

Presentation of the results for the 1. Quarter 2019

May 7, 2019

Q1 2019 – business performance at a glance

- › **Group performance:** Revenue of € 53.1 million moderately below previous year; EBIT of € 3.3 million weaker
- › **Increased market uncertainty** prompts Board of Management to adjust targets for the year
- › **Comprehensive package of measures** to increase profitability and efficiency being implemented

Q1 2019 – operative highlights



Printing industry:

Developing according to plan. Outlook steady



Plastics processing industry:

Hit hard by auto-related investment restraint.



Laser and machine tool industry:

Market shares further increased. Growth trajectory continues.

Growth markets:

technotrans unlocking extra potential for further growth.



Electric mobility:

Gathering momentum. Healthy level of orders and large number of new projects.



Semiconductor industry/EUV, medical and scanner technology:

First-quarter growth.

Business performance / key figures Q1 2019

in Mio. €	Q1 2018	Q1 2019	Δ
Revenue	54.1	53.1	-2%
EBITDA	5.8	5.1	-12%
EBIT	4.5	3.3	-27%
EBIT-margin (%)	8.4%	6.3%	
Net profit for period	3.2	2.2	-31%
Earnings per share (€)	0.46	0.33	

> **Environment puts brakes on performance in Q1**

> **Plastics processing industry hit hard**

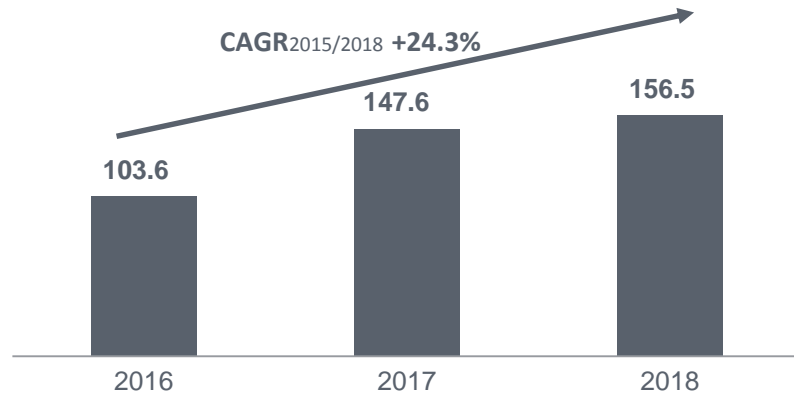
	31. Dez. 2018	30. Mrz. 2019	
Equity	75.2	77.4	3%
Equity ratio (%)	55.3%	52.8%	
Net debt	19.4	23.8	23%
Ø employees (FTE)	1,236	1,282	4%

> **Growth story intact:**

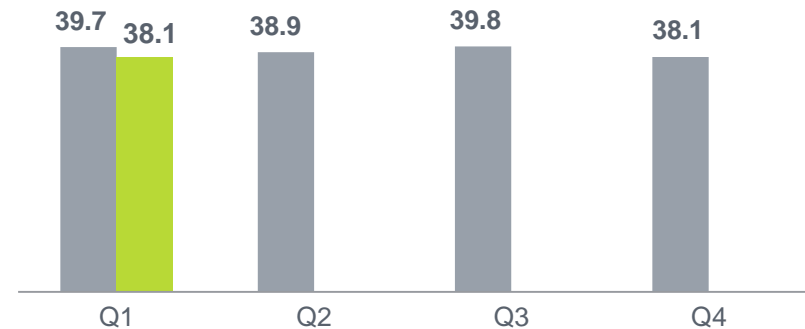
- > Printing industry on track
- > Market shares in laser and machine tool industry increased
- > Increased momentum in growth markets

Development Segment Technology 2019

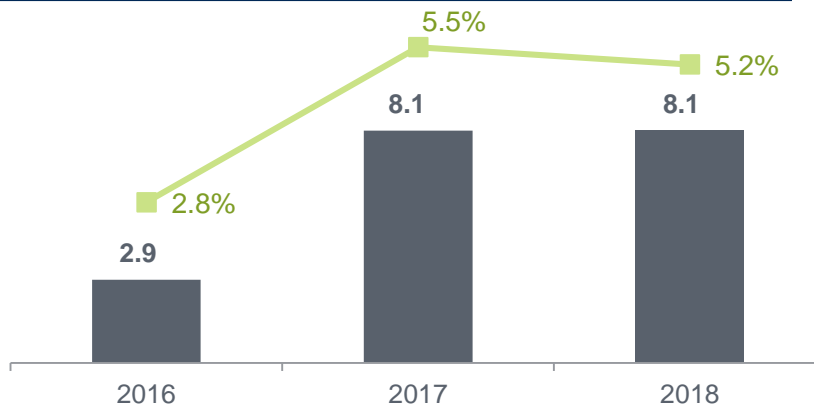
Revenue 2016-2018 (million €)



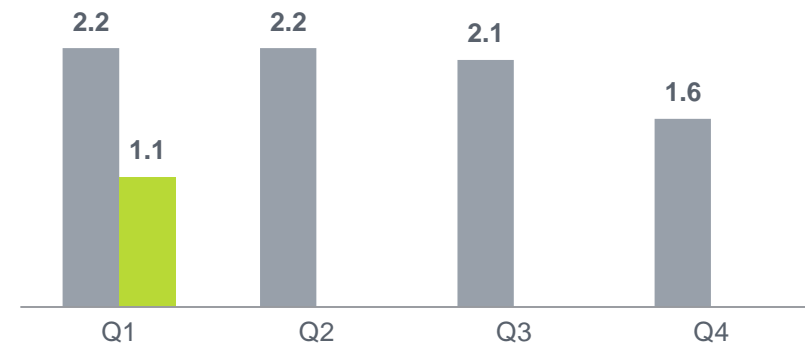
Revenue 2018/2019 by quarters (million €)



EBIT/EBIT margin 2016-2018 (million €/ %)

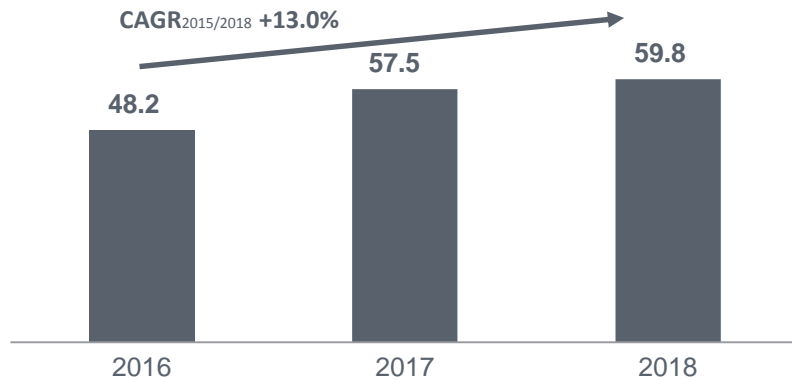


EBIT 2018/2019 by quarters (million €)

