

## Half-Year Results 2014

Martin Hirzel, CEO and Martin Zwysig, CFO

# Agenda

**1. Introduction and Highlights of Half-Year 2014**

*Martin Hirzel, CEO*

2. Financial Results Half-Year 2014

*Martin Zwysig, CFO*

3. Outlook Full Year 2014

*Martin Hirzel, CEO*

# HY1: Highlights



## Sales

- Increased net sales in all regions in local currencies and adjusted for divestments
- Strong growth in BG Asia thanks to higher global customer volumes
- Decline in net sales in Swiss francs due to loss of sales from the former subsidiary in Italy and drastic devaluation of various currencies



## Financials

- EBIT margin increased to 6.8% and hit new record high
- Net profit rose significantly
- Again EPS improved
- RONA further increased and more than twice the WACC



## Strategy

- BG Europe reached important financial mid-term target
- Expansion of vertical integration in North America and Asia
- New production capacities in North America
- New presence in South Korea for partnerships with Korean OEMs

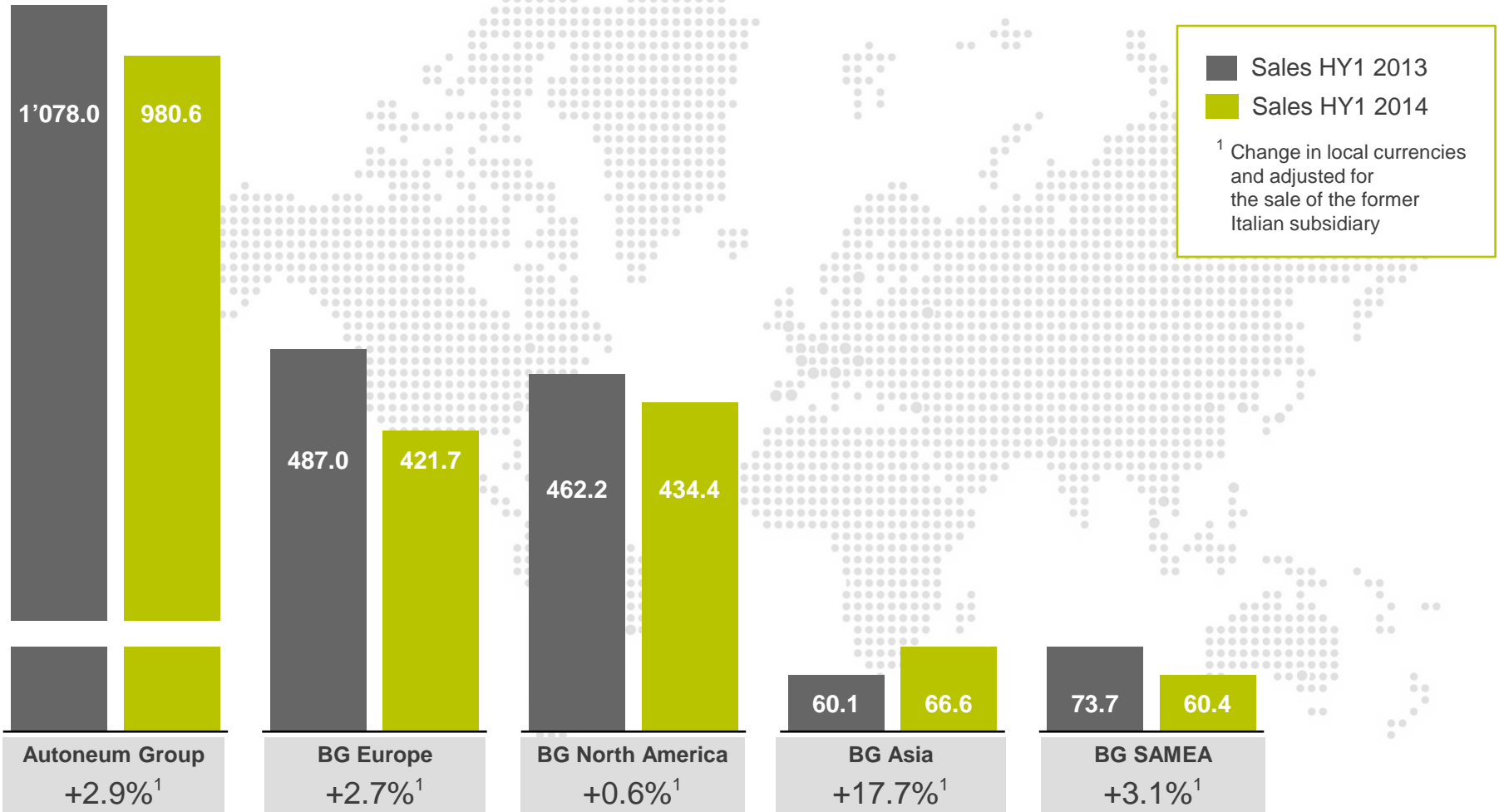
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# HY1: Net sales by Business Group

