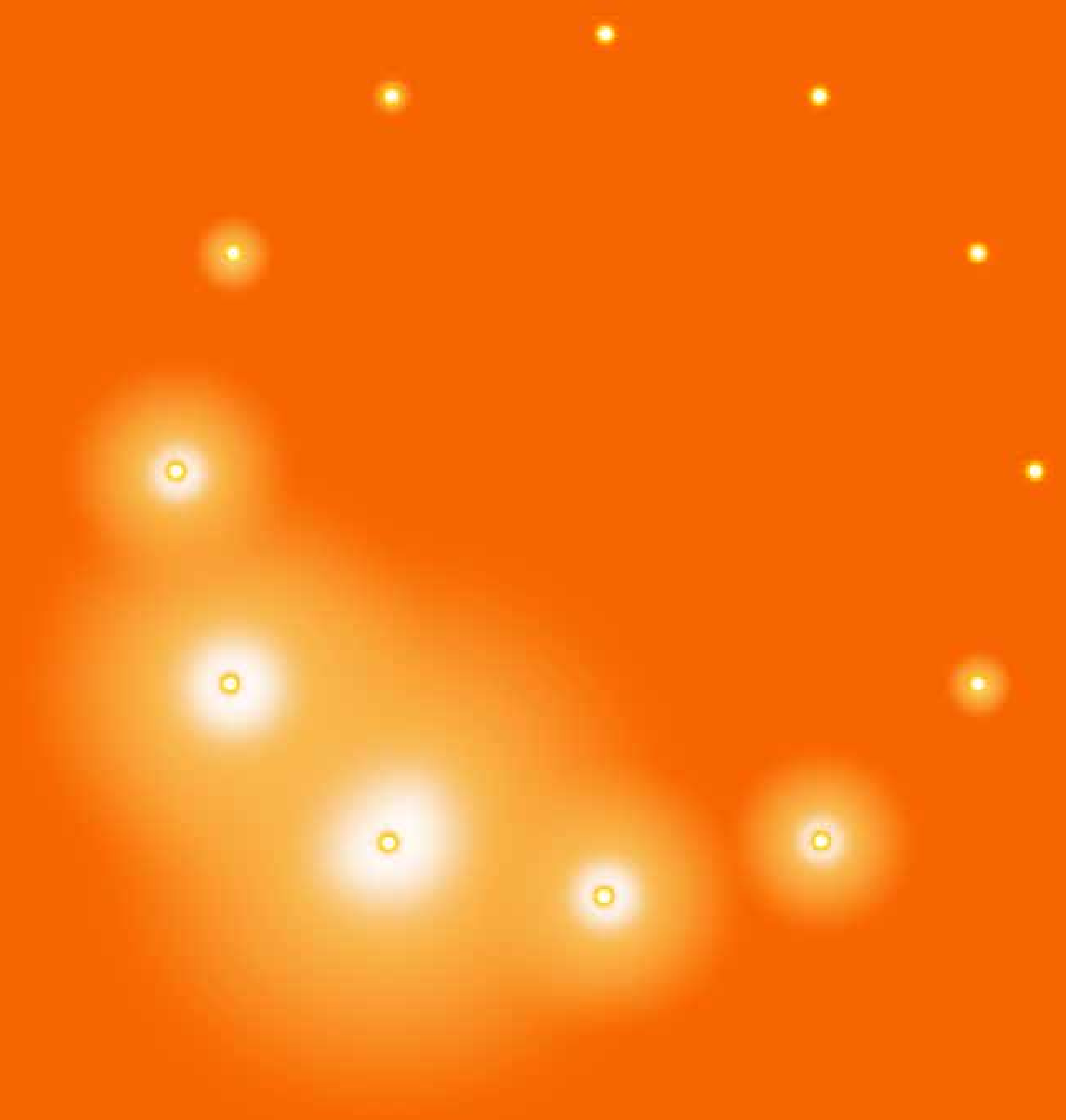
www.osram-licht.ag



Interim Report
June 30, 2014

Interim Financial Report of OSRAM Licht Group
for the Third Quarter and the Nine Months of Fiscal 2014

Light is OSRAM

OSRAM

OSRAM at a Glance

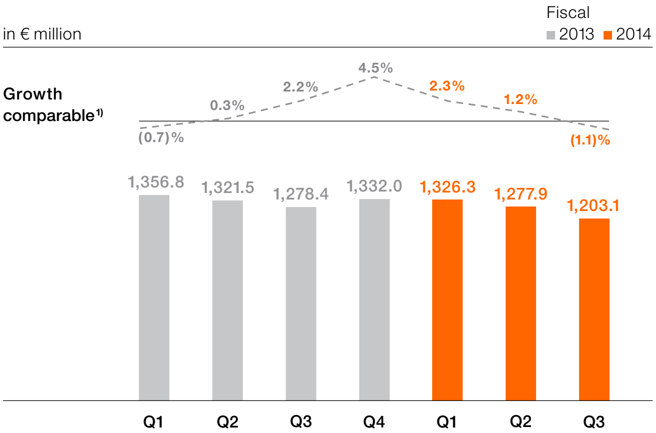
OSRAM Licht Group

in € million, if not stated otherwise		Three months ended June 30, 2014	2013	Change	Nine months ended June 30, 2014	2013	Change
Revenue		1,203.1	1,278.4	(5.9)%	3,807.3	3,956.7	(3.8)%
Revenue growth (comparable)[1][2]	in %			(1.1)%			0.8%
EBITA[2]		80.9	22.1	>200%	274.3	123.7	121.7%
as % of revenue (EBITA margin)		6.7%	1.7%		7.2%	3.1%	
therein special items[2][3]		(22.9)	(72.5)	(68.5)%	(68.5)	(178.1)	(61.5)%
therein transformation costs		(20.2)	(63.5)	(68.1)%	(63.9)	(189.8)	(66.3)%
EBITDA[2]		136.8	111.8	22.4%	442.8	358.9	23.3%
Income before income taxes		67.4	41.8	61.2%	262.1	94.3	177.9%
Net income		44.4	13.7	>200%	181.1	62.2	191.2%
Basic earnings per share[2]	in €	0.41	0.11	>200%	1.69	0.55	>200%
Diluted earnings per share[2]	in €	0.41	0.11	>200%	1.69	0.55	>200%
Free cash flow[2]		52.0	108.1	(51.9)%	165.3	199.4	(17.1)%

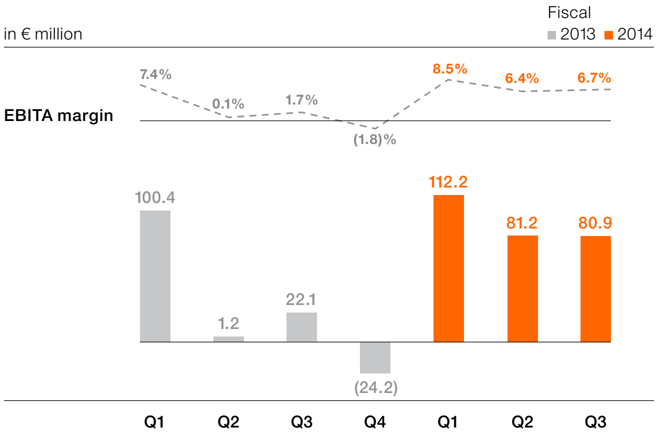
		June 30, 2014	September 30, 2013	Change
Cash and cash equivalents		604.9	522.1	15.9%
Total equity		2,335.6	2,169.3	7.7%
Total assets		4,388.0	4,425.3	(0.8)%
Equity ratio (total equity in % of total assets)		53.2%	49.0%	
Net debt/net liquidity[2][4]		(419.6)	(172.0)	144.0%
in relation to EBITDA[5]		(0.7)	(0.4)	
Adjusted net debt/net liquidity[2][4]		(79.2)	186.5	n/a
in relation to EBITDA[5]		(0.1)	0.5	
Employees	in thousand FTE	33.9	35.1	(3.5)%
of which in Germany	in thousand FTE	9.4	9.7	(3.5)%
of which outside Germany	in thousand FTE	24.5	25.4	(3.5)%

[1] Adjusted for currency translation and portfolio effects.
[2] see the glossary on page 71 ff.
[3] Effect of special items for the three months ended June 30, 2014: 190 bps (previous year: 570 bps) and the nine months ended June 30, 2014: 180 bps (previous year: 450 bps), consisting primarily of transformation costs. For information on further special items see the glossary on page 71 ff.
[4] Net liquidity is presented as a negative figure.
[5] EBITDA for the nine months ended June 30, 2014, was annualized for the purpose of calculating the key performance indicators and is not necessarily indicative of management's expectation of future performance.

Revenue by Quarters



EBITA by Quarters



[1] Adjusted for currency translation and portfolio effects see the glossary and compared with the respective prior-year quarter.

The OSRAM Licht Group's fiscal year began on October 1, 2013, and ends on September 30, 2014.

With its slogan "Light is OSRAM," OSRAM delivers lighting solutions for every facet of life. As the integrated lighting expert, we are the number two among the global companies in the lighting market. We offer future-oriented products and solutions along the entire lighting value chain.

LED Lamps & Systems (LLS)

LLS develops and produces direct substitutes for traditional lamps and their ballasts based on SSL technology. In addition, LLS offers SSL products for professional applications, such as LED light engines ›see the glossary on page 71 ff. and components for light management systems.

Classic Lamps & Ballasts (CLB)

CLB comprises OSRAM's traditional product business, consisting of lamps (from incandescent lamps through halogen and fluorescent lamps for consumers, to high-intensity discharge lamps for professional indoor and outdoor use) and components for traditional lamps and luminaires such as electronic ballasts.

Luminaires & Solutions (LS)

The LS segment comprises OSRAM's project and solutions business. The portfolio comprises luminaires for professional applications such as street lighting and luminaires for private end users. In addition, LS offers lighting solutions and associated light management systems. Installation services for the LS product portfolio are provided by the Service business.

Specialty Lighting (SP)

The SP segment offers light sources and systems for the automotive sector as well as special applications in the display/optic area. In the automotive sector, the spectrum ranges from interior and exterior lighting all the way to sensing. Display/optic covers the areas of projection and entertainment/architainment as well as medical and industrial applications.

Opto Semiconductors (OS)

OS offers optoelectronic semiconductors for both external customers and other OSRAM business units. Products include LED components for visible light, infrared components, laser diodes, and sensors. The application spectrum extends from the automotive industry, industry electronics, general lighting, and consumer and communication electronics to medical technology, materials processing, and measurement and printing technology.

Segment Overview[1)]

in € million

Nine months ended June 30, 2013 / 2014

	LLS 2013	LLS 2014	CLB 2013	CLB 2014	LS 2013	LS 2014	SP 2013	SP 2014	OS 2013	OS 2014
EBITA	(71.3)	(61.1)	49.0	98.1	(63.8)	(58.8)	170.9	177.0	84.7	144.0
EBITA margin[2)]	(33.3)%	(19.7)%	2.8%	6.6%	(15.7)%	(17.0)%	15.7%	15.4%	11.3%	17.4%
Growth comparable[3)]		51.4%		(9.7)%		(12.3)%		10.2%		12.7%
nominal		45.0%		(15.0)%		(15.1)%		5.6%		10.1%
Revenue	214.0	310.3	1,752.6	1,490.3	406.5	345.0	1,086.7	1,147.4	749.6	825.3

[1)] In addition to the five reporting segments, the reconciliation to interim consolidated financial statements ›see Note 15 | Segment Information in the notes to the interim consolidated financial statements forms part of the OSRAM reporting structure. Including the reconciliation items, OSRAM's revenue amounted to €3,807.3 million (previous year: €3,956.7 million), while its EBITA amounted to €274.3 million (previous year: €123.7 million).
[2)] Effect of special items ›see the glossary in the nine months ended June 30, 2014: CLB 280 bps (previous year: 750 bps); LS 200 bps (previous year: 240 bps); SP 60 bps (previous year: 160 bps).
[3)] Adjusted for currency translation and portfolio effects.

OSRAM Licht AG's group interim financial report ("Interim Report") meets the requirements for quarterly financial reporting set out in the applicable provisions of the Wertpapierhandelsgesetz (WpHG—German Securities Trading Act) and, in accordance with section 37x (3) of the WpHG, comprises the condensed interim consolidated financial statements and the group interim management report. OSRAM's condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU). The Interim Report should be read in conjunction with our Annual Report for fiscal 2013.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The number of employees is determined at the reporting date and measured in thousands of full time equivalents (FTE).

For a definition of typical technical terms used in the lighting industry and a short description of significant financial terms, please refer to the glossary › see the chapter of this interim report entitled "Further Information" on page 70 ff.

This document is a convenience translation of the original German-language document.

Contents

Current Highlights

Growth

LED Assembly Plant Opened in Wuxi

OSRAM has opened its new LED assembly plant in Wuxi, China. The company is investing a three-digit million euro amount to set up the plant, in which LED chips are assembled into housings. It is anticipated that up to 2,100 people will be employed at the plant, which will have an annual output of several billion LEDs. "Given the size of the Chinese market and its prospects for growth, Wuxi is a perfect fit for our manufacturing footprint," said Aldo Kamper, CEO of OSRAM's Opto Semiconductors (OS) Business Unit. "The plant will help us to further develop our professional know-how and understanding of our customers' products to create even more added value for them."

April 2014

May 2014

Investors' and Analysts' Day

First Capital Market Day Since Listing

During the world's leading trade fair Light+Building, OSRAM hosted its first Capital Market Day since its listing on April 1 in Frankfurt. The Management Board presented detailed information about the company and its new products to around 70 investors and analysts followed by a tour of the OSRAM booth, where technical highlights were explained in detail and numerous questions answered. Exhibits included the world's most efficient LED tube with 215 lumen per watt and the Prevaled Flex Linear flexible LED light engine. Both products were selected by trade magazine Lux Review to feature in their list of the 10 hottest new products at Light+Building 2014.

Talent Sponsoring

OSRAM Awards Art LED Concept

OSRAM has awarded its first LIO ("Light is OSRAM") award for LED concepts aimed at supporting up-and-coming young artists. This year's winning project was Anna Stephan's LED installation "Embroidering Light," which saw off competition from twelve other works to take the €5,000 first prize. Second place and €3,000 went to Michaela Zehnter, while the third prize (€2,000) went to Felix Stadie. OSRAM launched the award for talented young artists in 2013 in collaboration with the Academy of Fine Arts in Munich. Wolfgang Dehen, Chairman of the Managing Board of OSRAM, said "The LIO award is a modern, up-to-date way of continuing our tradition of social commitment." At a conceptual level, the aim of the LIO award is to help explore the central significance of light in people's lives.

New Product

Compact, High-performance Multi-laser Module

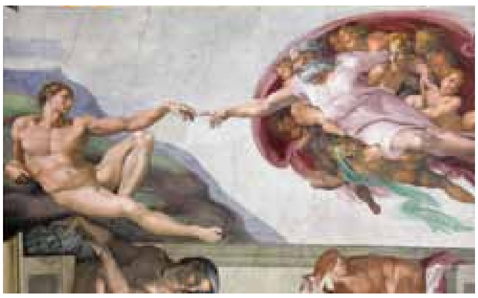
OSRAM has developed a particularly compact, high-performance light source for laser projectors. The multi-laser module contains up to 20 blue laser chips, offering an overall output of 50 W. This means that professional laser projectors can reach a brightness level of more than 2,000 lumen using only one component. If several modules are installed in a projector, a brightness level of more than 5,000 lumen is possible—ideal for equipment in large conference rooms, for example. The model's special design and the higher optical output of the individual chips reduced the price per optical watt significantly, while substantially lower production costs offered additional price benefits. Volume production of the PLPM4 450 will start at the end of 2014 and samples will be available from the summer.

June 2014

Cooperation

Closer Collaboration with the Vatican Museums

OSRAM and the Vatican Museums are to continue to work closely together in the future, and both parties have signed a multi-year framework collaboration agreement. The aim is to create new lighting solutions that will help safeguard artistic heritage of the Vatican Museums. With the support of European Union, OSRAM is installing a new LED-based lighting solution in the Sistine Chapel which will display the artworks to perfection. In addition, 60% less power is consumed compared to the existing lighting installation while at the same time the Chapel's fragile frescoes are protected.
"This affiliation agreement demonstrates the high quality and innovation of our lighting solutions and underlines our position as the leading global lighting company," said Christophe Poméon, head of OSRAM's Luminaires Business Unit.



Nominated Product Innovations

Awards for OPTOTRONIC and OSRAM DEBUT™

Two OSRAM products were awarded prizes for innovation at this year's Lightfair International in Las Vegas: The OPTOTRONIC electronic ballast, which enables intelligent LED light management and dimming, and the OSRAM DEBUT™ solution. DEBUT transforms a retail dressing room into an exciting personalized virtual reality experience through the use of LED lighting and a media system including real images, high definition video and sound. DEBUT enables shoppers to experience clothes in the environment for which they are intended to be worn. For example, for bathing suits the dressing room is transformed into a beach showing sand and ocean. The lighting, images and sounds are reproduced in the dressing room.

Group Interim Management Report

Business Performance in the Three Months ended June 30, 2014

OSRAM continues driving forward corporate restructuring

"While earnings continue to develop nicely, the growing market acceptance of LED technology is, as already announced, causing a significantly faster decline of the traditional business. We will successfully complete the first stage of OSRAM Push shortly. However, we have always stressed that the transformation of the lighting market will also continue after 2014 and that OSRAM Push is a continuing program. Against the backdrop of the latest developments, further measures are necessary to safeguard our position as a leading lighting manufacturer in the long term. We need to be even closer to the customer, further strengthen the entrepreneurship of our segments and at the same time create cost structures that are appropriate to the size of the company, but also to that of its individual businesses."

Wolfgang Dehen, Chairman of the Managing Board of OSRAM Licht AG

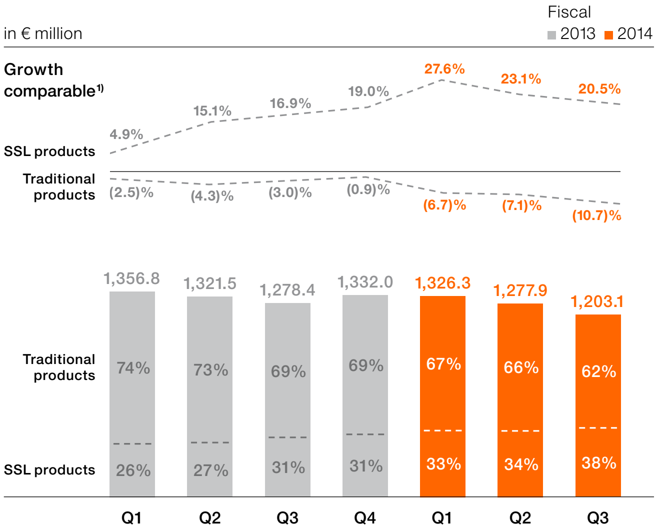
Growth in SSL almost fully compensates for high top line decrease in traditional business on a comparable basis

The OSRAM Licht Group's revenue recorded a modest decrease of 1.1% on a comparable basis (adjusted for currency translation effects) in the third quarter. The SSL business grew by 20.5% on a comparable basis, increasing its share from 30.8% in the prior-year quarter to 38.2%. The decline was caused by the accelerated drop in revenue from traditional products for general lighting. In nominal terms, revenue saw a clear decrease to €1,203.1 million as against the prior-year quarter.

Profitability growth

Overall, EBITA was up year-on-year to €80.9 million, strongly supported by the OS and SP segments and around €118 million in savings from the OSRAM Push program. EBITA included special items ›see the glossary of €22.9 million, mainly transformation costs. EBITA in the prior-year quarter was impacted by considerably higher special items totaling €72.5 million.

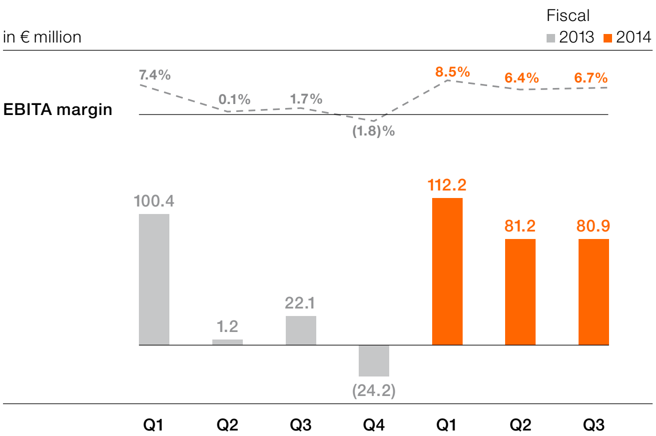
Revenue by Quarters



[1] Adjusted for currency translation and portfolio effects ›see the glossary and compared with the respective prior-year quarter.

In the reporting period EBITA also gained from a €7.9 million settlement of pension benefits in the U.S.A., along with €4.6 million in extraordinary licensing revenue in the OS segment. However, these were outweighed by clear negative currency effects. Overall, this resulted in the EBITA margin improving year-on-year from 1.7% to 6.7%. Special items lowered the EBITA margin by 190 basis points in the third quarter of 2014 (previous year: 570 basis points). Excluding special items, the EBITA margin was therefore 8.6% (previous year: 7.4%). Net income of €44.4 million (previous year: €13.7 million) demonstrated a sharp increase, although to a lesser extent than EBITA. This was because the prior-year financial result had benefited from a €35.1 million reversal of an impairment charged on the net investment in joint venture Valeo Sylvania LLC, Seymour, U.S.A. ("Valeo Sylvania").

EBITA Development by Quarters



OSRAM plans further measures to safeguard its leading position

In order to safeguard and in some cases to clearly improve the competitiveness of its business units, the Company is planning a number of additional packages of measures aimed at improving processes and adapting structures

›see also chapter "Progress of the OSRAM Push Program" on page 26 ff.

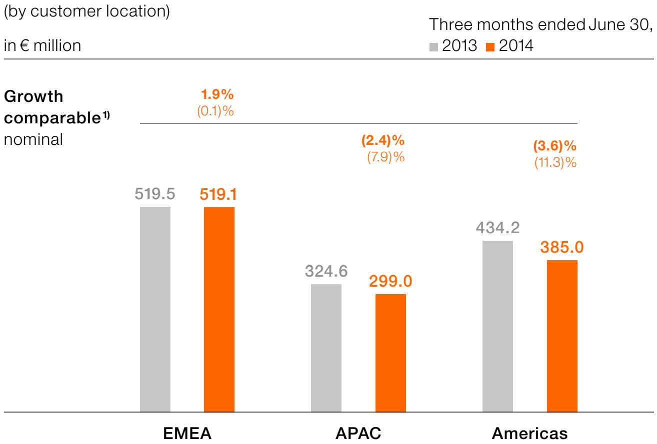
These will be implemented in line with the rapidly changing market conditions. Depending on how fast the measures are implemented and the effect of the restructuring costs on earnings, the reported EBITA margin in fiscal 2015 may be lower than the target average figure of 8% over the cycle.

Americas region sees moderate decrease in comparable revenue

From a regional perspective, only the EMEA reporting region recorded modest revenue improvement. The third-quarter decline in the Americas region is attributable to the restructuring of the Service business.

