



Group Interim Report
H1 2020

30 July 2020



SMART SOLUTIONS
FOR POWER AND MOBILITY



Disclaimer

This presentation contains statements regarding future developments based on information currently available. 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.

General remark

Figures may not add up due to rounding.

All figures without exceptional items and like-for-like for prior year.

Agenda

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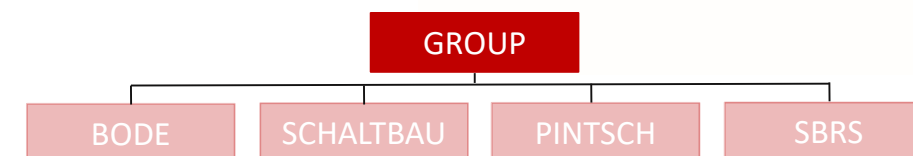
SMART SOLUTIONS
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Relative portfolio stability to COVID-19 serves as growth base



- Early and comprehensive reaction to COVID-19 framework conditions
- Stringent financial and operational management
- Pintsch and SBRS segments show resilience to COVID-19
- Medium-term growth drivers still intact
- “Rail Pact 2020” will strengthen the railway sector
- DC DNA allows for evolutionary steps towards new markets
- Clear plan for each of our four businesses
- Schaltbau today is ready to seize future opportunities

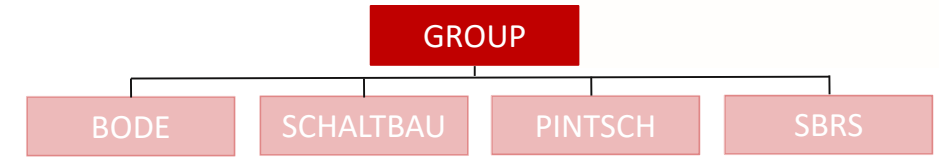
H1 2020 in a nutshell



Key figures (in € million, unless stated otherwise).	H1 2020	H1 2019	Δ
Order intake like-for-like	270.4	276.4	-6.0
Order book like-for-like	517.1	492.2	+24.9
Sales like-for-like	239.3	233.2	+6.1
EBIT like-for-like	9.6	9.4	+0.2
EBIT margin (in %) like-for-like	4.0	4.0	0.0
Group net profit	4.0	4.6	-0.6
Earnings per share (in €)	0.29	0.29	0.0
Free cash flow	-2.9	-15.4	+12.5
	30/06/2020	31/12/2019	Δ
Net financial debt*	92.0	82.2	+9.8
Equity	94.4	97.4	-3.0
Employees at period-end (count)	2,915	2,863	+52

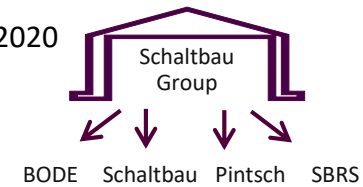
* Lease liabilities are included

Material events and transactions



Structural changes

- Change in segment reporting; strengthening of sub-brands
- Initial consolidation of Schaltbau India with effect from January 1, 2020
- Deconsolidation of Pintsch Brasil in June 2020



Financial performance

- Half-year figures are significantly influenced by COVID-19 pandemic
- Order intake of € 270.4 million, down by € 6.0 or 2.2% vs. H1 2019; Book-to-bill ratio at 1.1; order book end of June 2020 at € 517.1 million vs. € 492.2 June 2019
- Sales volume at € 239.3 million, increased by € 6.1 million or 2.6% vs. H1 2019
- EBIT at € 9.6 million vs. € 9.4 million H1 2019
- Credit line of syndicated loan agreement increased by € 60 million to € 172 million

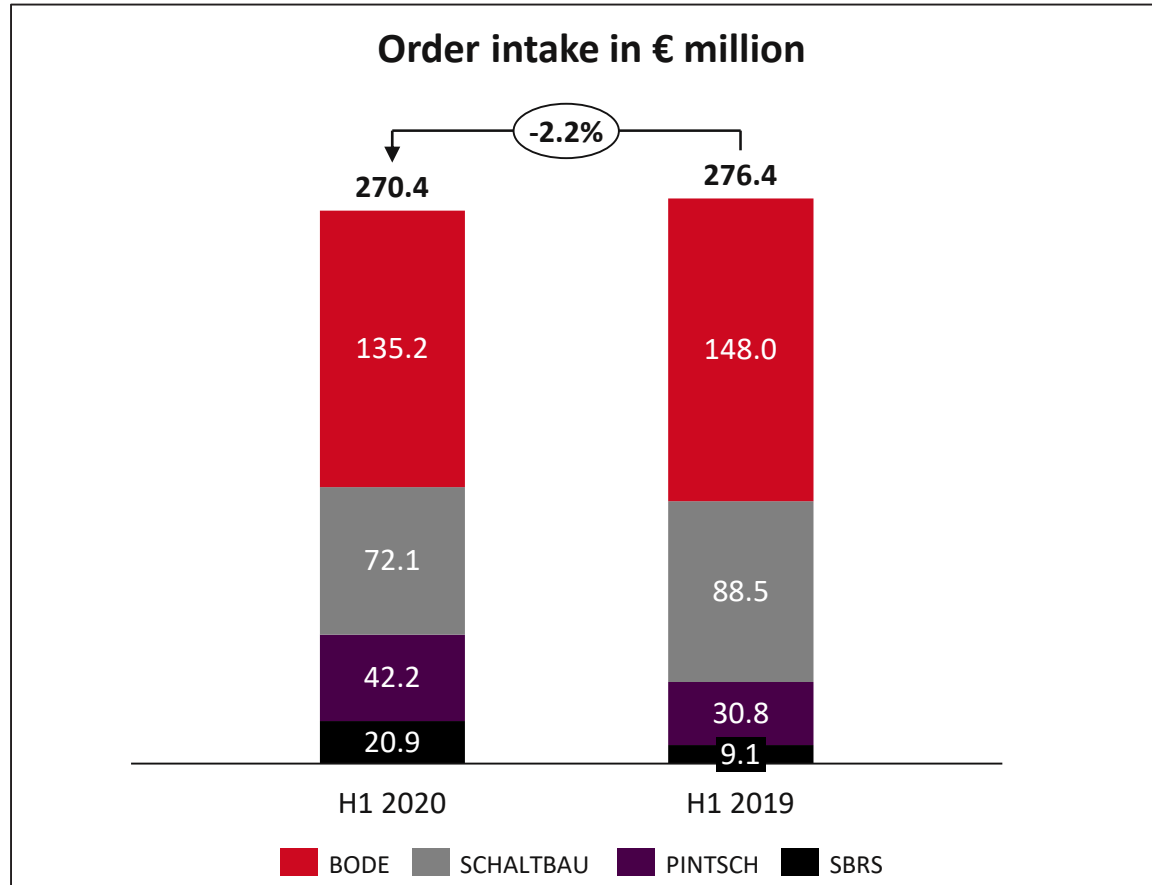
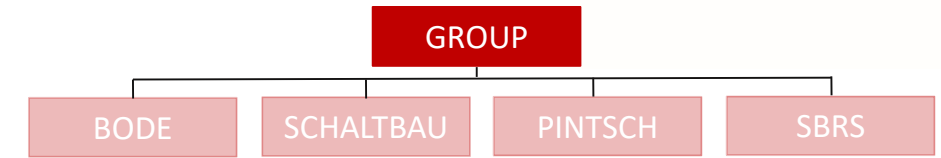
Governmental changes

- Dr. Jürgen Brandes was appointed to the Executive Board on March 4, 2020, effective April 1, 2020.

