7%. Regarding profit Kuju was breaking even (EBIT 2012: € -0.04m) as the year before (2011: € 0.0m).

DDP

In the first nine months of the fiscal year 2012 DDP generated revenues of € 0.43m, the operating profit for the first nine months of the fiscal year 2012 amounted to € -0.18m. The EBIT of DDP in the third quarter amounted to € 0.00m.

Pro-forma Segment Overview

€k	Testing	WFH Games	DDP	Corporate	Total
Nine Months to September 2012					
Revenues	12,112	8,5400	433	-276*	20,809
Operating profit (EBIT)	1,333	470	-184	-1035	584
Non-recurring costs					
EBIT after non-recurring costs	1,333	470	-184	-1035	584
EBIT Margin	11.0%	18.0%	n.a.	n.a.	3,3%

€k	Testing	WFH Games	DDP	Corporate	Total
Nine Months to September 2011					
Revenues	10,115	10,822	0		20,937
Operating profit (EBIT)	675	1,161	-701	-638	497
Non-recurring costs					
EBIT after non-recurring costs	675	1,161	-701	-638	497
EBIT Margin	6.7%	10.7%	n.a.	n.a.	2.4%

* Consolidated

Financial Situation

Cash flow

In the first nine months of the fiscal year 2012, Catalis Group generated an operating cash flow of € 1.76m (2011: € 1.14m). This is mainly composed of the period's net income (€ 0.43m) and an increase in current assets (€ 0.94m).

Cash flow from investing activities amounted to € -0.35m (2011: € -1.76m) and is attributable to the purchase of property, plant & equipment as well as additions of intangible assets.

Cash flow from financing activities amounted to € -0.58m (2011: € 1.16m) mainly driven by the redemption of long-term loans.

The company's total cash flow in the first nine months of 2012 amounted to € 0.39m (2011: € 0.53m).

Asset Situation

Balance Sheet

As of September 30, 2012, total assets of Catalis Group amounted to € 25.42m. This is a slightly increase from the € 25.39m at December 31, 2011.

The company's non-current assets decreased to € 17.25m (2011: € 17.31m). This is mainly due to a decrease in intangible assets – the intangible assets amounted to € 0.94m.

Current assets increased slightly from € 8.07m at the end of 2011 to € 8.17m at the end of September 2012. This is mainly due to raised cash and cash equivalents (€ 0.85m vs. €1.95m) - other current assets decreased at the same time from € 3.16m to €2.41 m.

On the equity and liabilities side, the company's total equity increased from € 7.44m to € 7.54m

Long term liabilities went up to € 1.02m from € 0.1m in 2011.

Current liabilities decreased from € 17.76m to € 16.85m mainly driven by loans which went down from € 8.63m to € 7.67m. Bank overdraft was up from € 1.72m to €2.43m.

Employees

As of September 30, 2012, there were 266 (31.12.2011: 354) permanent employees working for Catalis Group. The total is composed of 192 (31.12.2011: 211) employees working at Testronic and 70 (31.12.2011: 114) at Kuju, 2 (31.12.2011: 27) at DDP as well as two employees (31.12.2011: 2) at Catalis SE.

In general, the permanent work force of both Testronic and Kuju has been reduced significantly over the past quarters with the intention to have a highly flexible work force with minimal fixed costs. However, with respect to current projects, Kuju is recruiting which will result in a mix of new permanent and fixed-term contracts, with a high ratio of fixed-term contracts.

Supplementary Report

At the end of October, the Ordinary General Meeting of Catalis SE took place in Eindhoven. In total, 6,1% of the company's share capital was represented at the meeting. All items of the agenda were approved unanimously by the attending shareholders. This includes especially the

proposal to decrease the par value of each issued share from € 0.10 to € 0.01 without repayment to the shareholders and the proposal to consolidate the number of issued shares of the Company at a ratio 10:1 and to increase the par value per share from € 0.01 to € 0.10. The number of issued shares after the amendment is 6,242,333, each share with a par value of € 0.10.

Risk Report

Within the scope of its operating activities in a variety of markets, Catalis SE is exposed to various risks connected with technological, entrepreneurial and investment transactions. A full risk report can be found in our Annual Report for the fiscal year 2011. The report is available for download on our corporate website at www.catalisgroup.com in the investor relations / financial publications section.

Management Statement

We declare, pursuant to section 5:25d of the Wet op het financieel toezicht (Wft), that to the best of our knowledge and in accordance with the applicable reporting principles:

- the condensed consolidated interim financial statements as of September 30, 2012 give a true and fair view of the assets, liabilities, the financial position and the profit and loss of Catalis SE and its consolidated operations; and
- the management report includes a true and fair review of the position as per September 30, 2012 and of the development and performance during the first nine months of the fiscal year 2012 of Catalis SE and its related participations of which the data have been included in the financial statements, together with a true and fair presentation of the expected future developments.