Revenue by Regions

(by customer location)

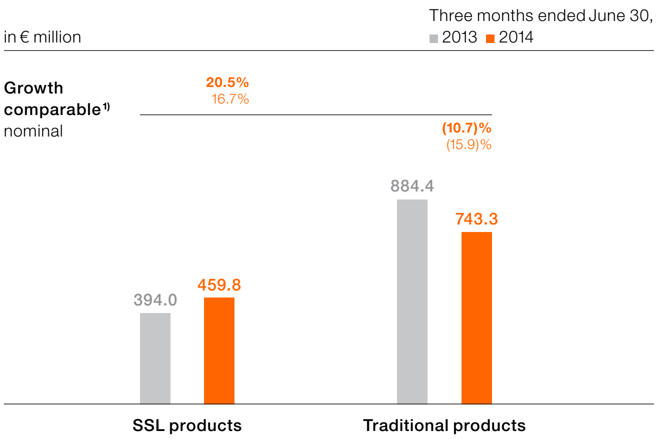


[1] Adjusted for currency translation and portfolio effects and compared with the respective prior-year quarter.

SSL continues strong rise

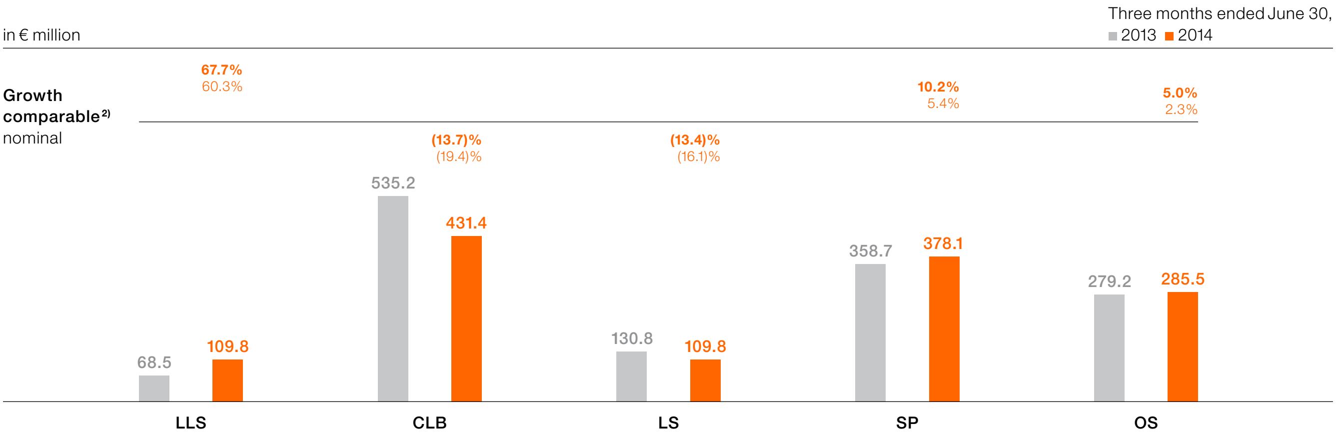
The share of OSRAM's total revenue accounted for by the SSL products business rose to 38.2% in the third quarter of 2014, compared with 30.8% in the comparable prior-year period. Growth at LLS, which saw a 67.7% increase as against the prior-year quarter on a comparable basis, made a significant contribution to this.

Revenue by Technologies



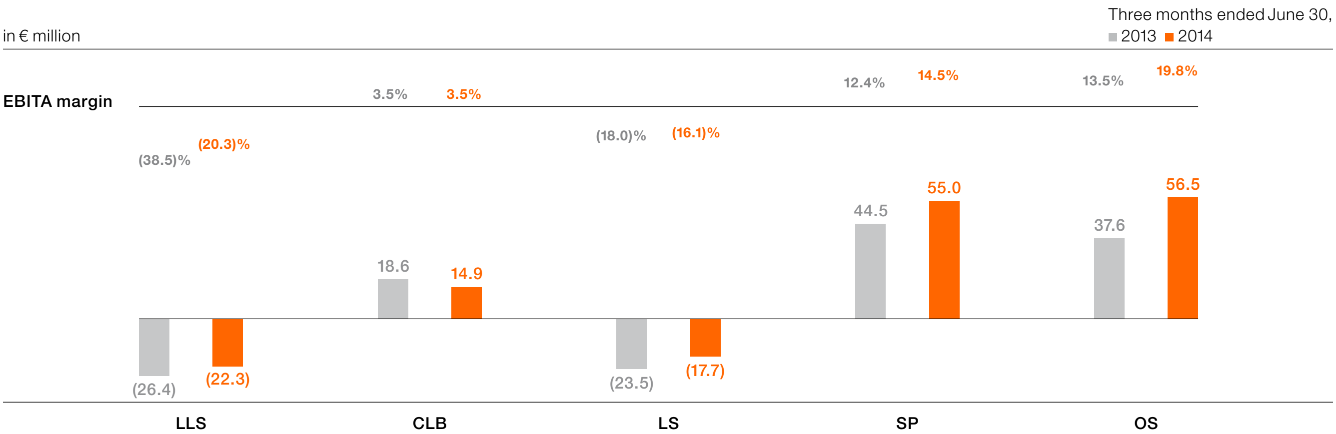
[1] Adjusted for currency translation and portfolio effects and compared with the respective prior-year quarter.

Revenue by Segments[1)]



[1)] The segment revenues disclosed comprise external and intersegment revenue (total revenue). Including the reconciliation to interim consolidated financial statements of €–111.4 million (previous year: €–94.0 million), OSRAM 's revenue amounted to €1,203.1 million in Q3/2014 (previous year: €1,278.4 million).
[2)] Adjusted for currency translation and portfolio effects and compared with the respective prior-year quarter.

EBITA by Segments[1)]



[1)] Including the reconciliation to interim consolidated financial statements of €–5.6 million (previous year: €–28.8 million), OSRAM's EBITA amounted to €80.9 million in Q3/2014 (previous year: €22.1 million).

LED Lamps & Systems (LLS)—Transition to SSL drives revenue growth

Comparable revenue at LLS rose by more than two-thirds year-on-year in the third quarter, due to strong demand for LED lamps, light engines and drivers in all reporting regions, and in particular EMEA. Segment earnings also continued to improve. The EBITA margin improved again, but remained negative with –20.3%. This included startup costs for the launch of a wide-ranging product portfolio and for a new major customer. Declines in prices were more than offset by productivity improvements and increased volumes.
LLS recorded a year-on-year improvement in both gross profit and the EBITA margin in the LED lamps business.
It is planned for the LED lamps product group to break even in the first quarter of 2015.

Classic Lamps & Ballasts (CLB)—Accelerated top line decline, cost progression hits profitability

CLB recorded a 13.7% drop in revenue on a comparable basis. The accelerated transition to LED technology impacted both the professional customer and consumer businesses. By contrast, sales of halogen lamps increased substantially in the Americas reporting region. CLB's EBITA margin remained at 3.5% in the third quarter of 2014. Although unfavourable special items dropped sharply year-on-year, the earnings trend was dominated primarily by the increased cost progression resulting from the decline in volumes, which was only partly offset by savings from the OSRAM Push program. In addition, startup costs relating to increased demand for halogen lamps were incurred in the Americas region. By contrast, CLB's share of the pension settlement mentioned earlier of 5.2 Mio.€, which was overcompensated by negative currency effects, and stable price trends had a positive effect. The adjusted EBITA margin amounted to 6.1% in the reporting period.

Luminaires & Solutions (LS)—Sequential revenue growth

LS again reported a significant drop in revenue in comparison with the prior-year period, due to its exit from the traditional maintenance business and product portfolio adjustments in the luminaire business. Sharp growth in SSL luminaires resulted in SSL technology accounting for 48% of the total and revenue demonstrated sequential growth compared to the preceding quarter. EBITA improved in comparison with the previous quarter due to a more favorable product portfolio mix, although the EBITA margin remained negative, at –16.1%. In addition, the share of the above-mentioned pension plan settlement attributable to LS had a supportive effect. Segment restructuring will be continued.

Specialty Lighting (SP)—Top-line growth continues in double digits

As in the previous quarter, the SP segment again posted double-digit comparable revenue growth with 10,2% in the third quarter. In addition to the traditional business, the LED-based products business made the main contribution to this growth. Despite an increase in the LED components business sourced from OS the adjusted EBITA margin was at 15.2% for seasonal reasons slightly down on the prior quarter. The main drivers in the current quarter were lower special items than in the third quarter of last year and SP's share in the above-mentioned pension settlement. Reversely significant negative currency effects impacted SP's result.

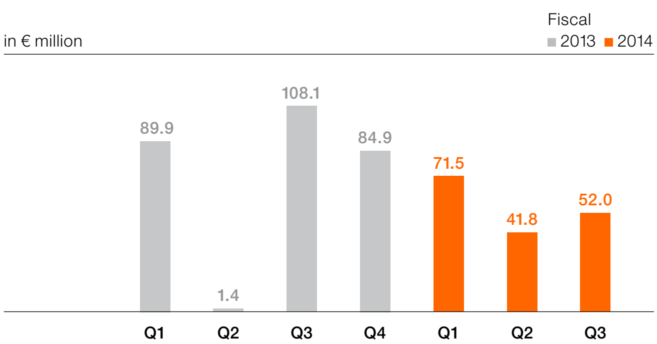
Opto Semiconductors (OS)—Record revenue and outstanding profitability

At €285.5 million, OS achieved a new record for quarterly revenue. However, comparable year-on-year growth was weakened by a high comparative base. The favorable business mix, improved capacity utilization and a strong operational performance lifted the margin. Price decreases were more than offset by savings from the OSRAM Push program. The EBITA of €56.5 million benefited from income of €4.6 million due to a licensing arrangement.

Free cash flow on track

At €52.0 million, free cash flow demonstrated a sharp year-on-year decrease in the third quarter compared to a strong prior year. The decline was mainly attributable to the €37.3 million increase in capital expenditure as well as an increase in inventories and payments in connection with OSRAM Push.

Free Cash Flow by Quarters



Business Performance in the Nine Months ended June 30, 2014

Results of Operations

Revenue development

We continued to face a challenging environment in the first nine months of fiscal 2014 due to developments on the lighting market. The ongoing restrained recovery in the global economy is supported by the development in a number of industrialized nations, whereas growth prospects in individual emerging economies are increasingly divergent, primarily due to geopolitical uncertainties and structural obstacles. For this reason and due to the situation in the financial markets, there are still risks associated with global economic development. The fundamental structural shift toward the SSL business continued in the lighting market, as did the decline in the traditional products business, which is gaining pace. Revenue decreased by 3.8% in the first nine months of fiscal 2014 compared with the prior-year period. Adjusted for negative currency translation effects of 4.6%, comparable revenue was up 0.8% year-on-year.

At segment level, revenue growth at LLS, OS, and SP was unable to offset the decreases in the CLB and LS segments. This overall trend was also reflected in regional revenue trends. While CLB recorded revenue decreases in all regions and LS in almost all of them, LLS, OS, and SP experienced a rise on a comparable basis in all regions. The performance of the individual segments is described in more detail in “Segment Information” on page 18 ff.

Revenue by Segments

in € million	Nine months ended June 30, 2014	2013	Growth nominal	thereof currency	Growth comparable
LED Lamps & Systems	310.3	214.0	45.0%	(6.4)%	51.4%
Classic Lamps & Ballasts	1,490.3	1,752.6	(15.0)%	(5.3)%	(9.7)%
Luminaires & Solutions	345.0	406.5	(15.1)%	(2.8)%	(12.3)%
Specialty Lighting	1,147.4	1,086.7	5.6%	(4.6)%	10.2%
Opto Semiconductors	825.3	749.6	10.1%	(2.6)%	12.7%
Reconciliation to interim consolidated financial statements	(311.0)	(252.7)	23.1%	(4.5)%	25.4%
OSRAM	**3,807.3**	**3,956.7**	(3.8)%	(4.6)%	0.8%

Revenue was not affected by portfolio effects in the first nine months of fiscal 2014, although currency translation effects had a distinctly negative impact on the revenue trend. These effects were largely the result of the appreciation of the euro and therefore primarily impacted revenue development in the APAC and Americas regions.

In the EMEA region, revenue remained unchanged year-on-year at €1,702.6 million. Moderate growth in Germany and Southern Europe was offset by a modest decline in Eastern Europe. This was caused by negative currency translation effects, particularly in relation to the Russian ruble. The Middle East and Africa registered a significant decline in revenue, which was attributable to negative double-digit currency translation effects relating to the Turkish lira and the South African rand, among other things. However, on a comparable basis revenue remained unchanged.

Revenue in the APAC region amounted to €904.5 million in the first nine months of fiscal 2014, down 4.4% on the first nine months of the previous year. This was due among other things to negative currency translation effects totaling 5.8%, particularly in relation to the Hong Kong dollar and the Indian rupee. The significant growth in Hong Kong was offset by a modest decline in China and a sharp decrease in Taiwan. Overall, these countries saw a modest decline on a comparable basis, whereas there was significant revenue growth in Japan.

At €1,200.2 million, revenue in the Americas region was down in the first nine months of fiscal 2014, falling by 8.3% compared with the comparable prior-year period. This was due in particular to the traditional business in general lighting and the exit of the traditional maintenance business in the U.S.A., which was aggravated by negative currency effects relating to the U.S. dollar. The declines in South American countries were primarily due to negative currency translation effects; on a comparable basis, OSRAM recorded a significant improvement here. On a comparable basis—excluding negative currency effects totaling 6.8%—the Americas region reported a modest overall decline in revenue.

Revenue by Regions
(by customer location)

in € million	Nine months ended June 30, 2014	Nine months ended June 30, 2013	Growth nominal	thereof currency	Growth comparable
EMEA	1,702.6	1,702.0	0.0%	(2.2)%	2.2%
thereof Germany	585.1	559.7	4.6%	0.0%	4.6%
APAC	904.5	946.3	(4.4)%	(5.8)%	1.4%
thereof China	224.4	225.7	(0.5)%	(3.2)%	2.6%
Americas	1,200.2	1,308.3	(8.3)%	(6.8)%	(1.4)%
thereof U.S.A.	842.4	920.0	(8.4)%	(4.2)%	(4.2)%
OSRAM	**3,807.3**	**3,956.7**	(3.8)%	(4.6)%	0.8%

Revenue from SSL products continued to grow in the nine months just ended, whereas the decline in traditional products continued to gain pace. SSL revenue was up by 19.9% year-on-year. This development was driven primarily by growth in the LLS segment, which totalled 45.0% compared to prior year. OS also lifted its revenue by 10.1%. In the first nine months of 2014, SSL revenue made up 35.0% of OSRAM's total revenue.

Revenue by Technologies

in € million	Nine months ended June 30, 2014	Nine months ended June 30, 2013	Growth nominal	thereof currency	Growth comparable
SSL products	1,333.4	1,111.7	19.9%	(3.7)%	23.6%
Share of SSL products of revenue	35.0%	28.1%			
Traditional products	2,474.0	2,845.0	(13.0)%	(5.0)%	(8.1)%
Share of traditional products of revenue	65.0%	71.9%			
OSRAM	**3,807.3**	**3,956.7**	(3.8)%	(4.6)%	0.8%

Changes in major items of the consolidated statement of income

Gross Profit

in € million	Nine months ended June 30, 2014	2013	Change nominal
Revenue	3,807.3	3,956.7	(3.8)%
Cost of goods sold and services rendered	(2,579.3)	(2,827.1)	(8.8)%
Gross profit	**1,228.0**	**1,129.6**	8.7%
in % of revenue	32.3%	28.5%	

Gross profit rose by 8.7%, increasing from €1,129.6 million in the first nine months of fiscal 2013 to €1,228.0 million in the same period of fiscal 2014. The gross profit margin (gross profit as a percentage of revenue) rose from 28.5% in the first nine months of fiscal 2013 to 32.3% in the first nine months of fiscal 2014. This improvement was, among other factors, the result of cost reduction from the OSRAM Push program, lower transformation costs than in the comparable period, primarily at CLB, and an increase in profitability at OS. The gross profit margin for SSL products of LLS also improved.

Other Functional Costs and Other Operating Result

in € million	Nine months ended June 30, 2014	2013	Change nominal
Research and development expenses	(246.9)	(255.0)	(3.2)%
in % of revenue	(6.5)%	(6.4)%	
Marketing, selling and general administrative expenses	(719.7)	(787.5)	(8.6)%
in % of revenue	(18.9)%	(19.9)%	
Other operating income	39.4	57.0	(30.9)%
Other operating expense	(46.3)	(37.2)	24.5%

The decrease in research and development costs is mainly attributable to the higher transformation costs recorded in the first nine months of fiscal 2013. A decline at CLB—only partly due to lower transformation costs—was offset by higher research and development expenses at OS.

The clear decline in marketing, selling, and general administrative expenses in the first nine months of fiscal 2014 compared with the prior-year period is also largely attributable to the lower transformation costs and lower expenses associated with the separation/for going public. However, operational savings were also made. Unlike the prior-year period, the current reporting period was impacted by the costs of OSRAM's participation in "Light+Building", a trade fair that takes place every two years.

The other operating result, which comprises other operating income and other operating expense, declined sharply in the first nine months of fiscal 2014 compared with the corresponding prior-year period. This is primarily due to increased litigation costs in the reporting period that OSRAM considers in part to be a special item. A decline was also noted in other operating income, which in the prior-year period contained higher income from the settlement of patent infringement disputes than in the current reporting period. OSRAM considers this income to be a special item.

Financial Result

in € million	Nine months ended June 30, 2014	2013	Change nominal
Income (loss) from investments accounted for using the equity method, net	34.8	13.2	163.6%
Interest income	2.5	4.8	(47.9)%
Interest expense	(27.3)	(23.3)	17.2%
Other financial income (expense), net	(2.4)	(7.3)	(67.1)%
Financial result	**7.6**	**(12.6)**	n/a

In the nine months of fiscal 2014 just ended, we saw income of €34.8 million from investments accounted for using the equity method. The result is largely attributable to a net gain of €32.0 million from the sale of OSRAM's 50% interest in the Valeo Sylvania joint venture, as well as the loans granted to Valeo Sylvania by OSRAM. In the comparable period we saw a net gain of €13.2 million from investments accounted for using the equity method › see Note 6 | Income (Loss) from Investments Accounted for Using the Equity Method, Net, in the notes to the interim consolidated financial statements.

Net Income and EBITA

in € million	Nine months ended June 30, 2014	2013	Change nominal
Income before income taxes	262.1	94.3	177.9%
Income taxes	(81.0)	(32.1)	152.3%
Net income	**181.1**	**62.2**	191.2%
EBITA	274.3	123.7	121.7%
in % of revenue (EBITA margin)	7.2%	3.1%	
therein special items	(68.5)	(178.1)	(61.5)%
therein transformation costs	(63.9)	(189.8)	(66.3)%

Despite the decline in revenue, income before income taxes rose sharply in the first nine months of fiscal 2014, climbing to €262.1 million from €94.3 million in the prior-year period. This growth resulted primarily from the increase in gross profit, the reduction in marketing, selling, and general administrative expenses and in research and development expenses, as well as the increase in net income from investments accounted for using the equity method compared with the prior-year period. These positive effects were offset in part by the negative other operating result in the first nine months of fiscal 2014, compared with the positive effect of the item in the comparable prior-year period. After deduction of the income tax expense, which is determined on the basis of the estimated effective tax rate for the full fiscal year, net income saw a sharp increase from €62.2 million in the prior-year period to €181.1 million in the first nine months of 2014.

EBITA rose by 121.7%, increasing from €123.7 million in the first nine months of fiscal 2013 to €274.3 million in the same period of fiscal 2014. The corresponding EBITA margin increased sharply from 3.1% in the prior-year period to 7.2% in the reporting period. This year-on-year increase is primarily due to lower special items, mainly transformation costs (in particular at CLB). In addition, the improved profitability resulted from the success of OSRAM Push and especially from the higher EBITA at OS in the first nine months of fiscal 2014. However, the €7.9 million gain on the settlement of pension benefits in the U.S.A., which made a positive contribution to several segments, and in particular to CLB, was outweighed by substantial negative currency effects.

Overall, special items reduced EBITA in the reporting period by €68.5 million. They mainly comprised €63.9 million in transformation costs related to OSRAM Push. They include the cost of personnel-related measures amounting to €38.0 million › see Note 3 | Personnel-related Restructuring Expenses and Note 9 | Pension Plans and Similar Commitments, both in the notes to the interim consolidated financial statements as well as other transformation costs of €25.9 million in connection with impairment losses and the discontinuation of production facilities, among other things. Aside from the transformation costs, net expenses of €4.6 million were incurred. These special items are primarily made up of income and expenses associated with the separation/for going public and costs associated with certain legal and regulatory matters, additionally costs occurred in Q3 of fiscal 2014 due to the termination of the appointment of Dr. Peter Laier as a member of the Managing Board by mutual agreement › see Note 4 | Other Operating Income, Note 5 | Other Operating Expense, Note 12 | Legal Proceedings, and Note 16 | Related Party Disclosures in the notes to the condensed interim consolidated financial statements.

By contrast, special items produced a negative effect on EBITA of € 178.1 million in the first nine months of fiscal 2013. Included in this effect were transformation costs of € 189.8 million that were mainly incurred for personnel-related measures (€107.8 million) and from impairment losses, losses on the disposal of property, plant, and equipment, and other transformation costs (total of € 66.0 million). These were partially offset by net income of € 11.7 million in connection with the separation/for going public and patent infringement disputes, which comprised legal costs, income in connection with the patent infringement disputes, and costs in connection with the establishment of OSRAM as an independent company.

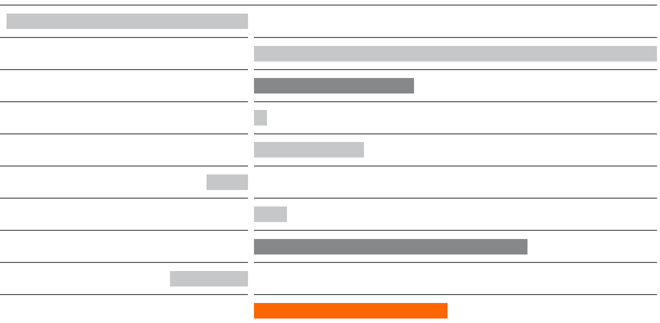
Excluding the special items, the corresponding adjusted EBITA margin › see the glossary improved from 7.6% in the prior-year period to 9.0%.

Statement of Income: Change Compared to Prior-year Period

Nine months ended June 30, 2014

in € million

Revenue	(149.4)
Cost of goods sold and services rendered	247.8
Gross profit	**98.4**
Research and development expenses	8.1
Marketing, selling, and general administrative expenses	67.8
Other operating result	(26.7)
Financial result	20.2
Income before income taxes	**167.8**
Income taxes	(48.9)
Net income	**118.9**



Segment Information

The organizational structure of the Lamps & Components segment was modified effective May 1, 2014, and the business activities of the Lamps (LP) and Light Engines & Controls (LE) Business Units were reorganized. The two units' declining traditional businesses were combined in a new Classic Lamps & Ballasts (CLB) Business Unit. In the same way, the rapidly expanding SSL activities of LP and LE were bundled together in a new LED Lamps & Systems (LLS) Business Unit. These measures are intended to ensure a clear management focus on the different business dynamics of OSRAM's traditional business and SSL activities as well as greater flexibility and agility in the market. The new business units are presented and discussed for the first time as externally reported segments below. In line with the management approach, assets, free cash flow and additions to intangible assets and property, plant and equipment for the new LED Lamps & Systems and Classic Lamps & Ballasts segments are not yet reported in these financial statements. However, to ensure consistent reporting, the figures for the former Lamps & Components segment are provided for information purposes and are discussed as appropriate in the management report.

