



Group Quarterly  
Statement  
Q1 2018

8 May 2018



*THE SMART EVOLUTION OF MOBILITY*

## Outline

- |  |    |
|--|----|
| 1. Key figures Q1 2018                 | 3  |
| 2. Performance summary Q1 2018         | 4  |
| 3. Group business development          | 5  |
| 4. Segments                            | 9  |
| 5. Changes in equity and net debt      | 12 |
| 6. Guidance                            | 14 |
| Financial calendar and contact details | 15 |



## Q1 2018 at a glance

Key figures (in € million, unless stated otherwise)	Q1 2017	Q1 2018	Δ%
Order intake	170.8	149.2	-12.6
Sales	110.6	124.2	+12.3
Sales like-for-like*	90.0	110.3	+22.6
EBIT	-8.5	2.0	n/a
EBIT like-for-like*	-4.7	1.9	n/a
EBIT margin (in %)	-7.7	1.6	n/a
Group net profit	-12.3	-2.5	-79.7
Earnings per share (in €)	-2.00	-0.46	-77.0
Free cash flow	-9.6	14.0	n/a
Employees at period-end (count)	3,288	3,173	-3.5
	<b>31/12/2017</b>	<b>31/3/2018</b>	
Net financial debt	158.4	104.1	-34.2
Equity	70.6	110.7	+56.8

\* Excluding Pintsch Bubenzer and Sepsa contributions: Pintsch Bubenzer was deconsolidated on 1 March 2018, Sepsa was classified as held for sale in November 2017 and Sepsa's business performance since has been recognised directly in equity

