

# Leifheit AG

## Investor Presentation

November 2016

**LEIFHEIT**



# Agenda

- Introduction to Leifheit
- Financial Figures 9M 2016
- Outlook Business Year 2016
- Strategy “Leifheit 2020”
- Investment Highlights
- Figures Financial Year 2015
- Annex



# Introduction to Leifheit

# “We are your leading experts for solutions that make your everyday life at home more easy and convenient”

## Leifheit Group

Brand business  
(~ 85% of turnover)

Volume business  
(~ 15% of turnover)

- Distribution in international markets
- Product categories: Cleaning, Laundry Care, Kitchen goods, Wellbeing

- High-quality branded products with a high degree of consumer benefit, mid to upper price segment
- Consistent brand management
- Systematic processes for innovation and market launch

- Products in mid-price range
- Customer-specific product development
- Strong service component



Project  
Business

# Offering products in four categories

## Cleaning

Leifheit has an easy and convenient solution for every cleaning demand. Our high quality cleaning products can be flexibly combined.



## Laundry care

Whether it's laundry dryers for the house or rotary dryers for the garden, an ironing board or a steam ironing system – Leifheit ensures fresh, clean and well-kept laundry.



## Kitchen goods

Opening, cooking, cutting or storing – Leifheit's kitchen accessories simplify work and keep hands and kitchen clean.



## Wellbeing

Under the Soehnle brand we offer an assortment of scales that always cut a good figure – in the kitchen and the bathroom.



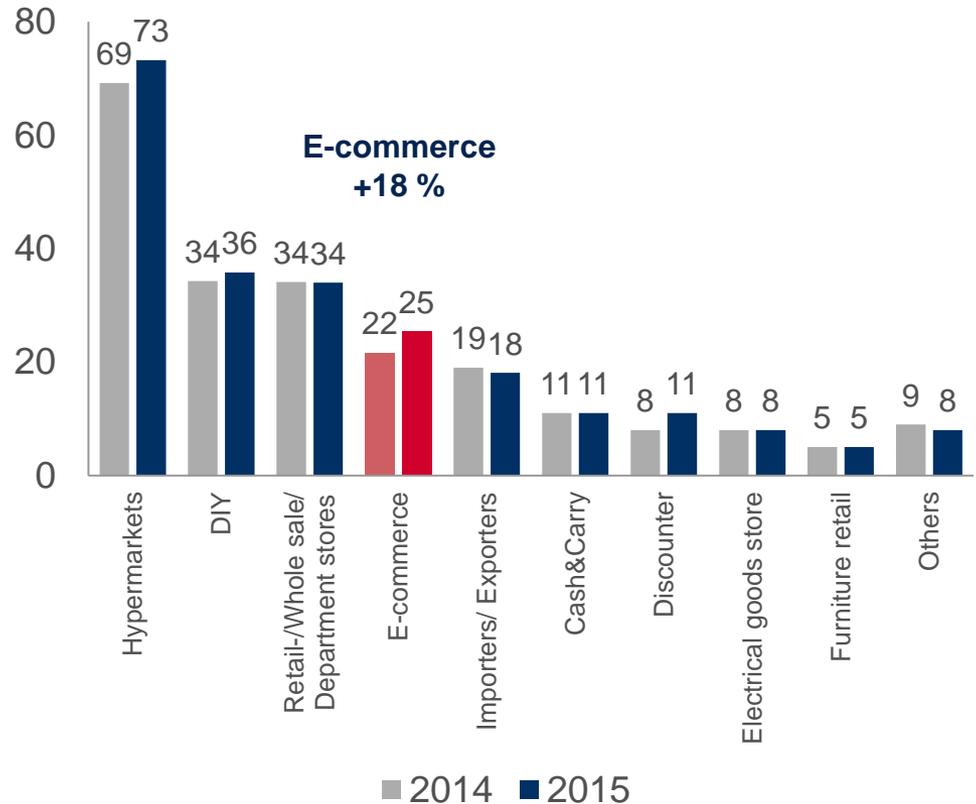
# Represented in all leading distribution channels