**Schaltbau
H1 2020**



Order intake in line with expectations

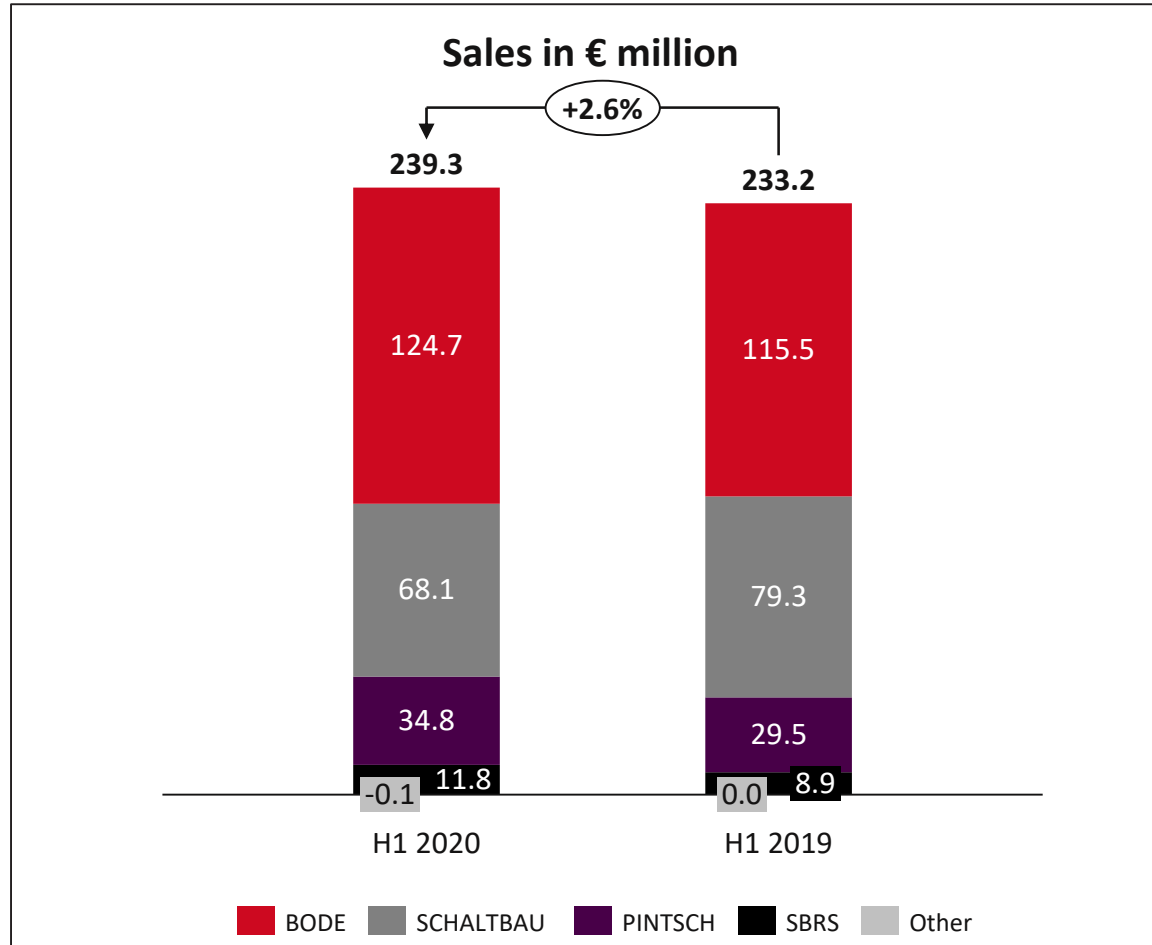
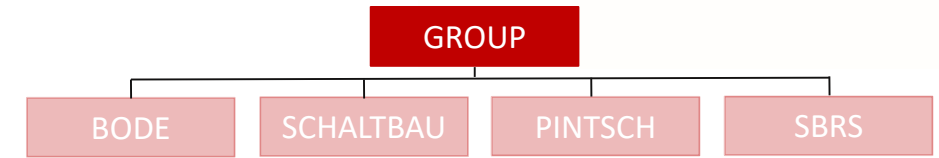


- Solid order intake of € 270.4 million in H1 2020
 - Order intake at BODE down by -8.6% vs. prior year* because of COVID-19 but over expectations
 - SCHALTBAU down by -18.5% vs. prior year; overall downturn of industry because of COVID-19 pandemic
 - PINTSCH up by 37.0% vs. prior year; high demand for axle counting systems and shunting technology
 - SBRS up by 130% or € 11.8 million vs. prior year; increased order intake for E-Mobility and Rail refurbishment projects

- Order book end of June 2020 of € 517.1 million, up 5.1% vs. € 492.2 million H1 2019

*Prior year order intake is decreased by € 6.7 million by additions in accruals

Sales at a high level

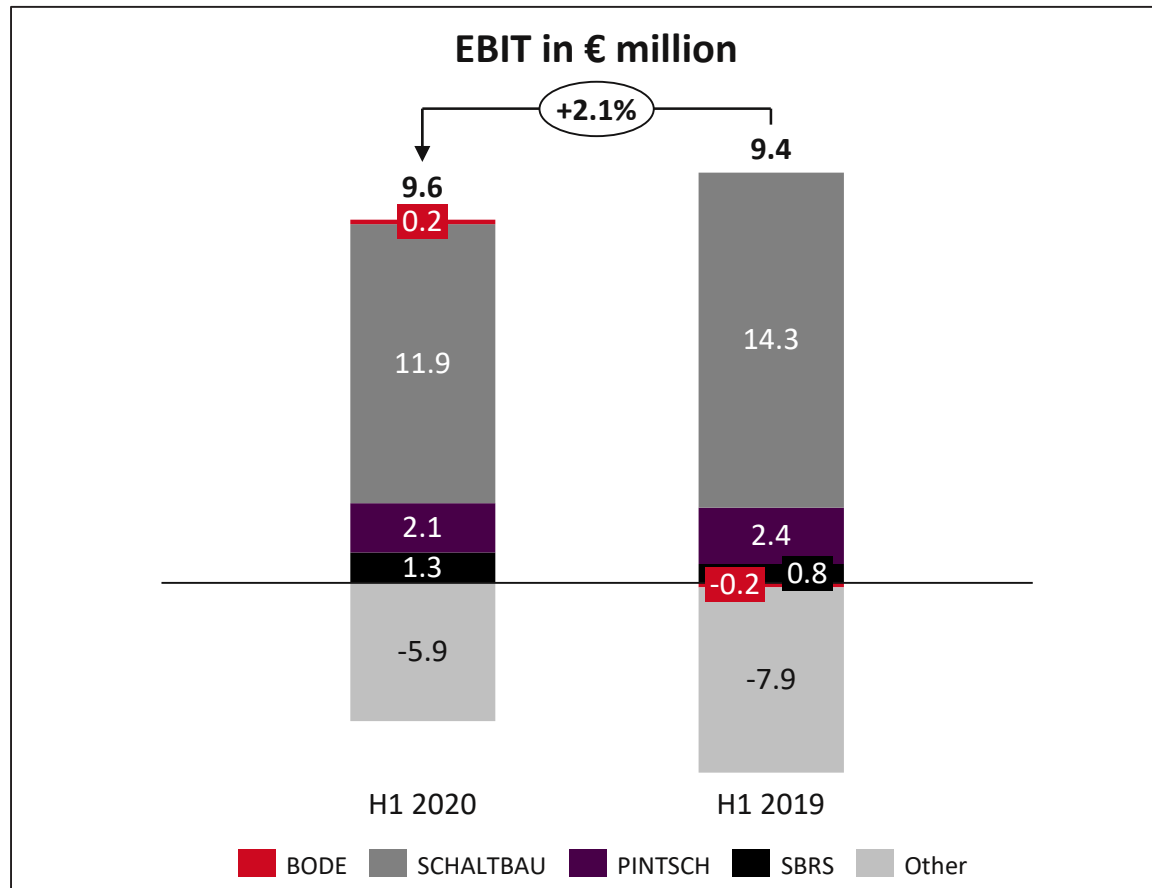
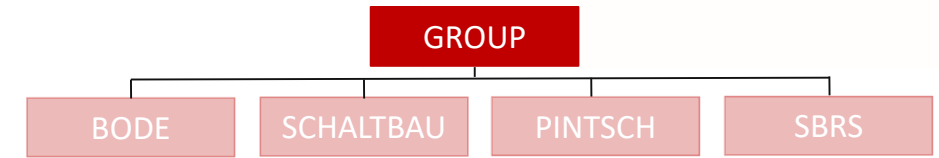