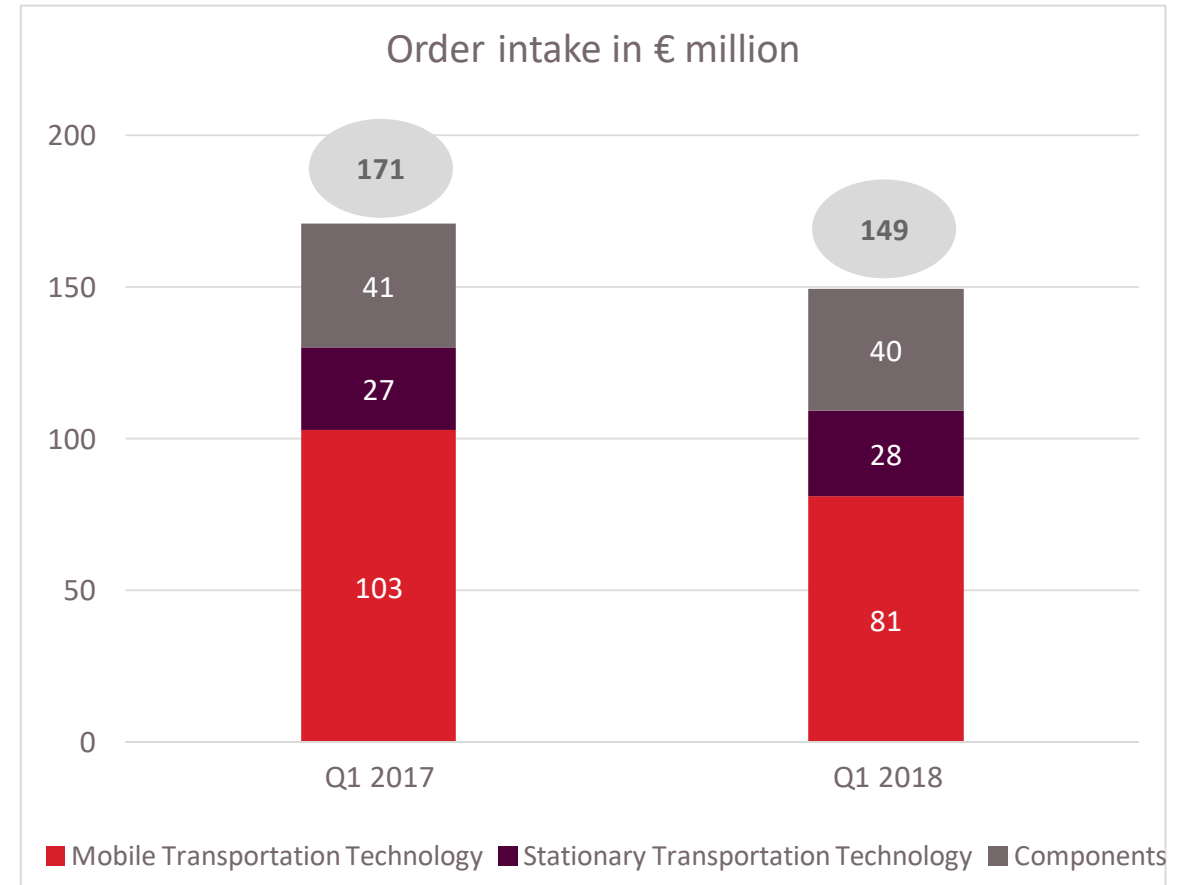


## Overall assessment of Q1 2018

- Overall operating **performance slightly better than expected**
- Order intake of € 149.2 million on a very high level; book-to-bill ratio in Q1 2018 at 1.20; prior year's figures include high order intakes in Mobile Transportation Technology
- Sales volume amounting to € 124.2 million, up 12%; sales like-for-like go rise by 23%
- **EBIT at € 2.0 million**, up by € 10.5 million vs. Q1 2017; comparable EBIT up by € 6.6 million mainly due to higher sales volume and a favorable sales mix within Components
- Reported EBIT of € 2.0 million includes IFRS 5 adjustments due to classification of Sepsa as available for sale (€ 2.4 million)
- Net financial debt lower than anticipated, yet impacted by an increase in working capital, due to significantly higher inventories
- **Further progress on restructuring activities achieved:** restructuring agreement in Stationary Transportation Technology for 2018 and 2019, total savings of € 4 million
- Order book of more than € 500 million as a **solid base for strong profitable growth**
- **Operating guidance for FY 2018 confirmed**