## TOP-10 clients (50 % of turnover)

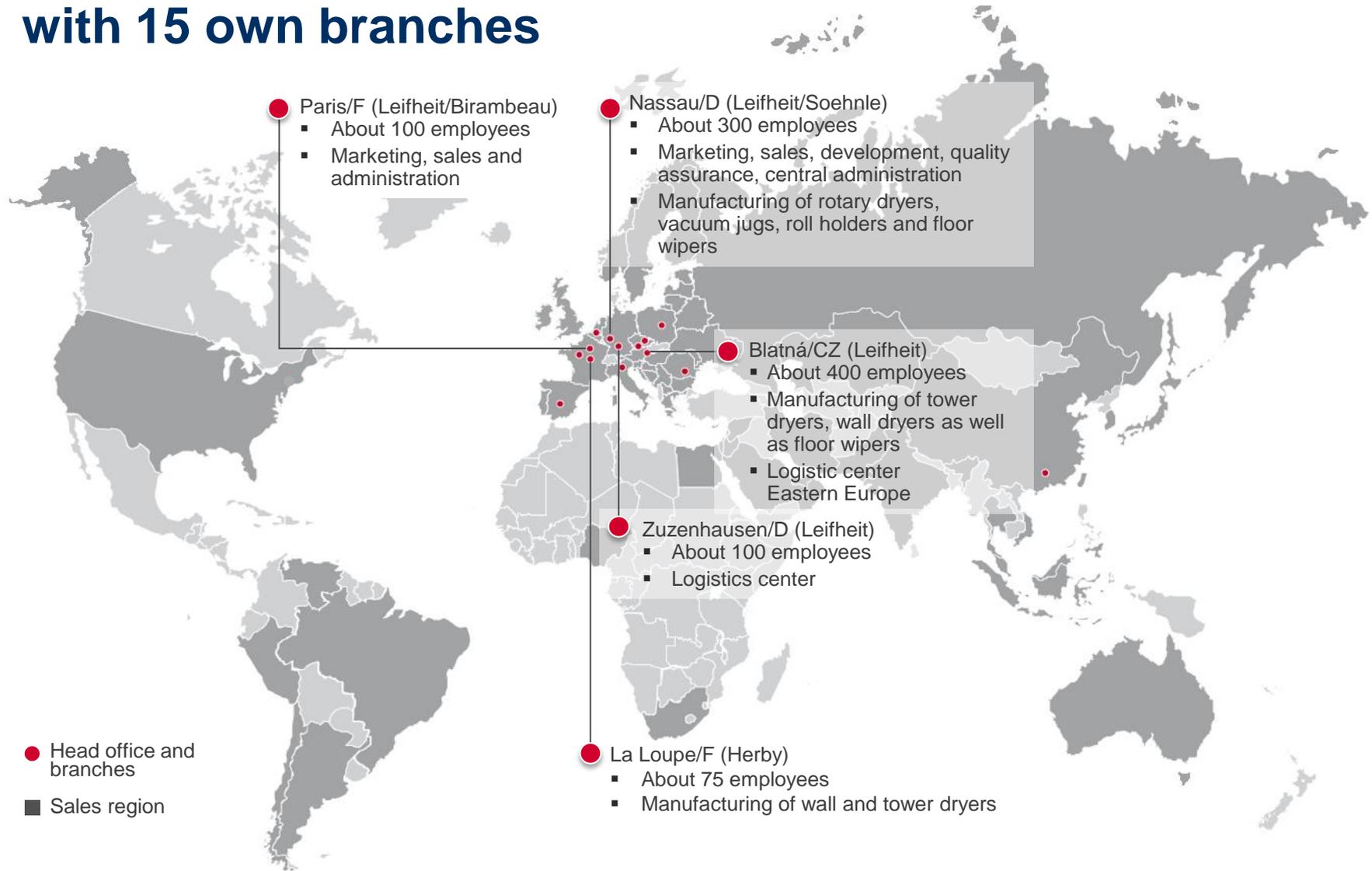


## Turnover by distribution channel

2015 in m €



# Operating in more than 80 countries with 15 own branches



## Three main Group sites

### Nassau/Germany: headquarter, marketing, R&D, sales, administration

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Company grounds:	61,000 square meters
Built-up area:	26,000 square meters
Employees:	approx. 300
Fabrication:	automatic production lines, injection molding production
Main product groups:	dryers (Linomatic), cleaning and kitchen products



### Zuzenhausen/Germany: logistic center

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Company grounds:	85,000 square meters
Built-up area:	41,000 square meters
Employees:	approx. 100
Storage Capacity:	approx. 48,000 pallets
Distribution Capacity:	1,000 cubic meters



### Blatná/Czech republic: main production facility and logistic center Eastern Europe

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Company grounds:	108,000 square meters
Built-up area:	20,000 square meters
Employees:	approx. 400
Fabrication:	Metal production with powder-coating, injection moulding production, textile production
Main product groups:	dryers, ironing boards, cleaning products



# Financial figures

## 9M 2016

# Highlights

- Leifheit continues on path to growth in the first nine months
- Group turnover increased by 3.6 %
- Brand Business continues to be growth driver
- Turnover in foreign business continue to grow significantly (+ 9.4 %)
  - Eastern European target markets with high growth rates
- Distribution channel e-commerce with a plus of 28.9 %
- Adjusted EBIT rose by 3.2 %
  - EBIT affected by foreign currency result
- SDAX index inclusion with effect of 19 September 2016
- New COO, Ansgar Lengeling, started on November 1, 2016

