

# ON THE MOVE



## **Presentation First Three Months 2018**

Amberg, May 14, 2018



# GRAMMER GROUP – MARKET DEVELOPMENT

## Car markets & Commercial Vehicles continue to grow



### **Passenger Cars – New Registrations January to March 2018** (source vda)

- Global automotive markets with positive momentum in the first quarter
- New registrations in Germany +4% with SUVs, sports cars and upper-class models driving growth
- Western Europe with solid growth (+5%)
- North America with slight growth (+1%) driven by light-truck segment (+10%)
- China with high growth (+4%) based on strong SUV sales

### **Commercial Vehicles (> 6t) – New Registrations January to March 2018** (source vda)

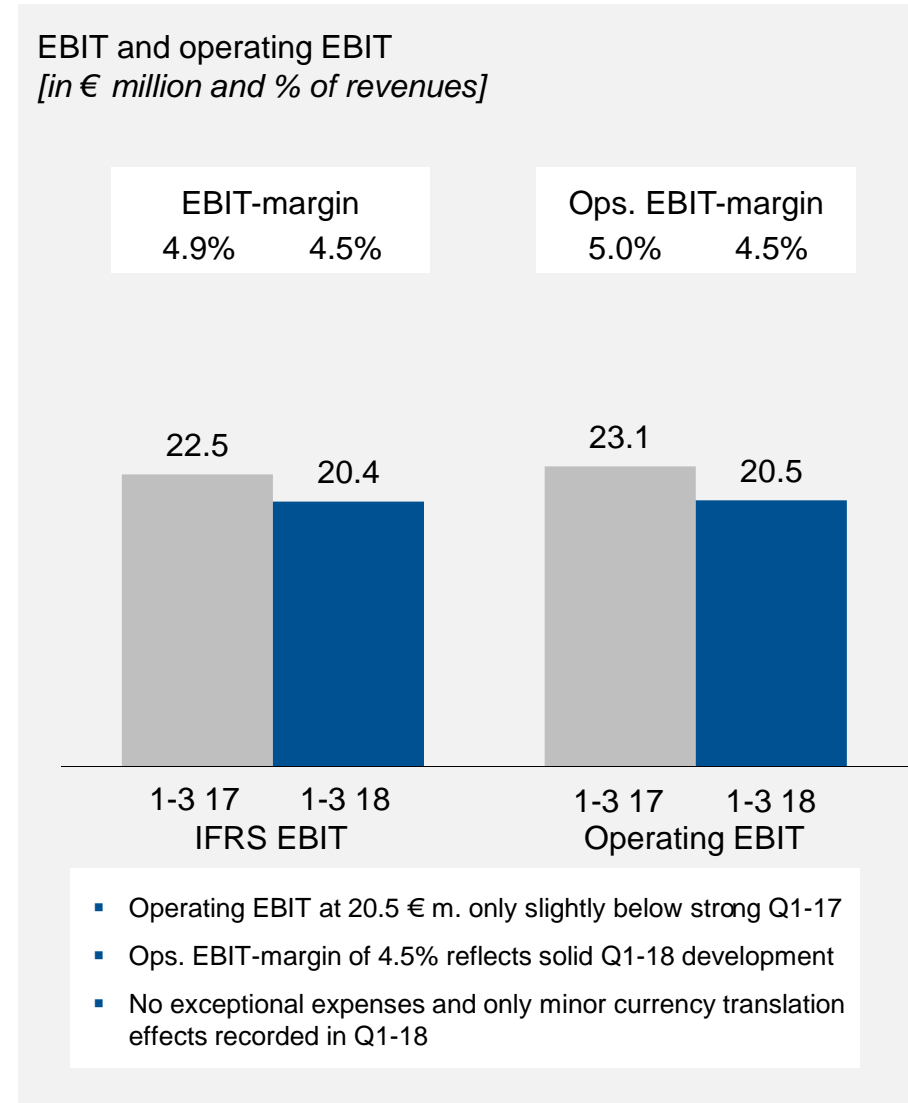
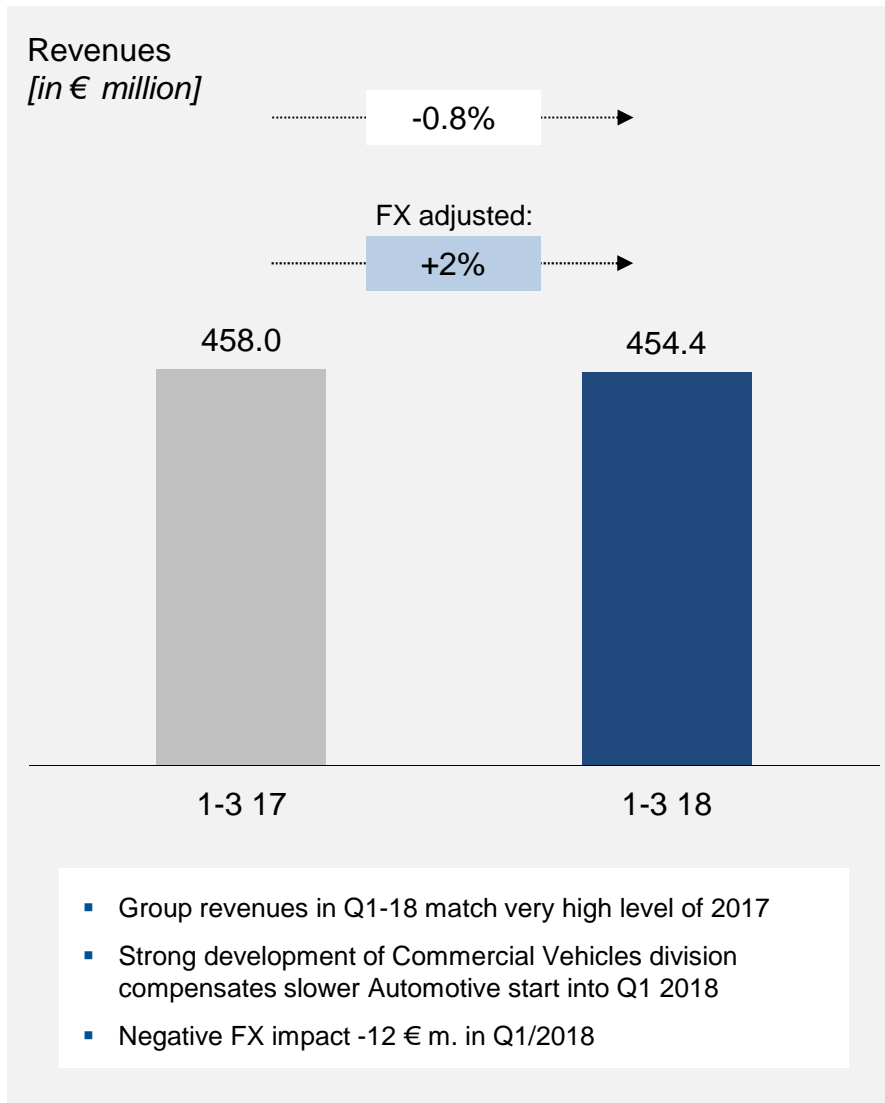
- Western Europe (+/-0%), with Germany (-4%) and UK (-11%) declining, but strong growth in Netherlands, France and Italy
- USA with ongoing dynamic growth momentum (+17%) mainly driven by strong heavy duty class 8 segments
- Recovery in Brazil is continuing in the first quarter (+53%)
- China with double-digit growth (11%) in the first three months, boosted by heavy duty trucks