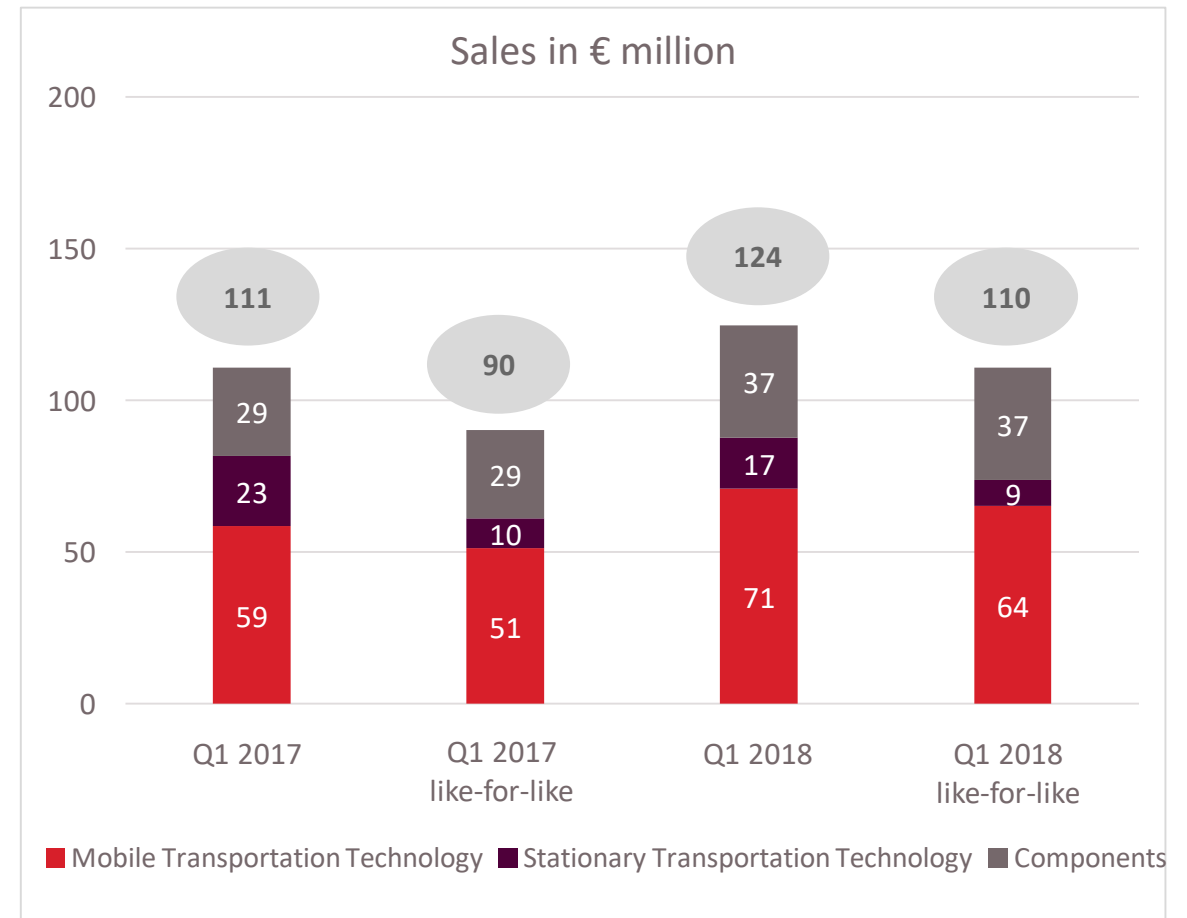
## Order intake remains at a high level

- Reduction in order intake by 12.6%, € 21.6 million
  - Strong performance in Mobile Transportation Technology; Q1 2017 order intake was significantly impacted by extraordinary order intakes at Schaltbau Bode
  - Order intake development in Components and Stationary Transportation Technology remains solid
- Order book at a high level of € 508.0 million (end of 2017: € 508.3 million)



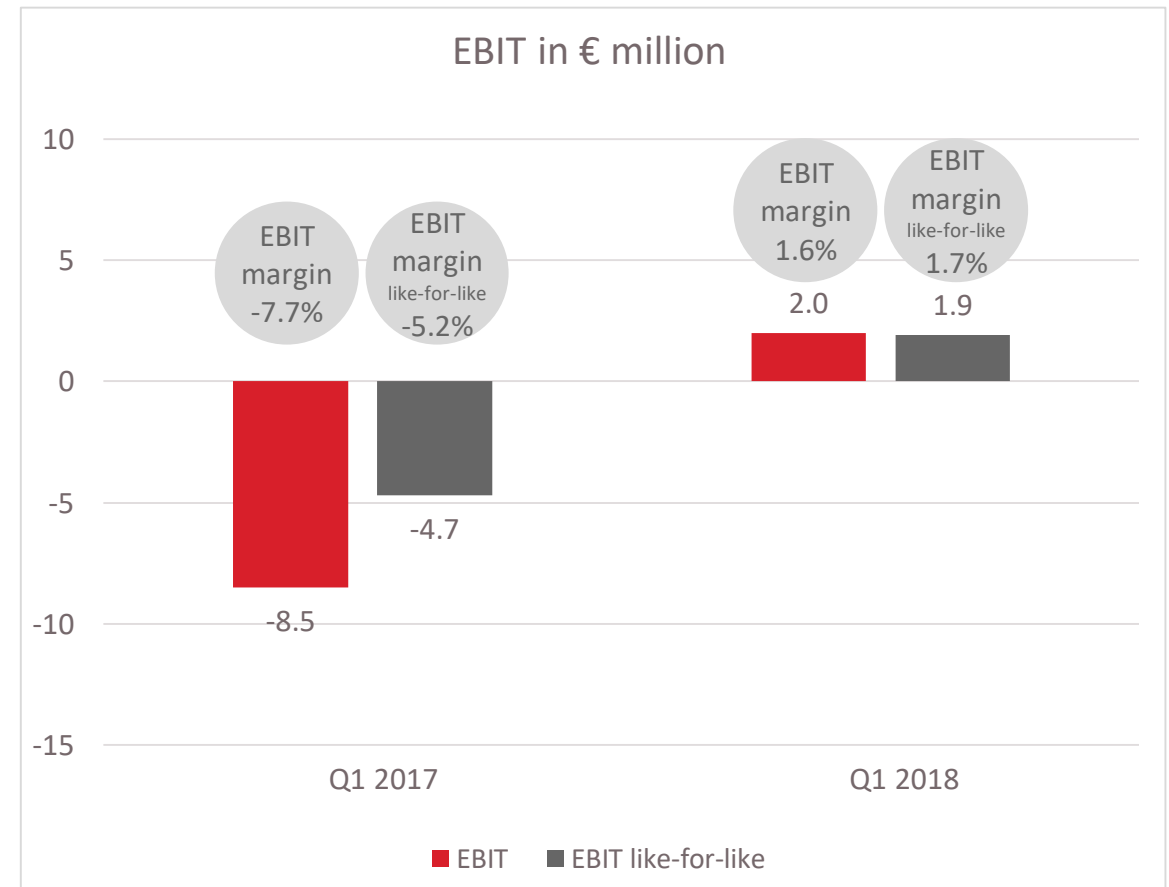
## Sales growth driven by increases in Mobile Transportation Technology and Components

- Sales grow by 12.3% vs. Q1 2017, an increase of € 13.6 million in absolute terms
  - Significant volume increase in Mobile Transportation Technology (in particular at Schaltbau Bode)
  - Strong sales volume development in Components
  - Sales in Stationary Transportation below prior year, sales like-for-like slightly below Q1 2017
- 46.4% of total sales in Q1 2018 were generated in European countries other than Germany, and 20.1% outside of Europe