# Leifheit growth trend continues

## Group turnover

Sept. 2016 vs Sept. 2015 in €



## EBIT adjusted <sup>1)</sup>

Sept. 2016 vs Sept. 2015 in €



## Turnover Brand Business

Sept. 2016 vs Sept. 2015 in €



## Turnover Volume Business

Sept. 2016 vs Sept. 2015 in €

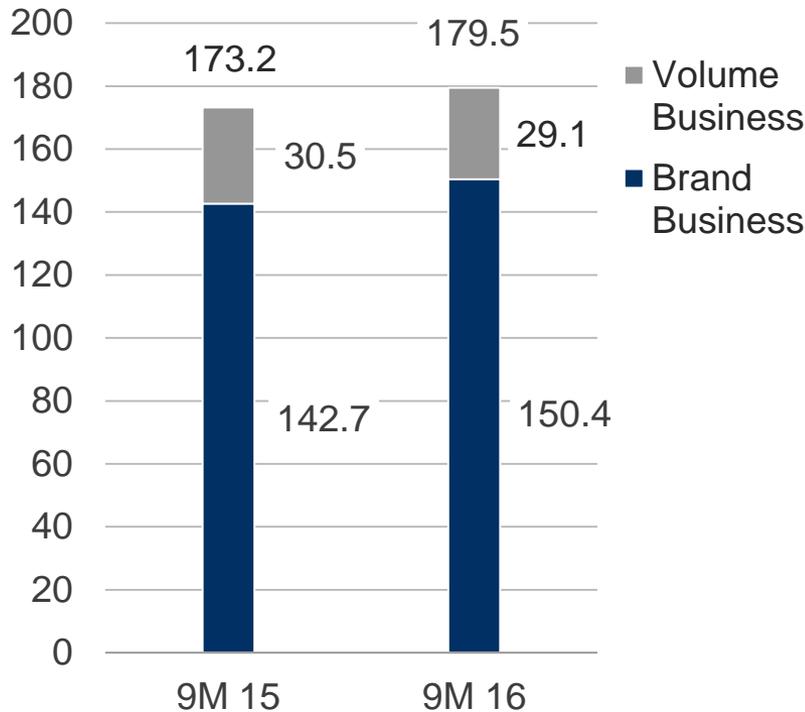


1) Adjusted for foreign currency results due to the valuation at the balance sheet date of financial instruments to hedge future currency risks

# Group turnover driven by European markets

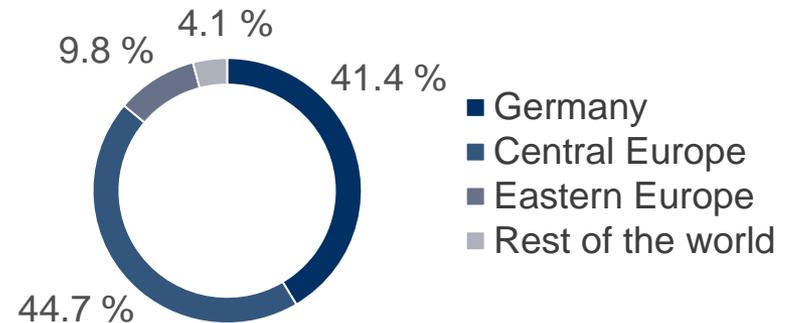
## Group turnover by segment

in € m



## Group turnover by region

9M 2016



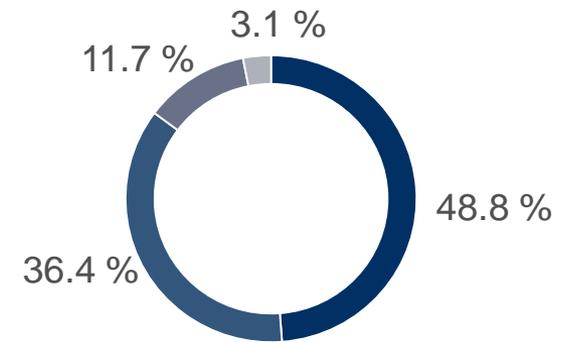
- Slight turnover decrease in Germany due to relocation of sales partner to Luxembourg (-3.5 %)
- Central Europe with steady growth in turnover (+6.7 %)
- All Eastern European target markets with strong turnover growth, driven mainly by Czech Republic, Poland and Slovakia (+35.6 %)
- Rest of the world: Slight decline in Australia and Far East markets not entirely compensated by good performance in the U.S., Middle East and African markets (-8.6 %)

# Brand Business growing with Leifheit and E-Commerce

		9M 2015	9M 2016	Δ
Turnover	€ m	142.7	150.4	+5.4 %
Gross margin	%	50.1	49.9	-0.2 pps
Segment result (EBIT)	€ m	14.5	12.9	-10.7 %
EBIT adjusted <sup>1)</sup>	€ m	14.1	13.9	-1.6 %

## Turnover Brand Business

9M 2016 / by region



- Germany
- Central Europe
- Eastern Europe
- Rest of the world

- Brand Business in the center of long-term growth strategy “Leifheit 2020”
- High quality products of Leifheit and Soehnle brands
- Leifheit cleaning and laundry products as growth drivers, cleaning products with particularly increase in 9M 2016
- Accounting for 83.8 % of Group turnover (9M 2015: 82.4 %)



1) Adjusted for foreign currency results due to the valuation at the balance sheet date of financial instruments to hedge future currency risks

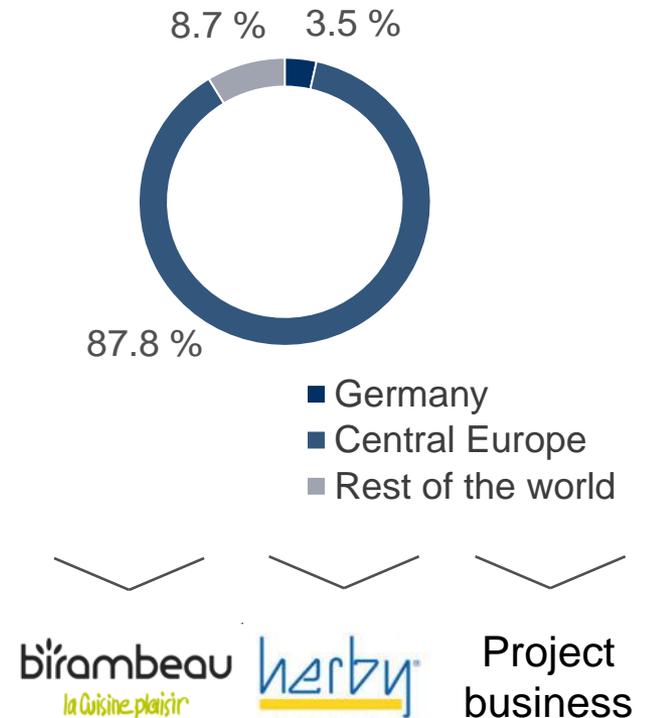
# Volume Business turnover declines stronger than expected in Q3