### **Other Commercial Vehicle Markets**

- Agricultural, construction and material handling markets with ongoing dynamic growth

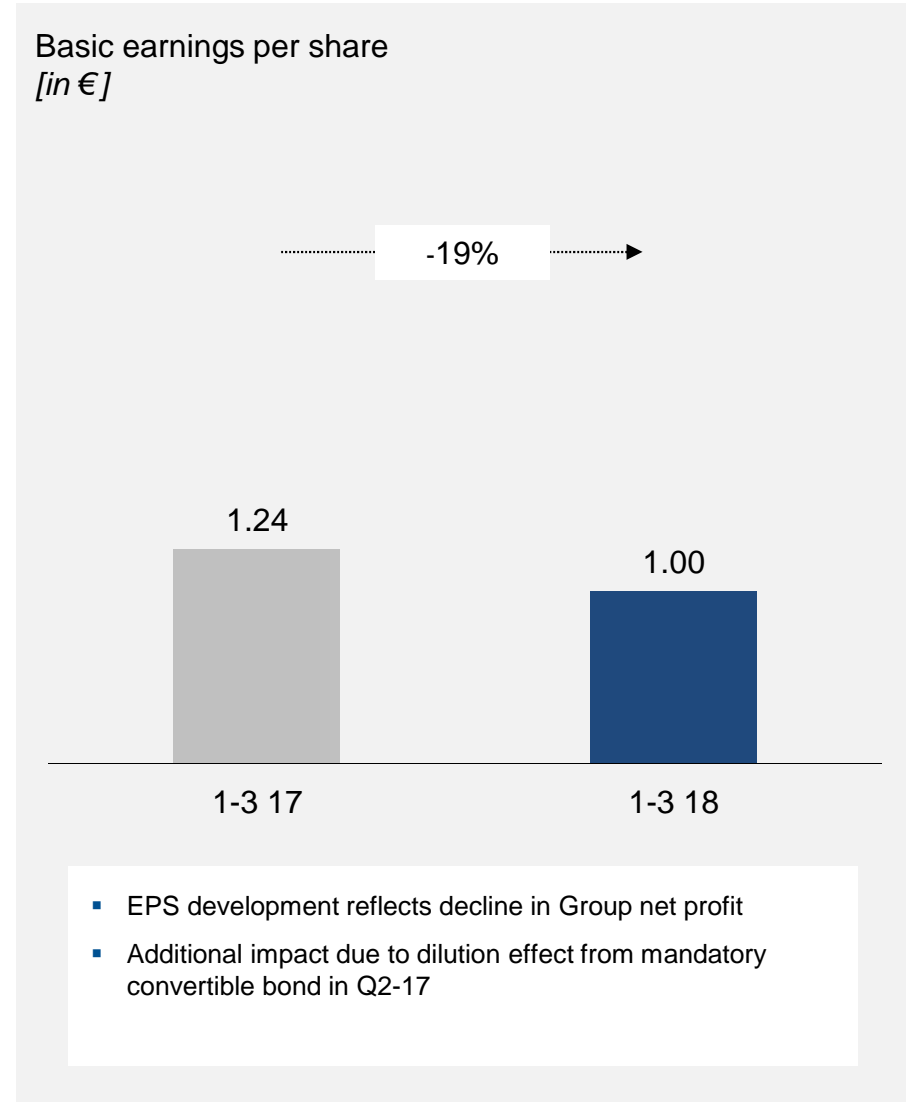
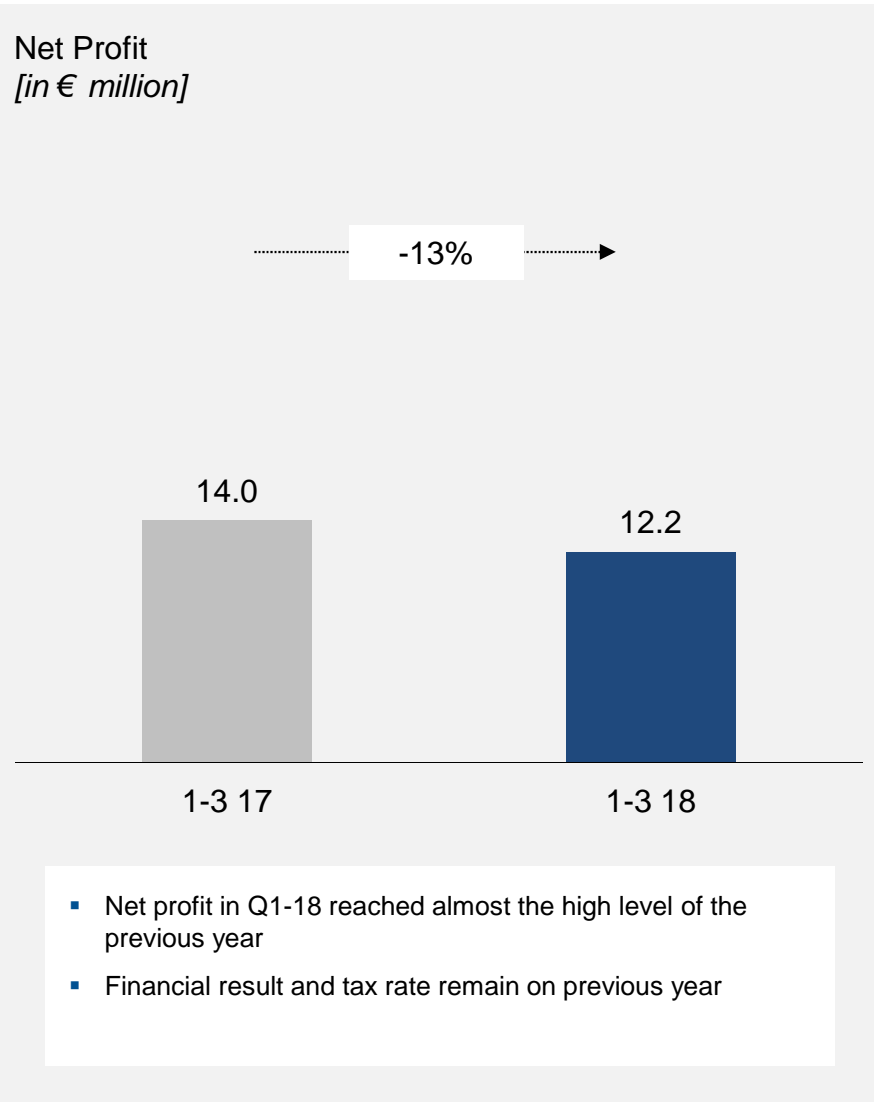
# GRAMMER GROUP – DEVELOPMENT 1-3 2018