- Sales increased by 2.6% vs. H1 2019, or € 6.1 million
 - Sales at BODE above prior year*
 - Volume decrease at SCHALTBAU mainly driven by Schaltbau Germany and XIAN due to COVID-19; partly compensated by higher sales at SPII
 - Sales at PINTSCH increased strongly vs. H1 2019 mainly resulting from finalised projects and a high demand for axle counting systems
 - Sales increase at SBRS € 2.9 million vs. H1 2019

- Sales split:
 - Germany 36.7%
 - Rest of Europe 46.4%
 - Rest of world 16.9%

*Prior year sales are decreased by € 6.7 million by additions in accruals

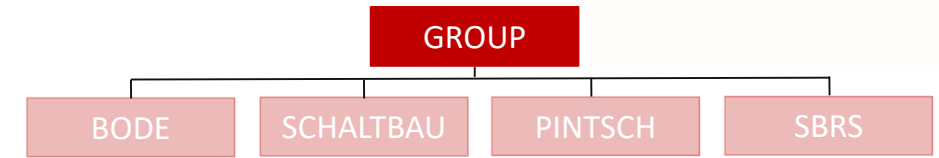
EBIT affected by COVID-19 pandemic



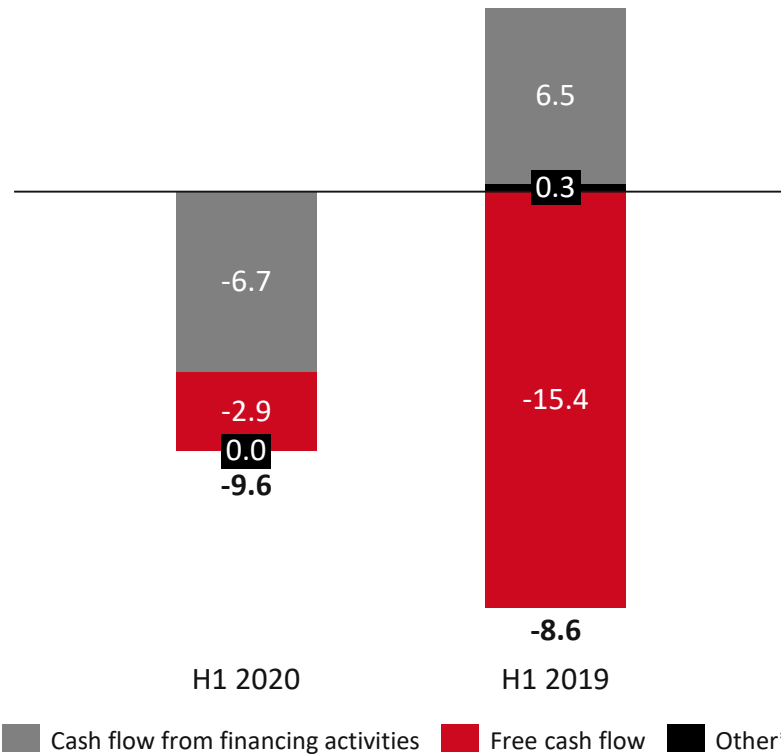
- EBIT increased by € 0.2 million vs. H1 2019*.
- EBIT development mainly caused by
 - Loss of gross margin due to sales decrease and temporary shut-down of production sites at XIAN, SPII and SBIN
 - Slight decrease of EBIT at Pintsch due to one-off effect from sales of platform screen door in Brasil in prior year
 - Positive EBIT contribution from SBRS resulting from higher sales volume

*Prior year EBIT is decreased by € 6.7 million by additions in accruals

Improved free cash flow due to positive cash flow from operating activities



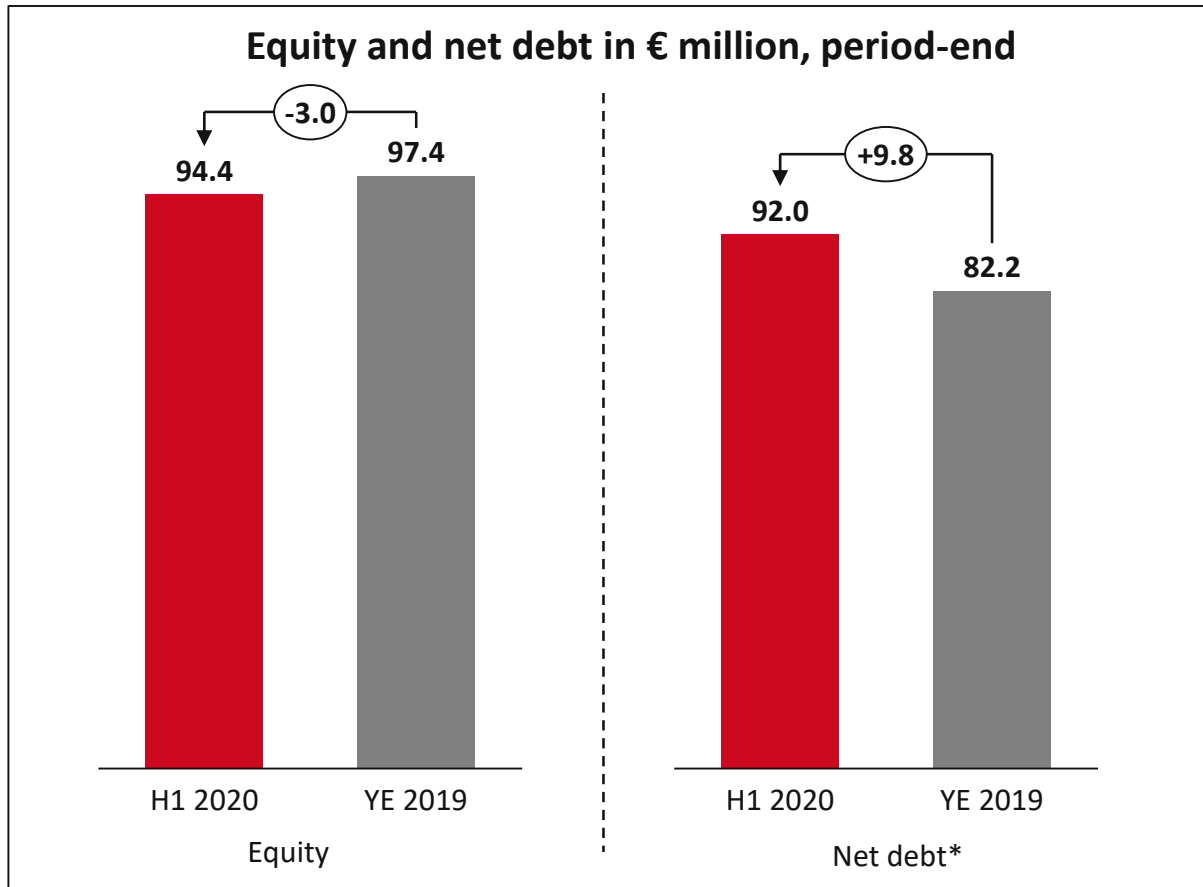
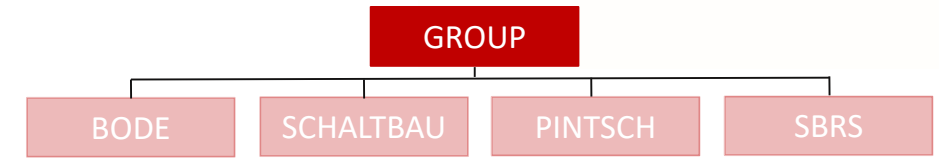
In € million