## Significant EBIT improvement

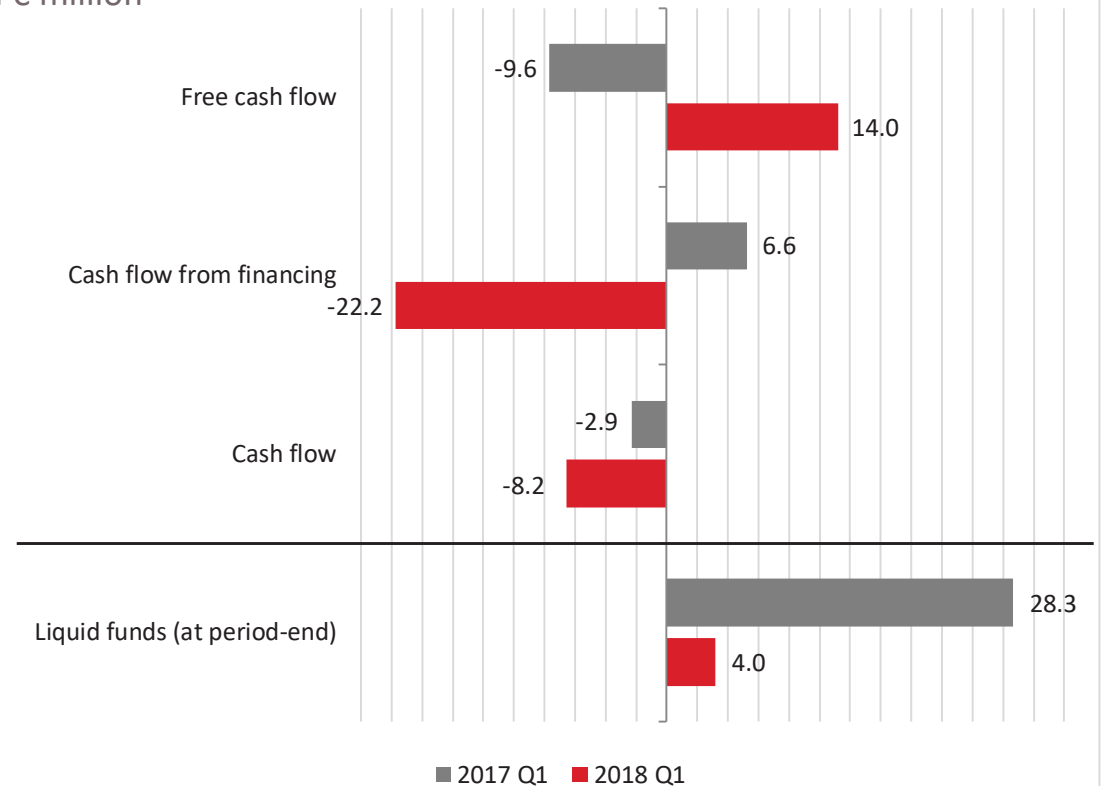
- EBIT increases by € 10.5 million to € 2.0 million; EBIT margin at 1.6%
  - Primarily driven by higher sales volume vs Q1 2017 and a positive impact from favorable product mix in Components
  - Comparable EBIT up by € 6.6 million
- Earnings per share at € -0.46 (Q1 2017: € -2.00)



## Cash flow in Q1 2018 is affected by sale of Pintsch Bubenzer, capital increases and higher inventories

- Increase in working capital is mainly driven by higher inventories
- Change in cash outflow for investments relates mainly to the payments received from the sale of Pintsch Bubenzer as well as cash receipts from escrow account
- Financing cash flow in Q1 2018 mainly reflects:
  - € 46.6 million cash inflow from capital increase
  - € 66.0 million cash outflow due repayment of loans

