



Expanding Horizons

Together achieving new dimensions in
fineblanking and forming

Half-year media report, 22 August 2018
Review, results, outlook

AGENDA

- ▶ Review
Knut Zimmer
 - ▶ Financial results
Thomas Bögli
 - ▶ Outlook
Knut Zimmer
 - ▶ Trends in the automotive industry
Stefan Walther
 - ▶ Questions and answers
All

 - ▶ Lunch

 - ▶ Investing in e-mobility
Knut Zimmer
 - ▶ Fineblanking technology and coup d'oeil FB one
Markus Schaltegger
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MARKET ENVIRONMENT

Feintool is again growing faster than the market

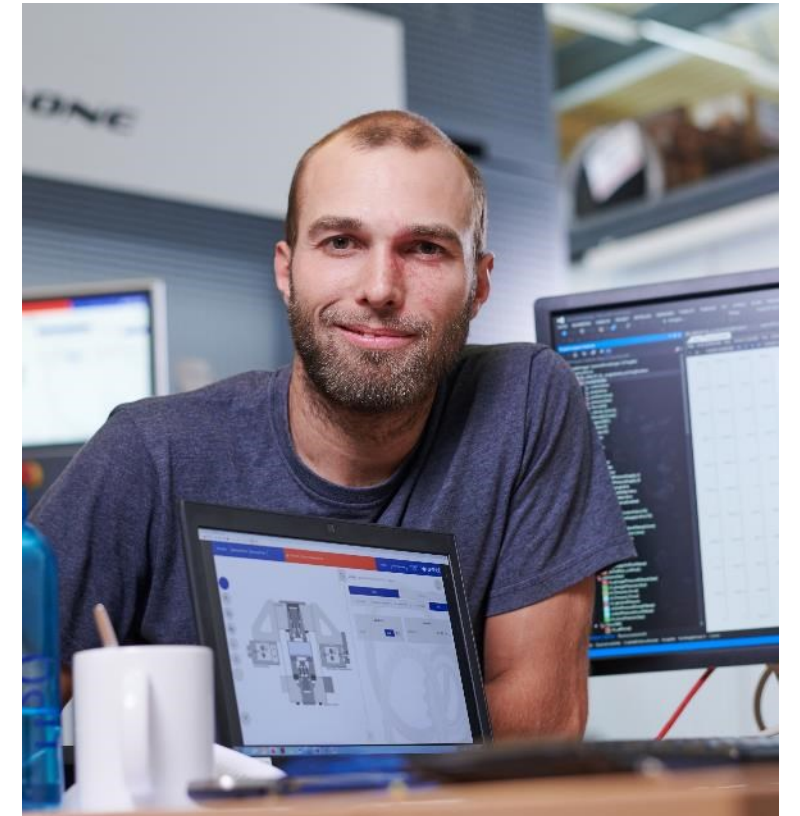
- ▶ Worldwide automotive market growing again
- ▶ Feintool continues to gain market shares
- ▶ Customers in the automotive market continue to globalize
- ▶ China as a driver of growth in global automotive production
- ▶ Political uncertainties hardly had any influence on car sales
- ▶ The impact of the new consumption test specifications is currently difficult to estimate
- ▶ Electric motors offer further growth opportunities for Feintool



FINEBLANKING TECHNOLOGY SEGMENT

Record net sales and incoming orders

- ▶ Successful press system sales in key markets as a basis for high net sales and new orders
- ▶ Promising launch of a new hydraulic press generation
- ▶ Various innovation projects with universities (e.g., thermo-cutting for processing titanium for medical applications)
- ▶ Further Industry 4.0 "Smart Maintenance" applications implemented
- ▶ Tool production at full capacity due to new orders



SYSTEM PARTS SEGMENT

Investing in the future despite record number of new orders

- ▶ Net sales growth of 13.6% to CHF 337.3 million
- ▶ New projects received in the first semester worth a total of CHF 60 million in annual sales
- ▶ Europe and China are driving growth, with plants at full capacity
- ▶ Net sales and earnings in the US remained stable despite the saturated market and the current development of steel prices
- ▶ With the acquisition of Stanz- und LaserTechnik Jessen GmbH, Feintool is investing in the growth market of e-mobility