- Negative free cash flow in H1 2020
 - Positive cash flow from operating activities of € 3,8 million mainly due to positive EBIT contribution. Partly compensated by paid income taxes and higher net working capital.
 - Cash flow from investments at € -6.8 million
- Financing cash flow in H1 2020 mainly reflects
 - Paid dividends to minorities € 3.3 million
 - Loan repayment € 8.5 million
 - Prior year was mainly influenced by positive changes of utilisation of syndicated credit line

* Includes change in cash funds due to exchange rate fluctuations

Equity lower, net debt increased



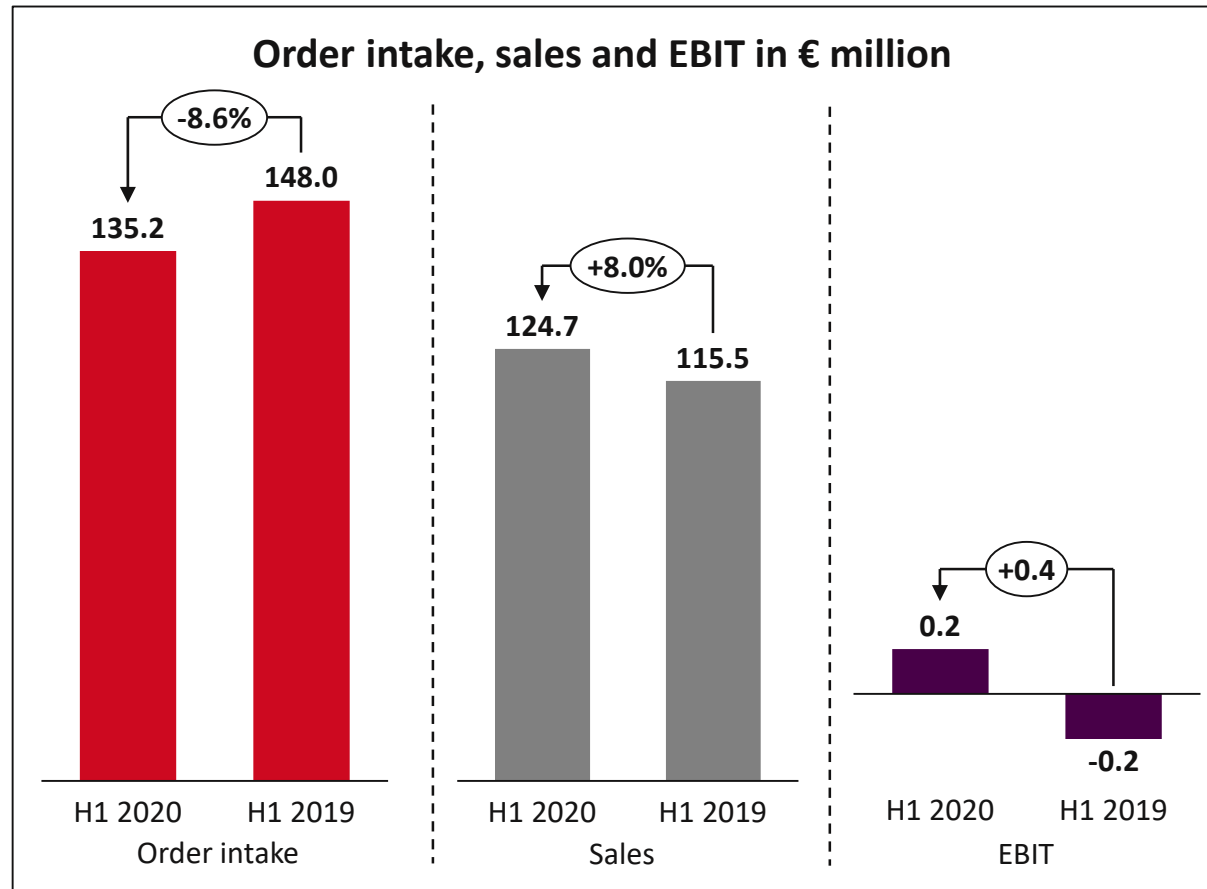
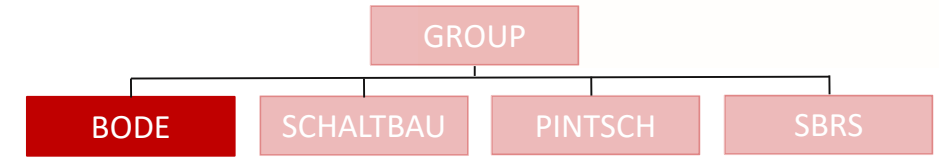
- Equity decreased by € 3.0 million vs. year-end 2019
 - Dividends to minorities - € 3.3 million
 - Group net profit + € 4.0 million
 - Change in currency translation reserve - € 3.6 million

- Increase of net debt by € 9.8 million in H1 2020
 - Investments in tangible and intangible assets € 7.5 million
 - Payment of income taxes € 1.4 million