Solid start in the first quarter of 2018



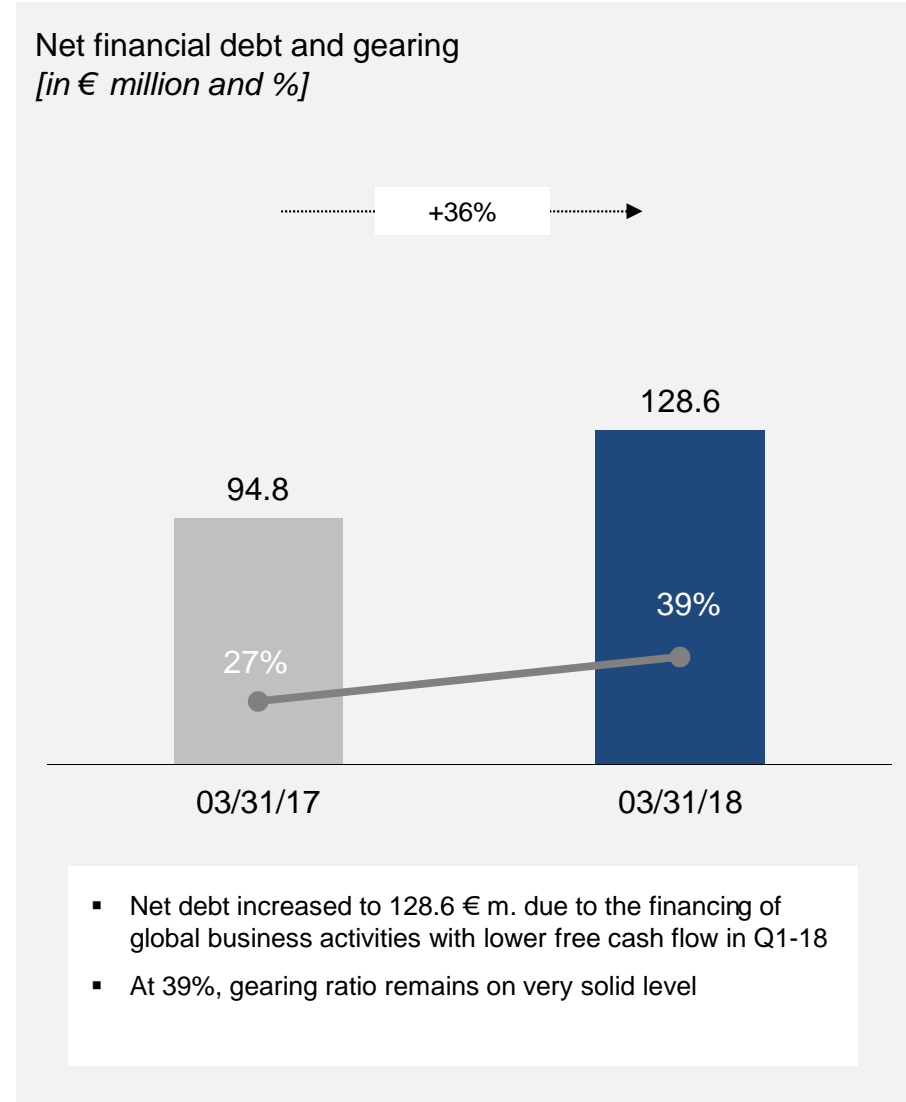
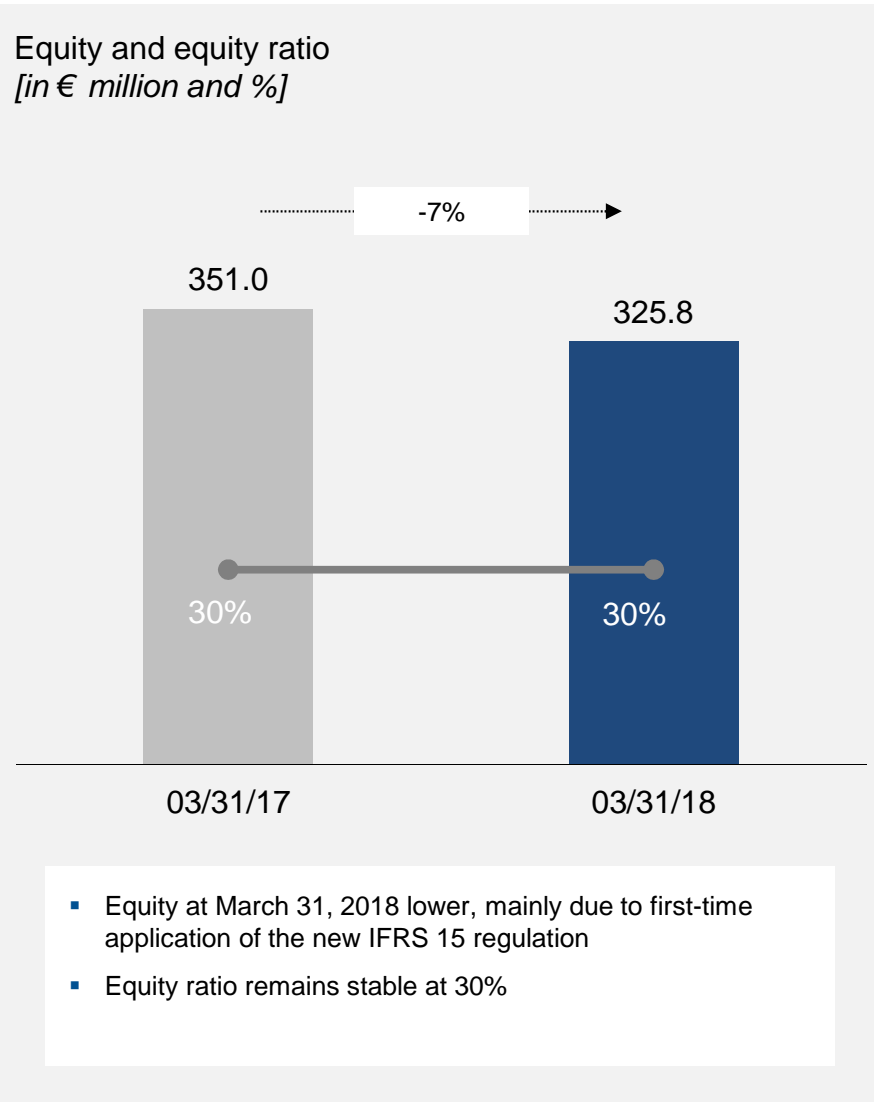
# GRAMMER GROUP – DEVELOPMENT 1-3 2018