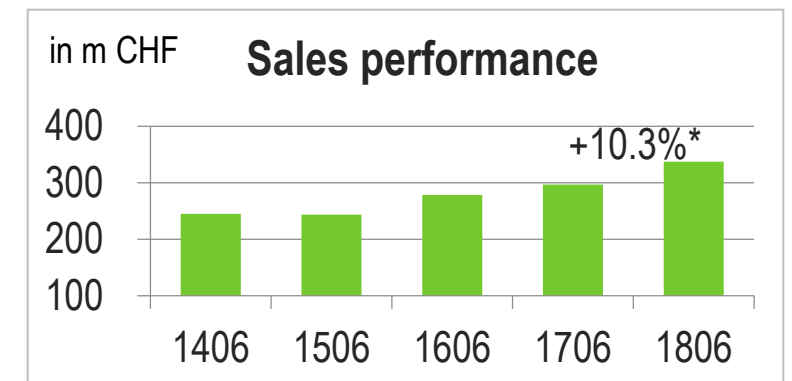
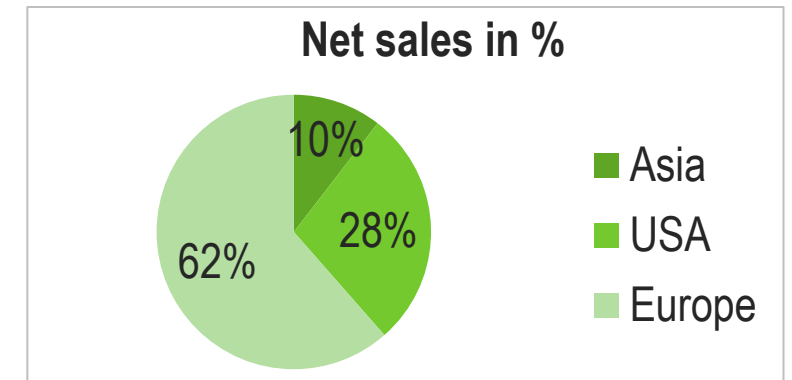
Financial results

Thomas Bögli

NET SALES

Sales grew 13.6% in total

- ▶ Sales of CHF 337.3 m
 - ▶ Currency effect: + CHF 9.9 m or 330 basis points
 - ▶ Acquisition effect: + CHF 3.0 m or 100 basis points
- ▶ Organic growth in local currency: 9.3%
- ▶ System Parts segment realizes 87.3% of third-party sales
- ▶ Strong growth in Asia and in the capital goods segment; Europe slightly positive, America on prior year level

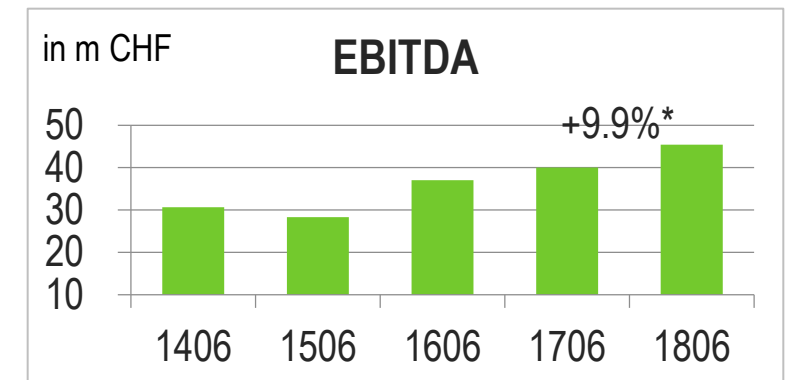
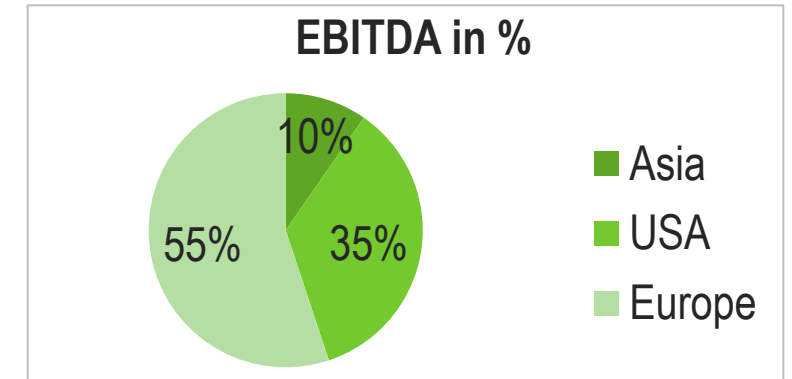