* Lease liabilities are included

BODE

Order intake, sales, EBIT affected by COVID-19

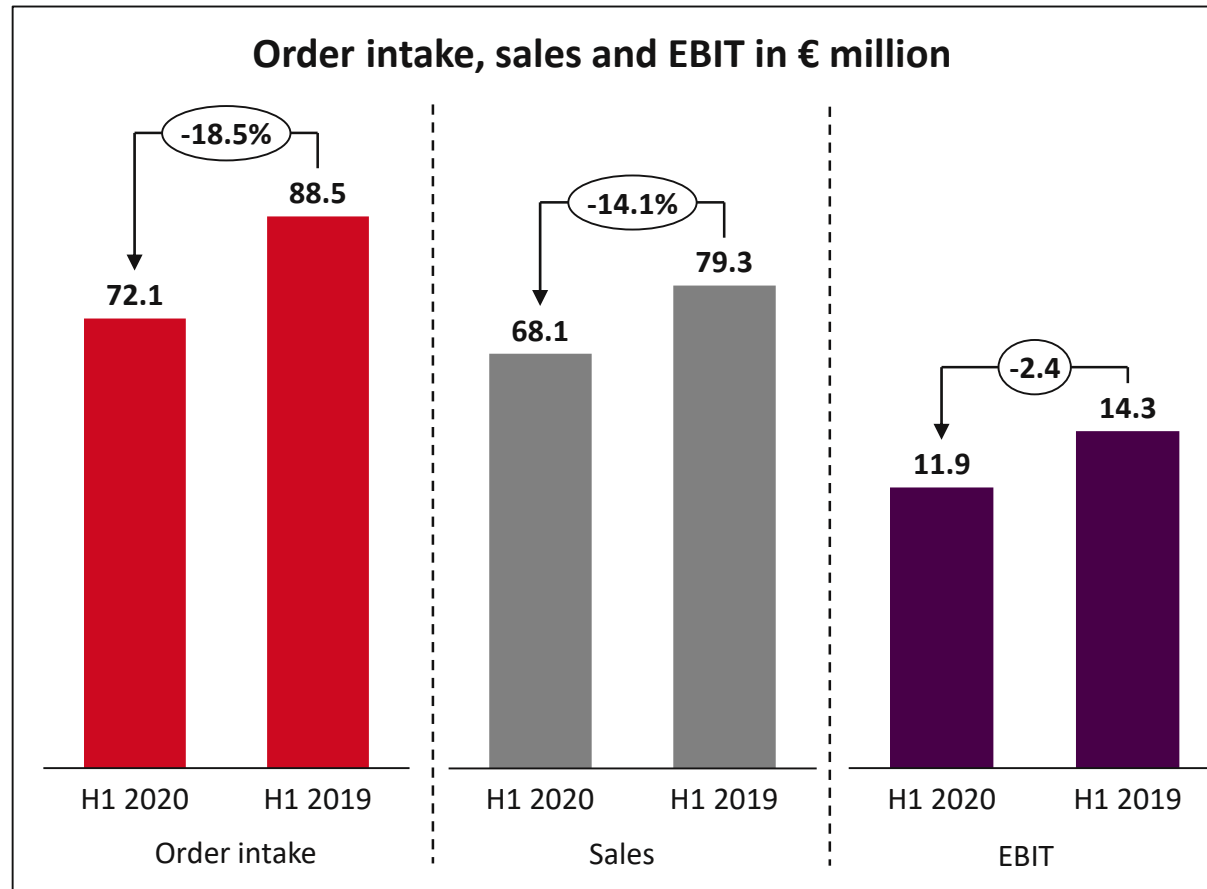
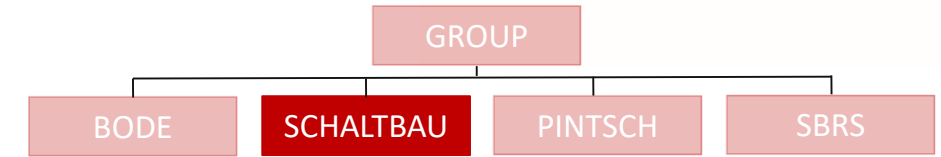


- Order intake* down by € 12.8 million but still at a high level (BtB-Ratio of 1.1); negative development mainly driven by Road business
- Sales* above prior year; negatively affected by temporary shut-downs of several customers (e.g. Hitachi, CAF, MAN, Evobus and VW)
- EBIT* at € 0.2 million compared to € -0.2 million in prior year due to:
 - Negative sales mix
 - Productivity affected by COVID-19 (missing parts, higher sickness rates, etc.)
 - Negative one-off effects

*Prior year order intake, revenues and EBIT are decreased by € 6.7 million by additions in accruals

SCHALTBAU

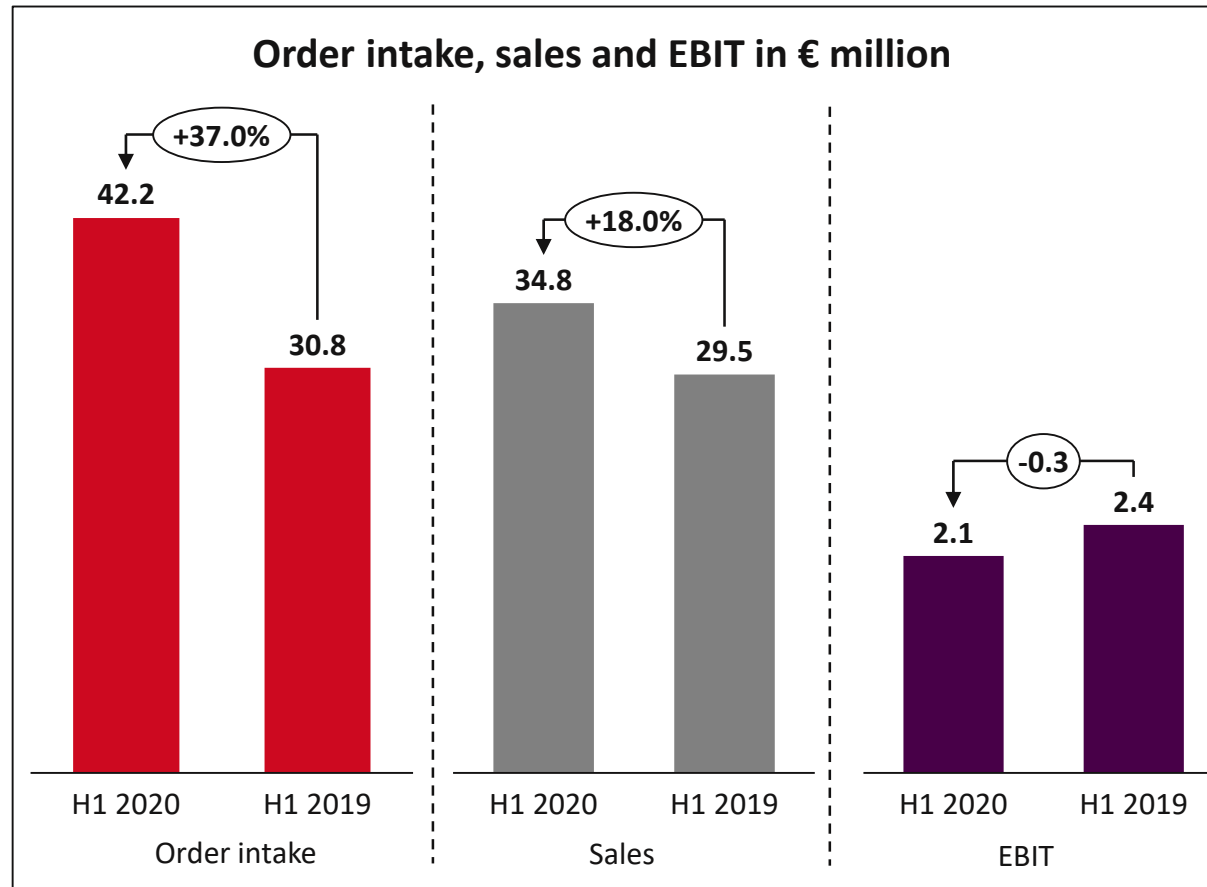
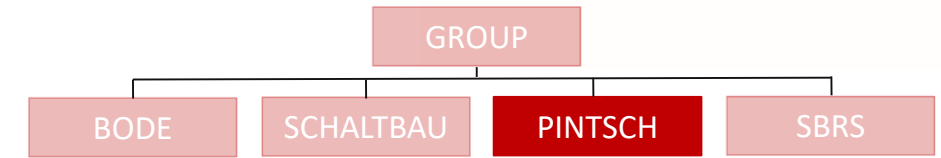
Order intake, sales, EBIT affected by COVID-19