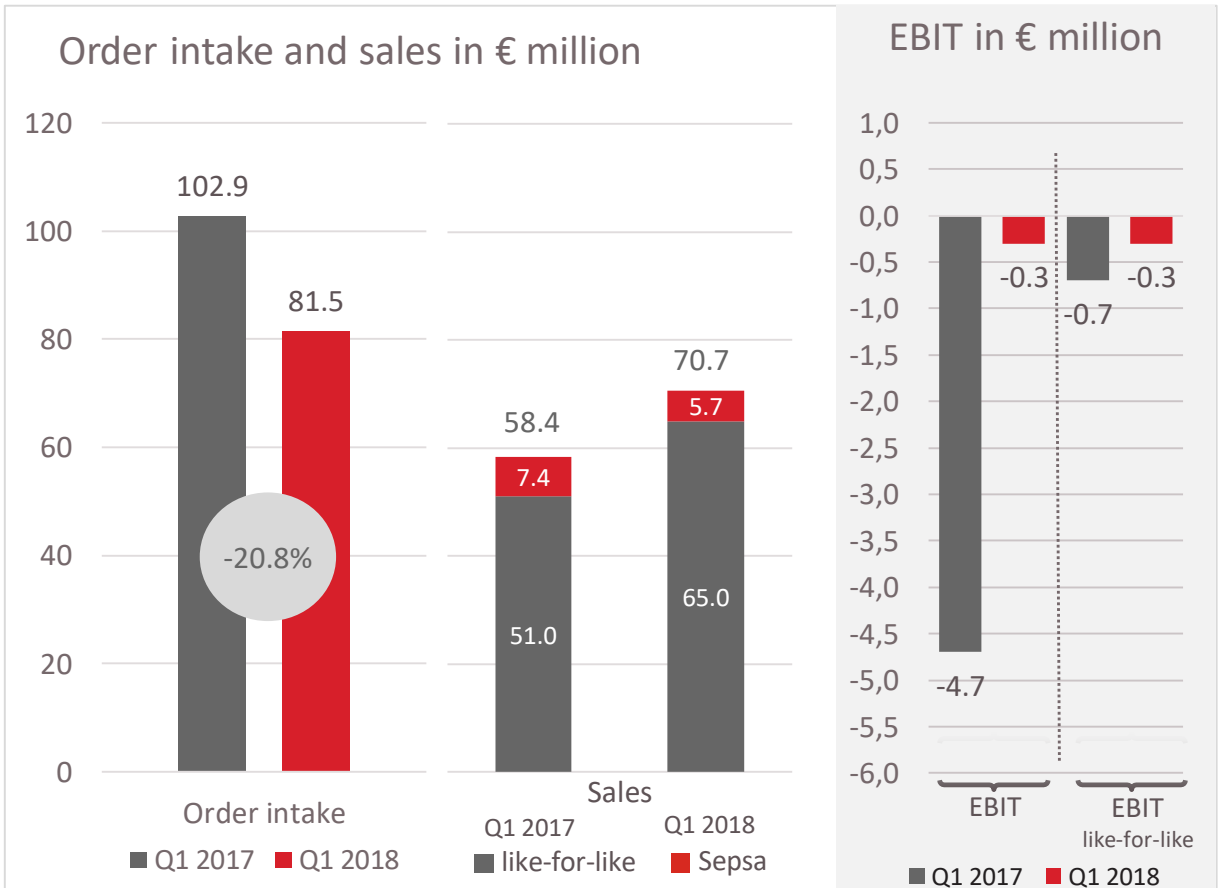
in € million





## Mobile Transportation Technology: Sales growth driven by positive development at Schaltbau Bode

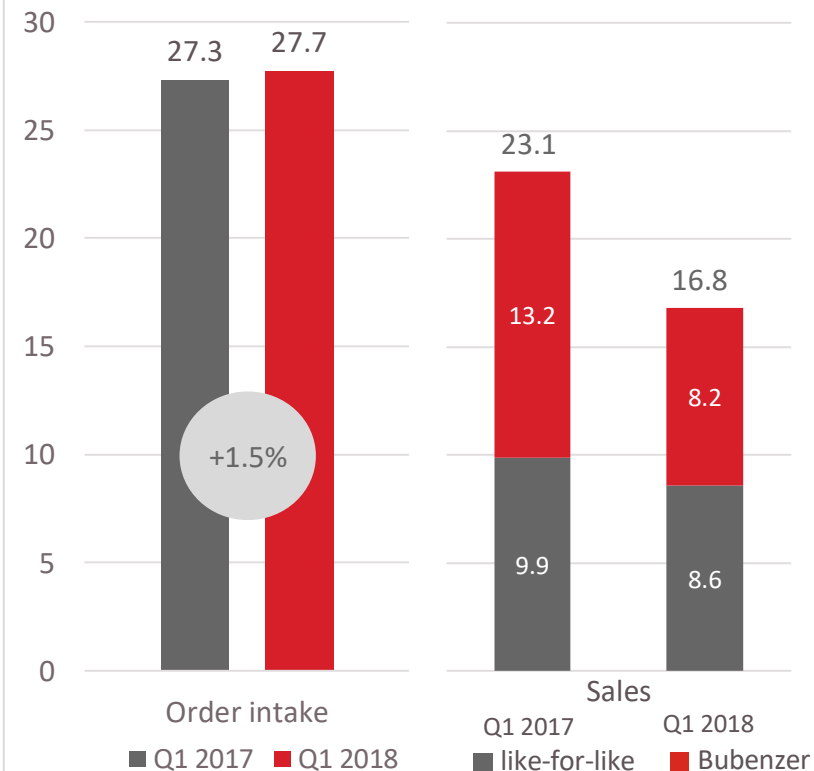
- Order intake down € 21.4 million, but still above expectations
  - Prior year's figure includes significant major orders, e.g. for Schaltbau Bode (Siemens and Hitachi)
  - Positive development at Schaltbau Rawag
- Sales growth of € 12.3 million
  - Significant increase driven by Schaltbau Bode group
- EBIT at € -0.3 million
  - EBIT performance significantly improved
  - Q1 2018 performance impacted by negative operating contribution from Schaltbau Alte (additional temporary workers, warranty expenses and ramp-up costs)
  - Further improvements in productivity expected in the coming quarters