*In local currency

EBITDA

EBITDA margin at 13.5% - as in prior year

- ▶ EBITDA increased to CHF 45.4 m
- ▶ EBITDA increased by 9.9% (in local currency)
- ▶ Manufacturing sites with many products in start-up phase reduce margin due to high preparatory cost
- ▶ Strong increase of steel price reduces margin

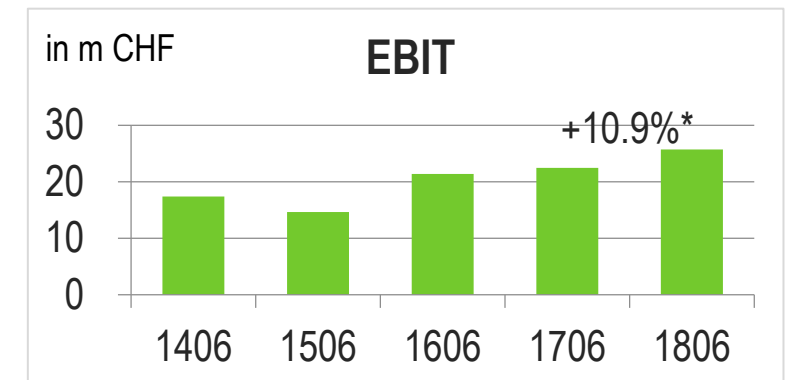
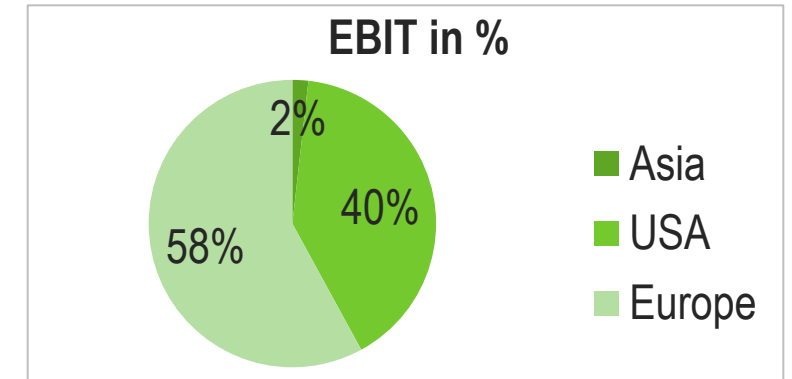