		9M 2015	9M 2016	Δ
Turnover	€ m	30.5	29.1	-4.7 %
Gross margin	%	32.1	33.8	+1.7 pps
Segment result (EBIT)	€ m	3.4	2.8	-19.4 %
EBIT adjusted <sup>1)</sup>	€ m	2.3	3.0	+33.1 %

- Lead by clear profitability criteria
- Accounting for 16.2 % of Group turnover (9M 2015: 17.6 %)
- Equipping a new customer with Birambeau products led to high growth rates in H2 2015 and H1 2016; in Q3 2016 no growth recorded due to the absence of this initial equipment effect
- Discontinuation of contract manufacturing in favour of in-house production with dampening effect
- Declines in project business curbed turnover

## Turnover Volume Business

9M 2016 / by region



1) Adjusted for foreign currency results due to the valuation at the balance sheet date of financial instruments to hedge future currency risks

## EBIT affected by foreign currency result

		9M 2015	9M 2016	Δ
Group turnover	€ m	173.2	179.5	+3.6 %
Gross margin	%	46.9	47.3	+0.4 pps
Foreign currency result	€ m	1.5	-1.2	>-100 %
EBIT	€ m	17.9	15.7	-12.4 %
EBIT adjusted <sup>1)</sup>	€ m	16.4	16.9	+3.2 %
EBIT margin	%	10.4	8.8	-1.6 pps
EBIT margin adjusted <sup>1)</sup>	%	9.5	9.4	-0.1 pps
Earnings before taxes (EBT)	€ m	16.9	14.6	-13.3 %
Net result for the period	€ m	11.9	10.2	-13.8 %

- EBIT impacted by foreign currency result, which fell by € 2.7 m year on year due to a significant decrease in the fair value of concluded forward foreign exchange transactions.
- Adjusted, i.e. operational EBIT increased by € 0.5 m due to higher contribution margins from the increased turnover.

1) Adjusted for foreign currency results due to the valuation at the balance sheet date of financial instruments to hedge future currency risks

## Free cash flow generation on track

in € m	9M 2015	9M 2016	Δ
Cash flow from operating activities	13.2	13.8	+0.6
Cash flow from investment activities	-4.6	-5.0	-0.4
Cash flow from financing activities	-8.5	-13.1	-4.6
Effects of exchange rate differences	-0.2	0.0	+0.2
Net change in cash and cash equivalents	0.0	-4.4	-4.4
Cash and cash equivalents at the end of reporting period	58.8	59.8	+1.0
Short-term securities	4.0	4.0	-
Group liquidity	62.8	63.8	+1.0
Free cash flow <sup>1)</sup>	8.6	8.8	+0.2

- The operative cash flow results mainly from the period result of € 10.2 m (9M 2015: € 11.9 m), depreciation of € 4.4 m (9M 2015: € 4.6 m), an increase in trade receivables by € 5.3 m (9M 2015: increase by € 0.6 m), a decrease in inventories of € 2.0 m (9M 2015: increase of € 6.5 m) and an decrease in trade payables and other liabilities of € 2.1 m (9M 2015: decrease of € 1.5 m).

1) Sum of cash flow from operating activities and investments, adjusted by deposits and disbursements in financial assets as well as from sell-offs of business units

# **Outlook Financial Year 2016**

## 2016: Solid turnover and earnings growth

<p>Economic environment 2016</p>	<ul style="list-style-type: none"> <li>▪ Moderate economic growth in our key European markets</li> <li>▪ External risks such as greater effects of the Brexit, as well as conflicts in South-East Europe (Ukraine, Russia) and the Middle East</li> <li>▪ Business climate in retail optimistic for 2016, propensity to consume of customers continuously stable</li> </ul>
<p>Forecast Group development 2016</p>	<ul style="list-style-type: none"> <li>▪ Continuing group strategy “Leifheit 2020”</li> <li>▪ Group: Growth at the lower end of forecast corridor of 3 to 4 %</li> <li>▪ Brand Business: Strong growth at the upper end of forecast of 4 to 5 %</li> <li>▪ Volume Business: Turnover decline of about 7 % (formerly turnover on previous year expected)</li> <li>▪ EBIT at the lower end of € 21 to 22 m, eliminating formerly expected positive foreign exchange results (formerly € 22 to 23 m, incl. positive foreign exchange result of approx. 1 € m)</li> <li>▪ Investments of about € 7 m</li> <li>▪ ROCE of about 15-17 %</li> <li>▪ Free cash flow of about € 12-13 m</li> </ul>
<p>Group development until 2020</p>	<ul style="list-style-type: none"> <li>▪ Sustainable and profitable organic turnover growth of 4 to 5 % CAGR<sup>1)</sup></li> <li>▪ Target EBIT margin of 8 %</li> </ul>