Net profit on high levels



# GRAMMER GROUP – DEVELOPMENT 1-3 2018

## Equity ratio stable despite IFRS 15 adjustments

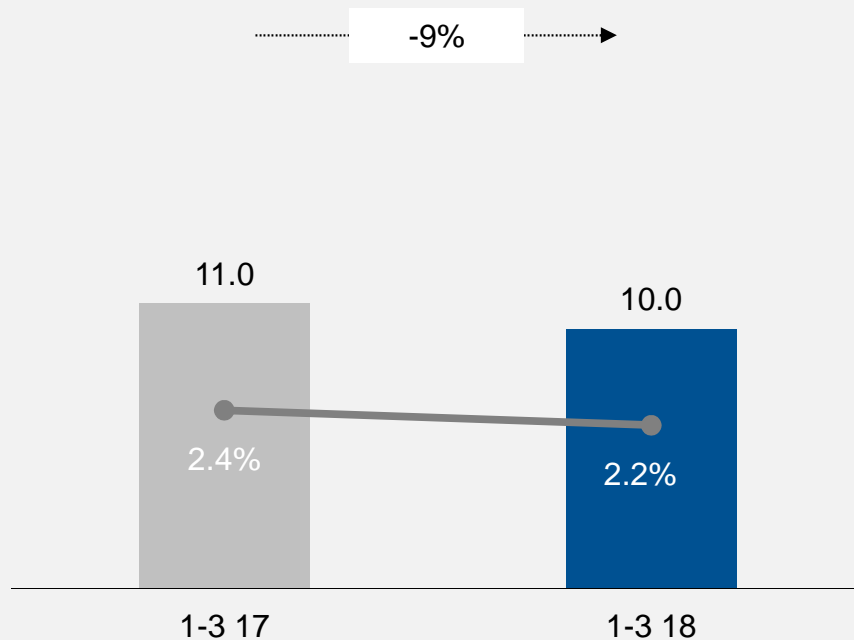


# GRAMMER GROUP – DEVELOPMENT 1-3 2018

## Investments

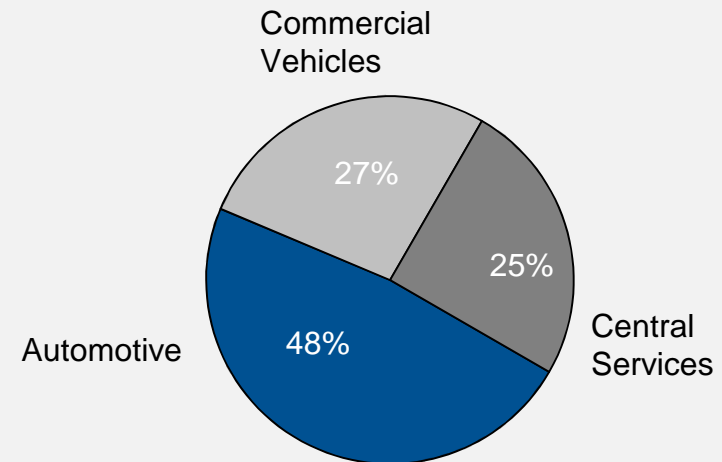


Capex and capex ratio  
[in € million and %]



- Capex with 10 € m. continues as planned due to the business growth and capacity expansion in all regions
- Capex / Sales ratio slightly lower than previous year