*In local currency

EBIT

EBIT margin at 7.6% - as in prior year

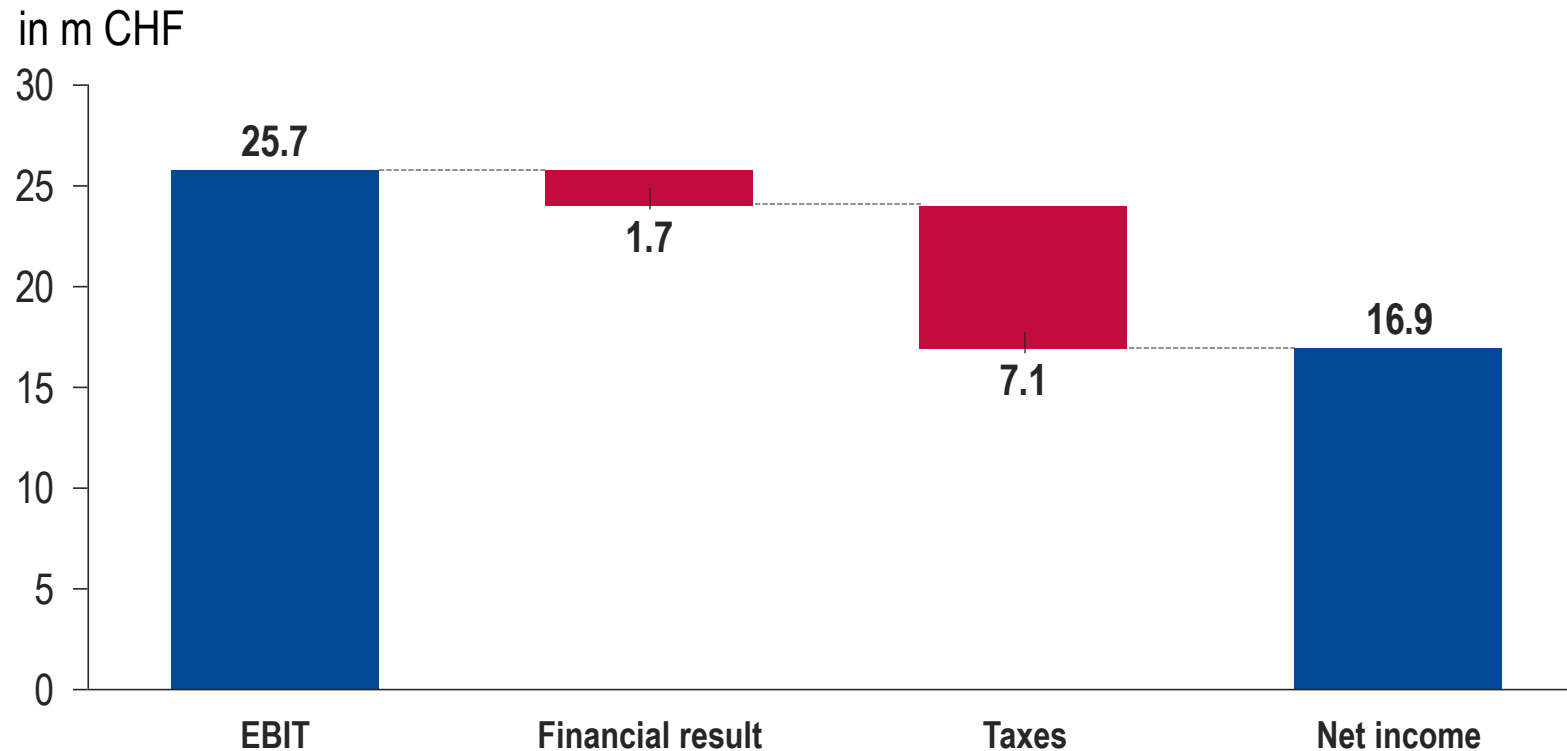
- ▶ EBIT increased to CHF 25.7 m
- ▶ EBIT increased by 14.4%, currency effect supported this trend with 350 basis points
- ▶ Manufacturing sites in Oelsnitz (Ger), Most (CZ) and Tianjin (CN) impact the result negatively, due to high cost in preparation for growth in the future



*In local currency

NET RESULT

Net profit margin increased to 5.0%

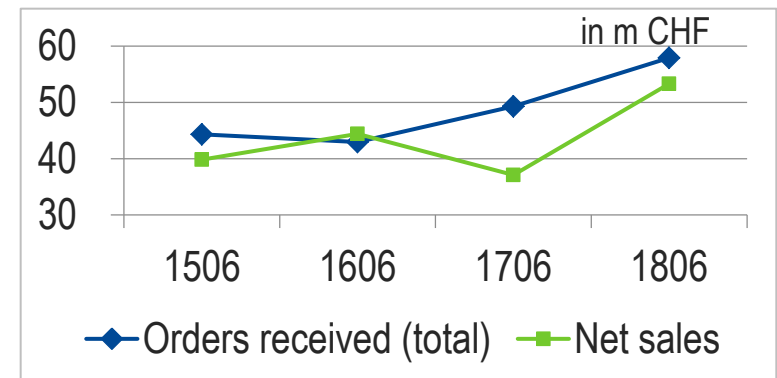
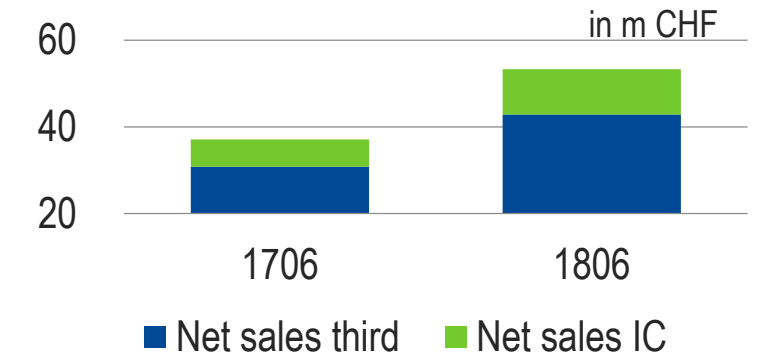


- ▶ Net profit increased to CHF 16.9 m
- ▶ Net profit increased by 19.8% in local currency
- ▶ Financial cost strongly influenced by currency gain of CHF 0.3 m; therefore financial cost in total sank to CHF 1.7 m
- ▶ Tax rate slightly below 30%