Eindhoven, November 25, 2012

The Board of Directors:

Dr. Jens Bodenkamp (Chairman, Non-Executive)
Dominic Wheatley (Executive)
Peter Biewald (Executive)
Dr. Michael Hasenstab (Non-Executive)
Robert Kaess (Non-Executive)

Directors' Holdings

As of September 30, 2012, the following number of shares and options is held by the directors of the company:

Shareholder	No. of Shares	Options	Controlled by	Function
Jens Bodenkamp	89,167	0	Jens Bodenkamp	Chairman of the Board
Dominic Wheatley	1,775,101	0	Dominic Wheatley	Executive Director / CEO
Peter Biewald	100,000	400,000	Peter Biewald	Executive Director / CFO
Robert Kaess	50,000	0	Robert Kaess	Non-Executive Director
Dr. Michael Hasenstab	50,000	0	Dr. Michael Hasenstab	Non-Executive Director

Audit Statement

The interim financial report for the nine months ended September 30, 2012, consists of the condensed consolidated interim financial statements and the interim management report. The information in this interim report is unaudited. Our group auditor has neither performed an audit nor a review of these financial statements.

Forecast Report

In October 2012, the International Monetary Fund (IMF) published its new World Economic Outlook. A lack of confidence and the further existing uncertainty concerning the major advanced economies affect the predictions of the IMF. The IMF sees an increasing downside risk due to unstable financial conditions especially in the euro zone which might have consequences for the rest of the world. The predictions for the global economic growth for 2012 and 2013 declined to 3.3 and 3.6 per cent compared to the July outlook which was 0.2 and 0.3 per cent respectively higher. In the United States problems in the labour market and sluggish consumption still exist. Developing economies and emerging markets are still solid in their economic growth but face more and more domestic problems like financial imbalances and their dependency on the high pace of growth. One major economic challenge is how the policymakers worldwide will deal with the high government debt and fiscal problems in the short term.

Testronic now has relationships with most of the major games publishers and developers across all the major platforms and games genres. The division expects to be able to capitalise on these relationships, in Q4 and into 2013, as well as moving into new QA areas such as user experience testing. Testronic is at the forefront in the development of social and mobile games.

The current expectation at Kuju is that the wider work-for-hire market remains stable for the remainder of 2012. Building on this, we continued systematically pursuing our clearly defined strategy in 2012 and successfully implemented key projects that will allow us to further increase our innovative ability, develop new application areas and expand our business in growth regions.

The management is confident that the Catalis Group is very well prepared for the future, and that our prospects are intact. Catalis Group continued the positive trend of increased productivity and aggressive costcutting in the third quarter of 2012. In short, the results of the third quarter - and the first nine months overall confirm our assessment that we will achieve the forecast financial targets for 2012.

Condensed Consolidated Statement of Financial Position of Catalis Group (unaudited)
As of September 30, 2012 and December 31, 2011 (in thousands of euros)

		31.12.2011	30.09.2012
ASSETS	AKTIVA		
Current Assets	Kurzfristige Vermögensgegenstände		
Cash and cash equivalents	Liquide Mittel	800	1.952
Trade receivables	Forderungen aus LuL	4.035	3.754
Inventories	Vorräte	0	0
Income tax receivable	Steuerforderungen	87	53
Other current assets	Andere	3.151	2.406
Total Current Assets	Kurzfr. Vermögensgegenstände gesamt	8.073	8.165
Non-Current Assets	Langfristige Vermögensgegenstände		
Intangible assets	Intangible assets	997	943
Goodwill	Firmenwerte	14.331	14.331
Property, plant and equipment at cost - net	Sachanlagen	1.794	1.781
Deferred tax	latente Steuern	190	195
Other non-current assets/ investments	Andere	0	0
Total Non-Current Assets	Langfr. Vermögensgegenstände gesamt	17.312	17.250
TOTAL ASSETS	AKTIVA gesamt	25.385	25.415
LIABILITES & EQUITY	PASSIVA		
Current Liabilities	Kurzfristige Verbindlichkeiten		
Trade and other payables	Verbindlichkeiten aus LuL	5.465	5.592
Taxes and social securities	Steuern und Sozialversicherungen	1.295	1.058
Income tax payable	Verbindlichkeiten aus Ertragssteuern	53	41
Provisions	Rückstellungen	597	0
Bank overdraft	kurzfristige Bankverbindlichkeiten	1.722	2.429
Loans	Darlehen	8.625	7.666
Finance lease	Finance lease	0	59
Total Current Liabilities	Kurzfr. Verbindlichkeiten gesamt	17.756	16.849
Non-Curent Liabilities	Langfristige Verbindlichkeiten		
Long-Term Debt	Langfristige Bankverbindlichkeiten	0	0
Finance lease obligation	Finance lease obligation	0	0
Deferred tax liability	latente Steuern	190	191
Provisions	Rückstellungen	0	836