# Strategy

# “Leifheit 2020”

## Leifheit's vision for 2020

**“We are your leading experts for solutions, that make your everyday life at home more easy and convenient.”**

Strategy “Leifheit 2020”

## Strategy “Leifheit 2020” will deliver higher levels of growth and excellence

- Starting from an efficient platform, solid margins and a lean profile, Leifheit is focusing on future growth:
  - Expansion of the product portfolio
  - Expansion of the customer footprint
  - Expansion of geographical footprint
  - External growth options (focus on core categories)
  
- Leifheit is targeting organic growth of 4 - 5 % CAGR
- We will generate out of € 10 m additional revenue € 2 m profit and 20 cents dividend per share
  
- Leifheit defined ten strategic guidelines to strengthen competitiveness, drive growth and increase sustained profitability:
  - Where will we grow?
  - How will we grow?
  
- Strategic guidelines are the basis for numerous individual projects to create the capability to deliver growth

# “Leifheit 2020” strategic guidelines

## Where we will grow

### 1. Consumer

- Target all females and males who use and/or shop household products for in-home use (indoor/outdoor)
- Address users who are prepared to buy brand products in the middle to upper price segment as well as value related users who are more price-conscious

### 2. Brands and categories

- Focus Leifheit brand on Clean & Care in the middle to upper price segment, cover additional basic price points with (a) second brand(s), target: significant growth
- Deliver acquisitions in Clean & Care categories
- Position Soehnle closer to the brand core, target: significant growth
- Revise Kitchen business model and search for a new brand, target: moderate growth

### 3. Regions and countries

- Develop and design for European markets
- First, exploit European growth opportunities (PL/Iberia/Nordics/UK/rest of EE), as of 2015
- Second, become intentional in exploiting US / Asia growth opportunities, as of 2018

### 4. Customers

- Be distributed wherever our target group wants to shop: globally and in all distribution channels
- Further strengthen e-commerce position

# “Leifheit 2020” strategic guidelines

## How we will grow

### 5. Product quality

- Ensure that product quality needed to compete as a branded goods supplier is always in place

### 6. Best in class user focus

- Strengthen focus on consumer needs and in depth understanding of easiness and convenience
- Define additional search fields
- Deliver the “Design factory” for our industries

### 7. Innovative and leading solutions for target users

- Deliver additional product systems with easy and convenient “hero” products in the center
- Deliver products that are characterized by a brand specific, appealing design

### 8. Innovative and leading solutions for dealers

- Enable dealers to differentiate with tailor-made solutions
- Deliver a full category approach for “Clean & Care”
- Elevate POS-Excellence across all distribution channels – online and offline = Digitally led

### 9. Value chain efficiency

- Continuous improvement of value chain efficiency: Focus on initiative development and order generation/fulfillment processes
- Continuously drive out all non-value adding cost

### 10. Culture and employees

- Drive appropriate cultural change
- Properly develop our employees

# Vectors of growth: New products vs. existing business

## **New products** (20 – 30 % of annual turnover growth)

- Outcome of the new product pipeline defined until 2020
- Based on the mega trends relevant for Leifheit:
  - Fading of traditional gender rolls
  - Electrification
  - Digitalization & connectivity
- Based on Leifheit consumer segmentation
- Existing and new product segments
- Different innovation streams by grade of technical change / newness of application

Strategy “Leifheit 2020” – Market initiatives 2016/2017 (selection)

# Next generation of successful window vacuum cleaner “Dry & Clean”

## Easily streak-free windows

- Maximum suction power
- NEW: optimized rubber lip

## The expert for hard to reach areas

- Click-System for a flexible use with the handle
- 360° Use: non drip use
- NEW: exchangeable narrow suction nozzle

## Comfortable use without interruption

- Standby automatic for up to 35 Minutes/>100m<sup>2</sup>
- 15% longer runtime

## Longevity

- NEW: replaceable accumulator
- NEW: Premium quality made in Europe



Strategy "Leifheit 2020" – Market initiatives 2016/2017 (selection)

# Extendig competence to parquet and laminate floors: Leifheit Clean & Protect



## System Expertise



clean



care



protect



**Weekly  
basic cleaning**

**Monthly  
care**

**Half-yearly  
protection**

**Business today:  
cleaning only**

**NEW January 2017:  
care system Care & Protect**

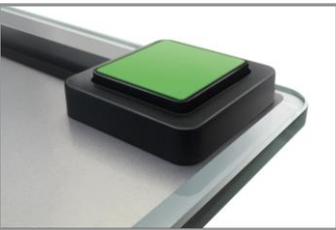
# New Soehnle design language for personal scales



- Next generation LCD: modern & unique



- Uniform edging design



- Green feet for recognition

**SOEHNLE**



- Floating appearance
- Uniform design language of all shapes
- Standard placement of logo
- Strengthening of brand recognition
- Super flat construction

Strategy “Leifheit 2020” – Market initiatives 2016/2017 (selection)