FINEBLANKING TECHNOLOGY

All key figures improved strongly

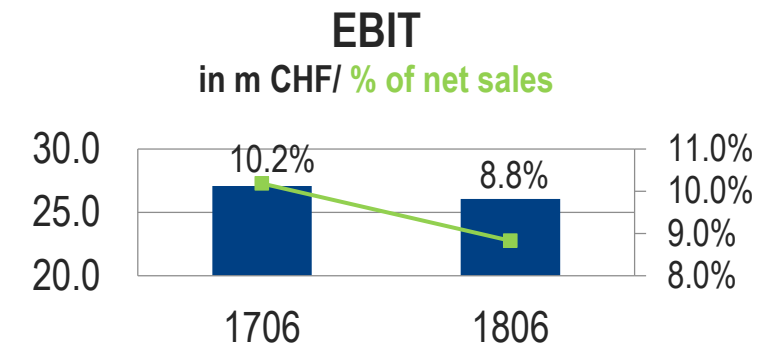
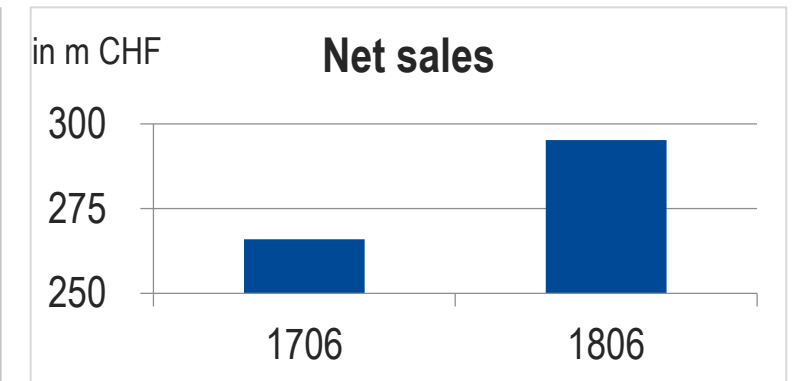
- ▶ Net sales of CHF 53.3 m, 43.7% over prior year
- ▶ EBIT of CHF 3.8 m compared to a small loss in prior year
- ▶ Order entry of CHF 57.9 m, 17.4% over prior year
- ▶ Order backlog of CHF 47.2 m ensures good capacity utilization for the next eight months; order backlog contain of third-party orders mainly



SYSTEM PARTS

Investment into future growth impacts margin

- ▶ Net sales increased to CHF 295.2 m
- ▶ Growth in local currency: 7.3%
- ▶ EBIT of CHF 26.1 m; margin at 8.8%
- ▶ Investments into future growth continue and have a negative impact in the vicinity of CHF 4.7 m
- ▶ Strong steel price increase (primarily in the US) reduces margin



BALANCE SHEET

Total assets increased by 6.4% compared to 31.12.2017

Assets	30.06.2018 in m CHF	31.12.2017 in m CHF	Differenz in m CHF
Cash and cash equivalents	37.3	52.4	-15.1
Trade and other receivables	125.3	114.0	11.3
Inventories / Net assets of production i.p.	90.0	84.6	5.4
Prepaid expenses and accrued income	7.8	4.3	3.5
Total current assets	260.4	255.3	5.0
Property, plant & equipment	316.5	280.0	36.5
Other fixed assets	59.0	62.1	-3.1
Total non-current assets	375.5	342.1	33.4
Total assets	635.9	597.4	38.5

- ▶ Total assets increased to CHF 635.9 m
- ▶ Total non-current assets increased by CHF 33.4 m to CHF 375.5 m, mainly due to high capital expenditures