- Order intake in H1 2020 by € 16.4 million below H1 2019 due to temporary restrained demand and delayed orders from customers
- Declined sales affected by temporary shut-down of production facilities at XIAN and SPII as well as lower customer demand
- EBIT in H1 2020 by € 11.9 million, but below prior year due to COVID-19; contingency measures through cost-cutting as well as short-time work
- EBIT-margin reaches 17.3% (H1 2019: 17.9%)

PINTSCH

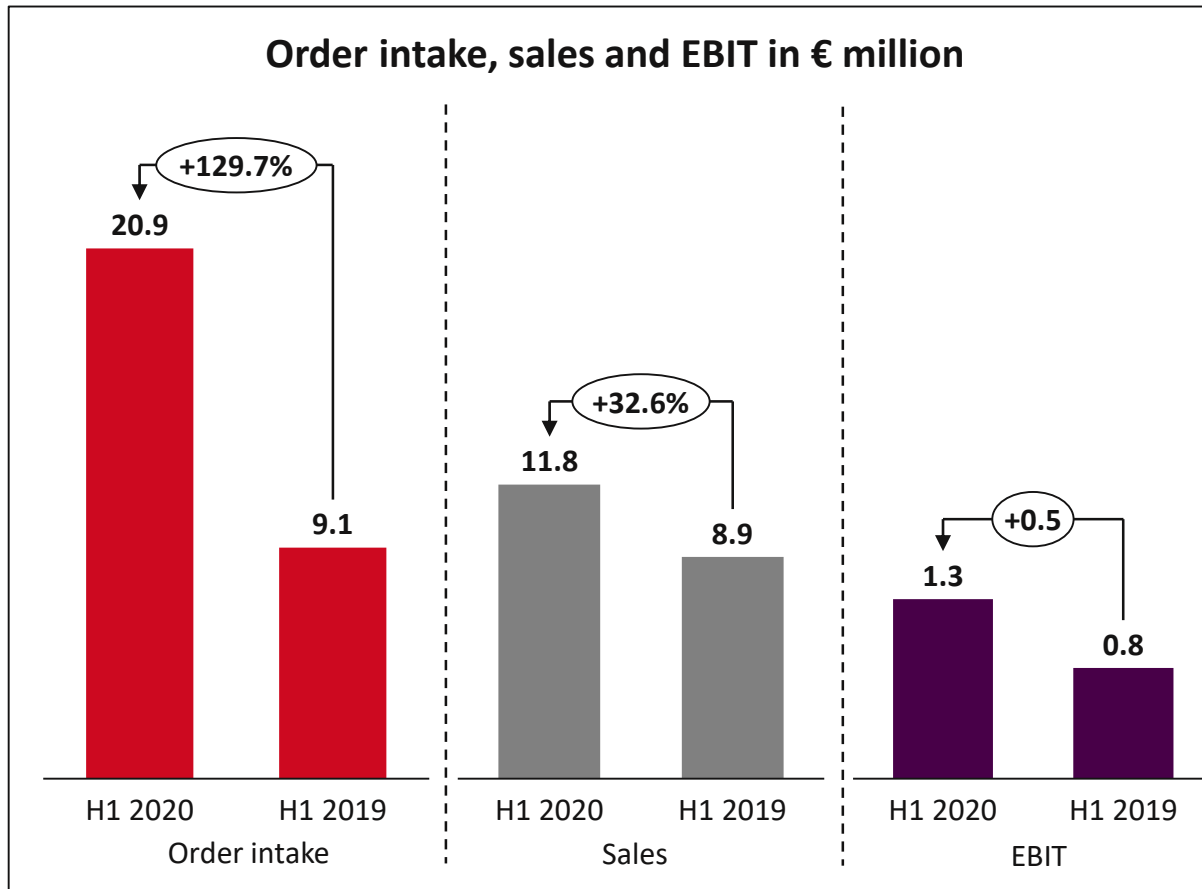
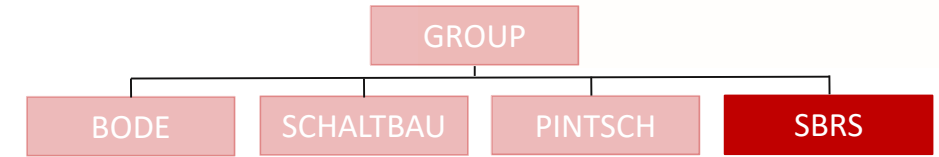
Strong order intake and sales in first half year 2020



- Order intake up by € 11.4 million vs. H1 2019
 - High order intake for axle counting systems in H1 2020 and level crossings
 - Many projects awarded in shunting business
- Strong sales increase of € 5.3 million
 - High demand for axle counting systems
 - Finalisation of projects in train formation systems
 - After Sales business increased
- EBIT at € 2.1 million slightly down by € 0.3 million
 - EBIT development in line with expectations
 - EBIT positively affected by deconsolidation of Pintsch Brazil € 0,9 million
 - One off effects in H1 2019 because of sale of PSD material

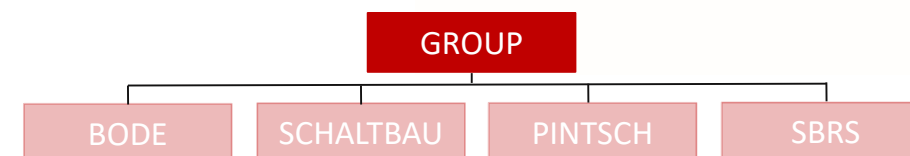
SBRS

Strong growth first half year 2020



- Strong increase of order intake by € 11.8 million H1 2020 vs. H1 2019
 - Excellent growth in E-Mobility and Rail Refurbishment projects
- Increase of sales by € 2.9 million H1 2020 vs. H1 2019
 - Completion of this year's major project started in Q2 2020
- EBIT increased due to higher sales by € 0.5 million to € 1.3 million