LED Lamps & Systems

Segment Data LLS

		Nine months ended June 30,		Change	
		2014	**2013**	nominal	comparable[1]
Total revenue	in € million	310.3	214.0	45.0%	51.4%
EBITA	in € million	(61.1)	(71.3)	(14.3)%	
EBITA margin	in %	(19.7)%	(33.3)%		
Employees[2]	in thousand FTE	1.9	1.6	18.8%	

[1] Adjusted for currency translation and portfolio effects.
[2] As of June 30, 2014 and 2013.

Total revenue generated by the LLS segment increased by €96.3 million respectively 45.0% year-on-year to €310.3 million in the first nine months of fiscal 2014. The segment's revenue increased in all reporting regions, but particularly in the EMEA region. The highest growth in percentage terms was in LED light engines and drivers, whereas LED lamps accounted for over two-thirds of the segment's revenue. Adjusted for negative currency translation effects of 6.4%, total segment revenue increased by 51.4%.

Increased revenue and productivity improvements more than offset the declining prices and costs associated with development of the product portfolio. As a result, EBITA grew by €10.2 million respectively 14.3% year-on-year. The EBITA margin improved 1,360 basis points compared with the first nine months of the prior year.

Classic Lamps & Ballasts

Segment Data CLB

		Nine months ended June 30,		Change	
		2014	**2013**	nominal	comparable[1]
Total revenue	in € million	1,490.3	1,752.6	(15.0)%	(9.7)%
EBITA	in € million	98.1	49.0	100.2%	
EBITA margin	in %	6.6%	2.8%		
Employees[2]	in thousand FTE	14.2	16.4	(13.4)%	

[1] Adjusted for currency translation and portfolio effects.
[2] As of June 30, 2014 and 2013.

Total revenue generated by the CLB segment decreased by €262.3 million respectively 15.0% in the first nine months of fiscal 2014 to €1,490.3 million. CLB's revenue declined in all reporting regions, but particularly in the APAC region. The decisive factor for the decline was the accelerated transition to LED technologies, as mentioned previously. This led to all product areas being hit by revenue decreases. Adjusted for negative currency translation effects of 5.3%, total segment revenue declined by 9.7%.

Despite declining revenue, EBITA doubled year-on-year to €98.1 million. In line with this, the EBITA margin increased to 6.6%, compared to 2.8% one year previously. This was primarily due to the sharp decrease in transformation costs, but also to productivity improvements connected with the OSRAM Push program. EBITA growth benefitted from the previously mentioned pension benefit settlement of €5.2 million in the U.S.A., which was more than compensated by negative currency effects. Increasing cost progression effects and start-up costs for halogen lamps in the Americas region had a negative impact, particularly as from the third quarter of 2014. After adjustment for special items, the EBITA margin decreased to 9.4% in the nine months ended June 30, 2014 (previous year: 10.3%).

Luminaires & Solutions

Segment Data LS

		Nine months ended June 30,		Change	
		2014	2013	nominal	comparable[1]
Total revenue	in € million	345.0	406.5	(15.1)%	(12.3)%
EBITA	in € million	(58.8)	(63.8)	(7.8)%	
EBITA margin	in %	(17.0)%	(15.7)%		
Employees[2]	in thousand FTE	2.4	3.4	(30.0)%	

[1] Adjusted for currency translation and portfolio effects.
[2] As of June 30, 2014 and 2013.

Total revenue generated by the LS segment in the first nine months of fiscal 2014 decreased by €61.5 million respectively 15.1% compared with the comparable prior-year period, to €345.0 million. This decline was due primarily to anticipated declines in connection with the termination of the traditional maintenance business in the U.S.A., and to streamlining of the product portfolio in the luminaire business. Revenue from SSL products saw a positive trend, with the latters' share of the segment's total revenue increasing significantly to 45.4% in the nine months ended June 30, 2014. Adjusted for currency translation effects of –2.8%, total revenue fell by 12.3%.

EBITA for the LS segment improved year-on-year in the first nine months of fiscal 2014 to €–58.8 million, up from the prior-year figure of €–63.8 million. The EBITA margin declined from –15.7% to –17.0%. This is due in particular to the fact that function costs decreased less sharply than revenue, although a sequential improvement was seen in the third quarter of 2014. By contrast, EBITA was boosted by the settlement of pension benefits in the U.S.A. referred to previously. Adjusted for special items due to transformation costs, the EBITA margin declined from –13.3% in the prior-year period to –15.0% in the first nine months of fiscal 2014. The goal is for the LS segment to break even in fiscal 2015.

Specialty Lighting

Segment Data SP

		Nine months ended June 30,		Change	
		2014	2013	nominal	comparable[1]
Total revenue	in € million	1,147.4	1,086.7	5.6%	10.2%
EBITA	in € million	177.0	170.9	3.6%	
EBITA margin	in %	15.4%	15.7%		
Employees[2]	in thousand FTE	6.2	6.0	3.5%	

[1] Adjusted for currency translation and portfolio effects.
[2] As of June 30, 2014 and 2013.

The SP segment recorded a year-on-year rise in total revenue in the first nine months of fiscal 2014, climbing €60.7 million, respectively 5.6% to €1,147.4 million. Excluding currency translation effects of –4.6%, growth amounted to 10.2%. This development is due to growth in all regions. The APAC region recorded significant comparable revenue growth, with clear growth in revenue on a comparable basis being seen in the Americas and EMEA. Growth was based above all on demand for SSL-based products as well as LED components and traditional products for the automotive sector.

The display/optic area returned to growth, with a rise in revenue on a comparable basis in the second quarter of fiscal 2014. This trend continued to stabilize in the third quarter, leading the display/optic area to record modest comparable revenue growth year-on-year for the nine months ended June 30, 2014.

SP's EBITA increased to €177.0 million in the first nine months of fiscal 2014. This represented growth of €6.1 million, or 3.6%, as against the comparable prior-year period. The main drivers were lower special items than in the prior year and SP's share of the settlement of pension benefits in the U.S.A., as already mentioned. Reversely significant negative currency effects impacted SP's result. Overall, the EBITA margin of 15.4% for the reporting period was at a similarly high level as in the prior-year period, despite the substantial growth in the internally sourced LED components business. Adjusted for special items, the EBITA margin was 16.0% in the first nine months of fiscal 2014, compared to 17.3% in the prior-year period.

Opto Semiconductors

Segment Data OS

		Nine months ended June 30,			Change
		2014	**2013**	nominal	comparable[1]
Total revenue[2]	in € million	825.3	749.6	10.1%	12.7%
External revenue	in € million	502.3	483.5	3.9%	
EBITA	in € million	144.0	84.7	70.0%	
EBITA margin	in %	17.4%	11.3%		
Employees[3]	in thousand FTE	8.3	7.4	12.7%	

[1] Adjusted for currency translation and portfolio effects.
[2] Including intersegment revenue of €323.0 million (prior year: €266.1 million).
[3] As of June 30, 2014 and 2013.

Total revenue recorded by the OS segment amounted to €825.3 million in the first nine months of fiscal 2014. This corresponds to a rise of €75.7 million, respectively 10.1% as against the comparable prior-year period. This growth was achieved in all regions and in almost all businesses. Revenue increased in particular in the area of LEDs for general lighting and for the automotive sector. Excluding currency translation effects of –2.6%, total revenue at OS grew by 12.7% compared with the prior-year period.

The EBITA recorded by OS grew by €59.3 million, or 70.0%, year-on-year to €144.0 million. Compared with the prior-year period, the EBITA margin at OS improved from 11.3% to 17.4%. Contributing factors were the rise in revenue, improved capacity utilization, and a more favorable product portfolio mix—especially due to demand from the automotive and industrial sectors—as well as productivity gains as part of OSRAM Push, which offset price declines. Both periods benefited from licensing revenue.

Reconciliation to interim consolidated financial statements

The reconciliation to interim consolidated financial statements included in the segment information comprises Corporate items and pensions and Eliminations, corporate treasury, and other reconciling items.

The corporate items include certain business activities and special topics that are not directly attributed to the segments because the Managing Board of OSRAM Licht AG (CODM—Chief Operating Decision Maker) does not consider them to be indicative of the segments' performance. Among other things, these include some of the activities in connection with specific pre-materials (e.g., the production of fluorescent materials), specific legal issues, and the OLED research and development project. Additionally, corporate items contain certain costs associated with the separation/for going public and the spin-off, and patent infringement disputes.
The Pensions item includes those pension-related income and expense items at OSRAM that are not allocated to the segments.

Eliminations, corporate treasury, and other reconciling items comprise the consolidation of transactions between the segments, certain reconciliation and reclassification items, and corporate treasury operations.

In the nine months ended June 30, 2014, the EBITA of the *Corporate items and pensions* line item includes €–18.8 million (previous year: €–41.4 million) relating to corporate items, as well as €–5.7 million (previous year: €–3.9 million) relating to pensions. In the first nine months of fiscal 2014, the corporate items were impacted, among other things, by expenses and income in the net amount of €–10.3 million relating to legal proceedings and the termination by mutual agreement of the appointment of Dr. Peter Laier as a member of the Managing Board. They were also impacted by transformation costs in the amount of €9.8 million.

In the previous year, the corporate items reflected, among other things, income from the settlement of patent infringement disputes, expenses for historical regulatory risks in one country, which was addressed as part of the "Future Industrial Footprint" project, expenses of €10.2 million resulting from impairment losses on property, plant, and equipment used for the production of pre-materials, and expenses of €9.9 million for the relocation of Group headquarters in Munich. In both periods, they were also impacted by costs incurred in connection with the transaction bonus program.

Financial Position and Net Assets

Changes in key items of the consolidated statement of cash flows

Cash flows from operating activities

Net cash provided by operating activities increased by €14.4 million, from €317.2 million in the first nine months of fiscal 2013 to €331.6 million in the first nine months of fiscal 2014. Favorable earnings growth contributed to this rise. Net income of €181.1 million in the first nine months of fiscal 2014 was up €118.9 million on the level for the prior-year period (€62.2 million), due among other things to a decrease in amortization, depreciation, and impairments. The €32.0 million net gain recorded on sales of investments in the first nine months of fiscal 2014 (previous year: €– million) was a negative reconciling item within operating activities.

In contrast to this, the income taxes in the reconciliation from net income to net cash provided by operating activities in the first nine months of fiscal 2014 had a positive effect, due to the inclusion of the tax expense of €81.0 million, while the actual cash outflow for income taxes paid amounted to €17.7 million. In the first nine months of fiscal 2013, a tax expense of €32.1 million was accompanied by income taxes paid of €54.1 million, which had a negative effect overall on net cash provided by operating activities. Income taxes paid were primarily attributable in both periods to withholding tax deducted, the settlement of tax liabilities from previous years, and tax prepayments for the current year. In addition, a significant tax refund was included in the first nine months of fiscal 2014.

The change in the net working capital items (resulting from changes in current assets and liabilities in the statement of cash flows) led to an additional €93.6 million being tied up in the first nine months of fiscal 2014, whereas funds of €0.1 million had been tied up in the comparable prior-year period. The changes in inventories and other current liabilities were responsible for most of this shift. Funds tied up in inventory of €143.1 million in the first nine months of fiscal 2014 were due in particular to the increase in inventories in the former LC segment and in the SP segment. By contrast, €1.8 million of funds were tied up in the comparable prior-year period. The higher inventory level in the former LC segment was mainly due to the accelerated decline in the traditional business on the one hand, and SSL portfolio increase on the other. The change in other current liabilities in the first nine months of fiscal 2014 was accompanied by €81.5 million being tied up. By contrast, funds of €41.6 million were released in the prior-year period. In the first nine months of 2013, this item was heavily impacted by the increase in liabilities relating to restructuring measures, whereas in the current reporting period liabilities were reduced by payments. The change in trade receivables led to the release of €80.2 million in the first nine months of fiscal 2014, whereas in the prior-year period funds of €49.2 million were tied up. The former LC segment made a particular contribution to this change. The change in trade payables led to funds of €27.1 million being released in the nine months ended June 30, 2014, whereas funds of €10.2 million were tied up in the first nine months of fiscal 2013. The former LC segment made a particular contribution to this change.

Cash flows from investing activities

Net cash used in investing activities amounted to €80.7 million in the first nine months of fiscal 2014, compared with €100.4 million in the comparable prior-year period.

Capital expenditures

Capital expenditures for intangible assets and property, plant, and equipment reported in the consolidated statement of cash flows totaled €166.3 million in the first nine months of fiscal 2014, an increase on the level of the first nine months of fiscal 2013 (€117.8 million). Of the total amount, €55.2 million was attributable to the former LC segment in the first nine months of fiscal 2014. Capital expenditures focused most notably on setting up the new LED lamp production facility in Germany and expanding the production lines, particularly for modern halogen lamps.

Capital expenditures at SP of €27.0 million were primarily used to expand capacity (among other things to manufacture products for the automotive sector) and to rationalize production.

Opto Semiconductors invested €68.5 million, which included investments to establish the new LED assembly facility in Wuxi, China, and to expand production capacity in Penang, Malaysia. Further significant capital expenditures are planned for the coming quarters, including for the LED assembly facility in Wuxi.

The capital expenditures recognized in the Corporate items and pensions line item totaled €10.8 million in the first nine months of fiscal 2014 and were primarily attributable to the fitting out of a lighting laboratory that was relocated to the production site in Augsburg when the former Group headquarters building in Munich was closed.

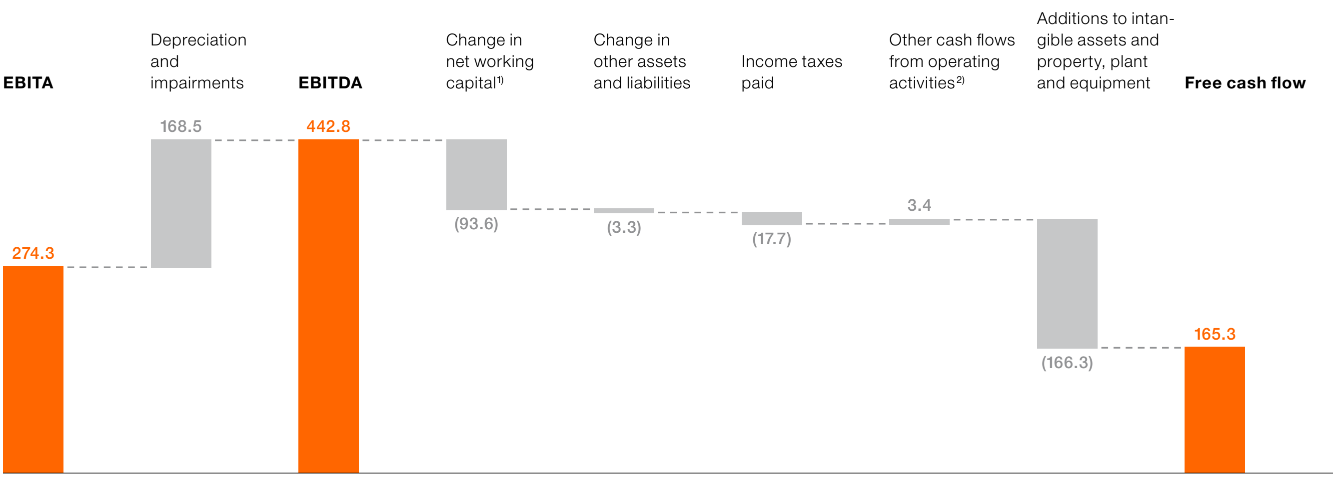
Divestments

At the beginning of the second quarter of fiscal 2014, OSRAM received a payment of €79.6 million from the sale of its 50% interest in the Valeo Sylvania joint venture and the loans granted to Valeo Sylvania by OSRAM, which were part of the net investment in the joint venture.

In the first nine months of fiscal 2013, OSRAM received a net payment of €24.8 million from the sale of the subsidiaries Sunny World (Shaoxing) Green Lighting Co. Ltd., Shaoxing, China ("Sunny World") and OSRAM Hong Kong Ltd., Hong Kong ("OHK").

Reconciliation of EBITA to Free Cash Flow
Nine months ended Juny 30, 2014

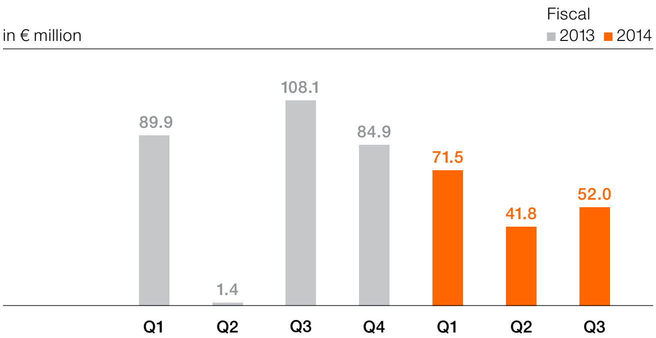
in € million



[1] Includes changes in inventories, trade receivables, other current assets, trade payables, current provisions, and other current liabilities.
[2] Includes interest received and other reconciling items to net cash provided by (used in) operating activities.

Free cash flow

Free Cash Flow by Quarters



Free cash flow decreased from €199.4 million in the first nine months of fiscal 2013 to €165.3 million in the first nine months of fiscal 2014 due to higher capital expenditures.

Cash Flows from

in € million	Nine months ended June 30, 2014	2013
Operating activities	331.6	317.2
Investing activities	(80.7)	(100.4)
thereof: Additions to intangible assets and property, plant and equipment	(166.3)	(117.8)
Free cash flow[1]	165.3	199.4
Financing activities	(173,2)	53,6

[1] Free cash flow is defined as net cash provided by (used in) operating activities less additions to intangible assets and property, plant, and equipment.

Cash flows from financing activities

OSRAM's financing activities resulted in a net cash outflow of €173.2 million in the first nine months of fiscal 2014, in contrast to a net cash inflow of €53.6 million in the comparable prior-year period. The most significant financing transactions during the first nine months of fiscal 2014 were partial repayments of the syndicated term loan, which involved payments totaling €160.0 million. Additional cash outflows in the first nine months of fiscal 2014 resulted in particular from interest payments of €13.6 million and a net reduction in short-term bank loans of €4.8 million at OSRAM companies that are not able to take part in Group financing because of national restrictions on capital transfers. The cash inflow of €6.3 million reported in the Other transactions/financing with Siemens Group item resulted primarily from the reimbursement by Siemens AG of the acquisition costs of treasury shares and other costs incurred in connection with the transaction bonus program, the administration of which OSRAM took over from Siemens AG as part of the spin-off. ›Additional information can be found in the notes to the consolidated financial statements of OSRAM Licht AG for fiscal 2013 in Note 28 | Equity, Note 34 | Share-based Payment, and Note 39 | Related Party Disclosures.

Financing activities in the first nine months of fiscal 2013 were dominated by transactions with Siemens. The cash outflow of €278.2 million reported in the Other transactions/financing with Siemens Group item in the first nine months of fiscal 2013 was primarily due to the decline in net payables to the Siemens Group from financing activities. An offsetting effect resulted from the loss absorption payment of €336.6 million made by Siemens in the first nine months of fiscal 2013 for fiscal 2012 in line with the domination agreement.

Financing and liquidity analysis

Net debt/net liquidity comprises total debt (short-term debt and current maturities of long-term debt plus long-term debt) less total liquidity (cash and cash equivalents plus current available-for-sale financial assets).

Net Debt/Net Liquidity

in € million	June 30, 2014	September 30, 2013
Short-term debt and current maturities of long-term debt	48.7	55.9
+ Long-term debt	138.1	295.0
Total debt	**186.8**	**350.9**
Cash and cash equivalents	604.9	522.1
+ Available for sale financial assets	1.5	0.8
Total liquidity	**606.4**	**522.9**
Net debt/net liquidity[1]	**(419.6)**	**(172.0)**
+ Pension plans and similar commitments	340.4	358.5
Adjusted net debt/net liquidity[1]	**(79.2)**	**186.5**

[1] Net liquidity is presented as a negative figure.

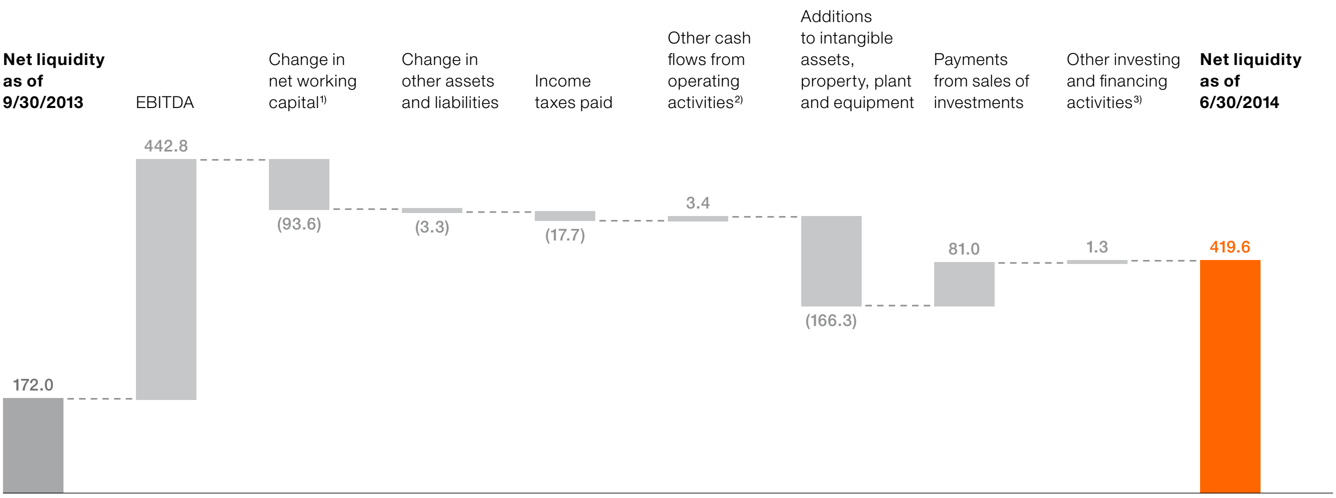
OSRAM has access to variable-rate credit lines of €1.09 billion under a syndicated loan facility. They comprise a term loan of €140 million and a revolving credit line of €950 million. The revolving credit line may also be drawn down in U.S. dollars or, with the approval of the banks, in other currencies. The loan agreement was signed on February 1, 2013, and matures on February 1, 2018.

An amount of €140 million had been drawn down as a term loan under the loan facility as of June 30, 2014; the figure as of September 30, 2013 was €300 million. On March 31, 2014, €80 million was redeemed, followed by a subsequent €80 million on June 30, 2014. These amounts cannot be drawn down again in line with the terms of the agreement for the term loan. The difference between the amount drawn down under the credit facility and the carrying amount is due to transaction costs not yet amortized using the effective interest method.

Short-term debt results from drawdowns of short-term credit lines, especially by OSRAM companies in countries that cannot take part in Group financing because of national restrictions on capital transfers.

Development of Net Debt/Net Liquidity
Nine months ended June 30, 2014

in € million



[1] Includes changes in inventories, trade receivables, other current assets, trade payables, current provisions, and other current liabilities.
[2] Includes interest received and other reconciling items to net cash provided by (used in) operating activities.
[3] Includes both cash inflows/outflows (especially interest payments) and noncash effects, e.g., from currency translation.