BALANCE SHEET

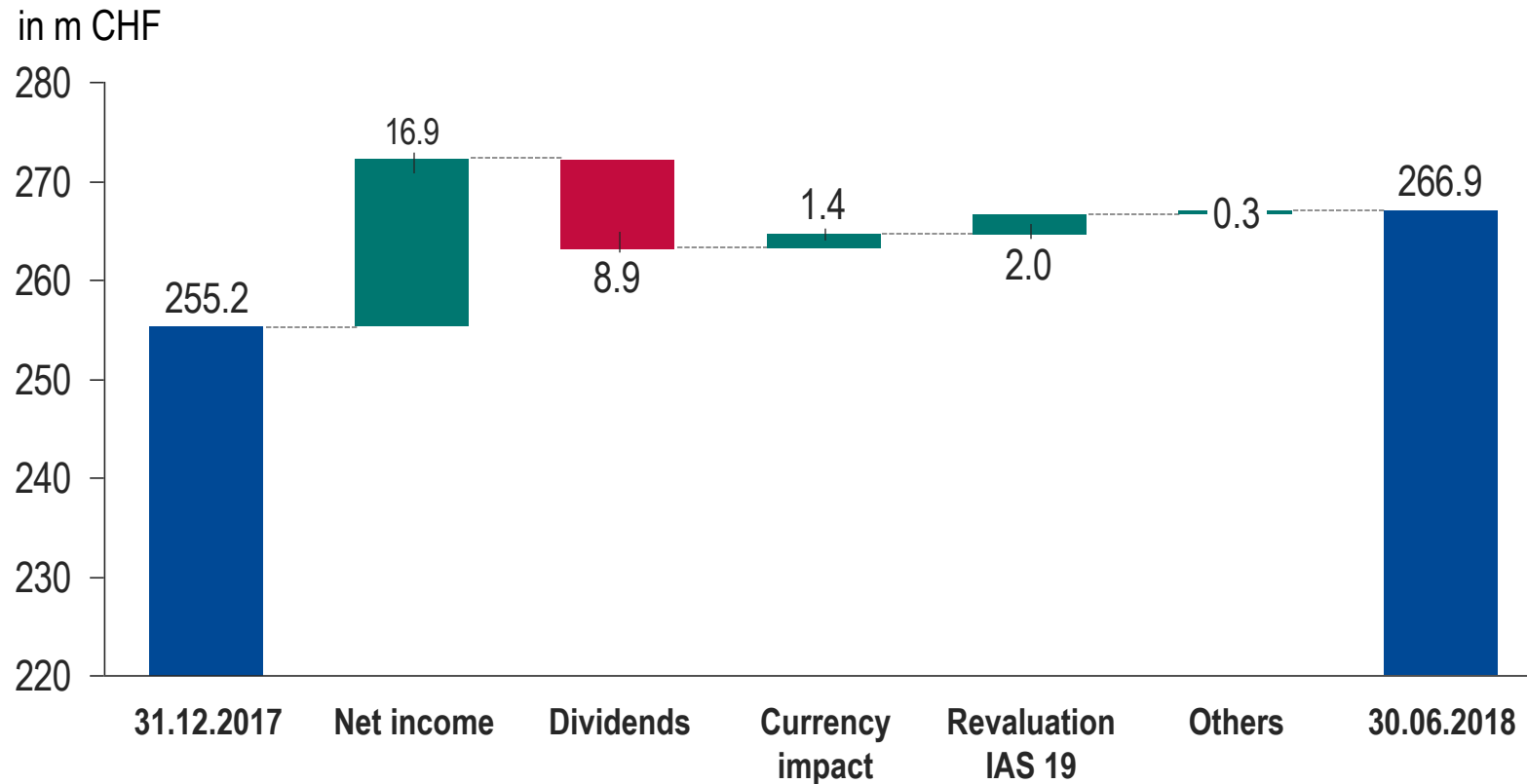
Solid balance sheet

Liabilities	30.06.2018 in m CHF	31.12.2017 in m CHF	Differenz in m CHF
Financial liabilities	154.8	134.2	20.6
Other liabilities	214.2	208.0	6.2
Shareholder's equity	266.9	255.2	11.7
Total liabilities	635.9	597.4	38.5
Equity ratio	42.0%	42.7%	-0.7%
Net debt	117.5	81.9	35.7

- ▶ Equity rose by 4.6% to CHF 266.9 m; Equity-ratio slightly lower with 42.0%
- ▶ Net debt increased to CHF 117.5 m
- ▶ Capital expenditures of CHF 57.2 m can be partially financed internally

SHAREHOLDERS' EQUITY

Shareholders' equity increased by 4.6%



- ▶ Positive effect of operational business with CHF 16.9 m
- ▶ Dividend of CHF 2.00 per share; as in prior year
- ▶ Currency fluctuations and revaluation of pension fund liability have a small but positive impact