Total Non-Current Liabilities	Langfr. Verbindlichkeiten gesamt	190	1.028
Total Equity	Eigenkapital gesamt	7.439	7.542
TOTAL LIABILITIES & EQUITY	PASSIVA gesamt	25.385	25.415

Condensed Consolidated Income Statement of Catalis Group (unaudited)

For the periods ended September 30, 2012 and September 30, 2011 (in thousands of euros)

€k	T€	Q3 2012	Q3 2011	9M 2012	9M 2011
Revenues	Umsatz	7,275	7,402	20,809	20,937
Total revenues	Gesamteinnahmen	7,275	7,402	20,809	20,937
Subcontracting and cost of materials	Fremd- und Materialkosten	979	1,060	2,116	2,964
Personnel costs	Personalkosten	2,789	3,818	9,156	9,870
Depreciation fixed assets	Abschreibungen auf Sachanlagen	142	150	431	578
Amortisation intangible assets	Abschreibungen immaterieller Vermögensgegenstände	0	14	0	42
Impairment of goodwill	Goodwill-impairment	0	0	0	0
General and administration	Allgemeine Verwaltungskosten	2,996	2,330	8,521	6,986
Total expenses	Kosten gesamt	6,906	7,372	20,224	20,440
Profit/(loss) from operations	operativer Gewinn/(Verlust)	370	30	584	497
Interest income	Zinseinnahmen	11		-35	
Interest expense	Zinsaufwendungen	-293	-110	-570	-248
Currency translation differences	Währungsdifferenzen	187	-1	533	-41
Total financial income	Finanzergebnis gesamt	-95	-111	-72	-289
Income tax	Ertragsteuern	-18	0	-87	0
PROFIT FOR THE PERIOD	Ergebnis per 30.9.2012	257	-81	425	208

Condensed Consolidated Cash Flow Statement of Catalis Group (unaudited)

For the periods ended September 30, 2011 and 2012 (in thousands of euros)

€k	T€	30-09-2012	30-09-2011
Cash Flow from operating Activities	Kapitalfluss aus betrieblicher Tätigkeit		
Net Income	Periodenergebnis	425	208
Depreciation of tangible fixed assets and Amortisation intangible assets	Abschreibungen auf Anlagevermögen und Abschreibungen von immaterielle Firmenwerte	692	620
Increase/(decrease) provisions	Zunahme/(Abnahme) von Rückstellungen	231	0
Noncash expenses/income	Zahlungsunwirksamen Aufwendungen /Erträge	-281	0
(Increase)/decrease current assets	(Zunahme)/Abnahme von kurzfristigen Vermögensgegenständen	942	-1.287
Increase/(decrease) current liabilities	Zunahme/(Abnahme) von kurzfristigen Verbindlichkeiten	-251	1.601
Increase/(decrease) in deferred taxes	Zunahme/(Abnahme) latenter Steuern	0	0
Net cash (used in) / provided by operating activities	Aus betrieblicher Tätigkeit erwirtschaftete Zahlungsmittel	1.758	1.142
Cash Flow from investing activities	Kapitalfluss aus Investitionen		
Purchase of property, plant & equipment	Erwerb von Sachanlagen	-280	-587
Additions of intangible assets	Zugänge von immaterillen Vermögensgegenständen	-73	-1.178
Net Cash (used in) / provided by investing activities	Aus Investitionstätigkeit erwirtschaftete Zahlungsmittel	-353	-1.765
Cash Flow from financing activities	Kapitalfluss aus Finanzierungstätigkeit		
Proceeds from issuance of share capital	Zuflüsse aus der Ausgabe von Aktien	324	1.161
Increase/(decrease) of long term debt	Zunahme/(Abnahme) langfristiger Finanzverbindlichkeiten	-901	0
Net Cash (used in) / provided by financing activities	Aus Finanzierungstätigkeit erwirtschaftete Zahlungsmittel	-577	1.161
Net effect of currency translation	Effekte aus der Währungsumrechnung	-435	0
Net Increase in cash and cash equivalents	Veränderung der liquiden Mittel	392	538
Cash and cash equivalents at beginning of year	Liquide Mittel zu Beginn der Periode	-922	-1.316
Cash and cash equivalents at end of period	Liquide Mittel am Ende der Periode	-530	-778

Additional information

Forward-looking Statements

This report contains forward-looking statements. These statements are based on current expectations, estimates and projections of Catalis SE management and information currently available to the company. The statements involve certain risks and uncertainties that are difficult to predict and therefore Catalis SE does not guarantee that its expectations will be realized. Furthermore, Catalis SE has no obligation to update the statements contained in this report.

Imprint

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