Asset structure and equity

Balance sheet structure

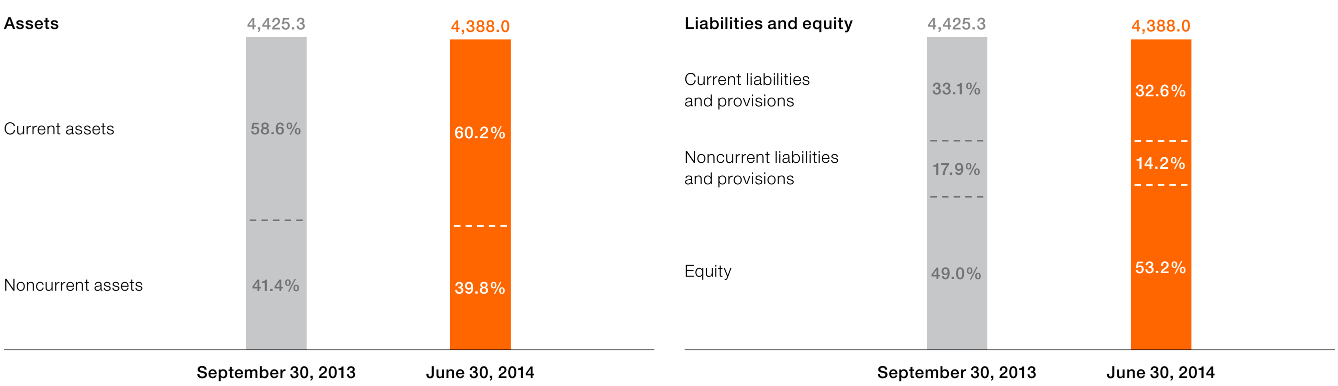
In the first nine months of fiscal 2014, total assets decreased by €37.3 million, or 0.8%, from €4,425.3 million as of September 30, 2013, to €4,388.0 million as of June 30, 2014. A significant factor in this, which reduced total assets by around €30 million, was the appreciation of the euro against the functional currencies of OSRAM companies not located in the eurozone. Cash and cash equivalents rose by €82.8 million to €604.9 million mainly due to the cash inflows from operating activities. No assets were classified as held for sale as of June 30, 2014, due in particular to the sale of the interest in the Valeo Sylvania joint venture.

On the liabilities and equity side, other current liabilities declined by €91.2 million, particularly as the result of severance payments as well as special and year-end payments to employees. Long-term debt decreased by €156.9 million to €138.1 million. This change mainly resulted from the partial repayment in the amount of €160.0 million of the syndicated term loan.

Equity rose by €166.3 million to €2,335.6 million; the rise was primarily the result of the net income of €181.1 million generated in the first nine months of fiscal 2014. This was partially offset in particular by the effects of currency translation (€16.3 million) recognized directly in equity. The equity ratio (equity to total assets) was therefore 53.2% as of June 30, 2014, compared with 49.0% as of September 30, 2013.

Balance Sheet Structure

in € million



Progress of the OSRAM Push Program

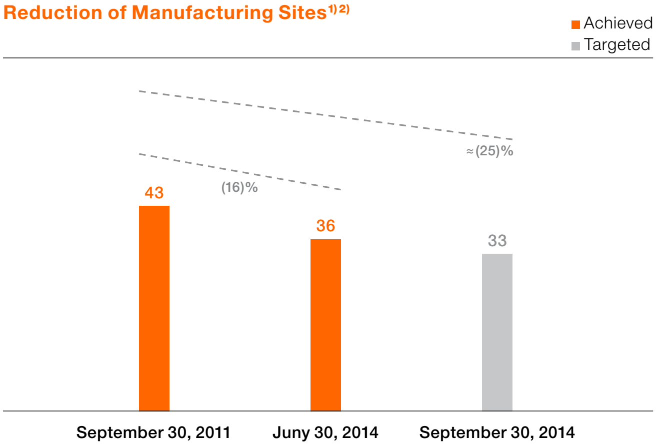
The technology shift and the resulting fundamental changes in the business environment have necessitated a strategic realignment of the OSRAM Licht Group. Since the first quarter of fiscal 2012, this has been supported by a company-wide, sustainable, and comprehensive improvement program—"OSRAM Push". The program encompasses all of the projects and measures triggered by the technology shift and the associated realignment of OSRAM's portfolio, organization, processes and business culture. In addition, OSRAM Push addresses further structural and operational measures designed to improve productivity across all segments.

All of the measures implemented during the first wave of the OSRAM Push program, which commenced in 2012, are either ongoing or have been completed. However, OSRAM Push is a continuing improvement program that in light of recent market developments and the accelerating pace of transition will enter a second wave aimed at securing OSRAM's position as a leading provider of lighting products and solutions.

First wave of OSRAM Push (2012–2014)

In particular, the production landscape is being transformed in order to improve plant capacity utilization. The goal here is to reduce the number of manufacturing sites. As of September 30, 2011, OSRAM had 43 production locations. Starting from this baseline, the goal is to discontinue eleven locations by the end of fiscal 2014. A further facility was closed in the third quarter, so that eight out of the eleven locations have now been discontinued.

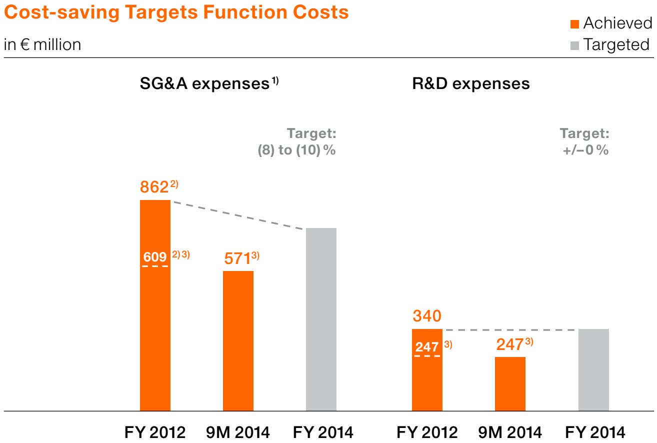
OSRAM Push:
Reduction of Manufacturing Sites[1)2)]



[1)] Net reduction including the establishment of a new LED assembly facility in Wuxi, China, which was opened on May 21, 2014.
[2)] Figures taken from OSRAM's current planning.

Simultaneously, OSRAM is aiming to increase the profitability of its business by ensuring more efficient structures in research and development, production, and sales, as well as in its corporate functions. In connection with this, research and development expenses for fiscal 2014 are to be maintained at the fiscal 2012 level, and marketing, selling, and general administrative expenses excluding logistics costs are to be reduced from the level recorded in fiscal 2012.

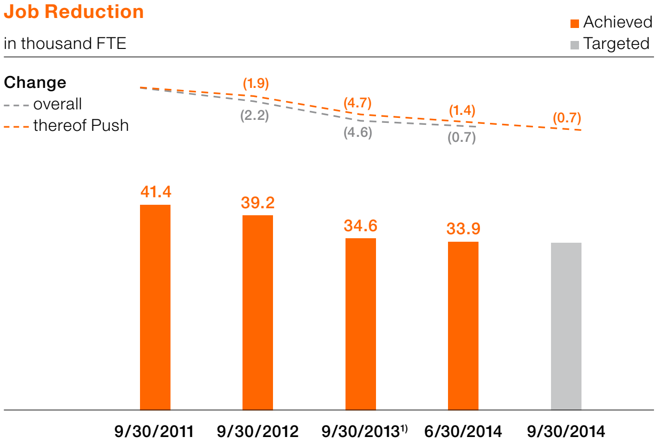
OSRAM Push:
Cost-saving Targets Function Costs
in € million



[1)] Excluding logistics costs of € 161.8 million and € 149.1 million in the nine months ended June 30, 2012 and 2014, respectively, and of € 213.9 million in fiscal 2012.
[2)] In connection with contract changes, certain allowances to purchasing associations are now reported, as of fiscal 2013, in marketing, selling, and general administrative expenses. In fiscal 2012, these expenses were reported under gross profit and amounted to € 20.1 million for the year as a whole and € 16.3 million for the nine months ended June 30, 2012; these amounts are included for comparison purposes in the figures of € 862 million and the € 609 million, respectively.
[3)] Nine months ended June 30, 2012 and 2014, respectively.

The measures described above involve a clear reduction in the workforce. OSRAM had already announced in January 2012 that staff levels would be adjusted by the end of fiscal 2014. Overall, OSRAM plans to cut approximately 8,700 jobs in the fiscal years 2012 till 2014. As of June 30, 2014, around 8,000 of the abovementioned jobs had already been cut.

OSRAM Push:
Job Reduction
in thousand FTE



[1)] Including 500 jobs at the Tangerang production facility in Indonesia, which were eliminated as of October 1, 2013.

OSRAM Push aims to sustainably improve OSRAM's productivity. Alongside the transformation-driven measures, a key focus of the program is on improving operating productivity, which benefits all segments. This includes savings in the purchasing area and from optimizing production.

Overall, OSRAM is aiming to achieve cumulative gross cost reductions of around €1.2 billion in the first wave of OSRAM Push by the end of fiscal 2015. These savings will be partly offset by cumulative transformation costs of approximately €600 million in fiscal years 2012 to 2014, around €100 million of which is attributable to fiscal 2014. Cumulative transformation costs currently totaling €562 million were incurred in fiscal 2012, fiscal 2013, and the first nine months of fiscal 2014. In addition, cost savings will be partly offset by other effects, in particular the effects of declining prices (especially for SSL products), salary increases, and other inflationary effects.

OSRAM Push: Project Progress[1]	**Status 9/30/2013**[2]	**Status 6/30/2014**[2]	**Progress**	**Target** cumulated until 9/30/2014
Transformation costs	€498 million	€562 million	94%	≈ €600 million
Reduction of manufacturing sites	(7)	(8)	73%	(11)
Job reduction (thousand FTE)	(6.6)	(8.0)	92%	≈ (8.7)
				until 9/30/2015
Cost reduction by OSRAM Push measures[3]	€433 million	€761 million	63%	≈ €1,200 million

[1] The information presented reflects the project progress since fiscal 2012 until the reporting date of June 30, 2014.
[2] Cumulative since start of the project in fiscal 2012.
[3] The OSRAM Push measures refer to the fiscal years 2013 to 2015.

Second wave OSRAM Push (2015–2017)

In the second wave of OSRAM Push up to 2017, further process improvements and structural adjustments will be made following the completion of the consultations with employee representatives. This is due to the rapid changes in market conditions. The measures will affect not only production capacity for traditional general lighting products, but also sales, administration and other indirect functions throughout the Company. Around 1,700 jobs in Germany and 6,100 worldwide are set to be cut over three years. Around 1,900 of the total of roughly 7,800 are unrelated to production. In Germany, the plans relate to the Munich location in particular, along with general lighting production locations in Augsburg, Berlin and Eichstätt. Overall, the measures that have been resolved aim at achieving around €260 million in permanent cost reductions by the end of fiscal 2017. The amount of additional cost reductions from operating productivity measures, which account for the major part of savings during the first wave of OSRAM Push, are likely to be quantified in November 2014. The associated expenses are expected to total approximately €450 million (gross) over the same period. Depending on how fast the measures are implemented, wave two transformation costs could result in expenses in the low double-digit million euro range being incurred in the fourth quarter of fiscal 2014.

Report on Opportunities and Risks

OSRAM is presented with a wide range of opportunities as part of its corporate activities and in view of our wide range of business activities. However, the Company is also exposed to a large number of risks. These opportunities and risks may positively or negatively influence the Company's business performance. We make use of a variety of integrated risk management and control systems to identify relevant opportunities and risks at an early stage and to manage them effectively. Risk management sustainably ensures our future business success and is an integral component of all Group decisions and business processes. We presented specific risks that could have material adverse effects on our net assets, financial position, and results of operations, as well as our reputation, along with our key opportunities and the structure of our risk management system in our Annual Report for fiscal 2013.

Risks

Provisions were recognized in connection with legal proceedings in the nine months ended June 30, 2014 ›see Note 12 | Legal Proceedings in the notes to the interim consolidated financial statements. Risks in connection with regulatory certification requirements are classified as more significant compared with September 30, 2013. Above and beyond the changes in the risks relating to the competitive environment and the adjustments to our industrial footprint detailed below, the risks described in the Annual Report for fiscal 2013 did not materially change in terms of their identification and assessment in the nine months ended June 30, 2014.

Strategic risks

Market dynamics and competitive environment

In the future, developments in the lighting industry could lead to consolidation and commoditization dynamics, in particular in parts of general lighting. In the mid-term there is a risk that opportunities for manufacturers to differentiate themselves on the basis of technological expertise or brand value could diminish. As a result, we could see a situation where manufacturers of general lighting products are forced to differentiate themselves more on price than was previously the case. This could have an adverse effect on our business activities as well as on our net assets, financial position, and results of operations.

Adjustments to the organization and the industrial footprint

OSRAM is reacting to the stronger than anticipated momentum of the technology shift with measures aimed at making our processes more flexible and reducing our fixed cost base. To this end we launched the second phase of OSRAM Push already in the third quarter of 2014 as part of our comprehensive approach to ensuring that the Company is fit for the future, with a focus on SSL. The risk here is that the resources affected will be tied up too much during implementation of the measures, thus compromising temporarily the operational performance of our business. This could have an adverse effect on our business activities as well as on our net assets, financial position, and results of operations.

Opportunities

With respect to opportunities, changes have occurred since the Annual Report for fiscal 2013. In particular, an opportunity related to legal proceedings was realized during the nine months ended June 30, 2014. We also either implemented or incorporated into the business plan the employee development measures resolved for fiscal years 2012 to 2014. We are classifying the opportunity of the traditional market remaining stable for longer than expected as increasingly less probable than at the end of fiscal 2013. Additionally, relevant new opportunities were identified, and are described below.

Strategic opportunities

White spots

We offer future-oriented products and solutions along the entire lighting value chain. In line with this, the products cover a number of application areas, such as residential, office, industrial, gastronomy, outdoor, and architectural. In addition to the products and solutions already available, we have ideas and developments for white spots such as "intelligent light" or applications above and beyond light. We also see opportunities in the development of new business areas and further selective forward integration coupled with the expansion of our offering of value-added services. This could have a positive impact on our business activities as well as on our net assets, financial position, and results of operations.

Opportunities related to organizational and process-related improvements

Continuous improvement of key business processes with respect to agility, speed, and cost-efficiency is essential to ensure our sustained profitability. We believe that we are not even close to having exhausted the possibilities for further optimizing our cost structures and the quality of business processes within the Group. It is therefore our goal to create a more efficient and effective organization through harmonization and consolidation. In this respect, we see further potential to make our sales and distribution structures leaner and more customer-focused, with the aim of ensuring better and faster service. We also intend to proactively manage our traditional product portfolio and the products that are being phased out in order to reduce costs more quickly than planned. This could have a positive impact on our business activities as well as on our net assets, financial position, and results of operations.

Overall Assessment of Risks and Opportunities

Additional risks of which we are not currently aware or risks that we currently consider to be insignificant could also adversely affect our business activities. The Managing Board remains confident that the Group's earnings strength forms a solid basis for our future business development and provides the resources needed to pursue the opportunities available to the OSRAM Licht Group. The Managing Board considers the risks described above to be manageable from today's perspective, and does not expect to incur any risks that either individually or in the aggregate would appear to jeopardize the continuity of our business.

Report on Expected Developments

On May 27, 2014, the Managing Board adjusted its forecast for fiscal 2014 that is discussed in detail in the 2013 Annual Report in the section entitled "Report on Expected Developments and Associated Material Opportunities and Risks" on page 91 onwards. The adjustment relates to comparable revenue growth against the backdrop of an accelerated decline in the traditional general lighting business. OSRAM continues to anticipate an EBITA margin after adjustment for special items of over 8.0%.

Please read this report on expected developments together with the section entitled "Notes and Forward-looking Statements" on page 33.

Expected Developments 2014

	Starting point Fiscal year 2013	**Expected developments** Fiscal year 2014	**Expected developments, revised** as of May 27, 2014
Comparable revenue growth (adjusted for currency translation and portfolio effects)	1.6%	Revenue growth of OSRAM Licht Group on a comparable basis will be higher than global real GDP growth for 2014 (currently expected at 3%), despite a decrease in the share of revenue at LS resulting from the restructuring.	The Managing Board now expects revenues on the last year's level, at best a modest revenue increase, on a comparable basis for the current fiscal year.
EBITA margin before special items	7.7%	EBITA margin (before special items) is expected to be over 8.0% in fiscal 2014	
Net income	€33.6 million	Net income will increase sharply.	
ROCE	1.9%	We intend to generate a return on capital in excess of our cost of capital of 8.5%.	
Free cash flow	€284.3 million	We expect a positive free cash flow in the three-digit millions of euros, although it will fall short of the high level seen in fiscal 2013.	
Reduction of manufacturing sites	7 sites	Starting from a baseline of 43 manufacturing sites in 2011, our goal is to discontinue 11 locations.	
Cumulative job reduction in connection with OSRAM Push until 2014	6,600 jobs[1]	A total of approximately 8,700 jobs will be cut by September 30, 2014.	
OSRAM Push measures	€433 million	Overall, we aim to achieve cumulative gross cost reductions of around €1.2 billion with the transformation program by fiscal 2015.	

[1] Cumulative since 2012, including 500 jobs at the Tangerang production facility in Indonesia, which were eliminated as of October 1, 2013.

Report on Events after the Balance Sheet Date

At the end of July 2014, the Managing Board announced that further process improvements and structural adjustments would be made to address the rapid changes in market conditions in the general lighting area. The measures will affect not only production capacity for traditional products in the general lighting segment, but also sales, administration, and other indirect functions throughout the Company. It is planned to reduce the workforce by approximately 1,700 in Germany and around 6,100 worldwide over a period of three years at an expected cost of some €450 million.

› For further information see the section entitled "Progress of the OSRAM Push Program".

Dr. Joachim Faber resigned as a member of the Supervisory Board and as Chairman of the Supervisory Board's Audit Committee of OSRAM Licht AG as of July 1, 2014, and has stepped down from both bodies. The personal decision by Joachim Faber follows regulatory changes in the European banking sector. The court appointment process for his successor has not yet been completed. It is expected that Dr. Werner Brandt will be appointed by the registry court as a member of the Supervisory Board on short term notice.

Other than the above, no transactions of particular significance and with material effects on the net assets, financial position, and results of operations have occurred since the end of the reporting period, June 30, 2014.

Notes and Forward-looking Statements

This Interim Report contains supplementary financial measures that are or may be what are known as non-GAAP financial measures. Such non-GAAP financial measures are or may be revenue figures adjusted for currency translation and portfolio effects, the return on capital employed (ROCE), free cash flow (FCF), EBITA, EBITDA, net debt/net liquidity, and adjusted net debt. Alternatively, these may be used for the calculation of additional performance indicators. These additional financial measures should not be used exclusively as an alternative to the financial measures presented in the condensed interim consolidated financial statements and calculated in accordance with IFRSs, as adopted by the EU, for the purpose of analyzing the financial position and results of operations of OSRAM or for analyzing its cash flows. Other companies that present or report similarly named financial measures may calculate these differently. For definitions of these additional financial measures, see the glossary of this Interim Report from page 71 onwards or our Annual Report for fiscal 2013.

This document contains statements regarding the future course of our business and future financial performance as well as future events or developments relating to OSRAM that could constitute forward-looking statements. These statements are identifiable by their use of wording such as “expect,” “want,” “anticipate,” “intend,” “plan,” “believe,” “aim,” “estimate,” “will,” “forecast,” or similar wording. If necessary, we will also make forward-looking statements in other reports, in presentations, in documents sent to shareholders, and in press releases. Furthermore, our representatives may make forward-looking statements orally from time to time. Such statements are based on current expectations and certain assumptions made by OSRAM’s management. They are therefore subject to a number of risks and uncertainties. Numerous factors, many of which are outside of OSRAM’s sphere of influence, affect OSRAM’s business activities, profits, business strategy, and results. As a result of these factors, OSRAM’s actual results, profits, and performance could differ materially from the statements about future results, profits, or performance that are contained expressly or implicitly in the forward-looking statements or expected due to earlier trends. In particular, these factors include circumstances described in the section “Report on Opportunities and Risks” in our current Interim Report, but are not limited to such. If one or more of these risks or uncertainties were to materialize, or if it should prove that the underlying assumptions did not materialize, OSRAM’s actual results, performance, and profits could deviate materially from the results described in the forward-looking statements as expected, anticipated, intended, planned, believed, aimed for, estimated, or projected results, performance, and profits. OSRAM does not assume any obligation and also does not intend to update these forward-looking statements above and beyond what is required by law or to correct them if developments are not as expected.

Condensed Interim Consolidated Financial Statements

for the three and nine months ended June 30, 2014
in accordance with IFRSs

The following English condensed interim consolidated financial statements are translations of the German condensed interim consolidated financial statements.

Consolidated Statement of Income Consolidated Statement of Comprehensive Income

OSRAM Licht Group
Consolidated Statement of Income (unaudited)
For the three and nine months ended June 30, 2014 and 2013

in € million	Note	Three months ended June 30, 2014	Three months ended June 30, 2013	Nine months ended June 30, 2014	Nine months ended June 30, 2013
Revenue		1,203.1	1,278.4	3,807.3	3,956.7
Cost of goods sold and services rendered		(810.6)	(923.7)	(2,579.3)	(2,827.1)
Gross profit		392.5	354.7	1,228.0	1,129.6
Research and development expenses		(84.7)	(81.9)	(246.9)	(255.0)
Marketing, selling and general administrative expenses		(235.6)	(262.0)	(719.7)	(787.5)
Other operating income	4	7.1	14.0	39.4	57.0
Other operating expense	5	(4.2)	(7.9)	(46.3)	(37.2)
Income (loss) from investments accounted for using the equity method, net	6	1.2	32.9	34.8	13.2
Interest income	7	0.8	0.8	2.5	4.8
Interest expense	7	(8.7)	(7.4)	(27.3)	(23.3)
Other financial income (expense), net	7	(1.0)	(1.4)	(2.4)	(7.3)
Income before income taxes		**67.4**	**41.8**	**262.1**	**94.3**
Income taxes		(23.0)	(28.1)	(81.0)	(32.1)
Net income		**44.4**	**13.7**	**181.1**	**62.2**
Attributable to:					
Non-controlling interests		1.4	2.0	4.1	4.8
Shareholders of OSRAM Licht AG		43.0	11.7	177.0	57.4
Undiluted earnings per share (in €)	14	0.41	0.11	1.69	0.55
Diluted earnings per share (in €)	14	0.41	0.11	1.69	0.55

The accompanying Notes are an integral part of these condensed interim consolidated financial statements.

OSRAM Licht Group
Consolidated Statement of Comprehensive Income (unaudited)
For the three and nine months ended June 30, 2014 and 2013

in € million	Note	Three months ended June 30, 2014	Three months ended June 30, 2013	Nine months ended June 30, 2014	Nine months ended June 30, 2013
Net income		44.4	13.7	181.1	62.2
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plans	9, 10	22.5	36.0	(0.5)	47.9
Items that may be reclassified subsequently to profit or loss					
Currency translation differences	10	19.3	(41.9)	(16.3)	(35.4)
Available-for-sale financial assets		0.0	0.1	0.6	0.1
Derivative financial instruments		(0.8)	0.8	(0.9)	0.1
		18.5	**(41.0)**	**(16.6)**	**(35.2)**
Other comprehensive income (loss), net of tax[1]		**41.0**	**(5.0)**	**(17.1)**	**12.7**
Total comprehensive income (loss)		**85.4**	**8.7**	**164.0**	**74.9**
Attributable to:					
Non-controlling interests		1.7	1.9	3.6	5.1
Shareholders of OSRAM Licht AG		83.7	6.8	160.4	69.8

[1] Other comprehensive income (loss), net of tax includes income (losses) of €0.1 million and €–0.9 million, respectively, from investments accounted for using the equity method in the three and nine months ended June 30, 2014 (three and nine months ended June 30, 2013: €0.4 million and €–2.5 million, respectively), of which €0.0 million and €0.0 million, respectively, is attributable to items that will not be reclassified to profit or loss (three and nine months ended June 30, 2013: €–0.5 million and €–4.2 million, respectively).