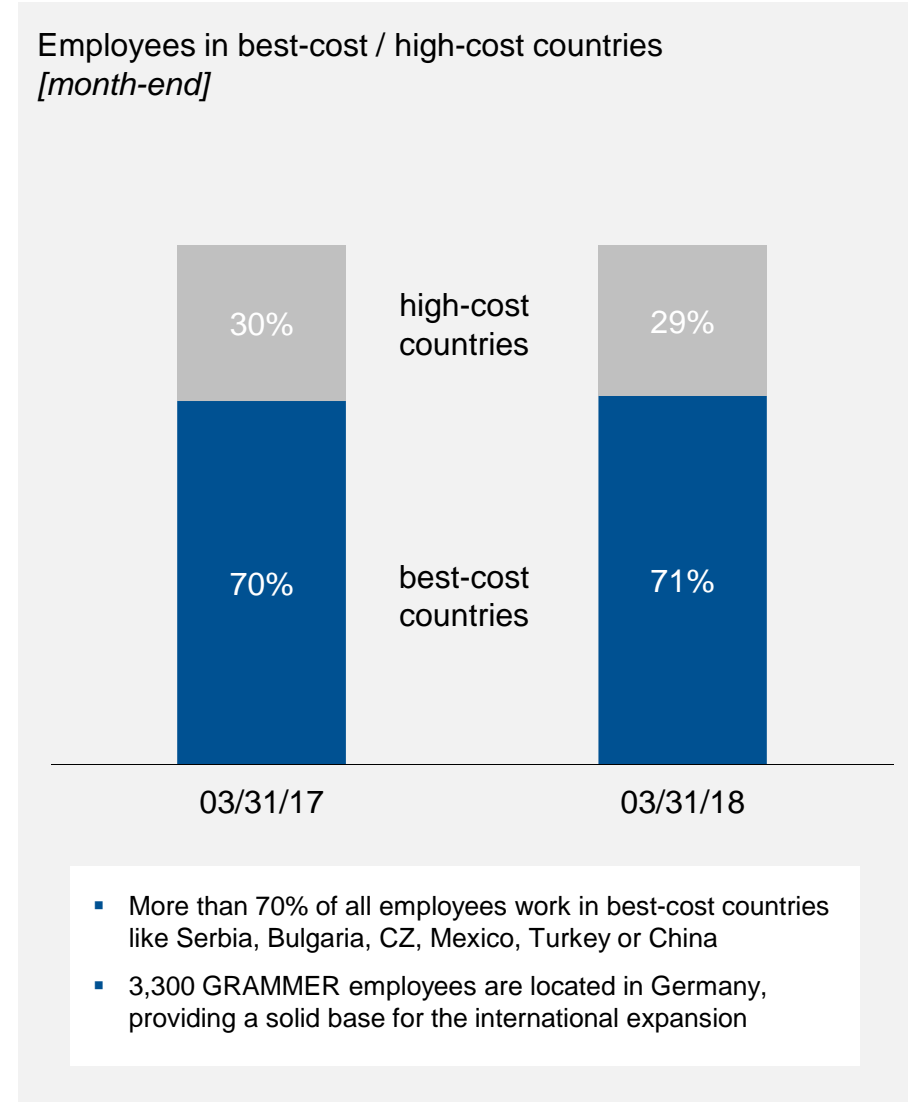
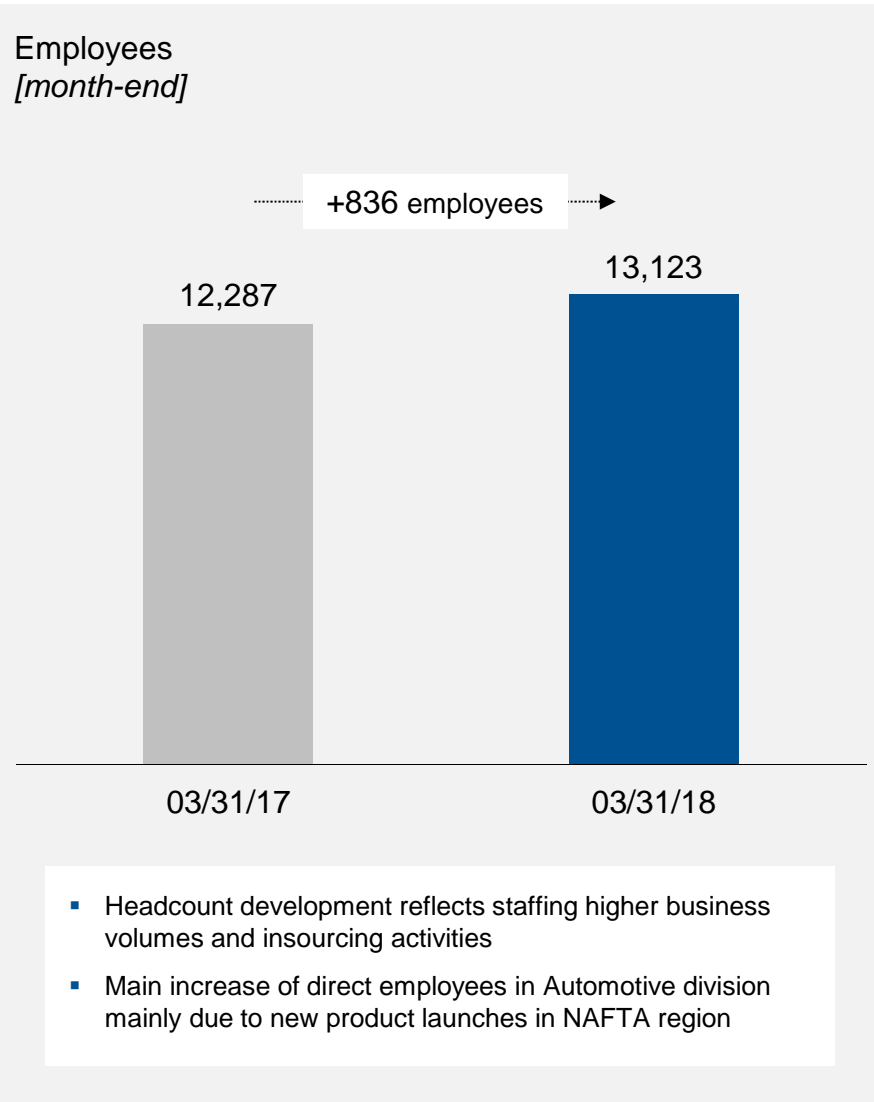
Capex 1-3 2018 by divisions  
[in %]



- Main investments in the Automotive segment to expand capacities and prepare for new production start-ups
- Higher investments within Central Services area for new GRAMMER Technology Center & Group Headquarter