# Colour Edition 2017 - perfect presentation at POS



# Vectors of growth: New products vs. existing business

## Existing business (70 – 80 % of annual turnover growth)

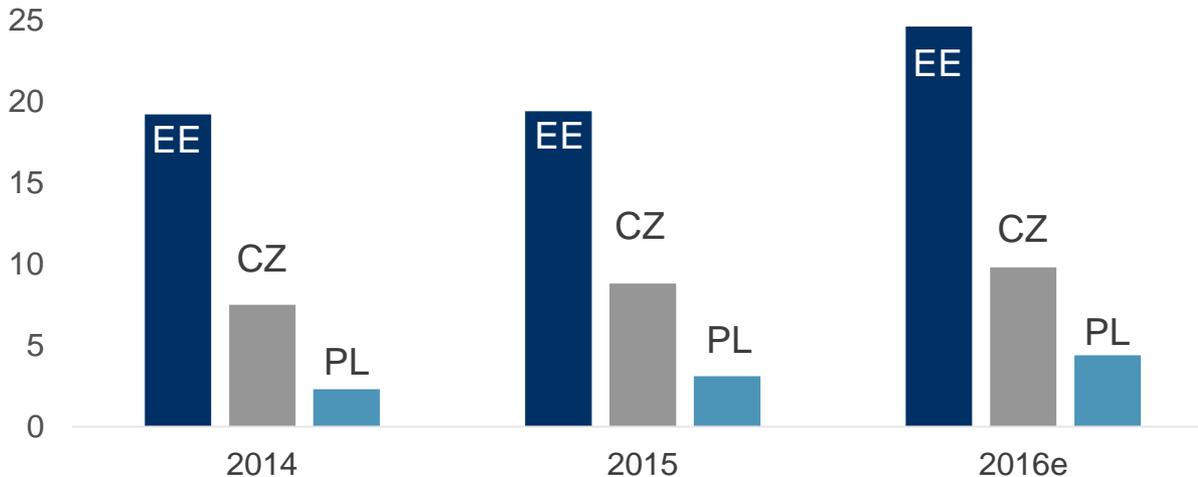
- **“Win from strength markets” – Europe**
  - Conversion of existing customer listings in broad distribution by
    - sales effectiveness/efficiency programs
    - Marketing/promotion programs
  - Closure of listing gaps in existing and new customers
  
- **“Win from behind” markets – Europe**
  - Entry via promotional business into multifold of customers based on a hunting list
  - Conversion of promotions in listings
  
- **“Entrepreneurs” – ME/NA/Asia**
  - Opportunistic realization of growth until 2017
  - More focus as of 2018

# Harmonized „go-to-market“ strategy drives substantial growth in Eastern Europe (EE) region

- **Situation in 2014: Lack of structured market approach – changes effected in 2015/16:**
  - EE coordination team as center of expertise
  - Harmonized model of promotions
  - Assortment sets by distribution channel
  - Hunting list for each country
  - Customer service center for EE countries in Prague, Czech Republic
  - Central logistics center for EE countries in Blatna, Czech Republic
  - Next steps: Conversion of promotions into listings, adaptation for other geographies

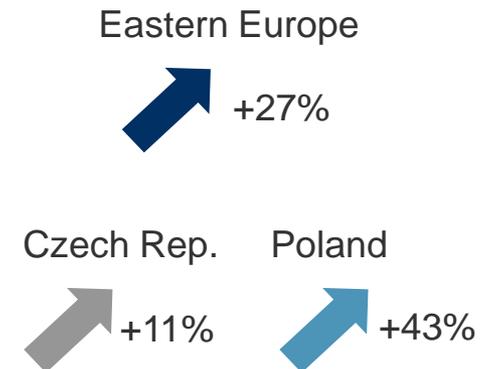
## Sales EE region and selected markets

2014 to 2016e in € m



## Growth

2015 to 2016e



Strategy “Leifheit 2020” – Leifheit brand

# Contemporary positioning of Leifheit brand

360 degrees campaign “experience the Leifheit effect”  
TV-advertisement:



CLEAN TWIST System: February 2016



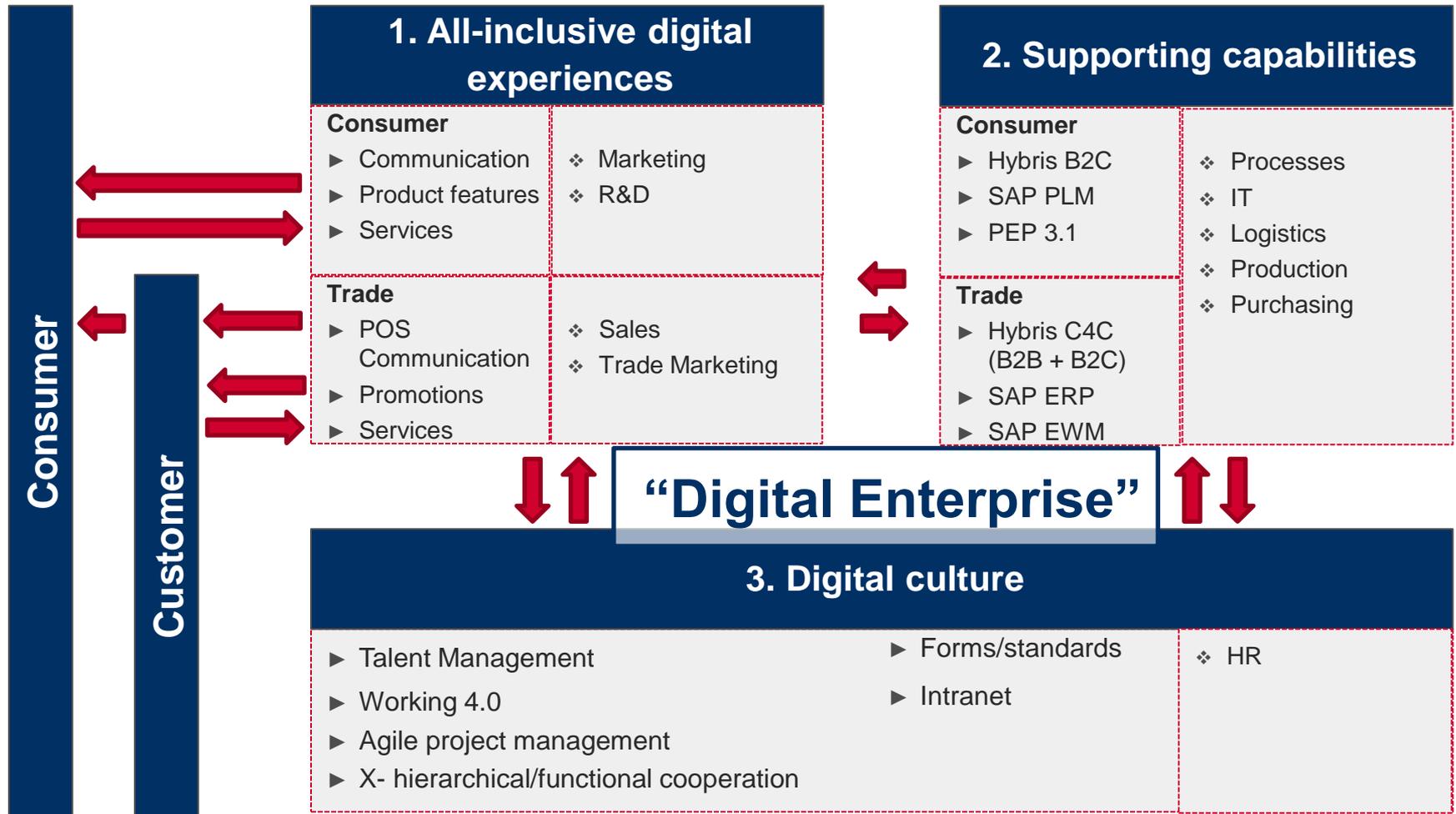
Window vacuum: March 2016



AIR BOARD: October 2016



# Leifheit “Digital Enterprise”: Three pillars of digitization will help driving the achievement of our vision

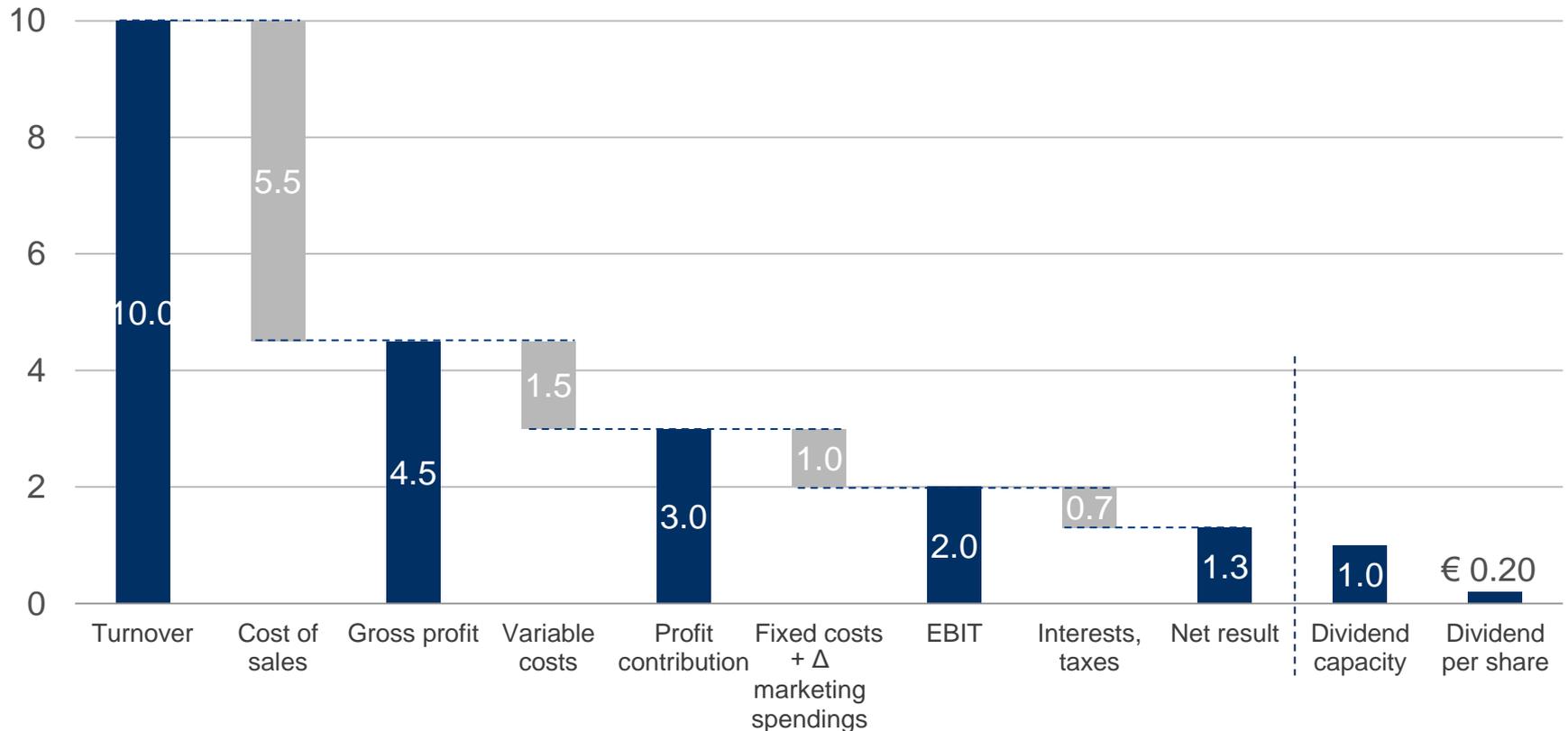


# Investment Highlights

# Growth within existing structure generates dividend capacity

€ 10.0 m turnover growth ~ € 2.0 m EBIT ~ € 1.3 m net result  
 € 1.0 m dividend capacity = 0.20 € dividend per share