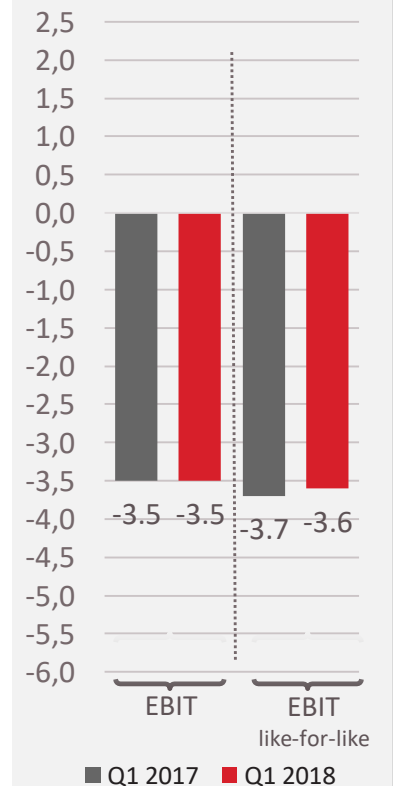
## Stationary Transportation Technology: Stabilisation and first improvements

- Order intake stable
- Sales decrease by € 6.3 million mainly driven by Pintsch Bubenzer sales; sales like-for-like down by € 1.3 million
  - Lower sales volume at Pintsch Bamag due to push-outs in rail infrastructure products (PSD in Brazil, Denmark)
- EBIT remains on a negative level
  - Negotiations with workers' counsel on restructuring agreement with a positive outcome, total savings of 4.0 million EUR for 2018 and 2019
  - Further restructuring benefits will materialize in the quarters to come, estimated EBIT level for FY 2018 significantly favorable in comparison to FY 2017