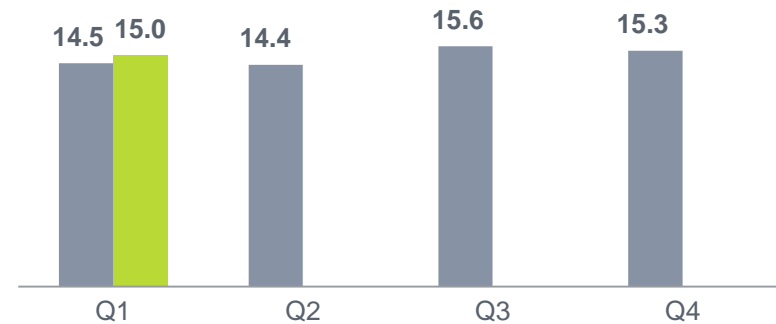


Development Segment Services 2019

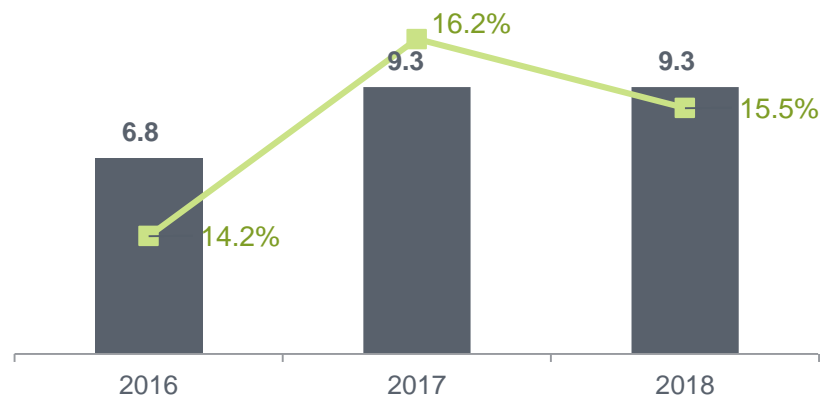
Revenue 2016-2018 (million €)



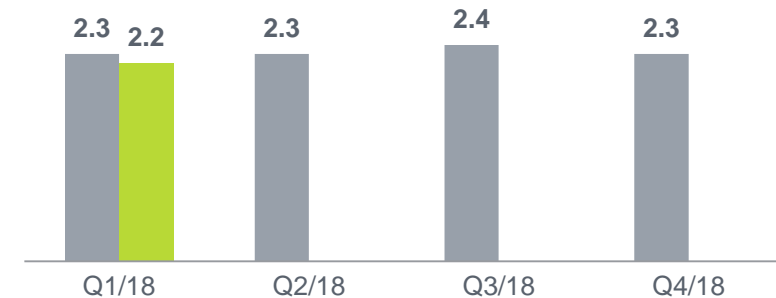
Revenue 2018 by quarters (million €)



EBIT/EBIT-Rendite 2016-2018 (million € / %)

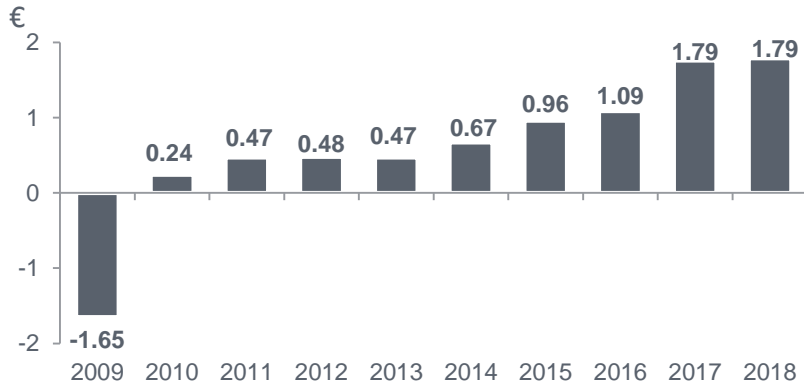


EBIT 2018/2019 by quarters (million €)