The accompanying Notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Financial Position

OSRAM Licht Group
Consolidated Statement of Financial Position
As of June 30, 2014 (unaudited) and September 30, 2013

in € million	Note	June 30, 2014	September 30, 2013
Assets			
Current assets			
Cash and cash equivalents		604.9	522.1
Available-for-sale financial assets		1.5	0.8
Trade receivables		765.0	853.4
Other current financial assets		48.8	58.2
Inventories		1,101.9	968.3
Income tax receivables		34.4	50.0
Other current assets		86.8	93.6
Noncurrent assets held for sale	2	–	47.0
Total current assets		**2,643.3**	**2,593.4**
Goodwill	8	34.7	35.1
Other intangible assets		105.1	119.5
Property, plant, and equipment		1,112.6	1,132.7
Investments accounted for using the equity method		56.4	57.7
Other financial assets		11.8	18.8
Deferred tax assets		363.5	397.1
Other assets		60.6	71.0
Total assets		**4,388.0**	**4,425.3**
Liabilities and equity			
Current liabilities			
Short-term debt and current maturities of long-term debt	13	48.7	55.9
Trade payables		706.7	677.0
Other current financial liabilities		39.9	39.2
Current provisions		109.0	93.9
Income tax payables		86.3	66.8
Other current liabilities		439.6	530.8
Total current liabilities		**1,430.2**	**1,463.6**
Long-term debt	13	138.1	295.0
Pension plans and similar commitments	9	340.4	358.5
Deferred tax liabilities		0.9	1.3
Provisions		18.7	16.2
Other financial liabilities		0.3	0.4
Other liabilities		123.8	121.0
Total liabilities		**2,052.4**	**2,256.0**
Equity			
Common stock, no par value		104.7	104.7
Additional paid-in capital		2,026.1	2,022.9
Retained earnings		208.0	31.5
Other components of equity		(21.0)	(4.9)
Treasury shares, at cost		(5.3)	(5.6)
Total equity attributable to shareholders of OSRAM Licht AG		**2,312.5**	**2,148.6**
Non-controlling interests		23.1	20.7
Total equity	10	**2,335.6**	**2,169.3**
Total liabilities and equity		**4,388.0**	**4,425.3**

The accompanying Notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Cash Flows

OSRAM Licht Group
Consolidated Statement of Cash Flows (unaudited)
For the nine months ended June 30, 2014 and 2013

in € million	Note	Nine months ended June 30, 2014	Nine months ended June 30, 2013
Cash flows from operating activities			
Net income		181.1	62.2
Adjustments to reconcile net income (loss) to cash provided (used in) operating activities			
Amortization, depreciation and impairments		188.3	252.0
Income taxes		81.0	32.1
Interest (income) expense, net		24.8	18.5
(Gains) losses on sales and disposals of businesses, intangibles and property, plant and equipment, net		3.3	6.6
(Gains) losses on sales of investments, net	2	(32.0)	–
(Income) loss from investments		(2.8)	(13.2)
Other non-cash (income) expenses		(3.8)	13.5
Change in current assets and liabilities			
(Increase) decrease in inventories		(143.1)	(1.8)
(Increase) decrease in trade receivables		80.2	(49.2)
(Increase) decrease in other current assets		8.4	0.8
Increase (decrease) in trade payables		27.1	(10.2)
Increase (decrease) in current provisions		15.3	18.7
Increase (decrease) in other current liabilities		(81.5)	41.6
Change in other assets and liabilities		(3.3)	(6.7)
Income taxes paid		(17.7)	(54.1)
Dividends received		2.2	5.7
Interest received		4.1	0.7
Net cash provided by (used in) operating activities		**331.6**	**317.2**
Cash flows from investing activities			
Additions to intangible assets and property, plant and equipment		(166.3)	(117.8)
Acquisitions, net of cash acquired		–	0.5
Purchases of investments		–	(17.0)
Proceeds and (payments) from sales of investments, intangible assets and property, plant and equipment	2	86.1	9.1
Proceeds and (payments) from the sale of business activities	2	(0.5)	24.8
Net cash provided by (used in) investing activities		**(80.7)**	**(100.4)**
Cash flows from financing activities			
Transaction costs related to unused credit facilities		–	(20.0)
Repayment of long-term debt	13	(160.0)	–
Change in short-term debt and other financing activities		(4.8)	28.6
Interest paid		(13.6)	(4.0)
Dividends paid to non-controlling interest shareholders		(1.1)	(5.6)
Profit and loss transfer with Siemens Group		–	336.6
Interest paid to Siemens Group		–	(3.8)
Other transactions/financing with Siemens Group		6.3	(278.2)
Net cash provided by (used in) financing activities		**(173.2)**	**53.6**
Effect of exchange rates on cash and cash equivalents		5.1	(3.8)
Net increase (decrease) in cash and cash equivalents		82.8	266.6
Cash and cash equivalents at beginning of period		522.1	31.2
Cash and cash equivalents at end of period		604.9	297.8
Cash and cash equivalents at end of period (consolidated statements of financial position)		**604.9**	**297.8**

The accompanying Notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Changes in Equity

OSRAM Licht Group
Consolidated Statement of Changes in Equity (unaudited)
For the nine months ended June 30, 2014 and 2013

in € million	Common stock	Additional paid-in capital	Retained earnings	Net assets attributable to Siemens Group[1]
Balance at October 1, 2012 (as previously reported)	**–**	**–**	**–**	**1,863.4**
Effects of retrospectively applying IAS 19 R	–	–	–	3.5
Allocation of net assets according legal structure	104.7	1,833.4	(71.2)	(1,866.9)
Balance at October 1, 2012[5]	**104.7**	**1,833.4**	**(71.2)**	**–**
Net income	–	–	57.4	–
Other comprehensive income (loss), net of tax	–	–	47.9[2]	–
Total comprehensive income (loss), net of tax	**–**	**–**	**105.3**	**–**
Dividends	–	–	–	–
Capital increase by Siemens Group	–	178.2[4]	–	–
Other changes in equity	–	1.3	–	–
Balance at June 30, 2013	**104.7**	**2,012.9**	**34.1**	**–**
Balance at October 1, 2013	**104.7**	**2,022.9**	**31.5**	**–**
Net income	–	–	177.0	–
Other comprehensive income (loss), net of tax	–	–	(0.5)[2]	–
Total comprehensive income (loss), net of tax	**–**	**–**	**176.5**	**–**
Re-issuance of treasury stock	–	–	–	–
Dividends	–	–	–	–
Other changes in equity	–	3.2	–	–
Balance at June 30, 2014	**104.7**	**2,026.1**	**208.0**	**–**

1) The net assets attributable to Siemens Group reported as of October 1, 2012, were allocated to the consolidated equity items on creation of the new legal structure as part of the spin-off, effective at the beginning of fiscal 2013 › **see Note 10 | Equity in the accompanying Notes.**
2) Other comprehensive income (loss), net of tax attributable to shareholders of OSRAM Licht AG includes remeasurement gains (losses) on defined benefit plans of €–0.5 million and €47.9 million, respectively, for the nine months ended June 30, 2014, and 2013.
3) Other comprehensive income (loss), net of tax attributable to non-controlling interests includes currency translation differences, consisting of losses of €–0.5 million and gains of €0.3 million, respectively, for the nine months ended June 30, 2014, and 2013.
4) The capital increase by the shareholders totaling €178.2 million includes a waiver of part of the Siemens Cash Management receivables amounting to €163.0 million › **see Note 10 | Equity in the accompanying Notes.**
5) Adjusted due to the effects of the initial application of IAS 19 R. › **Additional information on the initial application of IAS 19 R can be found in the consolidated financial statements of OSRAM Licht AG for fiscal 2013 under Note 1 | Basis of Preparation.**

The accompanying Notes are an integral part of these condensed interim consolidated financial statements.

Currency translation differences	Available-for-sale financial assets	Derivative financial instruments	Treasury shares at cost	Total equity attributable to shareholders of OSRAM Licht AG[1]	Non-controlling interests	**Total equity**
65.9	**(0.1)**	**0.5**	**–**	**1,929.7**	**16.5**	**1,946.2**
(0.1)	–	–	–	3.4	–	3.4
–	–	–	–	–	–	–
65.8	**(0.1)**	**0.5**	**–**	**1,933.1**	**16.5**	**1,949.6**
–	–	–	–	57.4	4.8	62.2
(35.7)	0.1	0.1	–	12.4	0.3[3]	12.7
(35.7)	**0.1**	**0.1**	**–**	**69.8**	**5.1**	**74.9**
–	–	–	–	–	(1.6)	(1.6)
–	–	–	–	178.2	–	178.2
–	–	–	–	1.3	–	1.3
30.1	**–**	**0.6**	**–**	**2,182.4**	**20.0**	**2,202.4**
(5.5)	**(0.1)**	**0.7**	**(5.6)**	**2,148.6**	**20.7**	**2,169.3**
–	–	–	–	177.0	4.1	181.1
(15.8)	0.6	(0.9)	–	(16.6)	(0.5)[3]	(17.1)
(15.8)	**0.6**	**(0.9)**	**–**	**160.4**	**3.6**	**164.0**
–	–	–	0.3	0.3	–	0.3
–	–	–	–	–	(1.2)	(1.2)
–	–	–	–	3.2	–	3.2
(21.3)	**0.5**	**(0.2)**	**(5.3)**	**2,312.5**	**23.1**	**2,335.6**

Notes to the Condensed Interim Consolidated Financial Statements

Segment Information

OSRAM Licht Group
Notes to the Condensed Interim Consolidated Financial Statements—Segment Information
For the three and nine months ended June 30, 2014 and 2013 and as of June 30, 2014 (unaudited) and September 30, 2013

	External revenue		Intersegment revenue		Total revenue		EBITA[1]	
	Three months ended June 30,		**Three months ended June 30,**		**Three months ended June 30,**		**Three months ended June 30,**	
in € million	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Segments								
LED Lamps & Systems	109.8	68.5	–	–	109.8	68.5	(22.3)	(26.4)
Classic Lamps & Ballasts	431.4	535.2	–	–	431.4	535.2	14.9	18.6
Lamps & Components[6]	*541.1*	*603.7*	–	–	*541.1*	*603.7*	*(7.4)*	*(7.7)*
Luminaires & Solutions	109.8	130.8	–	–	109.8	130.8	(17.7)	(23.5)
Specialty Lighting	378.1	358.7	–	–	378.1	358.7	55.0	44.5
Opto Semiconductors	170.5	181.3	115.0	97.9	285.5	279.2	56.5	37.6
Total Segments	**1,199.5**	**1,274.5**	**115.0**	**97.9**	**1,314.6**	**1,372.4**	**86.5**	**50.9**
Reconciliation to interim consolidated financial statements								
Corporate items and pensions	3.6	3.9	–	–	3.6	3.9	(5.4)	(28.6)
Eliminations, corporate treasury, and other reconciling items	–	–	(115.0)	(97.9)	(115.0)	(97.9)	(0.2)	(0.2)
OSRAM Licht Group	**1,203.1**	**1,278.4**	**–**	**–**	**1,203.1**	**1,278.4**	**80.9**	**22.1**

	Nine months ended June 30,		**Nine months ended June 30,**		**Nine months ended June 30,**		**Nine months ended June 30,**	
in € million	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Segments								
LED Lamps & Systems	310.3	214.0	–	–	310.3	214.0	(61.1)	(71.3)
Classic Lamps & Ballasts	1,490.3	1,752.6	–	–	1,490.3	1,752.6	98.1	49.0
Lamps & Components[6]	*1,800.6*	*1,966.6*	–	–	*1,800.6*	*1,966.6*	*37.1*	*(22.3)*
Luminaires & Solutions	345.0	406.5	–	–	345.0	406.5	(58.8)	(63.8)
Specialty Lighting	1,147.4	1,086.7	–	–	1,147.4	1,086.7	177.0	170.9
Opto Semiconductors	502.3	483.5	323.0	266.1	825.3	749.6	144.0	84.7
Total Segments	**3,795.3**	**3,943.3**	**323.0**	**266.1**	**4,118.3**	**4,209.4**	**299.3**	**169.5**
Reconciliation to interim consolidated financial statements								
Corporate items and pensions	12.0	13.4	–	–	12.0	13.4	(24.5)	(45.3)
Eliminations, corporate treasury, and other reconciling items	–	–	(323.0)	(266.1)	(323.0)	(266.1)	(0.6)	(0.5)
OSRAM Licht Group	**3,807.3**	**3,956.7**	**–**	**–**	**3,807.3**	**3,956.7**	**274.3**	**123.7**

[1] EBITA is earnings before financial results (Income (loss) from investments accounted for using the equity method, net; Interest income; Interest expense and Other financial income (expense), net), Income taxes, and Amortization as defined below.
[2] Assets of the segments and Corporate items and pensions are defined as Total assets, less financing receivables and tax assets as well as noninterest-bearing provisions and liabilities, and liabilities other than tax liabilities (e.g., trade payables).
[3] Free cash flow constitutes net cash provided by (used in) operating activities less additions to intangible assets and property, plant, and equipment. For the segments, it primarily excludes income tax-related and financing interest payments and proceeds.
[4] Amortization represents amortization and impairments of goodwill and intangible assets, net of reversals of impairments.
[5] Depreciation represents depreciation and impairments of property, plant, and equipment, net of reversals of impairments. In the nine months ended June 30, 2014, this includes impairment losses on property, plant, and equipment used for the production of pre-materials of €6.2 million that relate to the reassessment of the strategic business outlook and were mainly incurred in the CLB segment.
[6] In line with the management approach, assets, free cash flow, and additions to intangible assets and property, plant, and equipment are not reported for the new LED Lamps & Systems and Classic Lamps & Ballasts segments. For consistency and information purposes, however, the amounts are reported for the former Lamps & Components segment.

Assets [2]		Free cash flow [3]		Additions to intangible assets and property, plant and equipment		Amortization [4]		Depreciation [5]	
June 30, 2014	**September 30, 2013**	**Three months ended June 30, 2014**	**2013**	**Three months ended June 30, 2014**	**2013**	**Three months ended June 30, 2014**	**2013**	**Three months ended June 30, 2014**	**2013**
n/a	n/a	n/a	n/a	n/a	n/a	0.9	0.6	1.6	1.2
n/a	n/a	n/a	n/a	n/a	n/a	1.3	0.6	16.5	29.3
825.2	*822.1*	*4.2*	*39.0*	*25.3*	*21.3*	*2.2*	*1.2*	*18.1*	*30.6*
132.6	134.6	(19.7)	(23.6)	1.6	1.7	1.7	2.3	2.6	3.3
384.9	401.9	57.9	62.2	12.2	7.4	0.9	0.5	9.0	17.6
420.4	413.5	33.1	81.8	34.3	9.1	0.2	0.2	22.6	24.7
1,763.1	**1,772.1**	**75.5**	**159.4**	**73.5**	**39.5**	**4.9**	**4.2**	**52.4**	**76.2**
(175.2)	(171.6)	(17.6)	(50.1)	3.5	0.2	1.0	1.0	3.5	13.5
2,800.0	2,825.0	(6.0)	(1.2)	–	–	–	–	–	–
4,388.0	**4,425.3**	**52.0**	**108.1**	**77.0**	**39.7**	**5.9**	**5.2**	**55.9**	**89.7**

Assets [2]		Free cash flow [3]		Additions to intangible assets and property, plant and equipment		Amortization [4]		Depreciation [5]	
June 30, 2014	**September 30, 2013**	**Nine months ended June 30, 2014**	**2013**	**Nine months ended June 30, 2014**	**2013**	**Nine months ended June 30, 2014**	**2013**	**Nine months ended June 30, 2014**	**2013**
n/a	n/a	n/a	n/a	n/a	n/a	2.4	1.8	4.5	3.6
n/a	n/a	n/a	n/a	n/a	n/a	4.2	3.2	53.8	90.3
825.2	*822.1*	*17.9*	*37.1*	*55.2*	*49.4*	*6.6*	*5.0*	*58.3*	*93.9*
132.6	134.6	(61.5)	(62.4)	4.8	6.6	5.2	6.9	7.8	9.6
384.9	401.9	128.4	170.4	27.0	19.9	2.7	1.2	26.0	36.5
420.4	413.5	132.8	152.0	68.5	35.4	2.2	0.6	68.2	74.6
1,763.1	**1,772.1**	**217.6**	**297.1**	**155.6**	**111.3**	**16.7**	**13.7**	**160.1**	**214.6**
(175.2)	(171.6)	(49.7)	(93.9)	10.8	6.5	3.1	3.1	8.4	20.6
2,800.0	2,825.0	(2.5)	(3.8)	–	–	–	–	–	–
4,388.0	**4,425.3**	**165.3**	**199.4**	**166.3**	**117.8**	**19.8**	**16.8**	**168.5**	**235.2**

Contents

1 | Basis of Preparation

Background

According to the Spin-off and Transfer Agreement dated November 28, 2012, Siemens AG, Munich and Berlin, ("Siemens") undertook—subject to the contract taking effect—to transfer in the form of a spin-off by way of absorption in accordance with section 123 (2) no. 1 of the Umwandlungsgesetz (UmwG—"German Reorganization and Transformation Act") its entire interest in OSRAM Beteiligungen GmbH, Munich, including all rights and duties, to OSRAM Licht AG, Munich, in return for the issue of shares in OSRAM Licht AG to the Siemens shareholders. The spin-off took effect as of its last entry in the Commercial Register on July 5, 2013. OSRAM shares were listed for the first time on July 8, 2013.

OSRAM Licht AG (until November 14, 2012: Kyros A AG), Munich, is the issuer of the shares and the parent company of the OSRAM Licht Group that was formed by the spin-off. It directly holds 100% of the shares of OSRAM Beteiligungen GmbH and 19.5% of the shares of OSRAM GmbH, Munich. OSRAM Beteiligungen GmbH holds 80.5% of the shares in OSRAM GmbH. The shares of OSRAM GmbH were contributed by Siemens to OSRAM Licht AG and OSRAM Beteiligungen GmbH with economic effect as of October 1, 2012.

Interim consolidated financial statements

These condensed interim consolidated financial statements ("interim consolidated financial statements") include OSRAM Licht AG and its subsidiaries ("OSRAM Licht Group" or "OSRAM"). OSRAM is a leading global provider of lighting products and solutions and operates worldwide via a number of legal entities ›see Note 15 | Segment Information.

OSRAM Licht Group prepared these interim consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union ("IFRSs").

The accompanying interim consolidated financial statements consist of a consolidated statement of income and consolidated statement of comprehensive income for the three and nine months ended June 30, 2014, a consolidated statement of financial position as of June 30, 2014, a consolidated statement of cash flows and a consolidated statement of changes in equity for the nine months ended June 30, 2014, as well as notes to the interim consolidated financial statements for the three and nine months ended June 30, 2014.

Until the spin-off from Siemens, the OSRAM business was presented on a combined basis including all Group companies. The net assets of OSRAM Licht AG, OSRAM Beteiligungen GmbH, and OSRAM GmbH, as well as the latter's direct and indirect subsidiaries ("OSRAM Licht Group") have been aggregated on the basis of International Accounting Standard ("IAS") 8.12. Prior to the spin-off, transactions with Siemens and with Siemens Group companies that did not belong to the combined OSRAM Licht Group were disclosed as transactions with related parties. The net assets attributable to Siemens Group reported as of October 1, 2012, were allocated to the consolidated equity items on creation of the new legal structure as part of the spin-off, effective as of the beginning of fiscal 2013. ›For details see Note 10 | Equity.

The interim consolidated financial statements were prepared for interim financial reporting purposes and are unaudited. They were prepared in compliance with IAS 34, Interim Financial Reporting, and should be read in connection with OSRAM Licht AG's annual consolidated financial statements in accordance with IFRSs for the fiscal year ended September 30, 2013.

The interim consolidated financial statements apply the same accounting policies as those used in the consolidated financial statements for the fiscal year ended September 30, 2013, except as stated below. In the opinion of management, these unaudited interim consolidated financial statements include all adjustments of a normal and recurring nature necessary for a fair presentation of OSRAM's course of business for the interim periods. The results for the three and nine months ended June 30, 2014, are not necessarily indicative of future results.

The interim consolidated financial statements have been prepared in millions of euros (€ million). Rounding differences may arise when individual amounts or percentages are added together.

The interim consolidated financial statements were authorized for issue by the Managing Board of OSRAM Licht AG, Marcel-Breuer-Straße 6, 80807 Munich, Germany, on August 4, 2014.

Income taxes

In interim periods, tax expense is based on the current estimated average annual effective income tax rate. Income taxes in other comprehensive income in interim periods are recognized on an actual basis at the reporting date.

Key accounting estimates and judgments

The preparation of the interim consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amount of income, expenses, assets, and liabilities, as well as of contingent liabilities required to be disclosed, such as for evaluating legal proceedings. Actual results may differ from management's estimates.

Prior-period information

The presentation of certain prior-year information has been reclassified to conform to the current presentation.

Initial application of accounting pronouncements

In May 2011, the International Accounting Standards Board ("IASB") issued IFRS 13, Fair Value Measurement. The new standard defines fair value and standardizes and expands disclosures on the fair value measurement of both financial and nonfinancial instrument items. The new standard is effective for annual periods beginning on or after January 1, 2013, and was applied by OSRAM in these interim consolidated financial statements with no impact on measurement. However, due to subsequent changes in IAS 34, there are expanded disclosure requirements for interim financial reporting; these are included in › Note 13 | Financial Instruments.

Recent accounting pronouncements, not yet adopted

The following pronouncements issued by the IASB are not yet effective and have not yet been adopted by OSRAM.

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. The standard is effective for annual periods beginning on or after January 1, 2017, and contains a single, comprehensive model that establishes how an entity should recognize revenue from contracts with customers. It replaces the current revenue recognition requirements in IAS 11, IAS 18, and the related interpretations. The basic principle behind the model is that an entity should recognize revenue in the amount of the consideration to which it expects to be entitled for the performance obligation(s) assumed. The standard contains considerably more extensive application guidance and disclosure requirements than the current provisions. OSRAM is currently assessing the impact of adopting IFRS 15 on the consolidated financial statements. The standard has not yet been endorsed by the European Union.

In May 2014, the IASB issued Clarification of Acceptable Methods of Depreciation and Amortization (Amendments to IAS 16 and IAS 38). The amendments provide additional guidance on the methods that may be used for the depreciation and amortization of property, plant, and equipment and intangible assets. It was clarified that revenue-based methods of depreciation and amortization are not appropriate. The amendments are effective for annual reporting periods beginning on or after January 1, 2016; early application is permitted. OSRAM is currently assessing the impact of the clarifications on the consolidated financial statements. The amendments have not yet been endorsed by the European Union.

In May 2014, the IASB issued Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11). The amendments clarify the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. They are effective for annual reporting periods beginning on or after January 1, 2016; early application is permitted. OSRAM is currently assessing the impact of the clarifications on the consolidated financial statements. The amendments have not yet been endorsed by the European Union.

In November 2013, the IASB issued Defined Benefit Plans: Employee Contributions (Amendments to IAS 19). The amendments clarify how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, they permit a practical expedient if the amount of the contributions is independent of the number of years of service. The amendments are effective for annual reporting periods beginning on or after July 1, 2014; early application is permitted. OSRAM does not expect this to have a significant effect on the consolidated financial statements. The amendments have not yet been endorsed by the European Union.