Order intake and sales in € million



EBIT in € million

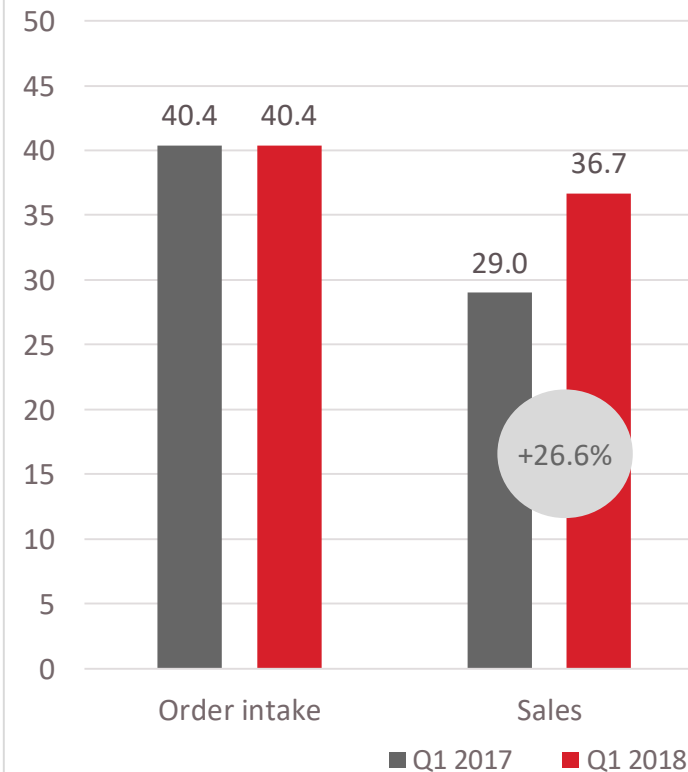


## Components:

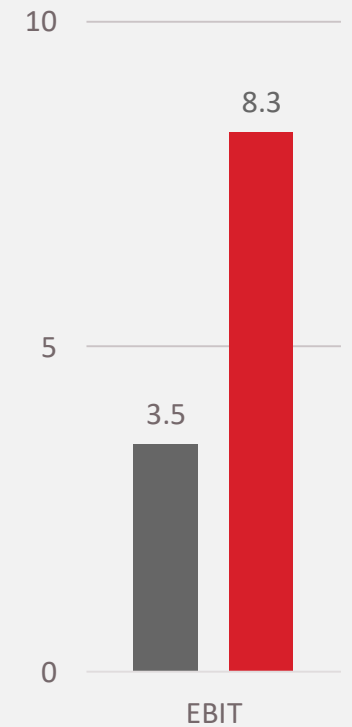
### Ongoing strong operational performance

- Order intake remains on a high level; book-to-bill at 1.10
- Sales strongly improved by € 7.7 million
  - Ongoing high demand of connectors, snap-action switches and contactors
  - High order book indicates positive sales level for fiscal year 2018
- EBIT improves to € 8.3 million
  - EBIT exceeds expectations; strong development driven by high sales volume and favorable product mix
  - Strong EBIT level expected to be maintained throughout 2018