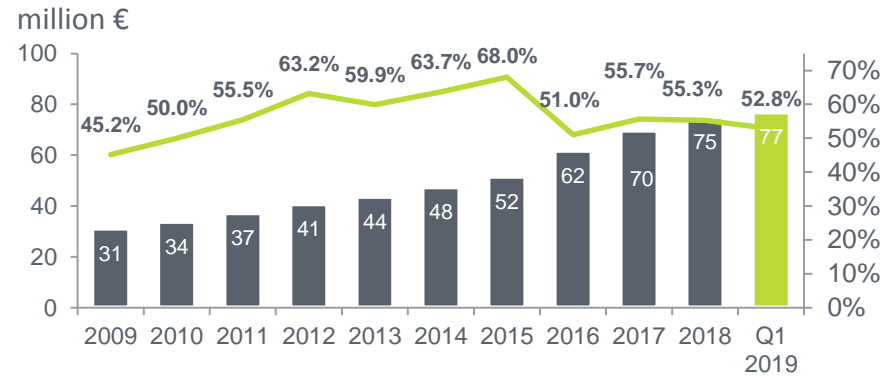


Key Performance Indicators

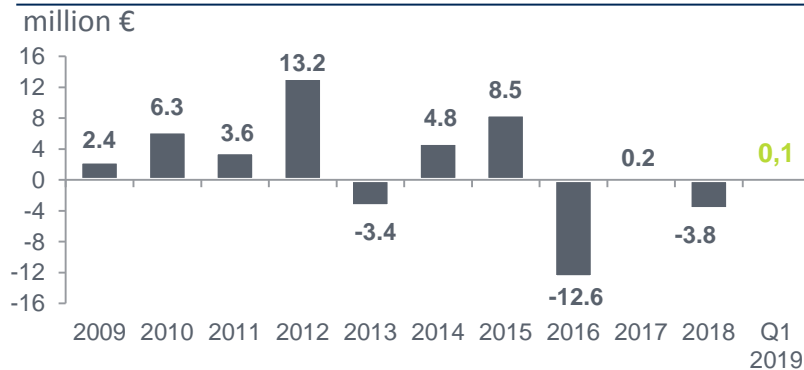
Earnings per Share increased



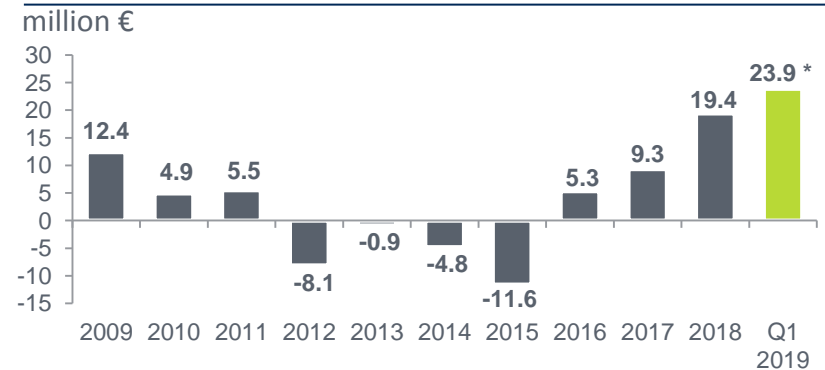
Equity base expanded



Free Cash Flow characterised by special factors



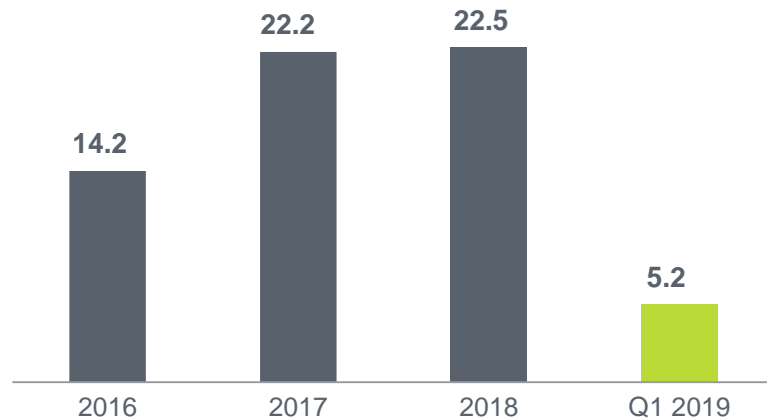
Net debt increased due to IFRS 16



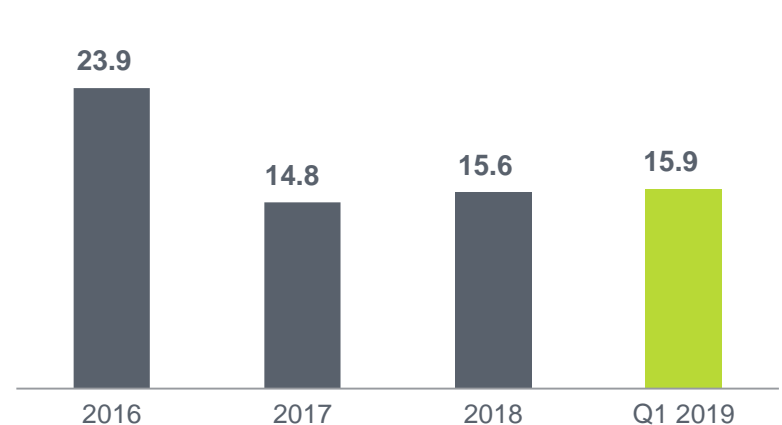
* incl. 4.0 € million leasing liabilities acc. IFRS 16

Financial Position

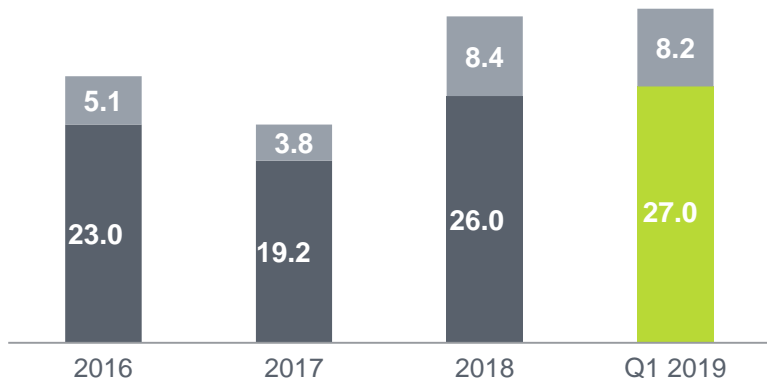
Operating Cash Flow 2016-2019 (million €)



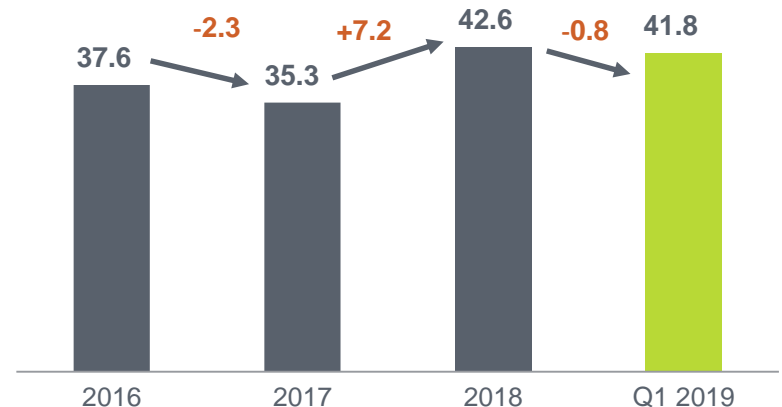
Liquid assets 2016-2019 (million €)



Financial liabilities 2016-2019 short-term/long-term (million €)



Net-Working Capital 2016-2019 (million €)

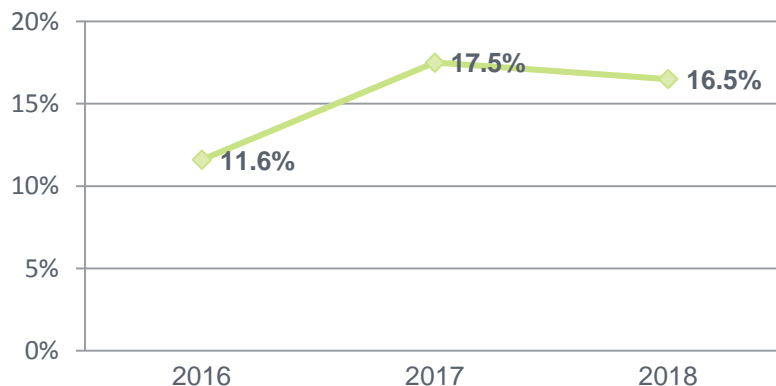


Balance Sheet Ratios

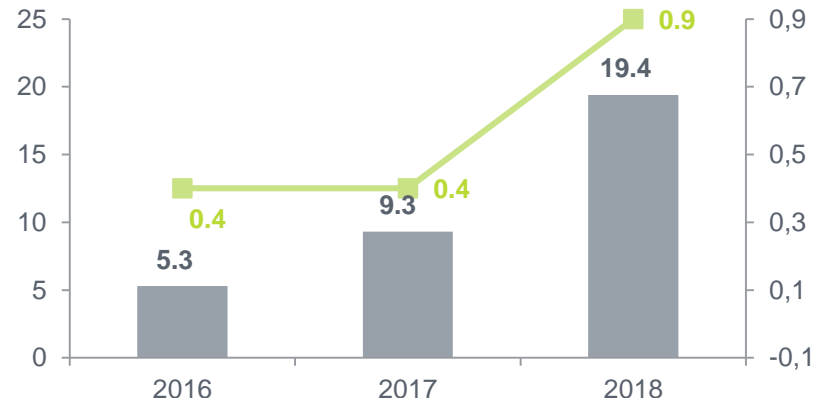
ASSETS	Q1 2019		FY 2018	
	mio. €	%	mio. €	%
Non-current assets	67.6	46.1	61.4	45.1
Current assets	79.0	53.9	74.6	54.9
Total assets	146.6	100.0	136.0	100.0