In December 2013, the IASB issued the final amendments under the Annual Improvements process (2011–2013 cycle and 2010–2012 cycle). These included clarifications to IFRS 3, Business Combinations. It was clarified that IFRS 3 excludes from its scope the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself and that, when accounting for contingent consideration in a business combination, contingent consideration that is classified as an asset or liability must be measured at fair value at each reporting date.

In addition, IFRS 8, Operating Segments was amended. The amendments stipulate that an entity must disclose the judgments made by management in applying the aggregation criteria to operating segments and that an entity need only provide reconciliations of the total of the reportable segment assets to the entity's total assets if the segment assets are regularly reported. A clarification was also issued to IAS 24, Related Party Disclosures. This clarifies that an entity that provides key management personnel services to the reporting entity or the parent of the reporting entity is a related party of the reporting entity. Further amendments were also resolved. The amendments are effective for reporting periods beginning on or after July 1, 2014; early application is permitted. OSRAM does not expect these requirements to have a significant effect on the consolidated financial statements; additional disclosures may be required.

The IASB has issued further pronouncements. These are not expected to affect OSRAM's consolidated financial statements.

2 | Acquisitions and Disposals

Fiscal 2014

No acquisitions were made in the nine months ended June 30, 2014.

On June 13, 2013, OSRAM entered into a call and put option agreement ("Call/Put Agreement") with its partner in the joint venture Valeo Sylvania LLC, Seymour, U.S.A. ("Valeo Sylvania"), for the sale of its 50% equity interest in the joint venture and the loans extended by OSRAM to Valeo Sylvania. The equity interest and the loans are allocated to the Specialty Lighting ("SP") segment. The exercise periods for the otherwise mirror-image options ran from January 1 to 10, 2014 (put), and from February 1 to 10, 2014 (call). As of June 30, 2013, the assets related to this transaction were classified as held for sale in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations and tested for impairment. Due to the reversal in full of the previous impairment on the net investment in Valeo Sylvania to amortized cost, this had a positive impact on net income of €35.1 million in fiscal 2013, which was recognized in the Income (loss) from investments accounted for using the equity method, net in the statement of income. After the reversal of the impairment, the assets related to this transaction and presented as held for sale were as follows:

Carrying Amounts of the Disposal Group

in € million	**June 30, 2014**	**September 30, 2013**
Investments accounted for using the equity method[1]	–	–
Other financial assets	–	45.6
Total assets	**–**	**45.6**

[1] In accordance with IFRS 5, use of the equity method is discontinued when an investment is classified as held for sale.

OSRAM exercised the put option granted on January 1, 2014. The sale of the shares and of the loans extended by OSRAM closed on January 21, 2014 ("Closing"). The sale of the 50% equity interest in Valeo Sylvania and of the loans extended by OSRAM resulted in a gain of €32.0 million, which is recognized in *Income (loss) from investments accounted for using the equity method, net.* The gain is provisional in that the process to determine the final purchase price has not yet been completed.

The Call/Put Agreement provides for OSRAM to indemnify the buyer from the date on which the transaction is closed on a pro rata basis in respect of any damages arising out of, among other things, tax matters, environmental issues, product liability claims, and damages arising out of a violation of certain defined laws, in each case provided that the cause of the loss occurred in a defined period prior to the date of the Call/Put Agreement. This indemnity is limited to specified amounts that vary between the individual defined claims › see also Note 11 | Other Financial Commitments and Contingent Liabilities. Furthermore, the Call/Put Agreement provides for a covenant not to compete pursuant to which OSRAM shall not engage for a limited period of time in the development, engineering, application, production, sales, or marketing of automotive lighting system products (e.g., headlight, rear light, and interior lighting assemblies) in North America. In connection with the Call/Put Agreement, the joint venture partner and OSRAM entered into a strategic supply agreement to strengthen their cooperation in the automotive lighting business.

In addition, the sale of the equity interest in OSRAM (China) Fluorescent Materials Co., Ltd., Yi Xing City, China ("OCFM"), was completed in the second quarter of fiscal 2014. The assets attributable to this equity interest, which were presented as held for sale, amounted to €1.4 million as of September 30, 2013. This did not affect net income.

Fiscal 2013

No acquisitions were made in the nine months ended June 30, 2013.

In the nine months ended June 30, 2013, OSRAM sold its subsidiaries Sunny World (Shaoxing) Green Lighting Co. Ltd., Shaoxing, China ("Sunny World") and OSRAM Hong Kong Ltd., Hong Kong, China ("OHK"), which were allocated to the former LC segment. The sale by way of a share deal was related to the transformation of the lighting market and was part of the "Future Industrial Footprint" project. The sale was signed together with a sourcing contract on March 6, 2013, and became effective as of the disposal as of April 1, 2013. The consideration paid was linked to the sourcing contract and amounted to € 24.8 million as of June 30, 2013. The remeasurement of this disposal group at the lower of its carrying amount and fair value less costs to sell on its classification as held for sale in accordance with IFRS 5 resulted in an impairment loss of € 13.8 million. The accumulated currency translation gains related to this disposal group and recognized in Other operating income in the statement of income on disposal of the companies on April 1, 2013, amounted to € 7.1 million. The carrying amounts of the principal groups of assets and liabilities that were derecognized on completion of the disposal described above are presented in the following table:

Carrying Amounts of the Disposal Group

in € million	April 1, 2013
Cash and cash equivalents	0.2
Trade receivables	0.2
Inventories	8.8
Other current assets	1.6
Property, plant and equipment	21.8
Other noncurrent assets	5.8
Total assets	**38.4**
Trade payables	12.1
Provisions	4.7
Other liabilities	4.0
Total liabilities	**20.8**

3 | Personnel-related Restructuring Expenses

The technology shift and the resulting fundamental changes in the business environment are the drivers for the strategic realignment of the OSRAM Licht Group. Part of this comprehensive, global transformation program is the "Future Industrial Footprint" project, which was announced in fiscal 2012, and which aims to adapt global production capacity to the changes in market demand. Further capacity-related measures were announced in fiscal 2013. The measures to be taken as a result of the program include the closure and relocation of production facilities and a reduction in the headcount in the following years. Simultaneously, OSRAM is aiming to increase the earnings power of its business by ensuring more efficient structures in the research and development, production, and sales and distribution functions, as well as in its corporate functions.

The associated personnel-related restructuring expenses were as follows in the three and nine months ended June 30, 2014, and 2013:

Personnel-related Restructuring Expenses

	Three months ended June 30,		Nine months ended June 30,	
in € million	2014	2013	2014	2013
LED Lamps & Systems	–	–	–	–
Classic Lamps & Ballasts	(5.2)	(33.0)	(17.6)	(91.8)
Lamps & Components	*(5.2)*	*(33.0)*	*(17.6)*	*(91.8)*
Luminaires & Solutions	(1.0)	(1.9)	(5.6)	(7.5)
Specialty Lighting	(2.5)	(2.6)	(5.1)	(7.4)
Opto Semiconductors	0.1	(0.5)	–	(0.7)
Corporate items	(0.4)	(0.2)	(2.4)	(0.4)
OSRAM Licht Group	**(9.0)**	**(38.2)**	**(30.7)**	**(107.8)**

In this context, effects on income before income taxes also arose from pension commitments to employees in the amount of €– million and €7.3 million, respectively, in the three and nine months ended June 30, 2014 › see also Note 9 | Pension Plans and Similar Commitments. Total personnel-related restructuring expenses associated with the transformation program therefore amounted to €9.0 million and €38.0 million, respectively, for the three and nine months ended June 30, 2014.

Additional personnel-related restructuring expenses of €6.0 million and €9.7 million, respectively, were incurred in the three and nine months ended June 30, 2014 (three and nine months ended June 30, 2013: €– million). The additional personnel-related restructuring expenses in the three months ended June 30, 2014, arose primarily in connection with the termination of the appointment of a member of the Managing Board › see also Note 16 | Related Party Disclosures.

Personnel-related restructuring expenses in the three and nine months ended June 30, 2014, primarily affected cost of goods sold and services rendered as well as marketing, selling, and general administrative expenses. Personnel-related restructuring expenses in the three months ended June 30, 2013, primarily affected cost of goods sold and services rendered. Personnel-related restructuring expenses in the nine months ended June 30, 2013, primarily affected cost of goods sold and services rendered as well as marketing, selling, and general administrative expenses.

4 | Other Operating Income

Other Operating Income

in € million	Three months ended June 30, 2014	Three months ended June 30, 2013	Nine months ended June 30, 2014	Nine months ended June 30, 2013
Gains on sales and disposals of property, plant, and equipment, and intangibles	2.1	2.8	4.2	3.2
Miscellaneous other income	5.0	11.2	35.2	53.8
Other operating income	**7.1**	**14.0**	**39.4**	**57.0**

Fiscal 2014

In the three and nine months ended June 30, 2014, *Other operating income* primarily includes income from the settlement of legal proceedings and the corresponding reversal of provisions and liabilities › see Note 12 | Legal Proceedings; this is recognized in the *Miscellaneous other income* line item.

Fiscal 2013

In the three and nine months ended June 30, 2013, accumulated currency translation gains of € 7.1 million relating to the disposal of the Sunny World and OHK subsidiaries were reclassified from *Other comprehensive income* to *Other operating income* and recognized in the *Miscellaneous other income* line item. › For further information on company disposals, see Note 2 | Acquisitions and Disposals. The item also included income from government grants in China of € 2.5 million.

Other main income items recognized in the nine months ended June 30, 2013, related to the settlement of patent infringement disputes that escalated following the announcement that the OSRAM Licht Group was to go public, including the reversal of related and additional provisions.

5 | Other Operating Expense

Other Operating Expense

in € million	Three months ended June 30, 2014	Three months ended June 30, 2013	Nine months ended June 30, 2014	Nine months ended June 30, 2013
Losses on sales and disposals of property, plant, and equipment, and intangibles	(4.2)	(1.6)	(7.7)	(16.2)
Miscellaneous other expense	0.0	(6.3)	(38.6)	(21.0)
Other operating expense	**(4.2)**	**(7.9)**	**(46.3)**	**(37.2)**

Fiscal 2014

In the first nine months of fiscal 2014, the *Miscellaneous other expense* line item primarily includes expenses for legal proceedings ›see Note 12 | Legal Proceedings. Losses on sales and disposals of property, plant, and equipment, and intangibles in the three and nine months ended June 30, 2014, relate primarily to the “Future Industrial Footprint” global transformation program.

Fiscal 2013

Losses on sales and disposals of property, plant, and equipment, and intangibles in the three and nine months ended June 30, 2013, relate primarily to the “Future Industrial Footprint” global transformation program.

The Miscellaneous other expense line item mainly comprises obligations relating to historical regulatory risks in one country, which was addressed as part of the “Future Industrial Footprint” project and which OSRAM regarded as being in connection with the strategic realignment in that country. It also includes costs related to patent infringement disputes that escalated following the announcement that the OSRAM Licht Group was to go public.

6 | Income (Loss) from Investments Accounted for Using the Equity Method, Net

Income (Loss) from Investments Accounted for Using the Equity Method, Net

	Three months ended June 30,		Nine months ended June 30,	
in € million	2014	2013	2014	2013
Share of profit (loss), net	1.2	(2.2)	2.8	(11.5)
Impairments, net	–	35.1	–	24.7
Gains (losses) on sales, net	–	–	32.0	–
Income (loss) from investments accounted for using the equity method, net	**1.2**	**32.9**	**34.8**	**13.2**

Fiscal 2014

In the nine months ended June 30, 2014, *Income (loss) from investments accounted for using the equity method, net* mainly comprises a gain of €32.0 million on the sale of the 50% equity interest in the joint venture Valeo Sylvania and the loans extended by OSRAM to Valeo Sylvania, which formed part of the net investment. The sale closed on January 21, 2014 ("Closing"). The gain is provisional in that the process to determine the final purchase price has not yet been completed. ›For details, see also Note 2 | Acquisitions and Disposals.

Fiscal 2013

In the nine months ended June 30, 2013, an impairment loss of €7.3 million was charged on noncurrent receivables that were part of the net investment in Valeo Sylvania.

In the three months ended June 30, 2013, a call/put agreement was signed for the sale of OSRAM's equity interest in Valeo Sylvania and the loans extended to the joint venture. The resulting income of €35.1 million was recognized in *Impairments, net* ›see Note 2 | Acquisitions and Disposals.

Furthermore, in the nine months ended June 30, 2013, the equity interest in OCFM was impaired by €3.1 million. This was reported in *Corporate items and pensions* in the segment reporting.

In the three and nine months ended June 30, 2013, the *Share of profit (loss), net* line item mainly comprised a loss contributed by Valeo Sylvania in the amount of €6.4 million and €16.9 million, respectively, as well as a profit recorded by Foshan Electrical and Lighting Co., Ltd, Foshan, China ("FELCO") in the amount of €4.2 million and €5.5 million, respectively.

7 | Interest Income, Interest Expense, and Other Financial Income (Expense), Net

Interest Income, Interest Expense, and Other Financial Income (Expense), Net

in € million	Three months ended June 30, 2014	Three months ended June 30, 2013	Nine months ended June 30, 2014	Nine months ended June 30, 2013
Interest income	**0.8**	**0.8**	**2.5**	**4.8**
Interest expense	**(8.7)**	**(7.4)**	**(27.3)**	**(23.3)**
Other financial income (expense), net	**(1.0)**	**(1.4)**	**(2.4)**	**(7.3)**

In the three and nine months ended June 30, 2014, the *Interest income* line item mainly includes interest income from short-term deposits at banks. In the three and nine months ended June 30, 2013, the *Interest income* line item primarily included interest relating to transactions with Siemens ("Siemens Treasury").

The components of *Interest expense* were as follows:

Interest Expense

in € million	Three months ended June 30, 2014	Three months ended June 30, 2013	Nine months ended June 30, 2014	Nine months ended June 30, 2013
Interest expense, other than pension-related	(5.3)	(3.1)	(17.2)	(10.6)
Pension-related interest expense, net	(3.4)	(4.3)	(10.1)	(12.7)
Interest expense	**(8.7)**	**(7.4)**	**(27.3)**	**(23.3)**

Interest expense, other than pension-related in the three and nine months ended June 30, 2014, includes interest expense from debt, including the interest expense from the amortization of transaction costs for the syndicated loan facility calculated using the effective interest method and commitment fees for the revolving credit facility that was not drawn down.

Financing was provided by the Siemens Group until the spin-off from Siemens ‣see Note 16 | Related Party Disclosures.
In the three and nine months ended June 30, 2013, Interest expense other than pension-related resulted mainly from transactions with Siemens ("Siemens Treasury").

Pension-related interest expense, net includes interest income and expense from the uniform interest rate applied to pension obligations and plan assets. ‣For further information on the *Pension-related interest expense, net* line item relating to OSRAM's principal pension and principal other post-employment benefits, see Note 9 | Pension Plans and Similar Commitments.

The *Interest income* and *Interest expense* line items include the following results from financial assets and financial liabilities not measured at fair value through profit or loss:

Results from Financial Assets and Liabilities

in € million	Three months ended June 30, 2014	2013	Nine months ended June 30, 2014	2013
Total interest income on financial assets	0.8	0.8	2.5	4.8
Total interest expense on financial liabilities	(5.3)	(3.1)	(17.2)	(10.6)

The *Other financial income (expense), net* line item includes the effects of the remeasurement of certain monetary assets and liabilities at their respective closing exchange rates.

8 | Goodwill

Goodwill

in € million	June 30, 2014	September 30, 2013
LED Lamps & Systems	31.2	–
Light Engines & Controls	–	31.5
Specialty Lighting	3.5	3.6
OSRAM	**34.7**	**35.1**

The business activities of the Lamps (LP) and Light Engines & Controls (LE) Business Units were reorganized effective May 1, 2014: The two units' declining business with traditional lamps (previously LP) and traditional ballasts (previously LE) was combined in the Classic Lamps & Ballasts (CLB) Business Unit. In the same way, the rapidly expanding SSL activities of LP and LE were brought together in the LED Lamps & Systems (LLS) Business Unit › see Note 15 | Segment Information. The goodwill previously presented in the LE Business Unit arose from the acquisition of Encelium Holdings Inc., Teaneck, U.S.A., and relates to the latter's activities and assets. Since these activities and assets are being transferred to LLS as part of the reorganization, the goodwill will be monitored by management for internal purposes at the level of the LLS Business Unit.

In the three and nine months ended June 30, 2014, the only change to the amount of the goodwill was due to changes in exchange rates.

9 | Pension Plans and Similar Commitments

The following information refers to the principal pension and principal other post-employment benefit plans in Germany, the U.S.A., Canada, Switzerland, and Italy.

Expenses related to pension and other post-employment benefits

Current and past service cost for pension and other post-employment benefits is allocated to the function costs (cost of goods sold and services rendered, research and development expenses, and marketing, selling, and general administrative expenses), depending on the function to which the corresponding profit and cost centers are assigned.

The following tables show the significant components of the defined benefit cost recognized in connection with the principal pension and principal other post-employment benefits in the three and nine months ended June 30, 2014, and 2013:

Significant Expenses Related to Defined Benefit Obligations

in € million	Three months ended June 30, 2014			Three months ended June 30, 2013		
	Total	Germany	Outside Germany	Total	Germany	Outside Germany
Current service cost	8.2	6.1	2.1	7.8	5.4	2.4
Past service cost/(income)	(0.0)	–	(0.0)	–	–	–
Settlement gain	(7.9)	–	(7.9)	–	–	–
Net interest cost	3.2	1.2	2.0	4.0	1.1	2.9
therein interest cost	17.7	5.2	12.5	17.3	5.1	12.2
therein interest income	(14.5)	(4.0)	(10.5)	(13.3)	(4.0)	(9.3)
Total	**3.5**	**7.3**	**(3.8)**	**11.8**	**6.5**	**5.3**
Germany		7.3			6.5	
U.S.A.			(4.3)			4.5
Canada			0.3			0.6
Switzerland			0.1			0.1
Italy			0.1			0.1

Significant Expenses Related to Defined Benefit Obligations

in € million	Nine months ended June 30, 2014			Nine months ended June 30, 2013		
	Total	Germany	Outside Germany	Total	Germany	Outside Germany
Current service cost	23.5	17.2	6.3	24.9	16.2	8.7
Past service cost/(income)	7.3	–	7.3	0.4	–	0.4
Settlement gain	(7.9)	–	(7.9)	–	–	–
Net interest cost	9.6	3.4	6.2	12.2	3.5	8.7
therein interest cost	53.2	15.6	37.6	51.8	15.3	36.5
therein interest income	(43.6)	(12.2)	(31.4)	(39.6)	(11.8)	(27.8)
Total	**32.5**	**20.6**	**11.9**	**37.5**	**19.7**	**17.8**
Germany		20.6			19.7	
U.S.A.			10.2			15.4
Canada			1.0			1.7
Switzerland			0.4			0.4
Italy			0.3			0.3

Past service cost in the nine months ended June 30, 2014, arose for pension and other post-employment benefits in the U.S.A. in connection with plant closures and primarily affected cost of goods sold and services rendered.

The gain on settlement in the three and nine months ended June 30, 2014, was due to the settlement of pension benefits for former employees with vested benefits in the U.S.A.

Pension obligations and funded status

As of June 30, 2014, the underfunding of OSRAM's principal pension and principal other post-employment benefit plans amounted to €315.4 million. As of September 30, 2013, the underfunding of these principal pension and principal other post-employment benefit plans amounted to €335.1 million.

The estimated defined benefit obligation of these principal pension and principal other post-employment benefit plans as of June 30, 2014, is based on a weighted-average discount rate of 3.49% (as of September 30, 2013: 4.14%).

The employer contributions paid by OSRAM in the three months ended June 30, 2014, amounted to €2.7 million (three months ended June 30, 2013: €4.5 million) and mainly related to funding of the pension plans in the U.S.A.
The employer contributions paid by OSRAM in the nine months ended June 30, 2014, amounted to €21.8 million (nine months ended June 30, 2013: €25.8 million) and mainly related to funding of the German pension plans as well as funding of the pension plans in the U.S.A.

10 | Equity

Common stock

The common stock of OSRAM Licht AG amounted to €104,689,400 as of June 30, 2014, and is composed of 104,689,400 no-par value ordinary registered shares. This equates to a notional interest in the common stock of €1.00 per share. Each share grants shareholders one voting right and entitles them to receive dividends. Of the shares issued, OSRAM Licht AG held 187,576 shares as treasury shares as of June 30, 2014 (as of September 30, 2013: 198,104 shares).

Allocation of net assets according to the legal structure as of October 1, 2012

On creation of the new legal structure that resulted from the transfer of the shares of OSRAM GmbH and OSRAM Beteiligungen GmbH from Siemens AG to OSRAM Licht AG as part of the spin-off, the Net assets attributable to Siemens Group reported as of October 1, 2012, were allocated to the consolidated equity items. The Common stock corresponds to the Common stock of OSRAM Licht AG. The Additional paid-in capital of the OSRAM Licht Group as of October 1, 2012, is also based on the Additional paid-in capital reported in the annual financial statements of OSRAM Licht AG prepared in accordance with German GAAP as of September 30, 2013, adjusted for the effects of the acquisition of subsidiaries from Siemens in fiscal 2011. This adjustment amounted to €136.2 million and had the effect of decreasing capital since it was treated as a transaction under common control in the same way as a capital redemption in the Net assets attributable to the Siemens Group. Additional information on capital contributions in the three and nine months of fiscal 2013 can be found in the section on Additional paid-in capital. The retained earnings of the OSRAM Licht Group as of October 1, 2012, represent the residual amount of the Net assets attributable to Siemens Group reported as of October 1, 2012, and the total of Common Stock and Additional paid-in capital as of October 1, 2012, allocated as shown.

Additional paid-in capital

In accordance with the agreement dated October 30 and 31, 2012, Siemens waived Siemens Cash Management receivables due from OSRAM GmbH in the amount of €31.8 million. In addition, Siemens transferred total Siemens Cash Management receivables of €131.2 million to OSRAM Beteiligungen GmbH, which in turn waived these receivables due from OSRAM GmbH. In the consolidated financial statements of OSRAM Licht AG, these amounts represent a contribution to Additional paid-in capital. Further capital contributions that OSRAM Licht AG and OSRAM GmbH received from Siemens amounted to €11.5 million in the three months ended June 30, 2013, and to €15.2 million in the nine months ended June 30, 2013. Of these amounts, €11.5 million in the three months ended June 30, 2013, and €13.0 million in the nine months ended June 30, 2013, are attributable to the reimbursement of transaction costs incurred to enter into the loan agreement with a banking syndicate.

Authorized and contingent capital

The authorized and contingent capital have not changed since September 30, 2013, and amount to 52,344,700 shares for the authorized capital and 10,207,216 shares for the contingent capital as of June 30, 2014. › Additional information on authorizations of the Managing Board of OSRAM Licht AG to implement equity-related measures can be found in the consolidated financial statements of OSRAM Licht AG for fiscal 2013 in Note 28 | Equity.

Treasury shares

In the nine months ended June 30, 2014, 10,528 shares were issued to beneficiaries of a transaction bonus award. The shares were issued solely in the first quarter of fiscal 2014. › Additional information on authorizations of the Managing Board of OSRAM Licht AG to implement share repurchases can be found in the consolidated financial statements of OSRAM Licht AG for fiscal 2013 in Note 28 | Equity.

Other changes in equity

Other changes in equity were mainly the result of share-based payment transactions.