## Growth in all regions in local currencies

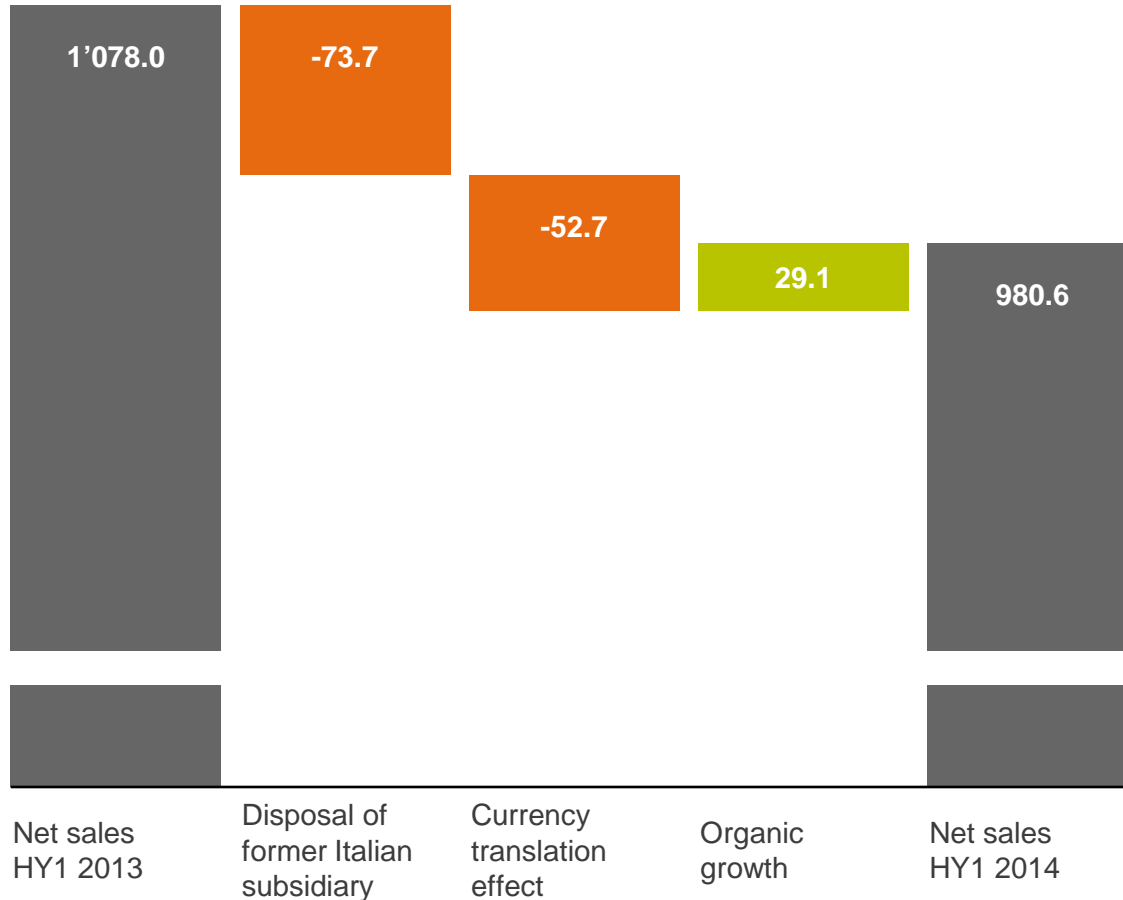
CHF million



# HY1: Net sales

## Decrease in CHF due to non-operating factors

CHF million



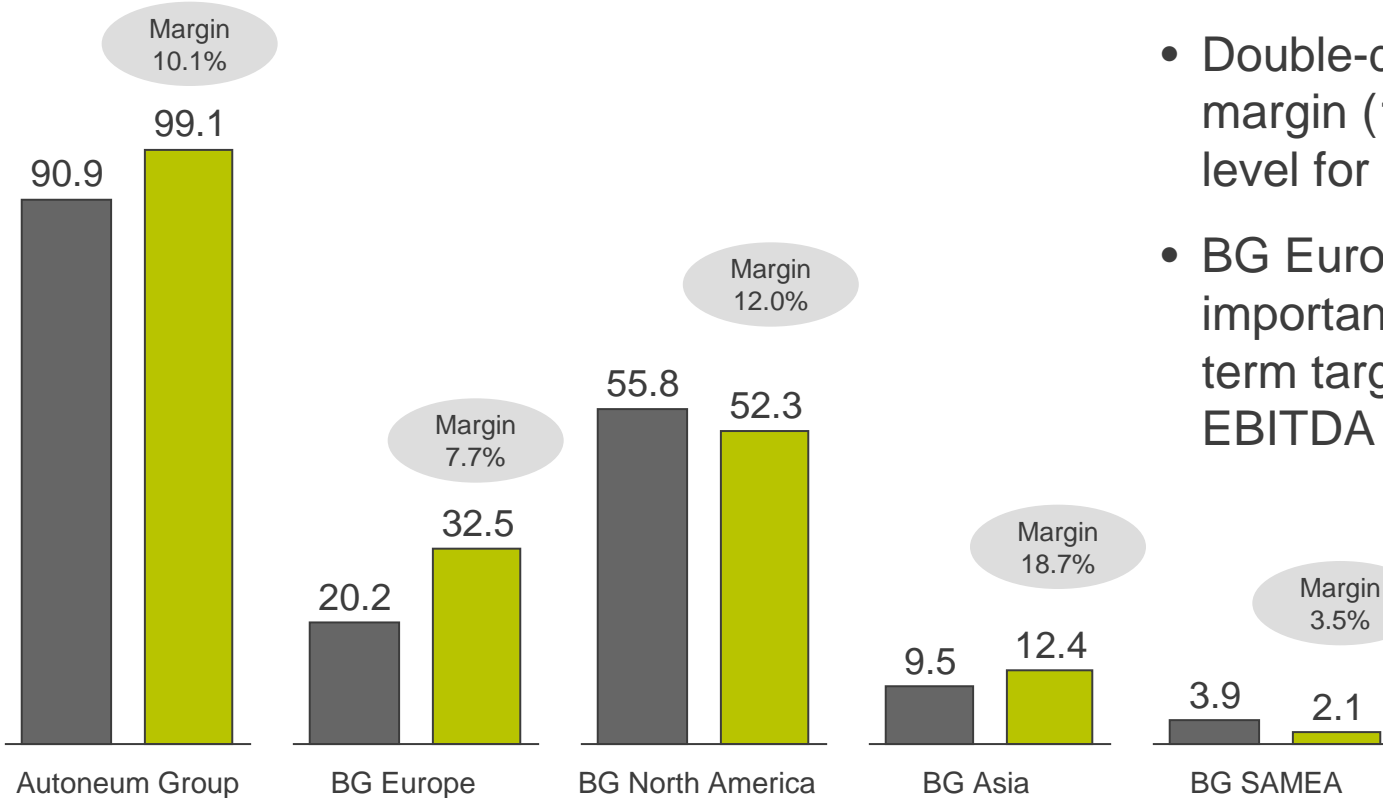
- Net sales in local currencies and adjusted for the sale of the former Italian subsidiary increased by 2.9%
- Decrease in net sales in CHF due to loss of sales from the former subsidiary in Italy and drastic devaluation in various currencies
- Strong organic growth in Asia thanks to higher global customer volumes