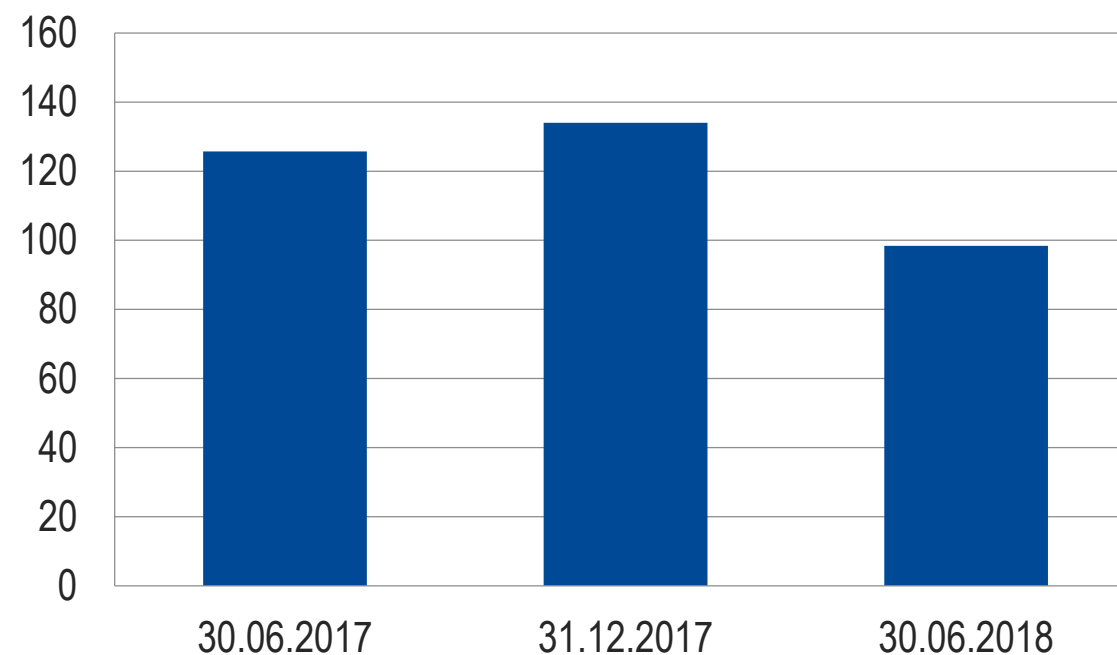
CASH FLOW

High capital expenditures

- ▶ Operational cash flow with CHF 24.9 m substantially improved compared to prior year
- ▶ Capital expenditures sum up to a high CHF 57.2 m
- ▶ Liquid funds and confirmed credit lines add up to CHF 98.4 m
- ▶ Syndicated credit facility with six banks in the amount of CHF 90 m prolonged till June 13, 2023