LIABILITIES	Q1 2019		FY 2018	
	mio. €	%	mio. €	%
Equity	77.4	52.8	75.2	55.3
Non-current liabilities	32.0	21.8	28.7	21.1
Current liabilities	37.2	25.4	32.1	23.6
Total assets	146.6	100.0	136.0	100.0

Return on equity 2016-2018 (million €)



Net Debt & Net Debt / EBITDA ratio 2016-2018 (million €)



Outlook 2019

Guidance 2019 adapted to changed environment

	BEFORE	NEW
Revenue	224 – 232 € million	218 – 226 € million
EBIT	17.5 – 19.0 € million	12.0 – 16.0 € million
EBIT margin	7.8 – 8.2%	5.5 – 7.0%
Free cash flow	positive	positive
Equity ratio	> 50%	> 50%

BUSINESS MODEL

The technotrans group



Headquarter (founded 1970)



Termotek founded 1998 (ttGROUP2011)



tt Taicang founded 2013 (ttGROUP2013)








KLH founded 1961 (ttGROUP2013)



gwk founded 1967 (ttGROUP2016)



tt america founded 2000 (ttGROUP2000)

 gds
 termotek
 klh
 gwk
 reisner



Reisner founded 1980 (ttGROUP2018)

















- > **1,450 employees**
- > **IPO: 1998**
- > **19 locations, thereof
7 production sites
(5 x Germany, PRC, USA)**
- > **Global footprint**

Core Competencies

- › **Leading system supplier** with the core competence of liquid technology
- › **Customer-specific solutions** for temperature control/cooling, filtration as well as pumping and spraying technology for/with fluids
- › **Extensive range** of individual services world-wide (spare parts, installations, maintenance and technical documentation)



Core competencies and markets

Core Competencies	Temp. Control / Cooling	Filtration	Pumping / Spraying	Services techn. doc.
Markets				
Printing Industry				
Tooling Industry / Stamping and Forming Tech.				
Laserindustry				
Plastics processing industry				
Elektromobility				
Semiconductor-/Medical-/Scanner Technology				

Markets and reporting segments

PRINTING INDUSTRY



Sheet-fed offset, web offset, newspaper printing, digital printing, flexographic printing

PLASTICS PROCESSING INDUSTRY



Injection moulding, extrusion, pressing, blow moulding, casting, forming, coating, thermoforming, rubber

LASER INDUSTRY, TOOLING INDUSTRY, STAMPING/FORMING TECHNOLOGY



Laser (full-liner)



Tooling, stamping/forming

GROWTH MARKETS



Elektromobility



Semiconductor-/medical-/scannertechnology

SERVICES



Spare parts service, service support, on-site project management, technical documentation

71.8% ¹⁾
Technology

1,057
Employees
²⁾

28.2% ¹⁾
Services
396
Employees
²⁾

¹⁾ Q1 2019
²⁾ Per 31.12.2018

Technology: Products and devices



- Dampening Solution Circulators
- Filtration Systems
- Central Cooling Systems
- Ink Supply Systems



- Modular and compact temperature controlling systems
- Industrial chillers and cooling plants
- Water treatment systems



- Cooling Systems
- Preparation and filtration for cooling lubricants
- Spray lubrication
- Dosing systems



- Cooling systems for diode, fibre and CO₂ lasers



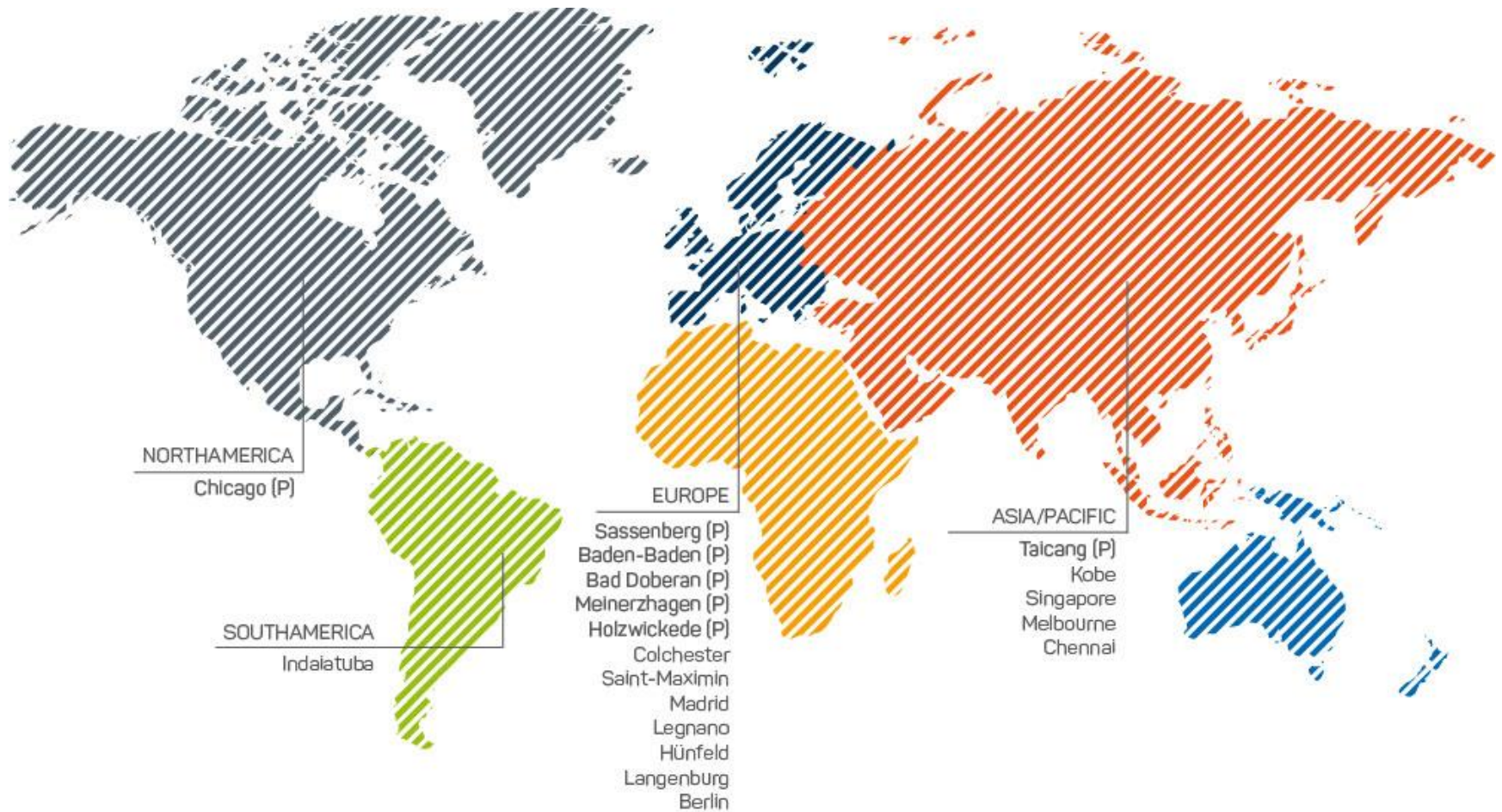
- Mobile cooling systems for batteries
- Stationary cooling systems for batteries
- Active and passive cooling for charging cables for fast charging stations