Order intake and sales in € million



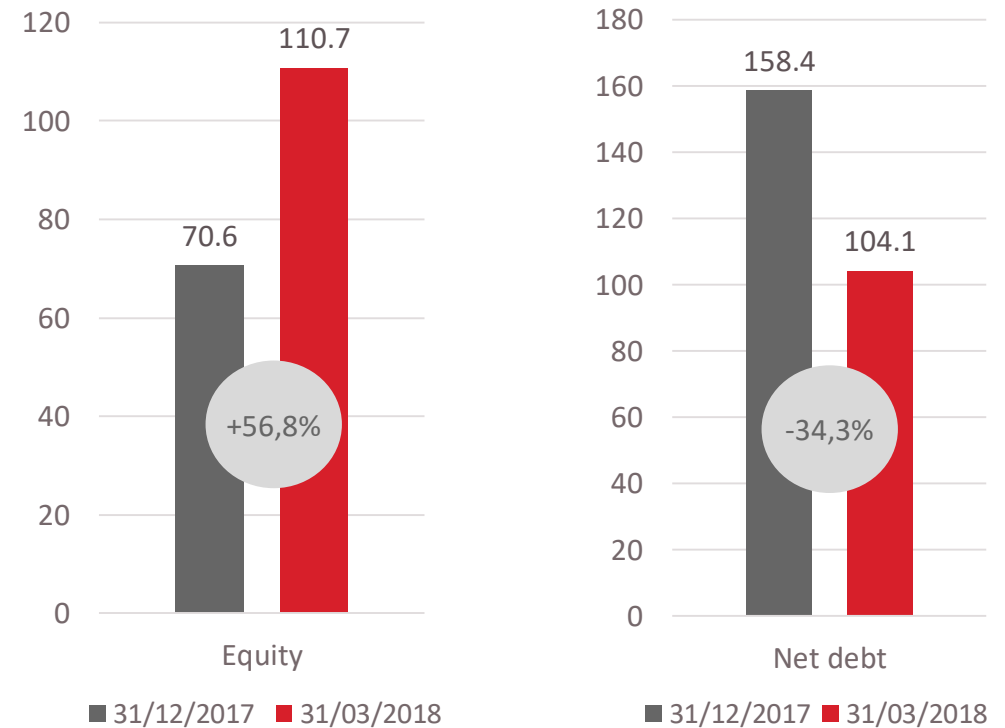
EBIT in € million



## Equity base strengthened substantially, net debt reduced significantly

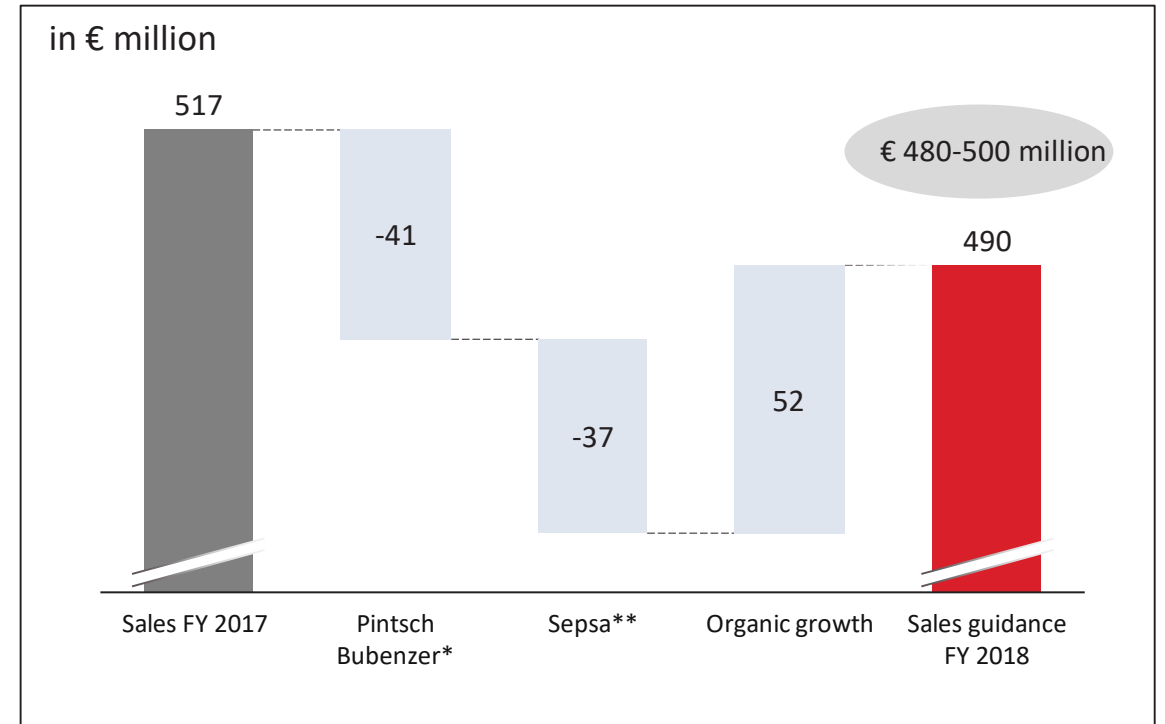
- Equity increases by € 40.1 million following the successful completion of the capital increase in February 2018 and a significantly improved net group result; equity ratio at 26.9% at the end of Q1 2018 (up from 15.6% at year-end 2017)
- Reduction of net debt by € 54.3 million in Q1 2018
  - Repayment of € 25.0 million in bridge financing as well as repayment of deferred loan and interest liabilities
  - Additional repayment of current account liabilities

Restructuring of equity and net debt in € million



## Sales guidance 2018

- Sales Guidance for 2018 with a range of € 480-500 million (without Sepsa and taking into account sale of Pintsch Bubenzer in February 2018)
- Organic Growth of around € 40 – 60 million expected for FY 2018:
  - Strong growth in Mobile Transportation driven by Schaltbau Bode Group
  - Positive sales outlook for Component business



\* Adjusted by FY 2017 and 01-02/2018 sales

\*\* Adjusted by FY 2017 sales

## Targets 2018

- Solid order book from stabilised order intake in 2017 serves as stable basis for profitable growth
- Initial positive effects from restructuring measures implemented in the financial year 2017 expected to contribute to an improvement in EBIT margin:
  - Increase in profitability through optimized production processes and improved purchase conditions should lead to a decline in material and personnel expenses
- Non-operating special effects from extraordinary impairments arising out of restructuring measures or disposal of subsidiaries will possibly continue to occur in 2018

Outlook (in € million)	Guidance FY 2018*	2017
Order intake	500-520**	594.0
Sales	480-500**	516.5
<i>Mobile Transportation Technology</i>	<b>Significant improvement</b>	265.3
<i>Stationary Transportation Technology</i>	<b>Significant decline</b>	120.5
<i>Components</i>	<b>Slight increase</b>	130.7
EBIT margin	<b>Around 3%**</b>	0.5%***

\* Compared to FY 2017

\*\* Excluding Pintsch Bubenzer and Sepsa

\*\*\* Excluding extraordinary items

# Financial calendar and contact details

## 2018

- **7 June 2018:** Annual General Meeting of Shareholders
- **8 August 2018:** Group Interim Report (Q2/H1 2018)
- **8 November 2018:** Group Quarterly Statement (Q3/9M 2018)

**Schaltbau Holding AG**  
Hollerithstrasse 5  
81829 München  
Germany

**IR contact**  
Wolfgang Güssgen  
Head of IR & CC  
[guessgen@schaltbau.de](mailto:guessgen@schaltbau.de)  
T +49 89 93005-209





## Disclaimer

This presentation contains statements regarding future developments based on information currently available to us. As a result of risks and uncertainties, actual outcomes could differ from the forward-looking statements made.

Schaltbau Holding AG does not intend to update these forward-looking statements.