Other comprehensive income (loss)

The changes in Other comprehensive income (loss) including non-controlling interests were as follows:

Other Comprehensive Income (Loss), Net of Tax

in € million	Three months ended June 30, 2014			Three months ended June 30, 2013		
	Pre-tax	Tax effect	**Net**	Pre-tax	Tax effect	**Net**
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	**36.8**	**(14.3)**	**22.5**	**54.4**	**(18.4)**	**36.0**
Items that may be reclassified subsequently to profit or loss						
Foreign-currency translation differences	**19.3**	**–**	**19.3**	**(41.9)**	**–**	**(41.9)**
Unrealized gains (losses) on available-for-sale financial assets	0.0	0.0	0.0	0.1	–	0.1
Reclassification adjustments for (gains) losses included in net income	–	–	–	–	–	–
Net unrealized gains (losses) on available-for-sale financial assets	**0.0**	**0.0**	**0.0**	**0.1**	**–**	**0.1**
Unrealized gains (losses) on derivative financial instruments	(0.6)	0.2	(0.4)	0.9	(0.2)	0.7
Reclassification adjustments for (gains) losses included in net income	(0.4)	0.0	(0.4)	0.2	(0.1)	0.1
Net unrealized gains (losses) on derivative financial instruments	**(1.0)**	**0.2**	**(0.8)**	**1.1**	**(0.3)**	**0.8**
Other comprehensive income (loss), net of tax	**55.1**	**(14.1)**	**41.0**	**13.7**	**(18.7)**	**(5.0)**

Other Comprehensive Income (Loss), Net of Tax

in € million	Nine months ended June 30, 2014			Nine months ended June 30, 2013		
	Pre-tax	Tax effect	**Net**	Pre-tax	Tax effect	**Net**
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	**0.8**	**(1.3)**	**(0.5)**	**73.8**	**(25.9)**	**47.9**
Items that may be reclassified subsequently to profit or loss						
Foreign-currency translation differences	**(16.3)**	**–**	**(16.3)**	**(35.4)**	**–**	**(35.4)**
Unrealized gains (losses) on available-for-sale financial assets	0.6	0.0	0.6	0.1	–	0.1
Reclassification adjustments for (gains) losses included in net income	–	–	–	–	–	–
Net unrealized gains (losses) on available-for-sale financial assets	**0.6**	**0.0**	**0.6**	**0.1**	**–**	**0.1**
Unrealized gains (losses) on derivative financial instruments	0.1	0.0	0.1	1.4	(0.3)	1.1
Reclassification adjustments for (gains) losses included in net income	(1.2)	0.2	(1.0)	(1.3)	0.3	(1.0)
Net unrealized gains (losses) on derivative financial instruments	**(1.1)**	**0.2**	**(0.9)**	**0.1**	**0.0**	**0.1**
Other comprehensive income (loss), net of tax	**(16.0)**	**(1.1)**	**(17.1)**	**38.6**	**(25.9)**	**12.7**

11 | Other Financial Commitments and Contingent Liabilities

As of June 30, 2014, there were undiscounted contingent liabilities entailing maximum future payments of € 19.0 million (September 30, 2013: € 12.4 million) for which OSRAM was potentially liable as of the reporting date and which mainly comprise guarantees. The guarantees include contractual obligations for guarantees from the sale of shares in a joint venture in the U.S.A. amounting to €14.6 million in the second quarter of fiscal 2014 › see Note 2 | Acquisitions and Disposals. The contractual obligation as of September 30, 2013, from the sale of shares in a Japanese joint venture in fiscal 2012 amounting to € 7.1 million no longer existed as of June 30, 2014.

12 | Legal Proceedings

Information regarding investigations and other legal proceedings as well as possible risks and possible financial implications for OSRAM associated with such are contained in the consolidated financial statements for the fiscal year ended September 30, 2013 of OSRAM Licht AG.

Material developments regarding the following investigations and other legal proceedings have occurred since the consolidated financial statements for the fiscal year ended September 30, 2013 of OSRAM Licht AG have been authorized for issue.

Product Liability Procedures

Hella vs. OSRAM OS

As reported, in summer 2010, car lamp producer Hella KGaA Hueck & Co., Lippstadt, Germany ("Hella") filed a lawsuit against OSRAM Opto Semiconductors GmbH, Regensburg, Germany („OSRAM OS“). The plaintiff was seeking a declaration of the liability of OSRAM OS for allegedly defective LEDs used in car lamps for compensation for damages. In February 2014 the parties signed a settlement and Hella withdrew its claim. The case is closed.

Allianz Mexico vs. OSRAM SYLVANIA

As reported, in October 2012, Allianz Mexico, S.A. Compagnia de Seguros ("Allianz"), property insurer for Kimberly Clark de Mexico, S.A.B. de CV ("Kimberly Clark"), filed suit in its capacity as subrogee against OSRAM SYLVANIA Inc., Danvers, Massachusetts, U.S.A. ("OSRAM SYLVANIA") and Holophane Corporation, Granville, Ohio, U.S.A. in Massachusetts Superior Court, Essex County. The claim arises as the result of a fire that occurred at the Kimberly Clark facility in Morella, Mexico in June 2012. In June 2013 the court dismissed the case based on forum non conveniens. Plaintiff has meanwhile re-filed the lawsuit in the New Hampshire State Court. Upon request of OSRAM SYLVANIA the case was transferred to the United States District Court for the District of New Hampshire. In May 2014, the New Hampshire court granted OSRAM SYLVANIA's motion to dismiss without prejudice. The case is closed for the time being.

Class Action Suits vs. OSRAM SYLVANIA and OSRAM SYLVANIA Products

In September 2011, a class action suit was brought against OSRAM SYLVANIA and OSRAM SYLVANIA Products Inc., Danvers, Massachusetts, U.S.A. in the U.S. District Court for the District of New Jersey by the plaintiff Imran Chaudhri, who involves the group of purchasers of Silverstar®-headlight bulbs. In January 2012, the plaintiff expanded his legal action and asserted that various power ratings and advertisements relating to the Silverstar®-headlight bulbs were allegedly "false and misleading" in the sense of the New Jersey Consumer Fraud Act. The plaintiff seeked admission of a national class action suit under the New Jersey Consumer Fraud Act as well as compensation for damages The parties signed a class action settlement agreement in June 2014 and filed it with court for preliminary approval. Preliminary approval by court was granted in July 2014.

In January 2014, a class action suit was brought against OSRAM SYLVANIA and OSRAM SYLVANIA Products Inc., Danvers, Massachusetts, U.S.A. in the U.S. District Court for the Southern District of Florida by the plaintiff, Lee S. Kelly, which involves purchasers of Silverstar®-headlight bulbs. The plaintiff claimed that various power ratings and advertisements relating to the Silverstar®-headlight bulbs were allegedly "false and misleading" in the sense of the Florida Deceptive and Unfair Trade Practice Act. The plaintiff seeked admission of a national class action suit under the Florida Deceptive and Unfair Trade Practice Act as well as compensation for damages. In June 2014 the suit was dismissed with prejudice.

Patent and Trademark Litigation

Schubert vs. OSRAM

Professor E. Fred Schubert filed a complaint for infringement of a United States Patent against OSRAM GmbH, Munich, Germany ("OSRAM GmbH"), OSRAM OS, OSRAM Opto Semiconductors, Inc., Sunnyvale, California, U.S.A. ("OSRAM-OS Inc.") and OSRAM SYLVANIA in the U.S. District Court for the District of Delaware in the U.S.A. in July 2012. The complaint alleges that the defendants manufacture, and/or sell high-brightness GaN-based LEDs that allegedly infringe the asserted patent, including LEDs incorporating the technology known as "ThinGaN". In July 2013 OSRAM GmbH filed a petition for inter partes review against all asserted claims of the patent-in-suit with the USPTO. In January 2014, the inter partes review has been granted by the USPTO.

Lexington vs. OSRAM SYLVANIA

In August 2012, Lexington Luminance LLC, Lexington, Massachusetts, U.S. ("Lexington Luminance") filed a complaint for infringement of a United States Patent against OSRAM SYLVANIA in the U.S. District Court for the District of Massachusetts in the U.S.A. The complaint alleged that OSRAM SYLVANIA would allegedly be infringing the patent by producing and selling LED-devices used in lighting applications, in particular the SYLVANIA 8-watt A19 LED Light Bulb model LED8A/0/F/827/HVP and other similar products. In February 2014, Lexington Luminance and OSRAM SYLVANIA filed a joint stipulation of dismissal based on which the action was dismissed with prejudice. The case is closed.

Other Legal Disputes

Morrison Foerster vs. OSRAM

As reported, in September 2012, the law firm Morrison Foerster LLP, Washington, D.C., U.S.A. ("Morrison Foerster") has commenced proceedings against OSRAM GmbH, OSRAM OS, OSRAM SYLVANIA and OSRAM Opto Semiconductors Inc., Sunnyvale, California, U.S.A. ("OSRAM-OS Inc.") with the American Arbitration Association ("AAA") for allegedly unpaid attorneys' fees. In addition, OSRAM GmbH, OSRAM SYLVANIA, OSRAM OS, and OSRAM-OS Inc. have asserted claims against Morrison Foerster in arbitration proceedings filed in January 2013 with the International Court of Arbitration of the International Chamber of Commerce ("ICC") in connection with their representation by Morrison Foerster. In March 2013, Morrison Foerster filed a counterclaim for payment of allegedly unpaid attorney's fees in the ICC proceedings. The disputes were settled by the parties in December 2013.

Osasco Labor Prosecutor's Office et al. vs. OSRAM do Brasil

In September 2012 the Osasco Labor Prosecutor's Office filed a so-called civil public action against OSRAM do Brasil Lampadas Eléctricas Ltda. ("OSRAM do Brasil"). The case is based on an alleged chronic intoxication of 25 former employees while mercury was being used in production. Due to how the lawsuit has been set out, the number of potential injured parties may increase further. The taking of evidence that was commenced in January 2014 is continuing. Since April 2014 the negotiation panel at the São Paulo Tribunal Regional de Trabalho deals with the case.

State São Paulo vs. OSRAM do Brasil

The São Paulo State Treasury Office issued two infraction notices against OSRAM do Brasil regarding the so-called "ICMS tax" for the years of 2006 to 2008 (ICMS—"Imposto sobre Operações relativas à Circulação de Mercadorias e Prestação de Serviços de Transporte interestadual e intermunicipal e de Comunicação"—tax on the circulation of merchandise and on rendering of interstate and inter-municipal transportation services and on communications), in which São Paulo State Treasury Office requests from OSRAM do Brasil considerable ICMS tax debts plus fines and interest, and at the same time disallowed considerable ICMS tax credits which would also result in a collection of the tax amounts which have previously been settled with these credits plus fines and interest. OSRAM do Brasil instituted administrative procedures. In the meantime one infraction notice has been withdrawn.

For legal proceedings information required under IAS 37, Provisions, Contingent Liabilities and Contingent Assets, is not disclosed, if the Company concludes that the disclosure can be expected to seriously prejudice the outcome of the litigation.

In addition to the investigations and legal disputes described above, OSRAM was named as a defendant in various other legal disputes and proceedings in connection with its business activities as a diversified, globally present corporate group. Some of these pending proceedings have been previously disclosed. Some of the legal actions include claims or potential claims for indeterminate amounts of damages or punitive damages claims. OSRAM is defending itself against all aforementioned claims.

From time to time, OSRAM is also involved in regulatory investigations beyond those described above. OSRAM is cooperating with the relevant authorities in several jurisdictions and, where appropriate, conducts internal investigations regarding potential wrongdoing with the assistance of in-house and external counsel.

In the case of liability claims, OSRAM is in principle covered by insurance, the nature and scope of which is set out in the terms and conditions of the respective insurance policies. The insured amount and extent of cover are adequate for the risk and are customary for the industry. However, whether and to what extent OSRAM is covered by insurance in individual cases depends on the circumstances of the case concerned. Furthermore, no assurance can be given that OSRAM will also be able to procure adequate insurance cover on economically appropriate terms in the future.

In light of the number of legal disputes and other proceedings in which OSRAM is involved, it cannot be ruled out that some of these proceedings could result in rulings against OSRAM. OSRAM is defending itself in legal disputes and proceedings to the extent necessary and prudent. Any conjecture regarding the results of proceedings is associated with considerable difficulties, especially in cases in which the claimant brings claims for undetermined amounts of compensation. With this in mind, OSRAM cannot make any prediction regarding what kind of obligations could possibly ensue from such proceedings. Possible negative rulings in such cases could have considerable effects on the asset, finance and earnings situations in a given reporting period. At this time, however, OSRAM does not expect any significant negative effects on OSRAM's business financial position and results of operations resulting from the other legal topics not separately dealt with in this section.

13 | Financial Instruments

The following table presents the carrying amounts and fair values of financial assets and financial liabilities:

Carrying Amounts and Fair Values of Financial Assets and Liabilities

in € million	Category according to IAS 39	June 30, 2014 Carrying amount	June 30, 2014 Fair value	September 30, 2013 Carrying amount	September 30, 2013 Fair value
Financial assets					
Cash and cash equivalents[1]	n/a	604.9	604.9	522.1	522.1
Available-for-sale financial assets (noncurrent)[2]	AfS	1.4	–	1.4	–
Available-for-sale financial assets	AfS	1.5	1.5	0.8	0.8
Trade receivables	LaR	765.0	765.0	853.4	853.4
Other financial assets					
Derivatives not designated in a hedge accounting relationship	FAHfT	5.3	5.3	5.2	5.2
Derivatives in connection with cash flow hedges	n/a	0.2	0.2	0.4	0.4
Other financial assets	LaR	53.7	53.7	70.0	70.0
Noncurrent assets held for sale	LaR	–	–	45.6	45.6
Financial liabilities					
Debt					
Loans from banks	FLaC	186.8	186.8	350.9	350.9
Trade payables	FLaC	706.7	706.7	677.0	677.0
Other financial liabilities					
Derivatives not designated in a hedge accounting relationship	FLHfT	7.3	7.3	3.9	3.9
Derivates in connection with cash flow hedges	n/a	0.4	0.4	–	–
Other financial liabilities	FLaC	32.5	32.5	35.7	35.7

[1] Cash and cash equivalents consist primarily of deposits with prime-rated banks with an investment grade rating. The item includes a small amount of checks and cash on hand.
[2] This line item contains equity instruments classified as available-for-sale for which fair value could not be reliably determined. For this reason, the equity instruments were recognized at cost.

The reduction in loans from banks from €350.9 million as of September 30, 2013, to €186.8 million as of June 30, 2014, is due in particular to the repayment of portions of the syndicated term loan totaling €160.0 million, of which €80.0 million was repaid in the third quarter of fiscal 2014.

The aggregated carrying amounts by IAS 39 category are as follows:

Aggregated Carrying Amounts

in € million	Category according to IAS 39	Measurement at	Fair value hierarchy	Carrying amount June 30, 2014	Carrying amount September 30, 2013
Loans and receivables	LaR	Amortized cost	n/a	818.7	969.0
Financial assets held for trading	FAHfT	Fair value	Level 2	5.3	5.2
Available-for-sale financial assets	AfS	Cost	n/a	1.4	1.4
		Fair value	Level 1	1.5	0.8
Financial liabilities measured at amortized cost	FLaC	Amortized cost	n/a	926.0	1,063.8
Financial liabilities held for trading	FLHfT	Fair value	Level 2	7.3	3.9

Determination of fair values of financial instruments carried at cost and amortized cost in the statement of financial position

Because of their short maturities, the fair values of cash and cash equivalents, trade receivables and trade payables with a remaining term of up to twelve months, and of other current financial assets and liabilities correspond approximately to their carrying amounts. OSRAM measures receivables on the basis of different parameters, such as interest rates, specific country risk factors, or the individual credit quality of the customer. On the basis of this measurement, OSRAM recognizes valuation allowances on the above receivables. The carrying amounts of these receivables, net of allowances, approximated their fair values.

The fair values of loans from banks and other noncurrent financial liabilities are determined by discounting future cash flows using rates currently available for debt of similar terms and remaining maturities. Due to their short-term nature and the use of market interest rates for the noncurrent obligations, the fair values of the above obligations corresponded approximately to their carrying amounts.

Determination of fair values of financial instruments carried at fair value in the statement of financial position

Level 1 hierarchy for determining fair value

OSRAM derives the fair values of available-for-sale financial assets from quoted market prices in an active market.

Level 2 hierarchy for determining fair value

The fair values of derivative financial instruments are determined on the basis of inputs that are observable either directly or indirectly. The exact determination depends on the nature of the derivative. The fair value of foreign currency exchange contracts is based on forward exchange rates. Currency options are measured with the help of option pricing models. The fair value of commodity derivatives (swaps, forwards) is based on forward commodity prices.

14 | Earnings per Share

Earnings per Share

		Three months ended June 30,		Nine months ended June 30,	
		2014	2013	2014	2013
Net income	in € million	44.4	13.7	181.1	62.2
Less: portion attributable to non-controlling interests	in € million	1.4	2.0	4.1	4.8
Income attributable to shareholders of OSRAM Licht AG	in € million	**43.0**	**11.7**	**177.0**	**57.4**
Weighted average shares outstanding – basic (number of shares)	in thousands	**104,537**	**104,689**	**104,537**	**104,689**
Effect of dilutive potential equity instruments (number of shares)	in thousands	201	–	187	–
Weighted average shares outstanding – diluted (number of shares)	in thousands	**104,738**	**104,689**	**104,724**	**104,689**
Basic earnings per share (in €)	in €	0.41	0.11	1.69	0.55
Diluted earnings per share (in €)	in €	0.41	0.11	1.69	0.55

Share-based payment programs for employees and members of the Managing Board were launched in the first nine months of fiscal 2014. As of June 30, 2014, there were no outstanding awards that were not included in the calculation of diluted earnings per share, since their inclusion would not have had a dilutive effect.

The calculation of the weighted average number of shares outstanding in the three and nine months ended June 30, 2013, included the shares outstanding at the time of the spin-off as from the beginning of fiscal 2013.

15 | Segment Information

Description of reportable segments

› See Note 37 | Segment Information in the notes to the consolidated financial statements for fiscal 2013 for a description of the reportable segments Luminaires & Solutions (LS), Specialty Lighting (SP), and Opto Semiconductors (OS) as well as the reconciliation to consolidated amounts.

Effective May 1, 2014, the Managing Board of OSRAM Licht AG modified the organizational structure of the LP and LE Business Units in the aggregated Lamps & Components segment. By doing so, OSRAM was responding to the rapid technological transformation towards SSL (“SSL” stands for solid state lighting and refers to the latest generation of lighting products, such as LEDs) and the related challenge to the segment’s profitability. The two business units’ declining business with traditional lamps (previously LP) and traditional ballasts (previously LE) was combined in a new Classic Lamps & Ballasts (CLB) Business Unit. In the same way, the rapidly expanding SSL activities of LP and LE were bundled together in a new LED Lamps & Systems (LLS) Business Unit. This ensures a clear management focus on the different business dynamics of OSRAM’s traditional business and SSL activities as well as greater flexibility and agility in the market.

In accordance with IFRS 8, Operating Segments, and taking into account economic developments in the new business units, the segment information in these interim consolidated financial statements shows two new reportable segments (LLS and CLB). In line with the management approach, assets, free cash flow, and additions to intangible assets and property, plant, and equipment are reported for the LLS and CLB segments for the first time as of September 30, 2014. To ensure consistent reporting, the interim consolidated financial statements therefore contain a separate line in which all segment disclosures for the former LC segment are reported for information purposes.

LED Lamps & Systems (LLS)

The LLS segment develops and produces direct substitutes for traditional lamps and their ballasts based on SSL technology. LLS also offers SSL products for professional use, such as LED light engines (a combination of one or more LEDs and related controls) and components for light management systems.

Classic Lamps & Ballasts (CLB)
The CLB segment comprises OSRAM's traditional product business, consisting of lamps (from incandescent lamps through halogen and fluorescent lamps for consumers to high-intensity discharge lamps for professional indoor and outdoor use) and components for traditional lamps and luminaires such as electronic ballasts.

Segment performance measures

The accounting policies for the segment information are generally the same as those described in › Note 2 | Summary of Significant Accounting Policies in the notes to the consolidated financial statements for fiscal 2013. Corporate overheads and certain other items not directly attributable to segments are allocated to the segments.

The segments' performance measures are EBITA, net assets, free cash flow, and amortization and depreciation.
› For a definition of the measures, see Note 37 | Segment Information in the notes to the consolidated financial statements for fiscal 2013.

Reconciliations to the interim consolidated financial statements

Corporate items and pensions that management does not consider to be indicative of the segments' performance, such as specific legal issues, centrally managed transactions and the consolidation of transactions between the segments, certain reconciliation and reclassification items, and corporate treasury operations are reported in the *Reconciliation to interim consolidated financial statements* line item.

In the three months ended June 30, 2014, the EBITA column of the *Corporate items and pensions* line item included €–3.3 million (three months ended June 30, 2013: €–27.0 million) relating to corporate items, as well as €–2.1 million (three months ended June 30, 2013: €–1.6 million) relating to pensions. The improvement in EBITA for the corporate items for the three months ended June 30, 2014, is based mainly on the clear decline in transformation costs and costs associated with the separation/for going public. Within corporate items, a reversal of provisions for legal disputes and expenses from the termination by mutual agreement of the appointment of Dr. Peter Laier as a member of the Managing Board offset each other. In the prior-year quarter, EBITA for the corporate items was impacted, among other things, by expenses of €10.2 million resulting from impairment losses on property, plant, and equipment used for the production of pre-materials and of €4.1 million for the relocation of Group headquarters in Munich.

In the nine months ended June 30, 2014, the EBITA column of the *Corporate items and pensions* line item included €–18.8 million (nine months ended June 30, 2013: €–41.4 million) relating to corporate items, as well as €–5.7 million (nine months ended June 30, 2013: €–3.9 million) relating to pensions. In the nine months ended June 30, 2014, the corporate items were impacted, among other things, by expenses and income in the net amount of €–10.3 million relating to legal proceedings and the termination by mutual agreement of the appointment of Dr. Peter Laier as a member of the Managing Board. They were also impacted by transformation costs in the amount of € 9.8 million.
In the previous year, the corporate items reflected, among other things, income from the settlement of patent infringement disputes, expenses for historical regulatory risks in one country, which was addressed as part of the "Future Industrial Footprint" project, expenses of € 10.2 million resulting from impairment losses on property, plant, and equipment used for the production of pre-materials, and expenses of € 9.9 million for the relocation of Group headquarters in Munich. In both periods, they were also impacted by costs incurred in connection with the transaction bonus program.

The following table reconciles EBITA as presented in the segment information to the *Income before income taxes* as presented in OSRAM's consolidated statement of income:

Reconciliation EBITA to Income before Income Taxes

in € million	Three months ended June 30, 2014	Three months ended June 30, 2013	Nine months ended June 30, 2014	Nine months ended June 30, 2013
EBITA	**80.9**	**22.1**	**274.3**	**123.7**
Amortization[1]	(5.9)	(5.2)	(19.8)	(16.8)
Interest income	0.8	0.8	2.5	4.8
Interest expense	(8.7)	(7.4)	(27.3)	(23.3)
Other financial income (expense), net	(1.0)	(1.4)	(2.4)	(7.3)
Income from investments accounted for using the equity method, net	1.2	32.9	34.8	13.2
Income before income taxes	**67.4**	**41.8**	**262.1**	**94.3**

[1] Including amortization and impairments of goodwill and intangible assets, net of reversals of impairments.