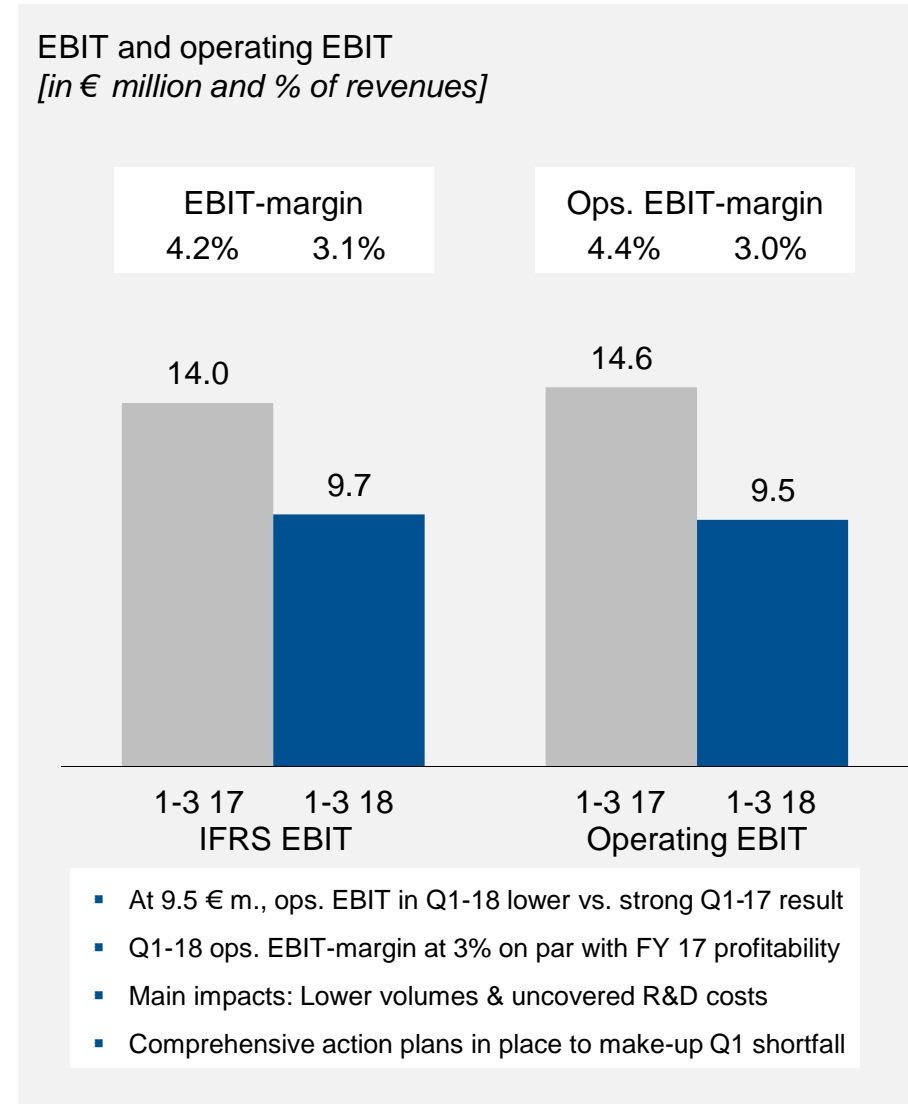
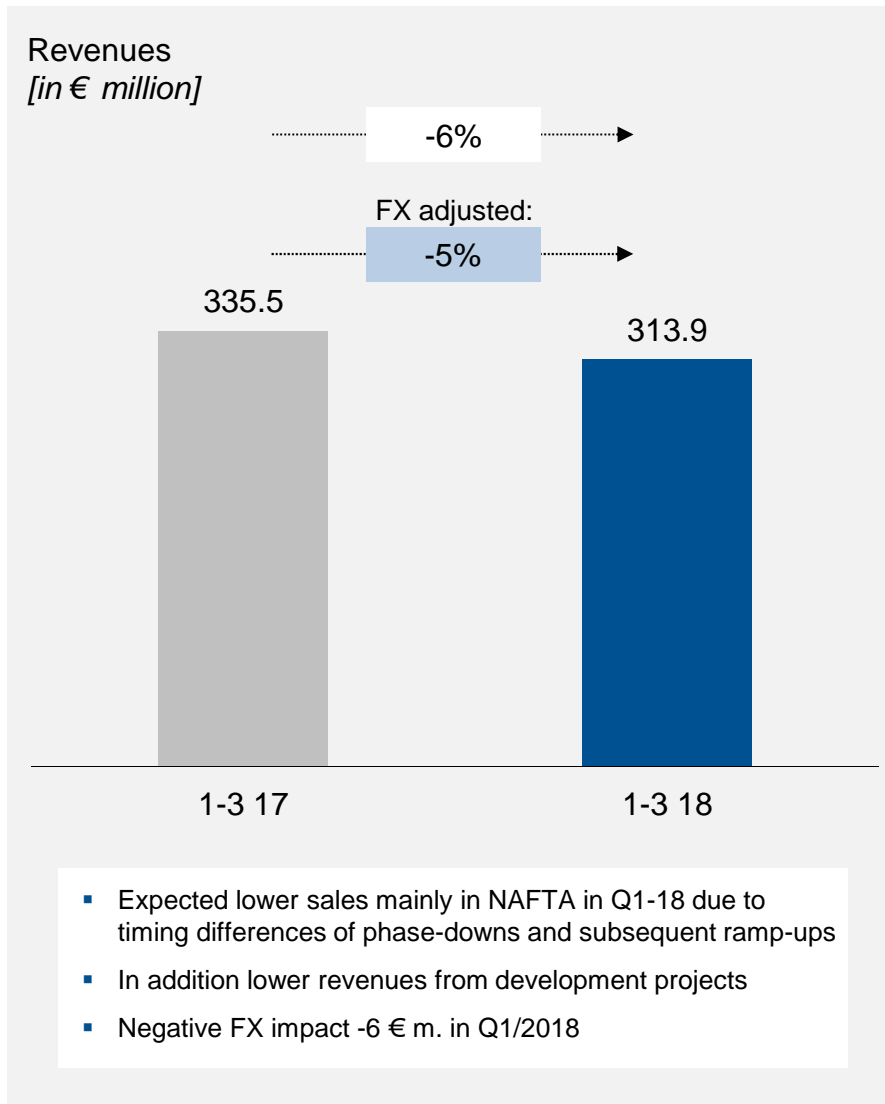
# GRAMMER GROUP – DEVELOPMENT 1-3 2018