# HY1: EBITDA

## Substantial increase in EBITDA on group level

CHF million

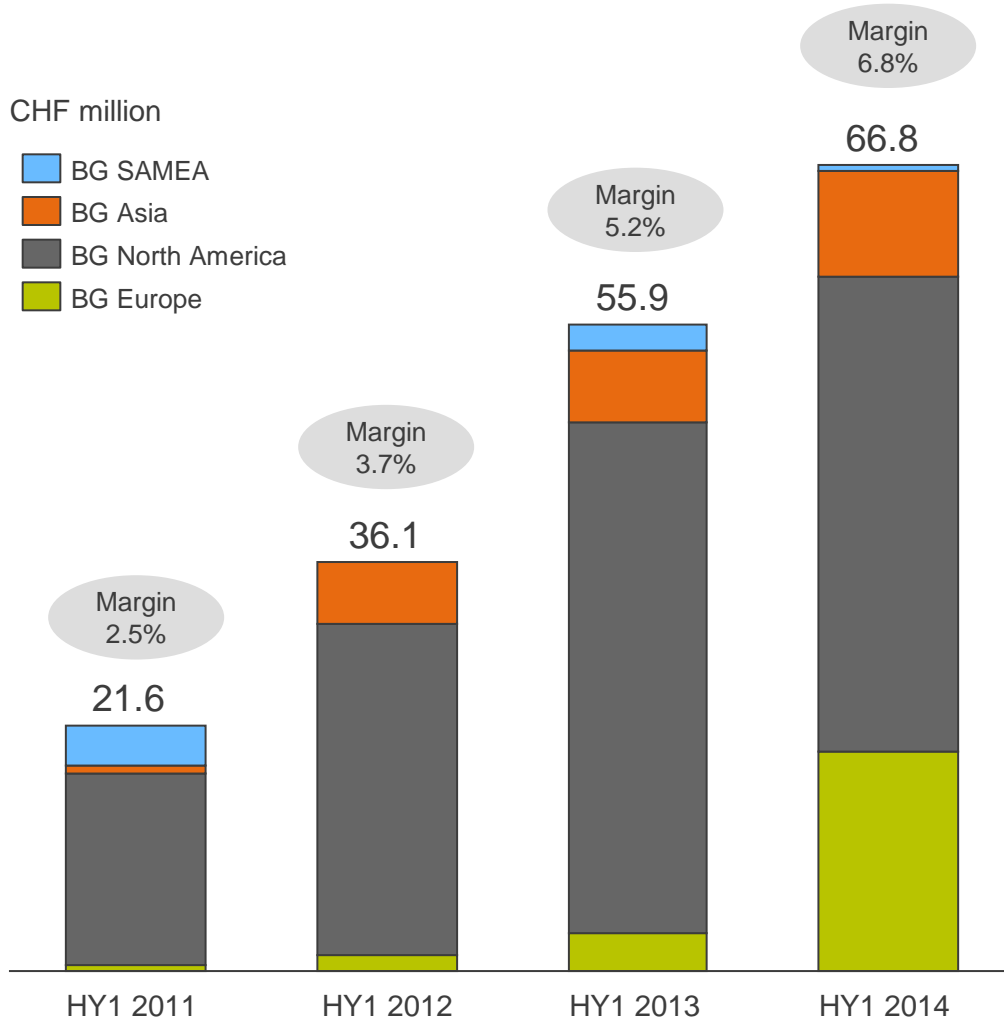
■ EBITDA HY1 2013  
 ■ EBITDA HY1 2014



- EBITDA increased from 90.9 to 99.1 million CHF
- Double-digit EBITDA margin (10.1%) on group level for the first time
- BG Europe reached important financial mid-term target with an EBITDA margin of 7.7%