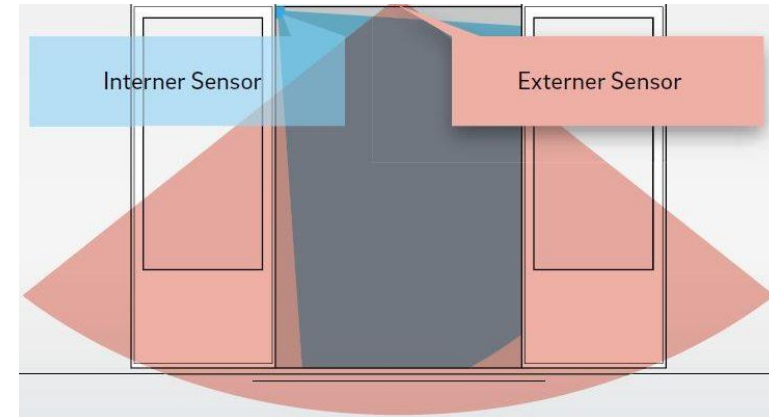
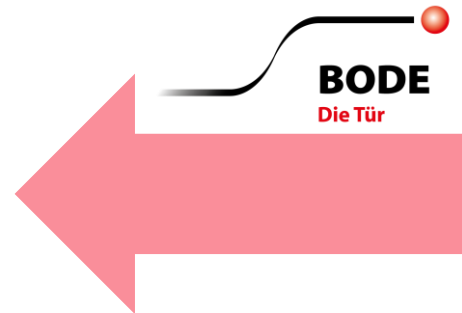
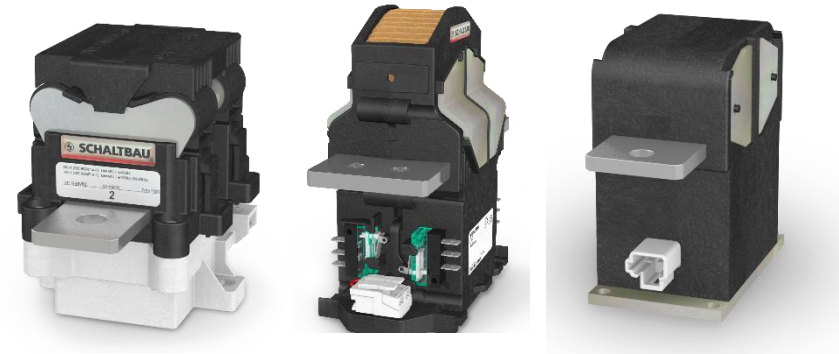
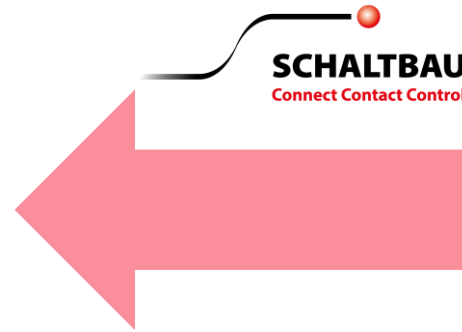
Guidance FY 2020



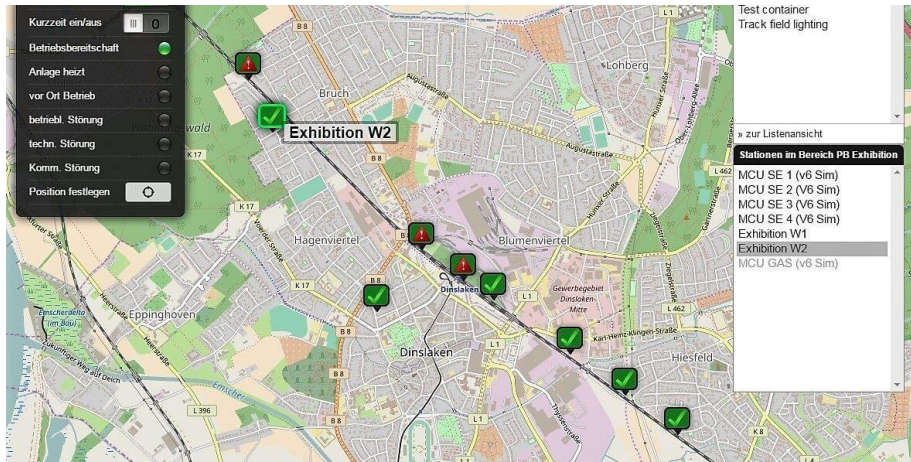
- The expected effects from the COVID-19 pandemic are reflected in the current guidance for the FY 2020.
- The further development of the spread of the COVID-19 pandemic and consequences for the business development of Schaltbau are constantly monitored.

Outlook (in € million)	Original szenario FY 2020 (before COVID-19 impact)	Outlook FY 2020
Order intake	520 – 540	520 – 540
Sales	520 – 540	460 – 500
<i>Bode</i>	Moderate increase	Moderate decline
<i>SBRS</i>	Strong increase	Strong increase
<i>Pintsch</i>	Moderate increase	Stable
<i>Schaltbau</i>	Strong increase	Moderate decline
EBIT margin	6 % – 7 %	4 %

COVID-19 impact and management action plans



Course of business shows relative resilience to COVID-19



✓ Overview and control of track components



✓ Interface to “DIANA”, the in-house system of DB Netz AG



✓ Predictive maintenance



✓ High charging capacity ⚡

✓ Modular design:
up to 1,000 kW and 1,000 V







✓ Charging Dashboard



✓ Liquid cooling for noise reduction 🗣️

NExT Factory – Efficient. Smart. Green.










- ✓ Zero-Carbon-Footprint 
- ✓ Automotive-Certification IATF 16949 
- ✓ Cost-efficient series production 
- ✓ Process oriented plant structure 

New Energy & Work

Excellence in Processes

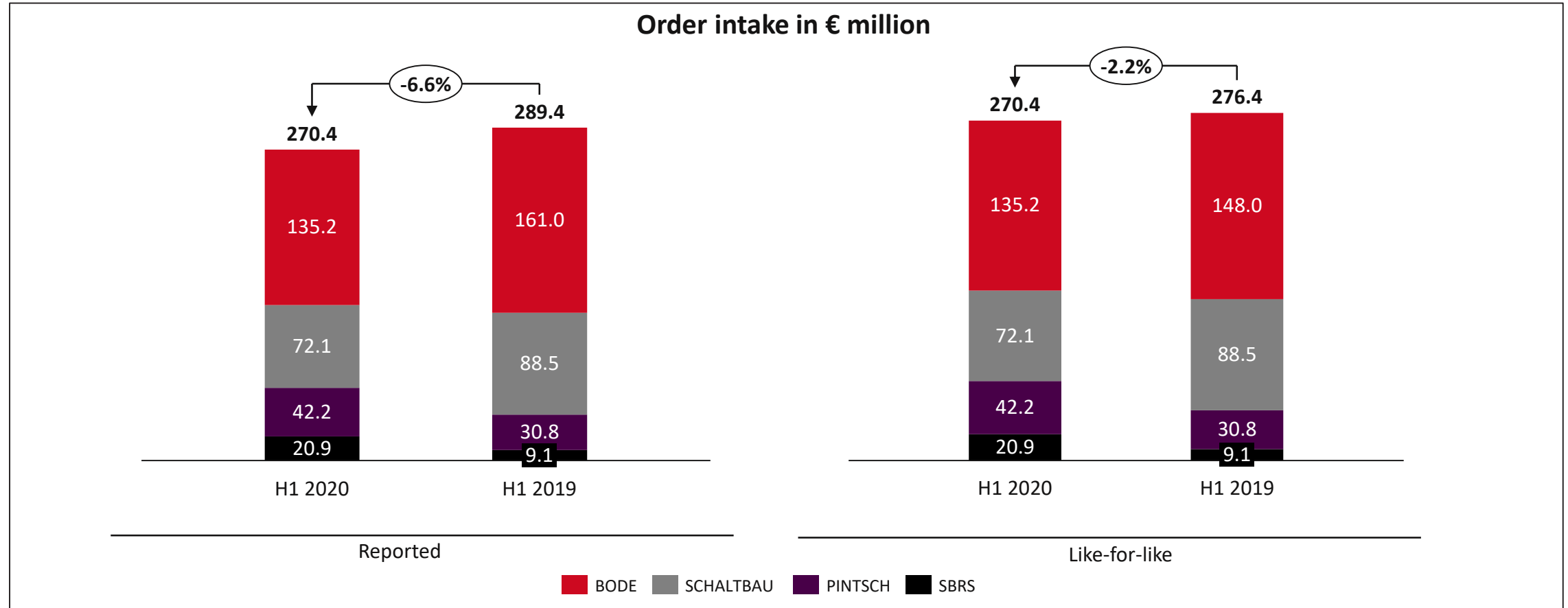
Technology driven

Increase of sell-side coverage

	Broker	Analyst	Recommendation	Price Target	Date
	Commerzbank	Michael Junghans	Buy	33.00 €	07/27/2020
	DZ Bank	Alexander Hauenstein	Buy	33.00 €	04/30/2020
	EQUI.TS	Thomas Schießle	Buy	29.70 €	06/23/2020
	MAINFIRST	Florian Pfeilschifter	Buy	33.00 €	07/15/2020
	Pareto Securities	Stefan Augustin	Buy	36.00 €	03/02/2020
	Quirin Privatbank	Klaus Soer	Buy	30.00 €	05/06/2020
	Warburg Research	Christian Cohrs	Buy	31.00 €	05/05/2020
	CURRENT CONSENSUS			32.24 €	