Headcount increase in preparation for higher business volumes



# AUTOMOTIVE – DEVELOPMENT 1-3 2018

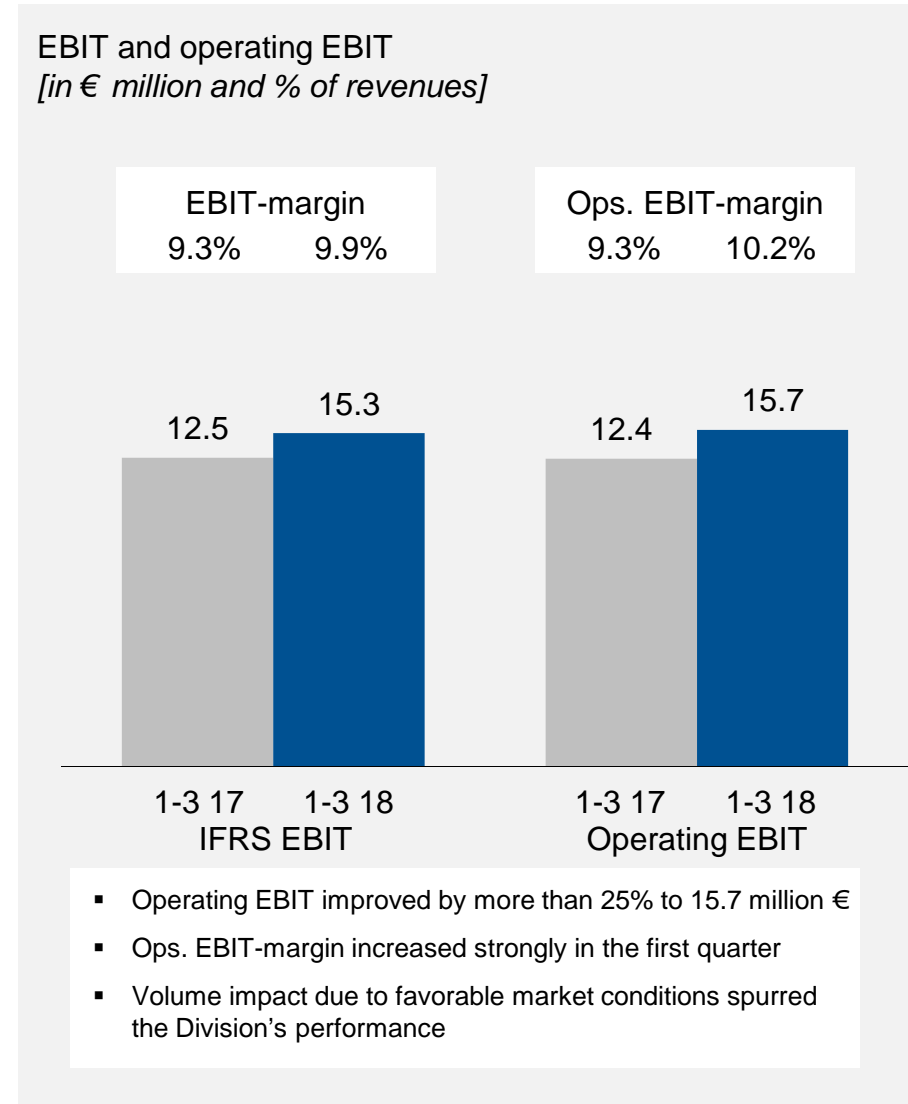
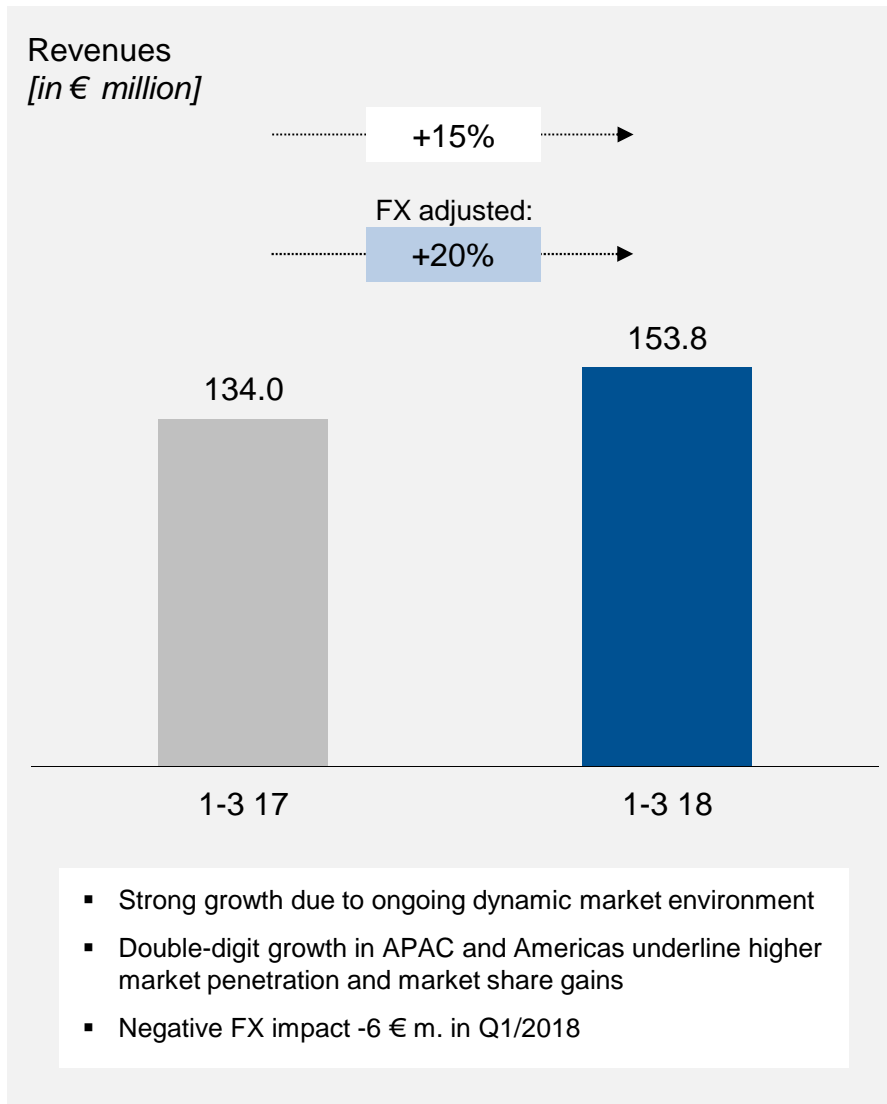
Expected challenging start – Sales & EBIT will improve in Q2





# COMMERCIAL VEHICLES – DEVELOPMENT 1-3 2018






Strong performance in a dynamic market environment



# GRAMMER GROUP – MARKET OUTLOOK 2018

Most regional car & commercial vehicle markets expected to grow



			Europe	USA	Brazil	China	World
	Worldwide car production	Source IHS Jan. 2018	+2%	+2%	+14%	+1%	+2%
	Worldwide truck production	Source IHS Jan. 2018	+2%	+9%	+13%	-15%	-3%
	Agricultural machinery	Source John Deere Feb. 2018	+5%	+10%	0% to +5%	+/-0%	
		Source AGCO May 2018	+/-0%	0% to +5%	+/-0%		
	Construction machinery	Source Caterpillar Jan. 2018	Continuous growth amid high business confidence	Strength in building construction, infrastructure and pipeline	Recovery that started in 2017 is expected to continue	Strength across the region	Broad-based growth in all regions
	Forklifts	Source Jungheinrich May 2018	Mid to high single digit %-growth	In specific markets even higher growth rates possible			Mid to high single digit %-growth

# GRAMMER GROUP – OUTLOOK 2018

Outlook confirmed – Further increases in sales & profitability expected



		Actual 2017	Outlook 2018
GRAMMER Outlook	Group sales revenue	€ 1.79 billion	approx. € 1.85 billion
	Operating EBIT-margin	4.5%	around 5%
	ROCE	11.5%	> prev. year

**Important note:**

It is not yet possible to forecast the potential impact of matters relating to GRAMMER AG's shareholder structure on earnings and order intake.