# HY1: Operating result (EBIT)

## EBIT margin hit a new record high



- EBIT margin improved to 6.8% of net sales
- All BGs recorded a positive EBIT
- Operational improvements and successful capacity adjustments in Europe
- Higher global customer volumes in Asia
- Higher levels of vertical integration by expanding production of basic materials



## HY1: Net profit

### Net profit and EPS further increased

CHF million	HY1 2014	HY1 2013
Net sales	<b>980.6</b>	1'078.0
EBITDA	<b>99.1</b>	90.9
Earnings before interest and taxes (EBIT)	<b>66.8</b>	55.9
Financial result	<b>-8.4</b>	-8.5
Profit before taxes	<b>58.4</b>	47.4
Taxes	<b>-18.4</b>	-16.1
Net profit	<b>40.0</b>	31.3
Net profit attributable to AUTN	<b>28.7</b>	19.8
Net profit attributable to NCI	<b>11.4</b>	11.5
Earnings per share (EPS) in CHF	<b>6.19</b>	4.27

- Net profit rose considerably from 31.3 to 40.0 million CHF
- Higher net profit due to improved operating result (EBIT)
- Stable financial result compared to HY1 2013
- Tax rate on sustainable level at 31.5%
- EPS rose strongly to 6.19 CHF

# HY1: Balance sheet

## Sound balance sheet

CHF million	<b>30.06.14</b>	30.06.13	31.12.13
Total assets	<b>980.6</b>	1'042.1	990.6
Non-current assets	<b>438.5</b>	438.7	440.7
Net working capital	<b>58.9</b>	56.0	8.2
Cash and cash equivalents	<b>83.0</b>	76.2	117.9
Net debt	<b>101.3</b>	118.0	75.0
Short-term financial liabilities	<b>25.5</b>	31.5	48.6
Long-term financial liabilities	<b>136.2</b>	138.2	138.0
Subordinated shareholder loans	<b>25.0</b>	25.0	25.0
Shareholders' equity	<b>325.1</b>	292.4	302.0
in % of total assets <sup>1</sup>	<b>35.7%</b>	30.5%	33.0%

- Early refinancing of the existing syndicated loan of 130 million CHF at favorable new lending conditions
- Increased net working capital compared to year end level
- Financial debt was reduced year over year
- Equity further strengthened, no goodwill