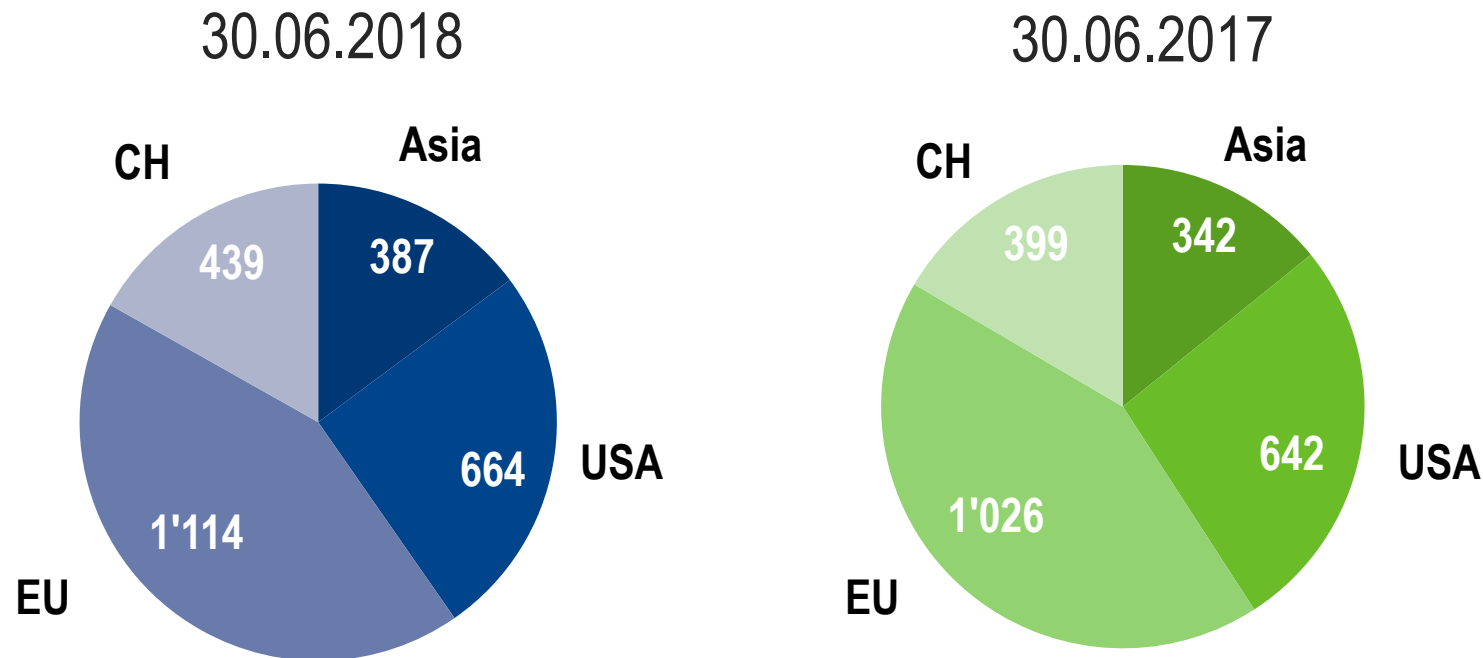
in m CHF

Liquid funds & confirmed open credit lines



EMPLOYEES

Growth needs more personnel



- ▶ 2'604 employees in total
- ▶ In all regions more employees
- ▶ 17% of all employees are working in Switzerland
- ▶ 68 apprentices

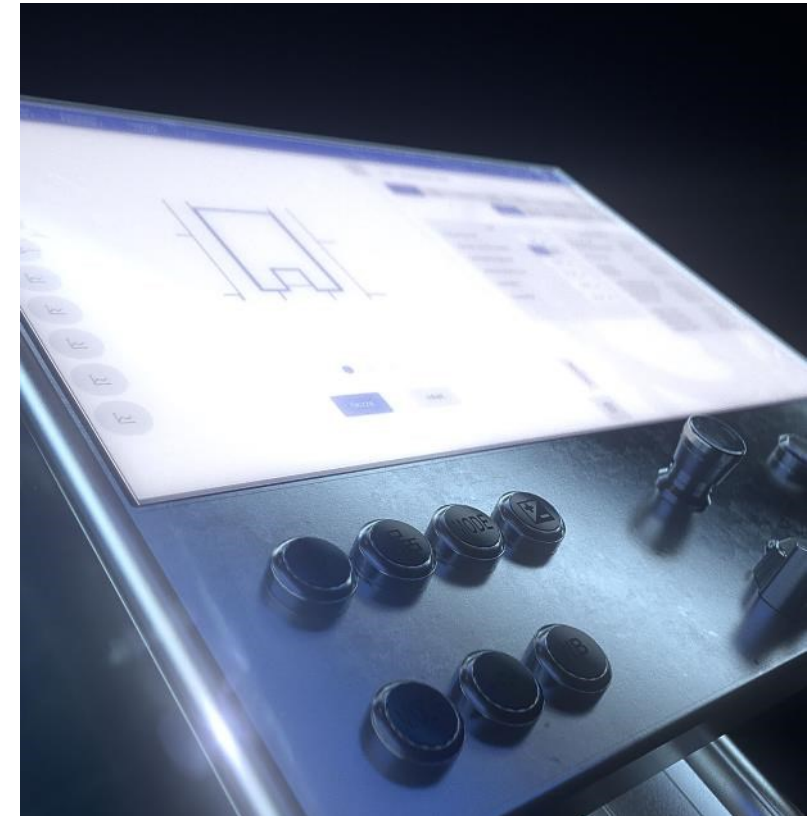
FBONE

Outlook
Knut Zimmer

GUIDANCE

Optimistic outlook

- ▶ Continuation of positive business development
- ▶ Net sales for the year expected to range between CHF 670 million and CHF 700 million
- ▶ EBIT margin comparable to the first half of 2018



OUTLOOK

All signs point toward growth

- ▶ Increase in capacity: Expansion of the plant in Tianjin initiated, production capacity to be doubled by 2020
- ▶ Launch of a new press generation: Sales launch of the new press FB one at the leading trade fair Euroblech 2018
- ▶ Investment in e-Mobility: Integration of the acquisition and earnings generated by the first new projects



AGENDA

Next dates



30 October 2018

Results Q3

5 March 2019

Annual Media Conference of
financial year 2018

30 April 2019

Annual General Meeting

Expanding Horizons

Together achieving new dimensions in
fineblanking and forming

WORLD OF FINEBLANKING

Feintool Group

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