- Integrated und external Cooling Solutions for the medical and scanner technology

**Common requirements of customers which technotrans fulfills:
Individual solution, highest reliability, worldwide service network**

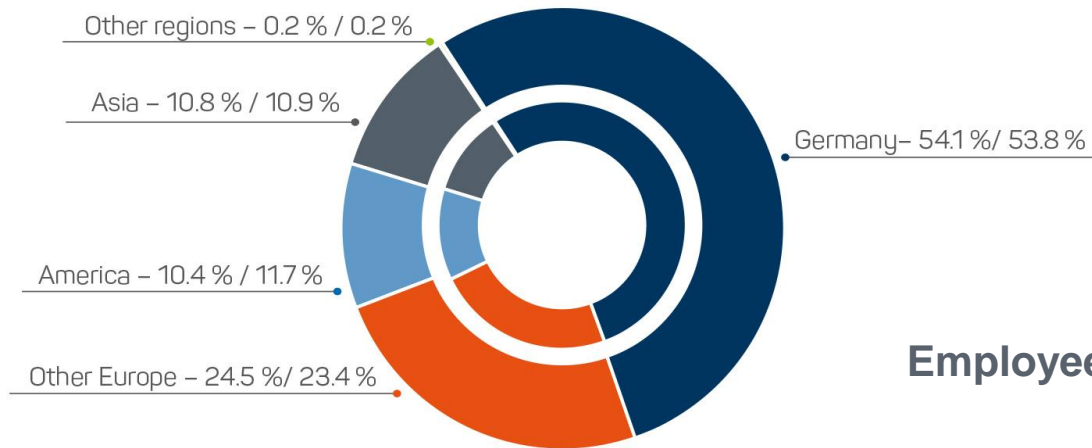
Worldwide presence / 19 sites



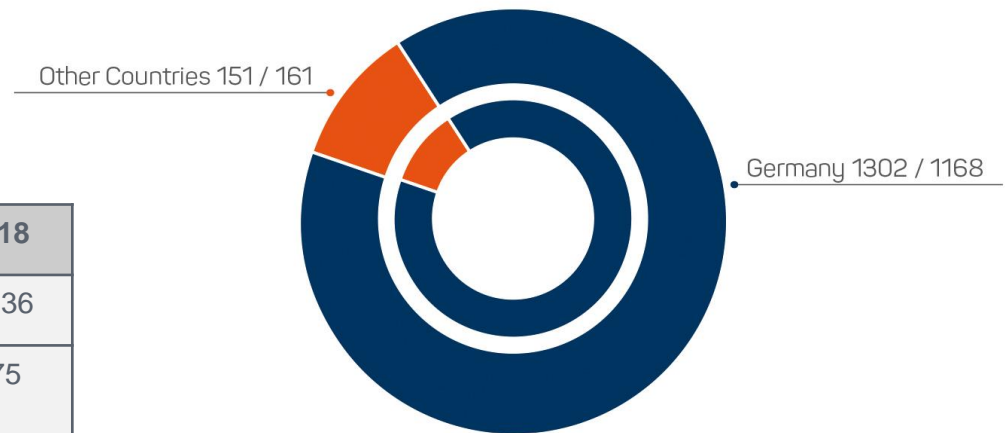
(P) = productions sites

International Footprint

Revenue by region (2018/2017)