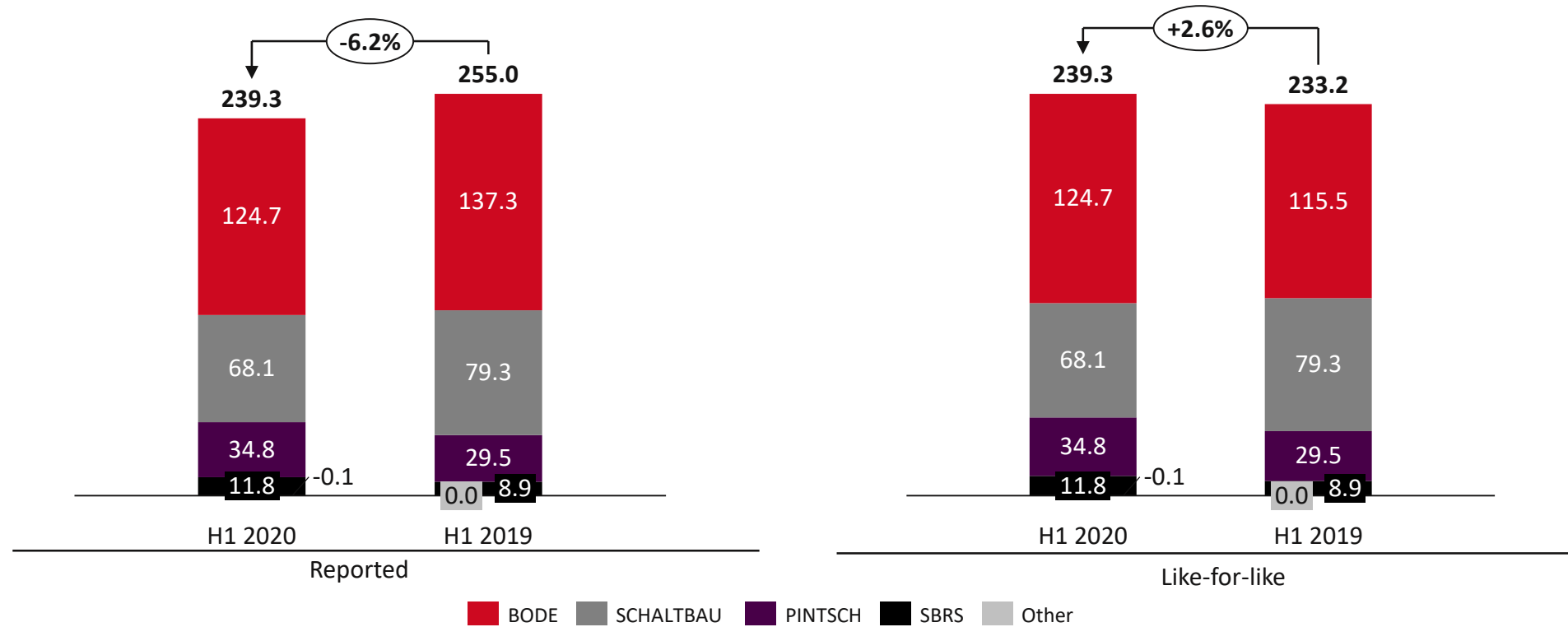


Order intake

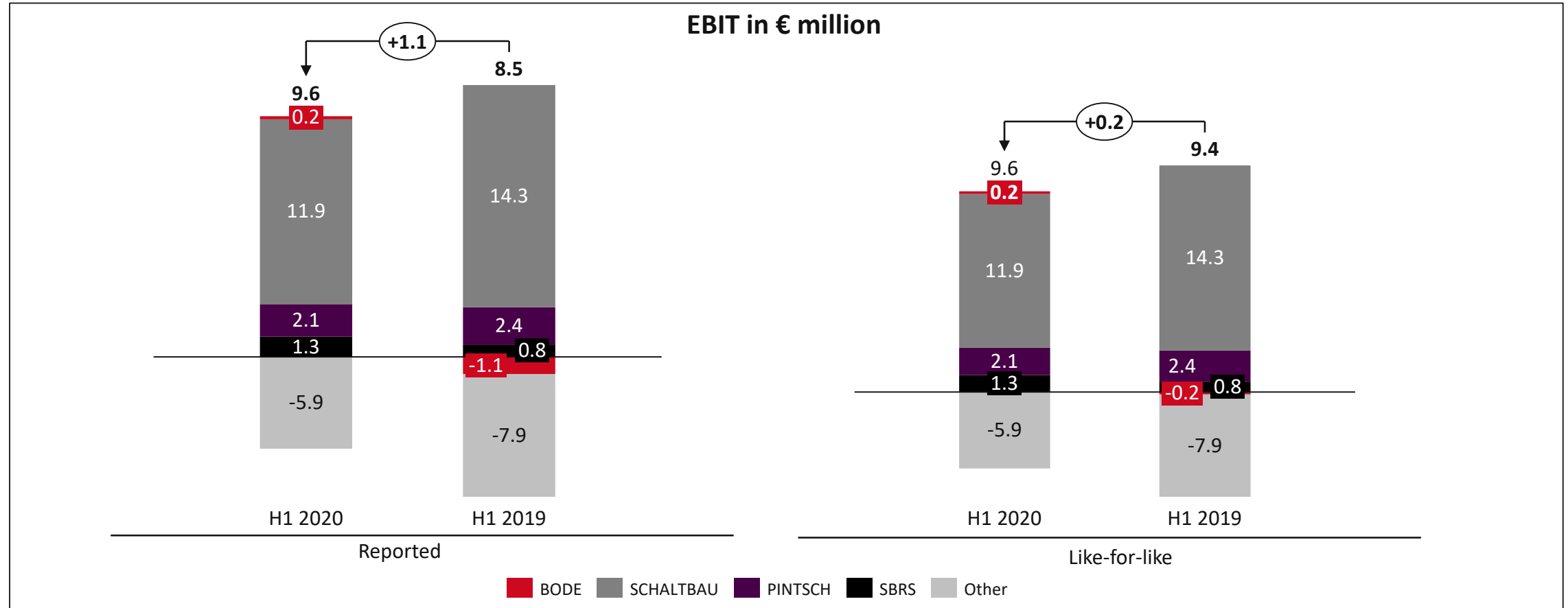


Sales

Sales in € million



EBIT



Financial calendar and contact details

Upcoming events:

- **29 Oct** Nine-Months Interim Report

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