<sup>1</sup> Including subordinated shareholder loans

## HY1: Cash flow

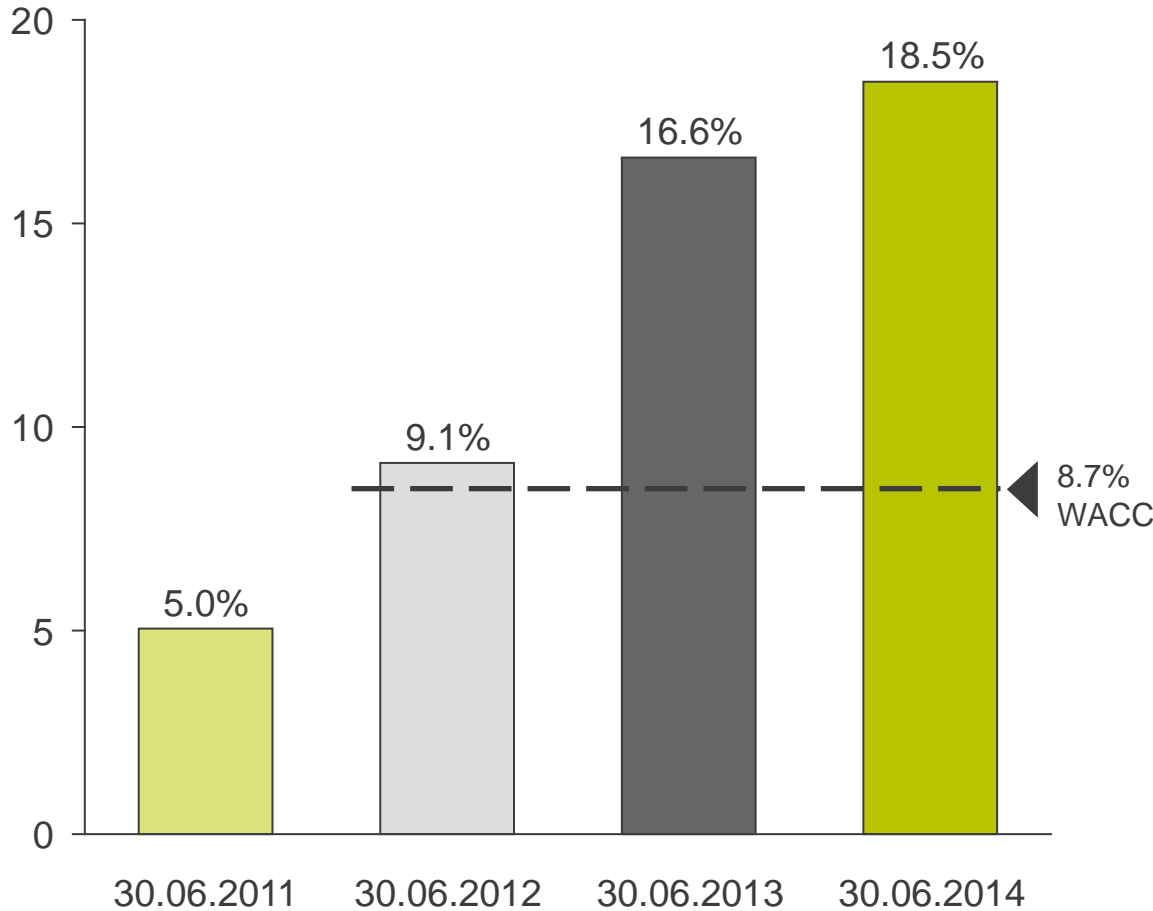
### Reduced cash flow from operating activities

CHF million	HY1 2014	HY1 2013
Net profit	40.0	31.3
Depreciation and amortization	32.3	35.0
Change in net working capital	-56.6	-11.7
Other non-cash income and expenses	4.3	-3.4
<b>Cash flows from operating activities</b>	<b>20.0</b>	<b>51.2</b>
Investments in tangible and intangible assets net	-27.9	-30.7
Other investments net	-7.8	-0.8
<b>Free cash flow</b>	<b>-15.7</b>	<b>19.7</b>

- Higher net working capital led to reduced cash flow from operating activities
- Increase in net working capital due to substantially higher trade payables in previous year

# HY1: RONA

## RONA more than twice the WACC



- RONA of 18.5% more than twice the WACC of 8.7%
- RONA improvement thanks to enhanced operating result
- Substantial additional economic value created

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# Guidance

## Guidance 2014

### Global environment

- Global automobile production is likely to grow to around 88 million light vehicles\*
- Devaluation of various currencies will continue to have substantial impact on translation into CHF

### Sales

- Production volumes in the automotive industry tend to be lower in the seasonally weaker HY2 compared to HY1

### Profitability

- Autoneum expects challenging HY2, but to maintain the operating margin achieved in HY1

\*according to IHS estimates



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# Contacts and event calendar

## Investors

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## Important dates 2015

Publication of sales figures for the 2014 financial year	January 15, 2015
2014 Results press conference	March 5, 2015
Annual General Meeting	March 26, 2015

## Autoneum listed on SIX Swiss Exchange

Valor Symbol	AUTN
Valor Number	12748036
ISIN	CH0127480363



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