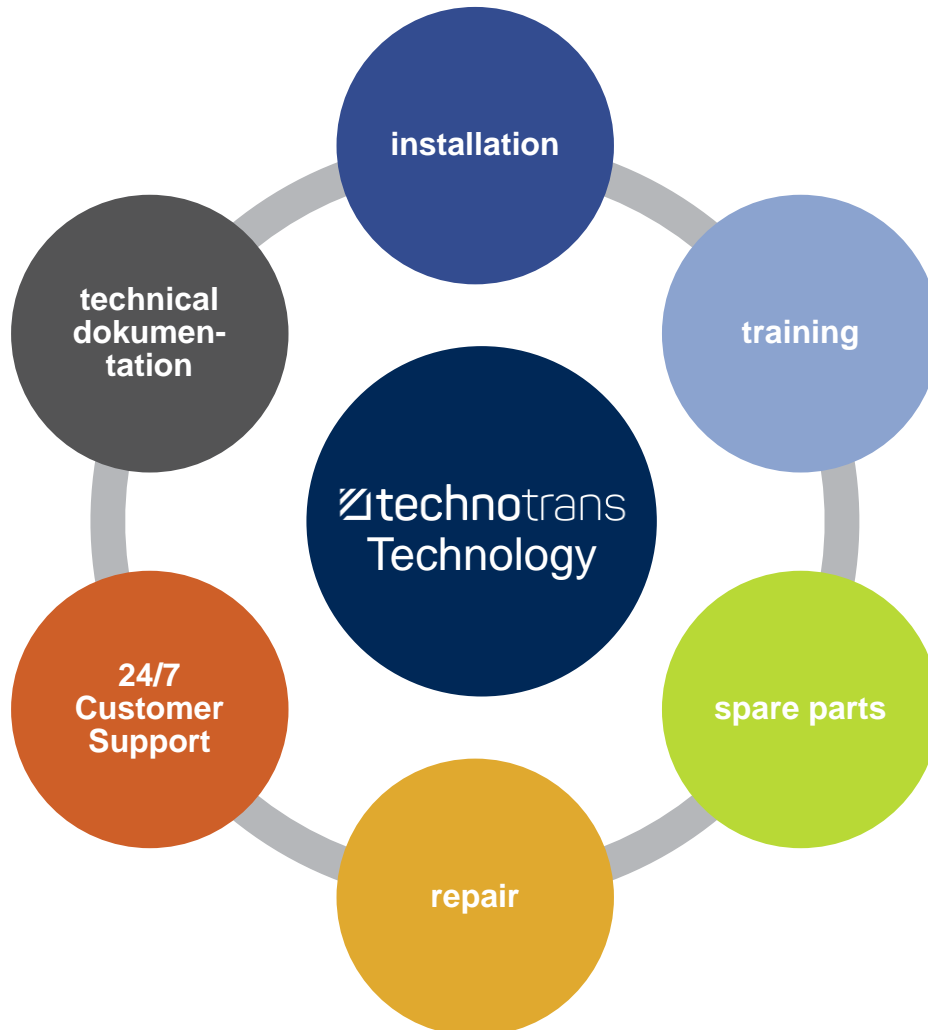


Employees by region (2018/2017)



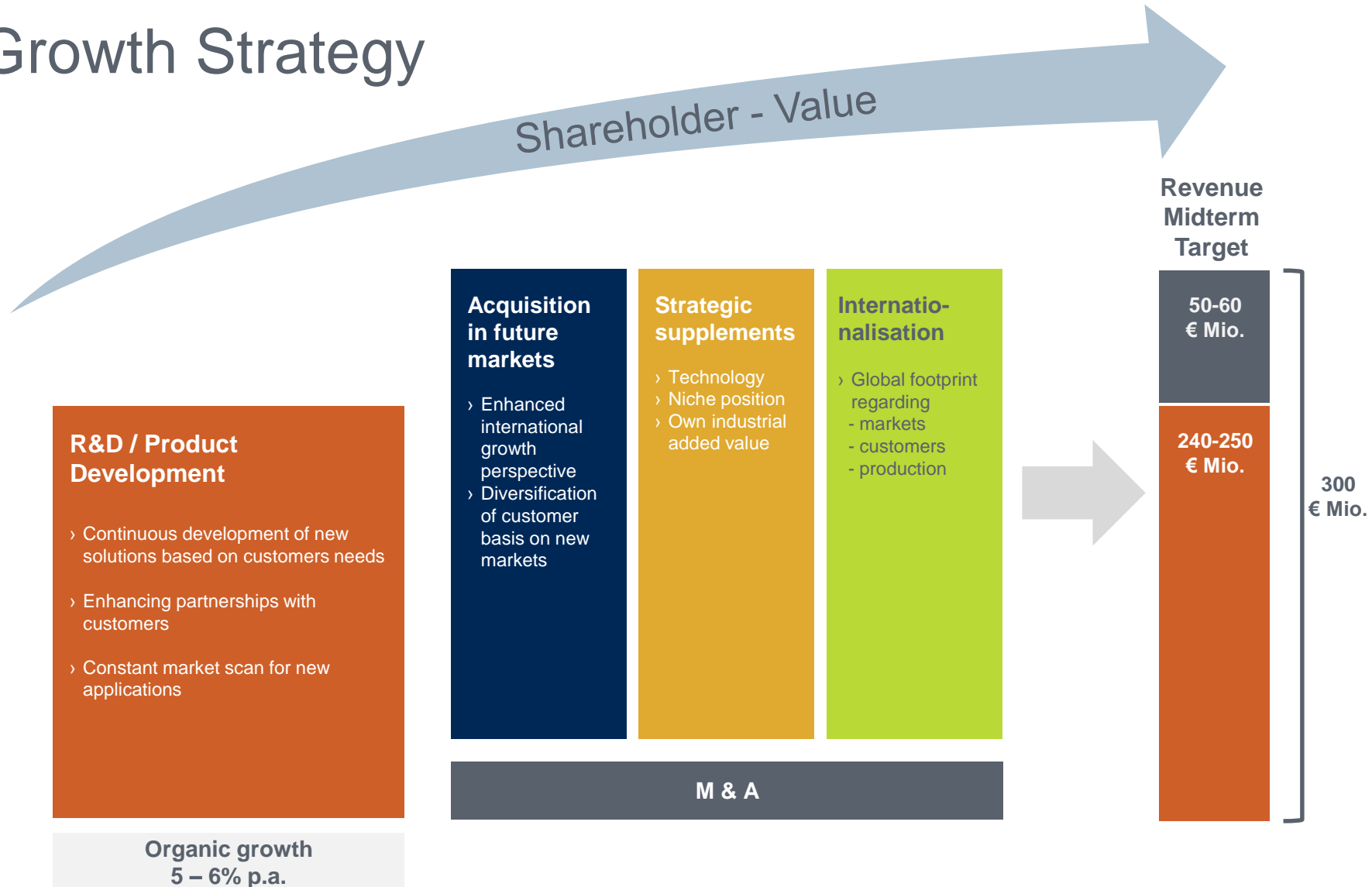
	2016	2017	2018
Employees (FTE) ø	856	1,132	1,236
Revenue per employee (FTE) (T€)	177	181	175

Service Products:



- › 396 employees in segment services as of 31.12.2018

Growth Strategy



Management



Dirk Engel (Dipl. Kfm.)

- › **Spokesman of the Board of Management**
(DOB 1967)
- › Since 2004 Head of Corporate Accounting, since 2006 Chief Financial Officer, since March 12, 2018 Spokesman of the Board of Management
- › Responsible for **Finance and Administration**
(Finance/Controlling, Human Resources, IT, Legal & Compliance and Investor Relations)



Peter Hirsch (Dipl.-Ing.)

- › **Member of the Board of Management**
(DOB 1972)
- › Since 2013 Business Development Manager, since 2014 Managing Director of Termotek GmbH, since July 1, 2018 member of the Board of Management
- › Responsible for **Technology & Operations** (Research & Development, Electrical engineering, Business Units, Production, Purchasing and Logistics)