The following table reconciles total net capital employed for the segments to the total assets reported in OSRAM's consolidated statement of financial position:

Reconciliation Total Segment Net Capital Employed to Total Assets

in € million	June 30, 2014	September 30, 2013
Total segment net capital employed	**1,763.1**	**1,772.1**
Reconciliation to interim consolidated financial statements		
Net capital employed corporate items and pensions	(175.2)	(171.6)
Net capital employed Treasury[1]	624.3	541.0
Other reconciling items		
Tax related assets	397.9	447.2
Liabilities and provisions	1,437.4	1,478.3
Pension plans and similar commitments	340.4	358.5
Total assets	**4,388.0**	**4,425.3**

[1] OSRAM Treasury does not have net capital employed in the same way as an operating segment, but it is determined here in the same way as for operating segments; the assets consist primarily of cash and cash equivalents.

The following table presents the items of *Income (loss) from investments accounted for using the equity method, net* attributable to the individual segments:

Income (Loss) from Investments Accounted for Using the Equity Method, Net

in € million	Three months ended June 30, 2014	Three months ended June 30, 2013	Nine months ended June 30, 2014	Nine months ended June 30, 2013
Segments				
LED Lamps & Systems	(0.0)	(0.1)	(0.0)	(0.0)
Classic Lamps & Ballasts	1.2	3.7	2.6	5.1
Lamps & Components	*1.2*	*3.6*	*2.6*	*5.0*
Luminaires & Solutions	(0.1)	–	(0.2)	0.2
Specialty Lighting	0.1	29.3	32.2	11.7
Opto Semiconductors	–	–	–	–
Reconciliation to interim consolidated financial statements				
Corporate items and pensions	(0.0)	0.0	0.2	(3.7)
Income from investments accounted for using the equity method, net	**1.2**	**32.9**	**34.8**	**13.2**

16 | Related Party Disclosures

The OSRAM Licht Group has business relations with the Siemens Group (Siemens AG and its direct and indirect subsidiaries excluding OSRAM), Siemens associates and joint ventures, as well as OSRAM associates and joint ventures.

Until the date of the spin-off ›see Note 1 | Basis of Preparation, Siemens Group entities were related parties, as Siemens AG controlled OSRAM.

Transactions with the Siemens Group

A number of agreements were entered into with Siemens AG to govern expenses, contingent liabilities, and separation-related matters associated with the spin-off. ›For additional information, especially regarding the reorganization of the legal structure, see Note 39 | Related Party Disclosures in the Notes to the consolidated financial statements for fiscal 2013.

Sales of goods and services and other income from transactions, and purchases of goods and services and other expenses from transactions with the Siemens Group, are presented for the three and nine months ended June 30, 2013, in the following table:

Sales and Purchases of Goods and Services with the Siemens Group

in € million	Three months ended June 30, 2013	Nine months ended June 30, 2013
Sales of goods and services, other income and interest income	6.3	16.4
Purchases of goods and services, other expense and interest expense	22.4	55.7

Sales to and purchases from the Siemens Group

Supply and delivery agreements exist between OSRAM and the Siemens Group, also after the spin-off. OSRAM both sources goods and services from the Siemens Group and supplies goods and services to it.

Reimbursement of costs by Siemens

As stated in ›Note 1 | Basis of Preparation, Siemens has taken OSRAM public. In preparation for the separation from the Siemens Group and the listing and spin-off, OSRAM incurred certain costs that are considered to be extraordinary and that were reimbursed by Siemens under a cost reimbursement agreement (three months ended June 30, 2013: €1.0 million; nine months ended June 30, 2013: €2.8 million). OSRAM reported the reimbursement of those costs net of the respective expenses.

Master Agreement Separation

In September 2012, OSRAM GmbH (at that time OSRAM AG) and Siemens AG entered into a Master Agreement Separation ("Rahmenvertrag Trennung") to execute the spin-off from Siemens. In particular, this agreement governed the termination of internal Group agreements, the transfer of permissions and licenses, share-based instruments, the settlement of taxes, and reciprocal indemnity obligations.

Financing

OSRAM was included in the Siemens Group's cash pooling and cash management system. OSRAM invested excess short-term liquidity and was granted overdraft facilities for financing its operating activities. At the end of the third quarter of fiscal 2013, OSRAM withdrew from the Group-wide cash pooling system for the bank accounts in preparation for the spin-off and listing, as a result of which excess liquidity was no longer automatically transferred to Siemens, but instead partly remained in bank accounts held by OSRAM companies. OSRAM continued to be included in Siemens' central cash management system until the net liability to Siemens was settled before the spin-off at the beginning of July 2013. As part of the spin-off and listing, participation in this finance program was replaced by a finance scheme operated by OSRAM GmbH itself.

In connection with the receivables waived by Siemens, a total amount of €163.0 million was recognized as a contribution to OSRAM GmbH's additional paid-in capital in the first quarter of fiscal 2013. ›For information on this and further capital contributions made by Siemens, see Note 10 | Equity. Additionally, the Siemens Group provided OSRAM with short-term loans. No loans remained outstanding as of June 30, 2014, and September 30, 2013. In the three months ended June 30, 2013, these financing activities resulted in interest income in the amount of €0.3 million (nine months ended June 30, 2013: €2.9 million) and interest expense in the amount of €1.8 million (nine months ended June 30, 2013: €6.4 million) that are reported in the *Interest income* or *Interest expense* line item.

Leasing

OSRAM had entered into leasing transactions with Siemens Treasury. These were terminated in connection with the spin-off and listing. In addition, several operating lease agreements exist between OSRAM and the Siemens Group, in particular for real estate.

Collateral/global letter of support/guarantees

In connection with the spin-off and listing, the guarantees issued by Siemens for certain OSRAM companies, primarily with the exception of those guarantees for which a transitional arrangement exists, were terminated or assumed by OSRAM GmbH.

Transactions with joint ventures

OSRAM's business activities included transactions with joint ventures of OSRAM and—up to the date of the spin-off—joint ventures of the Siemens Group, in particular in respect of the operating business. These are summarized below:

Sales and Purchases of Goods and Services from and to Joint Ventures

	Three months ended June 30,		Nine months ended June 30,	
in € million	2014	2013	2014	2013
Sales of goods and services and other income	**2.1**	**5.4**	**8.3**	**17.9**
Siemens Group joint ventures	–	0.2	–	0.7
OSRAM joint ventures	2.1	5.2	8.3	17.2
Purchases of goods and services and other expense	**0.9**	**2.6**	**3.3**	**10.9**
Siemens Group joint ventures	–	0.1	–	0.4
OSRAM joint ventures	0.9	2.5	3.3	10.5

The reduction in sales of goods and services and other income from OSRAM joint ventures is due to the completion of the sale of the shares in Valeo Sylvania in the second quarter of fiscal 2014. For additional information see Note 2 | Acquisitions and Disposals. In the three months ended June 30, 2014, OSRAM realized no further interest income from a loan granted to Valeo Sylvania due to the completion of the sale in the second quarter of fiscal 2014 (three months ended June 30, 2013: €0.3 million). In the nine months ended June 30, 2014, OSRAM realized interest income of €0.6 million from this loan (previous year: €1.2 million).

OSRAM's receivables from and payables to joint ventures of OSRAM are as follows:

Receivables from and Liabilities to Joint Ventures

in € million	June 30, 2014	September 30, 2013
Receivables	**0.2**	**63.2**
OSRAM joint ventures	0.2	63.2
Liabilities	**0.3**	**0.1**
OSRAM joint ventures	0.3	0.1

As of September 30, 2013, the receivables from OSRAM joint ventures were mainly due from Valeo Sylvania. Due to the sale of the equity interest in Valeo Sylvania and the loans extended, the receivables from Valeo Sylvania are no longer presented as receivables from OSRAM joint ventures as of June 30, 2014. For additional information see Note 2 | Acquisitions and Disposals.

OSRAM regularly reviews, in the normal course of business, loans and receivables associated with joint ventures and associates. This review did not lead to any impairment in the three and nine months ended June 30, 2014. All receivables from and payables to related parties are settled regularly. In the three months ended June 30, 2013, the signing of the Call/Put Agreement for the sale of the shares in Valeo Sylvania had a positive impact on income of €35.1 million due to the reversal of a provision in the amount of €10.2 million and the valuation of loans in the amount of €24.9 million. In the nine months ended June 30, 2013, the positive effect on income (net) of impairment losses and reversals of impairment losses amounted to €27.8 million. For additional information see Note 6 | Income (Loss) from Investments Accounted for Using the Equity Method, Net.

As of June 30, 2014, and September 30, 2013, accumulated valuation allowances on loans and receivables amounted to €0.0 million.

Transactions with individuals classified as related parties

Prior to the formal appointment of the Management of OSRAM GmbH to the Managing Board of OSRAM Licht AG on November 8, 2012, the OSRAM Licht Group was managed centrally by the Management of OSRAM GmbH.

The remuneration of the members of the Managing Board in prior fiscal years included share-based payments. In addition, there are agreements between the Managing Board of OSRAM Licht AG and OSRAM Licht AG that provide the allocation of awards of OSRAM Licht AG shares contingent on the achievement of an EPS-based target. The expenses incurred in connection with equity-settled share-based payments under OSRAM programs amounted to €0.4 million (before tax) in the three months ended June 30, 2014. In the three months ended June 30, 2013, the expenses incurred in connection with equity-settled share-based payments under OSRAM programs amounted to €1.1 million (before tax), while expenses incurred in connection with cash-settled share-based payments under Siemens programs amounted to €0.0 million (before tax). The expenses incurred in connection with equity-settled share-based payments under OSRAM programs amounted to €2.2 million (before tax) in the nine months ended June 30, 2014. In the nine months ended June 30, 2013, the expenses incurred in connection with equity-settled share-based payments under OSRAM programs amounted to €3.0 million (before tax), while expenses incurred in connection with cash-settled share-based payments under Siemens programs amounted to €0.4 million (before tax). A presentation of the performance-based components of Managing Board compensation can be found in the remuneration report in the corporate governance report. The remuneration report is a component of the combined management report, which is contained in the annual report of the OSRAM Licht Group for the fiscal year ended September 30, 2013.

The appointment of Dr. Peter Laier as a member of the Managing Board was terminated by mutual agreement as of the end of June 30, 2014. In the three months ended June 30, 2014, the termination agreement resulted in expenses of €5.2 million, of which €4.5 million resulted from severance payments, €0.6 million from additions to pension provisions, and €0.1 million from other benefits.

Peter Bauer was elected Chairman of the Supervisory Board of OSRAM Licht AG on November 26, 2013. Prof. Dr. Siegfried Russwurm stepped down from the Supervisory Board of OSRAM Licht AG at the end of November 26, 2013. Dr. Roland Busch took his place on the Supervisory Board and was elected as an additional Deputy Chairman of the Supervisory Board. On February 27, 2014, the Company's Annual General Meeting reelected the serving shareholder representatives on the Supervisory Board as members of the Supervisory Board. The term of office of these members runs until the close of the Annual General Meeting that resolves to approve the actions of the Managing Board and the Supervisory Board for fiscal 2016/2017. On the same date, the Supervisory Board reelected Peter Bauer as Chairman and Dr. Roland Busch as an additional Deputy Chairman of the Supervisory Board.

In the three and nine months ended June 30, 2014, no further material transactions took place between OSRAM and the members of the Managing Board of OSRAM Licht AG, or between OSRAM and the members of the Supervisory Board of OSRAM Licht AG.

In the three and nine months ended June 30, 2013, no material transactions took place between OSRAM and the members of the Managing Board of OSRAM Licht AG, the managing directors of OSRAM GmbH, or between OSRAM and the members of the Supervisory Boards of OSRAM Licht AG and OSRAM GmbH.

17 | Events After the Balance Sheet Date

At the end of July 2014, the Managing Board announced that further process improvements and structural adjustments would be made to address the rapid changes in market conditions in the general lighting area. The measures will affect not only production capacity for traditional products in the general lighting segment, but also sales, administration, and other indirect functions throughout the Company. It is planned to reduce the workforce by approximately 1,700 in Germany and around 6,100 globally over a period of three years at an expected cost of approximately €450 million.

Dr. Joachim Faber resigned as a member of the Supervisory Board and as Chairman of the Audit Committee of the Supervisory Board of OSRAM Licht AG effective July 1, 2014, and stepped down from both bodies. The personal decision by Dr. Faber follows regulatory changes in the European banking sector. The procedure for the court appointment of a successor has not yet been completed. It is expected that Dr. Werner Brandt will be appointed by the registry court as a member of the Supervisory Board on short term notice.

Other than the above, no transactions of particular significance and with material effects on the net assets, financial position, and results of operations have occurred since the end of the reporting period, June 30, 2014.

Munich, August 4, 2014

OSRAM Licht AG
The Managing Board

German interim financial report signed

Wolfgang Dehen	Dr. Klaus Patzak
Chairman of the Managing Board (CEO)	Chief Financial Officer (CFO)

Review Report

Translation of the German review report concerning the review of the condensed interim consolidated financial statements and interim group management report prepared in German.

To OSRAM Licht AG, Munich

We have reviewed the condensed interim consolidated financial statements, comprising the consolidated statement of income (Konzern-Gewinn- und Verlustrechnung), consolidated statement of comprehensive income (Konzern-Gesamtergebnisrechnung), consolidated statement of financial position (Konzernbilanz), consolidated statement of cash flow (Konzern-Kapitalflussrechnung), consolidated statement of changes in equity (Konzern-Eigenkapitalveränderungsrechnung) and notes to the condensed interim consolidated financial statements (Anhang zum verkürzten Konzernzwischenabschluss), and the interim group management report (Konzern-Zwischenlagebericht), of OSRAM Licht AG, Munich for the period from 1 October 2013 to 30 June 2014 which are part of the quarterly financial report pursuant to Sec. 37x (3) WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW) and in supplementary compliance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IFRS applicable to interim financial reporting as adopted by the EU or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Munich, August 4, 2014

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

German review report signed

Breitsameter Wirtschaftsprüferin (German Public Auditor)	Esche Wirtschaftsprüfer (German Public Auditor)

Further Information

Glossary

The glossary contains a short definition for typical terms used in the lighting industry and within OSRAM. In addition, it describes key financial terms to make our financial reporting easier to understand.

Control Gear (CG) Most electrical light sources, with the exception of the incandescent lamp, require a special device to start and to operate. Depending on the light source technology, they are named ballasts, ignitors or transformers and belong to the category of control gears. The term control gear describes devices which may serve to transform the supply voltage, limit the current of the lamp(s) to the required value, provide starting voltage and preheat current, prevent cold starting, correct power factor or reduce radio interference.

Diode A diode is a two-terminal electronic device which permits significant current flow in only one direction. Diodes typically function as a rectifier, i.e. converting AC into DC.

Discharge Lamp Discharge lamps generate light by sending an electrical discharge through an ionized gas or metal vapor. Depending on the gas with which a lamp is filled, it either radiates visible light directly or converts UV radiation to light. The operating pressure inside a discharge lamp is either low (low pressure discharge lamps) or high (highpressure discharge lamps).

Fluorescent Lamp (FL) › see Discharge lamp Fluorescent lamps are available in different shapes, such as linear fluorescent, tube shaped and compact fluorescent lamps.

Halogen Lamp Halogen lamps are type of incandescent lamps that are filled with a gas that contains small amounts of halogens or halogen compounds enabeling smaller bulbs and higher luminous flux.

Incandescent Lamp (INC) Incandescent lamps are electrical light sources which radiate light as a result of a tungsten filament being heated. The tungsten wire is enclosed in a sealed, gas-filled—or in some cases evacuated—glass bulb.

Lamp The term “lamp” refers to an engineered artificial light source—a device that converts electrical energy into light and that has a standardized electrical and mechanical connection to the lampholder. Lamps are used in luminaires, which distribute and direct lamp light.

LED (Light Emitting Diode) A LED consists of a light emitting semiconductor chip in combination with wiring, reflector, lens and protective covering to create a package. The term LED module is sometimes used synonymously.

LED Lamp A LED lamp is a light source incorporating one or more LEDs on a board and it also includes secondary optics, heat sink, driver electronics and housing. It can be used as a replacement for existing lamps (replacement of another type of lamp). The term LED retrofit is sometimes used synonymously.

LED Light Engine LED light engines are the combination of an LED module and its associated electronic control gear assembled in a unit according to the standardization consortium Zhaga.

LED Module › see LED

LED Retrofit › see LED Lamp

Light (Visible Light) Visible light is the radiation that can be perceived by the human eye. The spectral range of light embraces wavelengths from 380 to 780 nm and is divided into the different color sections ranging from violet through blue, green and yellow to red. Outside this band, the human eye cannot “see” radiation.

Light Management Systems (LMS) Light management systems automate the lighting and related controls within a room, building or in outdoor applications. Their task is to provide the right light in the right amount at the right place when it is needed.

Light Solution A light solution is a specific use case tailored to the application for which an arrangement of luminaires, light sources, controlgear and light management has been planned and is executed; servicing of the installation can be included.

Luminaire (Lighting Fixture) The term luminaire (sometimes also referred to as "lighting fixture") refers to the entire electric light fitting, including all the components needed to mount, operate and protect the lamp. The luminaire distributes the light of the lamp and e.g. prevents it from causing glare.

Opto-electronic Semiconductor A type of semiconductor that transforms electric impulses into light or light into electric impulses.

Organic Light Emitting Diode (OLED) An OLED is a light emitting semiconductor that has an electroluminescent zone made of organic compounds. OLEDs are typically area light sources.

SSL Products SSL stands for solid state lighting and refers to a type of lighting that uses semiconductors as sources of illumination. It identifies the newest generation of lighting products such as LEDs. OSRAM defines SSL products as, semiconductor-based light sources, luminaires and detectors, as well as light management systems for such light sources. It includes:
- LED lamps, luminaires and systems in their entirety, including any necessary components and services sold as part of a LED light solution,
- LED chips and light engines,
- OLED—organic light emitting diodes,
- Infrared emitters, producing electromagnetic radiation close to the spectrum of visible light,
- Laser diodes,
- Silicon photodetectors, semiconductors which react to and may be used to measure light,
- Sensors, which are a combination of a semiconductor emitter and a photodetector
- Light management systems (sensors, user interfaces and controllers; actuators for traditional lamps are excluded) and associated components and services.

Financial Terms

Costs Associated with Substantial Legal and Regulatory Matters OSRAM is involved in various legal disputes in connection with its business activities. OSRAM classifies these as special items if they are considered material by the Company's management and are of an substantial nature.

Costs Associated with the Separation/for Going Public (net) Expenses and income associated with the separation and planned IPO and spin-off, as well as patent infringement disputes. These primarily comprise costs incurred in connection with the listing and the establishment of OSRAM as an independent company (which were partly reimbursed by Siemens), legal costs and income from the settlement of patent infringement disputes, which escalated after the announcement of the originally planned IPO, special payments to management staff in connection with the IPO, as well as the relocation of OSRAM's headquarters in Munich.

Currency Translation Effects A significant portion of OSRAM's transactions are settled in currencies other than the euro. The effects of changes in exchange rates on translating revenue into euros (in the context of preparing the financial statements) are referred to as currency translation effects. In addition to the nominal change in its revenue (e.g., compared with the previous year), OSRAM also reports the "comparable" changes adjusted for currency translation effects and portfolio effects ›see Portfolio Effects. This provides the basis for a meaningful analysis of the company's business performance while excluding these distorting effects from currency translation.

Debt Debt comprises liabilities related to funds raised by a company, in contrast to, e.g., trade payables. Debt includes liabilities to banks (credits, loans), bonds and other debt instruments issued, as well as obligations under finance leases.

Earnings per Share (EPS) Net income divided by the number of shares outstanding with rights to residual interests in a company. Earnings per share can either be expressed as "basic" or "diluted"; dilution refers to a reduction in the earnings per share based on the assumption that new shares will be issued or that options and warrants will be exercised.

EBITA Abbreviation for "earnings before interest, taxes, and amortization." OSRAM defines this measure as the income (loss) before financial result (meaning the income [loss] from investments accounted for using the equity method, net, interest income, interest expense, and other financial income [expense], net), income taxes, and amortization and impairments of intangible assets. EBITA is also given as the ratio to revenue (= EBITA margin).

EBITA, adjusted EBITA as defined above before special items ›see below. Adjusted EBITA is also given as the ratio to revenue (= adjusted EBITA margin).

EBITDA Abbreviation for "earnings before interest, taxes, depreciation, and amortization". This indicator corresponds to EBITA before depreciation and impairments of property, plant, and equipment.

Free Cash Flow A measure that presents operational cash performance. OSRAM defines free cash flow as net cash provided by (used in) operating activities less additions to intangible assets and property, plant, and equipment.

Gross Profit Revenue minus costs of goods sold and services rendered. Gross profit provides information on the profitability of the business only in terms of revenue-related costs. Gross profit is also given as the ratio to revenue (= gross profit margin).

Net Debt, Adjusted Net debt plus pension plans and similar commitments, and credit guarantees.

Net Debt/Net Liquidity Liabilities from funds raised, less liquidity. OSRAM defines net debt as short-term and long-term debt plus payables to Siemens Group from financing activities less cash and cash equivalents plus available for sale financial assets, and plus receivables from Siemens Group from financing activities. Net liquidity is presented as a negative figure.

Portfolio Effects Changes to revenue resulting from the acquisition and divestment of parts of the Company are referred to as portfolio effects. In addition to the nominal change in its revenue (e.g., compared with the previous year), OSRAM also reports the "comparable" changes adjusted for portfolio effects and currency translation effects ›see Currency Translation Effects. This provides the basis for a meaningful analysis of the company's business performance while excluding these distorting effects from acquisitions or divestments.

Regions OSRAM's business is divided into the EMEA, Americas, and APAC reporting regions. EMEA comprises Europe, Russia, the Middle East, and Africa. The Americas region includes the U.S.A., Canada, Mexico, and South America. The APAC region comprises Asia, Australia, and the Pacific.

Return on Capital Employed (ROCE) The ratio of earnings to average capital employed. An annual measure that shows how efficiently a company manages the capital of its shareholders, creditors, and other lenders (depending on the definition).

Revenue Growth/Change (Comparable) Comparable revenue growth/changes in revenue or revenue growth on a comparable basis refers to revenue growth after adjustment for currency translation and portfolio effects.

Special Items Management defines these as recurring and nonrecurring effects within EBITA. At OSRAM, these primarily comprise transformation costs, costs associated with the separation/for going public (net), as well as costs associated with substantial legal and regulatory matters › see the relevant sections. Additional costs occurred in the third quarter of fiscal 2014 due to the termination of the appointment of Dr. Peter Laier as a member of the Managing Board by mutual agreement.

Transformation Costs Costs resulting from various corporate programs and strategic restructuring activities where the corresponding corporate measures are linked to the underlying shift in the lighting market. These primarily comprise the cost of personnel measures in connection with OSRAM Push, impairment losses and losses on disposals of property, plant, and equipment, as well as other transformation costs such as for consulting services.

Financial Calendar

Fiscal 2014

4th quarter

Preliminary figures 2014	November 7, 2014
Annual Report for the fiscal 2014	December 4, 2014

Fiscal 2015

1st quarter

Preliminary figures	February 4, 2015
Interim Report for the first quarter	February 16, 2015
Annual General Meeting of OSRAM Licht AG	February 26, 2015

2nd quarter

Preliminary figures	April 29, 2015
Interim Report for the second quarter	May 11, 2015

3rd quarter

Preliminary figures	July 29, 2015
Interim Report for the third quarter	August 10, 2015

4th quarter

Preliminary figures 2015	November 11, 2015
Annual Report for the fiscal 2015	December 7, 2015

as of June 30, 2014

Date of Publication
August 11, 2014

Publisher
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This Interim Report is also available
in German.

In addition, it is available on the Internet
in German and in English at
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