# ON THE MOVE



**Backup Information**



# GRAMMER GROUP

## Key Figures 1-3 2018



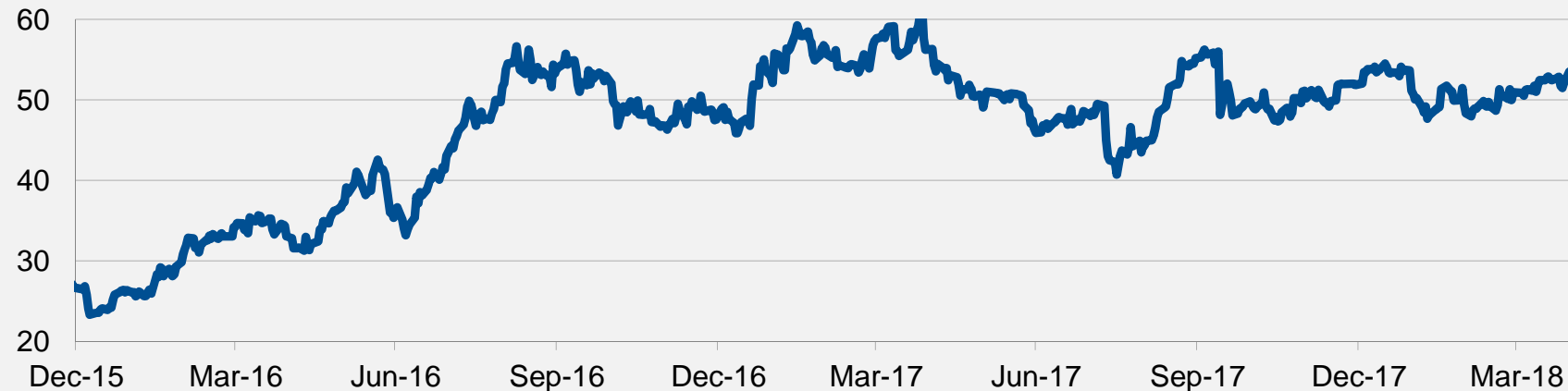
<i>[IFRS, in € million]</i>	Q1 2018	Q1 2017	Chg.
Group Revenues	454.4	458.0	-0.8%
EBITDA	32.0	34.5	-7.2%
EBITDA-Margin	7.0%	7.5%	-0.5%-P
EBIT	20.4	22.5	-9.3%
EBIT-Margin	4.5%	4.9%	-0.4%-P
Operating EBIT	20.5	23.1	-11.3%
Operating EBIT-Margin	4.5%	5.0%	-0.5%-P
Profit after taxes	12.2	14.0	-12.9%
EPS in €	1.00	1.24	-19.4%
Total Assets	1,068.9	1,157.0	-7.6%
Equity	325.8	351.0	-7.2%
Equity-Ratio	30%	30%	+/-0%-P
Net Financial Debt	128.6	94.8	+35.7%
Gearing Ratio	39%	27%	+12%-P
Capex (w/o M&A)	10.0	11.0	-9.1%
Depreciation	11.6	12.0	-3.3%
Employees (month-end)	13,123	12,287	+6.8%

# GRAMMER AG – SHARE PRICE DEVELOPMENT

## GRAMMER Share



GRAMMER share price in € December 31, 2015 until April 30, 2018



### Selected Broker Recommendations

Broker	Date	Current Recomm.	Current TP (€)
Baader Helvea	7-May-18	Hold	55.0
Bankhaus Lampe	13-April-18	Hold	53.0
Quirin	23-March-18	Hold	53.0
Oddo BHF	22-March-18	Hold	52.0
MM Warburg	21-March-18	Buy	57.0
DZ Bank	21-March-18	Hold	51.0
<b>Median</b>			<b>53.5</b>

### Top Shareholders

Investor	in %*
JAP Capital Holding**	25.51%
Cascade***	13.41%
Halog***	9.18%
Dimensional	4.58%
Own treasury shares	2.62%
Free Float (<3%)	44.70%

\*) Percentage based on 12,607,121 voting rights  
 \*\*) Associated company of GRAMMER's strategic partner Ningbo Jifeng  
 \*\*\*) Companies owned by Hastor family

### Basic Share Data

ISIN	DE000589540
WKN / Code	589540 / GMM
Number of shares	12,607,121
Market cap [April 30, 2018]	650 € million
Ave. trading vol. (Xetra)	60,000 shares/day
Ave. trading vol. (all exch.)	90,000 shares/day
Index	SDAX / DAXSector Automobiles

# GRAMMER GROUP

## Financial key figures 5-year overview



<i>[IFRS, in € million]</i>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	
Group Revenue	1,786.5	1,695.5	1,425.7	1,365.9	1,265.7	
EBITDA	116.0	120.2	83.2	93.7	92.3	
EBITDA-Margin	6.5%	7.1%	5.8%	6.9%	7.3%	
EBIT	66.5	73.0	42.7	57.0	58.0	
EBIT-Margin	3.7%	4.3%	3.0%	4.2%	4.6%	
Profit after taxes	32.4	45.2	23.8	33.6	29.6	
EPS in €	2.67	4.01	2.10	3.09	2.67	
Dividend / Share in €	1.25*	1.30	0.75	0.75	0.65	
Total Assets	1,107.0	1,050.6	992.1	836.5	766.0	
Equity	337.7	271.2	253.4	231.8	224.7	
Equity-Ratio	31%	26%	26%	28%	29%	
Net Financial Debt	92.2	139.1	155.5	86.7	93.2	
Gearing Ratio	27%	51%	61%	37%	41%	
Capex (w/o M&A)	59.1	56.2	47.9	51.5	46.8	
Depreciation	49.5	47.2	40.5	36.7	34.3	
Employees (Dec. 31)	12,947	12,250	11,397	10,700	10,082	*) proposed

# GRAMMER GROUP

## Financial Calendar and IR Contact



### Financial Calendar 2018

Annual General Meeting	June 13, 2018
Half-Year 2018 Report	August 07, 2018
Interim Management Statements Q3 / 2018	November 13, 2018

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