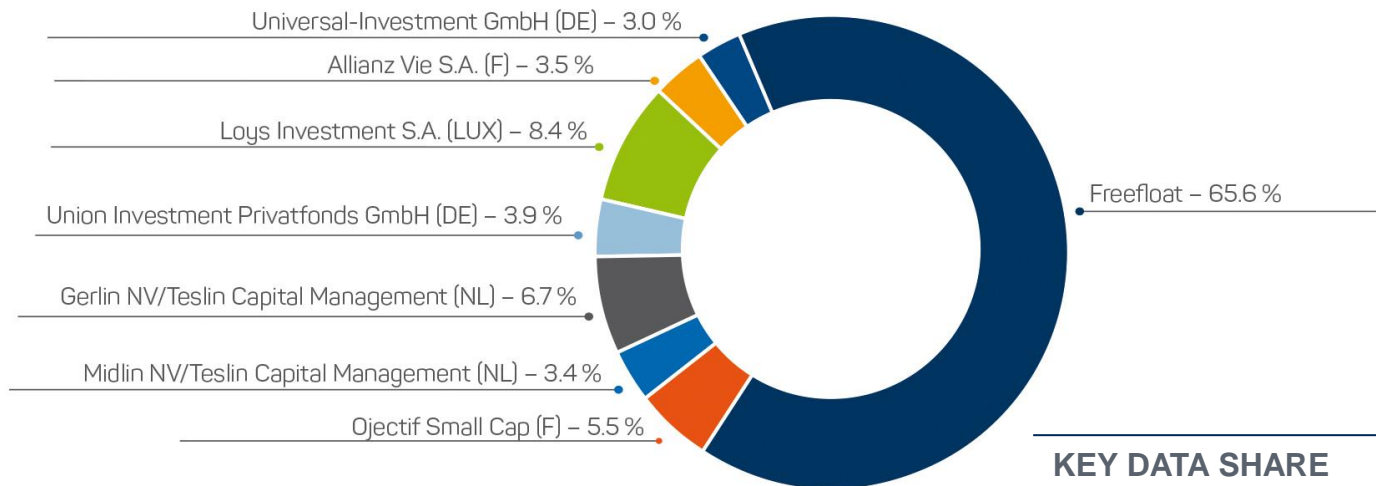


Hendirk Niestert (Dipl.-Ing. FH)

- › **Member of the Board of Management**
(DOB 1975)
- › Since 2007 Head of Service, since February 1, 2018 member of the Board of Management
- › Responsible for **Markets**
(Sales, Service, Quality Management and Marketing)

THE TECHNOTRANS SHARE

technotrans share / shareholder structure



(as of May 3, 2019)

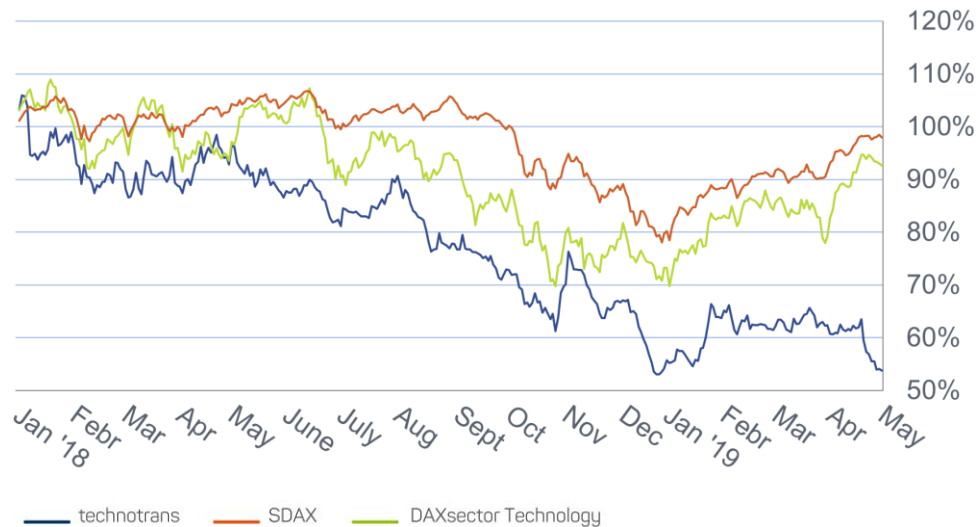
Market capitalisation:
EUR 163.0 million

(as of May 6, 2019)

KEY DATA SHARE

ISIN/Code	DE000A0XYA7/AOXGA
establishment/IPO	1970/1998
financial year	01.01. – 31.12.
share capital	6,907,665.00
number of shares	6,907,665
stock markets	XETRA, Frankfurt
designated sponsors	Bankhaus Lampe, ODDO SEYDLER
index	Prime Standard

Share performance and research



Research		
2019-04-18	TP € 35,00, buy	Bankhaus Lampe
2019-03-18	TP € 31,80, hold	Pareto Securities AS
2019-04-23	TP € 40,70, buy	Warburg Research
2019-04-18	TP € 38,00, buy	Hauck + Aufhäuser
2019-03-29	TP € 32,00, buy	HSBC
2019-03-18	TP € 33,00, neutral	ODDO BHF
2019-04-24	TP € 30,75, hold	Commerzbank

2018: High: 47.90 Low: 24.00	Share Price as of 2018-12-28: € 24.50	Market Cap 2018-12-28: € million 169.2
2019: High: 30.00 Low: 23.60	Share Price as of 2019-05-06: € 23.60	Market Cap 2019-05-06: € million 163.0

Financial Calendar 2019

May 10, 2019	Annual Shareholder Meeting 2019
August 6, 2019	Interim Report 1-6/2019
November 5, 2019	Quarterly Communication 1-9/2019

Events 2019

June 28, 2019	M.M. Warburg Highlights, Hamburg
September 23 - 25, 2019	Berenberg and Goldman Sachs Eighth German Corporate Conference, München
October 10, 2019	Capital Market Day in Baden-Baden
November 25 - 27, 2019	Deutsches Eigenkapitalforum, Frankfurt

Investing in technotrans shares - an attractive proposition:

- › **Niche focused business model**
- › **High entry barriers** due to specific know how in the area of fluid management and focus on customized solutions
- › **Diversified product portfolio** focused on growth markets
- › **Limited cyclicality** through extensive additional services
- › **International network** as a base for the development of new customers and markets
- › **Growth strategy** focused on revenue and profitability
- › **Attractive dividend policy**
- › **Commitment to sustainability**

Your contact



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Note

This presentation contains statements on the future development of the technotrans Group.

These reflect the present views of the management of technotrans SE and are based on the corresponding plans, estimates and expectations. We point out that the statements are subject to certain risks and uncertainties which could mean that the actual results differ considerably from those expected.

BACKUP

Consolidated Balance Sheet as of March 31, 2019

ASSETS 31.03.2019 31.12.2018

	T€	T€
Non-current assets		
Property, plant and equipment	31.102	28.583
Right of use (IFRS 16)	3.781	0
Goodwill	23.513	23.513
Intangible assets	7.634	7.693
Other financial assets	148	162
Deferred tax	1.471	1.466
	67.649	61.417
Current assets		
Inventories	31.428	28.296
Trade receivables	27.836	27.111
Income tax receivable	467	629
Other financial assets	1.160	758
Other assets	2.172	2.255
Cash and cash equivalents	15.901	15.566
	78.964	74.615
Total assets	146.613	136.032

EQUITY AND LIABILITIES 31.03.2019 31.12.2018

	T€	T€
Equity		
Issued capital	6.908	6.908
Capital reserve	19.097	19.097
Retained earnings	55.485	43.282
Other reserves	-6.320	-6.426
Net profit for the period	2.248	12.383
	77.418	75.244
Non-current liabilities		
Borrowings	27.013	25.956
Provisions	959	942
Leasing liability (IFRS 16)	2.276	0
Other financial liabilities	615	614
Deferred tax	1.153	1.220
	32.016	28.732
Current liabilities		
Borrowings	8.177	8.431
Trade payables	9.133	6.712
Prepayments received	3.838	3.115
Provisions	9.643	9.751
Income tax payable	282	700
Leasing liability (IFRS 16)	1.672	0
Other financial liabilities	1.145	800
Other liabilities	3.289	2.547
	37.179	32.056
Total equity and liabilities	146.613	136.032

Consolidated income statement

	1.1.-31.3. 2019	1.1.-31.3. 2018
	T€	T€
Revenue	53,069	54,130
of w hich Technology	38,119	39,680
of w hich Services	14,950	14,450
Cost of sales	-36,322	-36,805
Gross profit	16,747	17,325
Distribution costs	-6,521	-6,385
Administrative expenses	-4,964	-4,853
Development costs	-2,063	-1,940
Other operating income	716	978
Other operating expenses	-581	-601
Earnings before interest and taxes (EBIT)	3,334	4,524
Financial income	0	2
Financial charges	-173	-107
Financial result	-173	-105
Profit before tax	3,161	4,419
Income tax expense	-913	-1,214
Net income for period	2,248	3,205
Earnings per share (€)		
basic/diluted	0.33	0.46

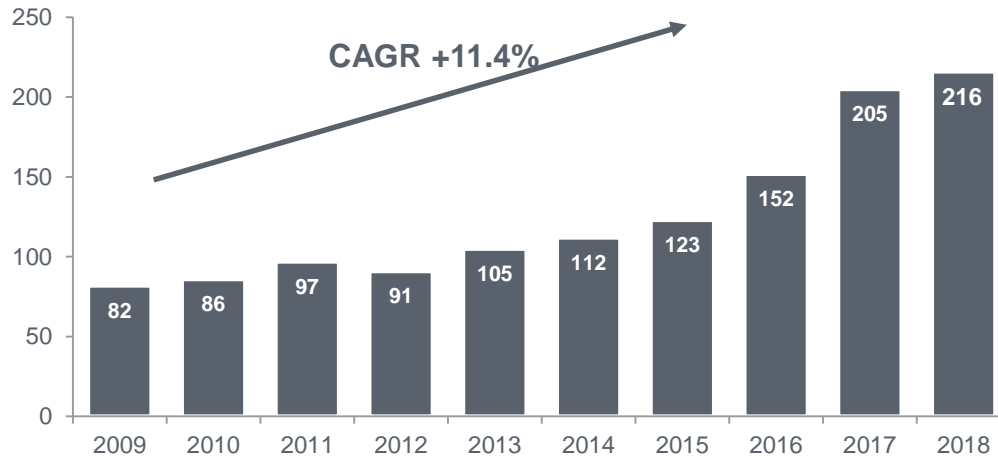
Consolidated cash flow statement

	31.03.2019	31.03.2018
	T€	T€
Cash flow from operating activities		
Net income for period	2,248	3,205
Adjustments for:		
Depreciation and amortisation	1,762	1,262
Income tax expense	913	1,215
Gain (-)/loss (+) on the disposal of property, plant and equipment	-27	-50
Foreign exchange losses (+) / gains (-)	123	321
Financial result	173	104
Other non-cash changes	8	0
Cash flow from operating activities before working capital changes	5,200	6,057
Change in:		
Inventories	-3,133	-1,623
Receivables and other assets	-1,044	-2,546
Other non-current assets	9	54
Liabilities and prepayments received	3,672	1,975
Provisions	-90	134
Cash from operating activities	4,614	4,051
Interest income	0	2
Interest paid	-154	-106
Income taxes paid / income tax rebates	-690	-885
Net cash from operating activities	3,770	3,062

	31.03.2019	31.03.2018
	T€	T€
Cash flow from investing activities		
Cash payments for investments in property, plant and equipment and in intangible assets	-3,616	-624
Proceeds from the sale of property, plant and equipment	-22	206
Net cash used for investing activities	-3,638	-418
Cash flow from financing activities		
Cash from taking up current and non-current loans	2,600	622
Cash payments from the repayment of loans	-1,798	-921
Distributions to investors	0	0
Cash payments from the redemption of IFRS 16 liabilities	-584	0
Net cash used in financing activities	218	-299
Net increase/decrease in cash and cash equivalents	350	2,344
Cash and cash equivalents at start of period	15,566	14,798
Net effect of currency translation in cash and cash equivalents	-15	-414
Cash and cash equivalents at end of period	15,901	16,728

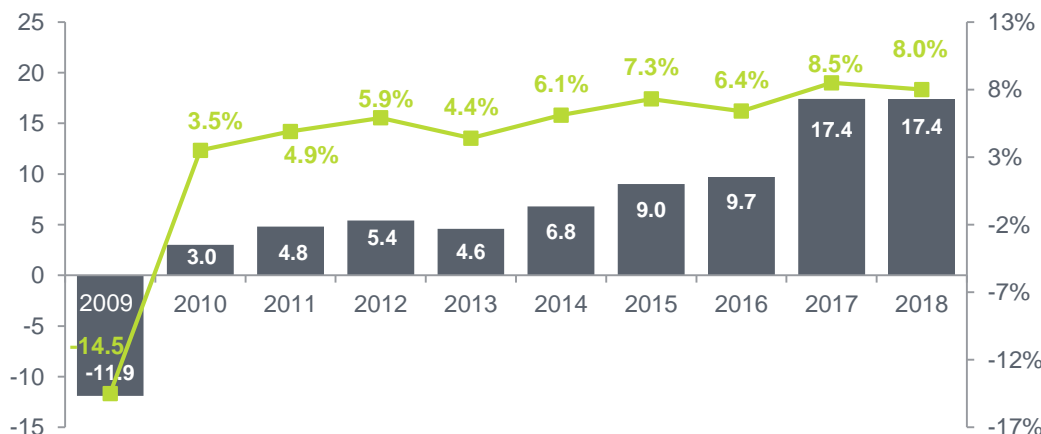
Revenue and Earnings 2009 – 2018

Revenue (Million €)



- › Segments Technology and Services contribute to revenue growth
- › High dynamics of the growth markets
- › $CAGR_{2018/2009} = 11.4\%$

EBIT (million €) and EBIT margin (%)



- › EBIT remaining unchanged
- › Changed mix of products
- › Expenses for further growth are affecting profitability

Dividend Policy

The Board of Management proposes a dividend distribution of € 0.88 for FYE 2018