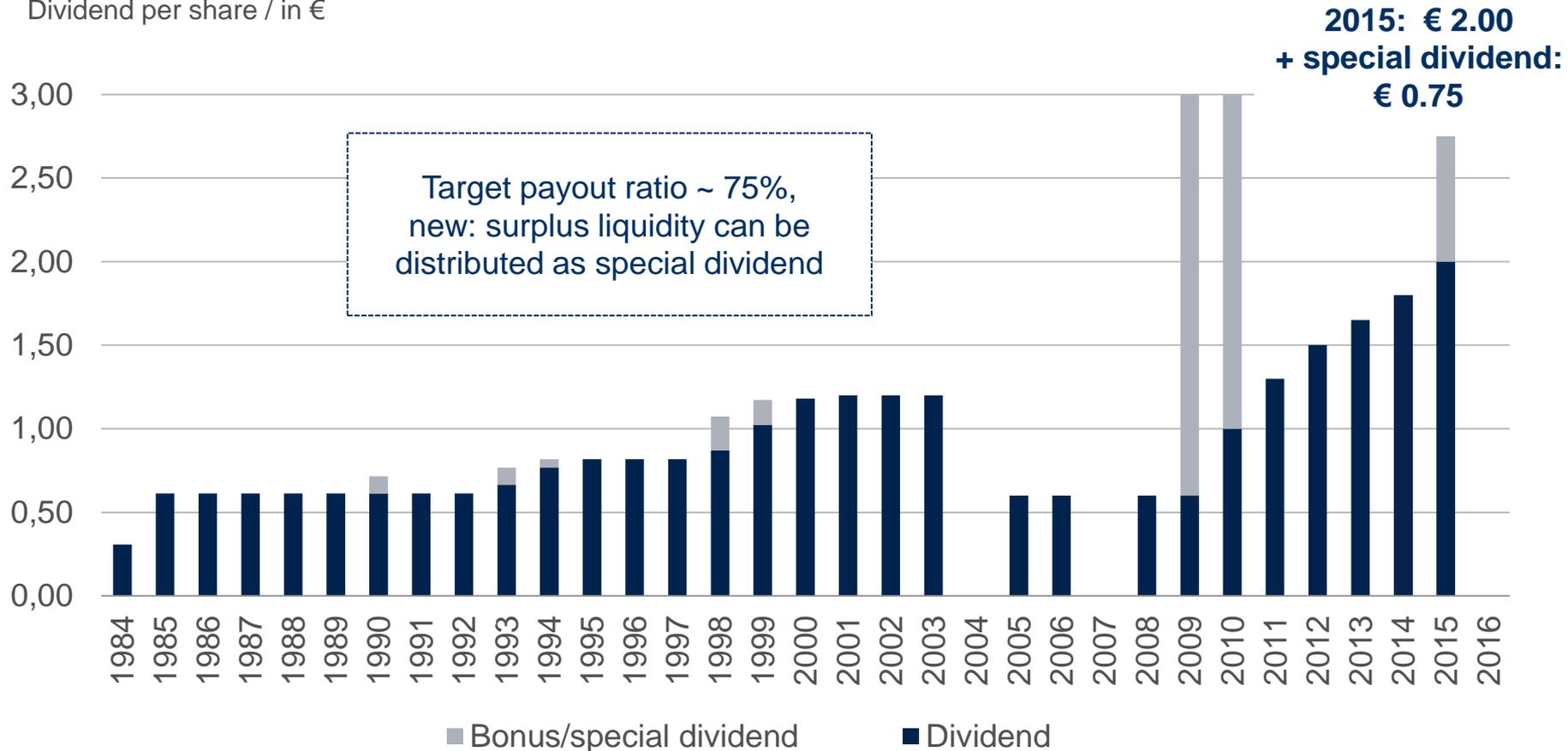
in € m



# Committed to shareholder returns

## Long-term dividend development

Dividend per share / in €



# Attractiveness of stock substantially increased

- **Continuous attractiveness for investors** due to high free float of 76.7 %
- **Share price performance of the first eight months 2016 at approx. +15 %**, throughout the past ten years at a CAGR of approx. **8 %**
- **Leifheit shares have been included in the SDAX index** on 19 September 2016

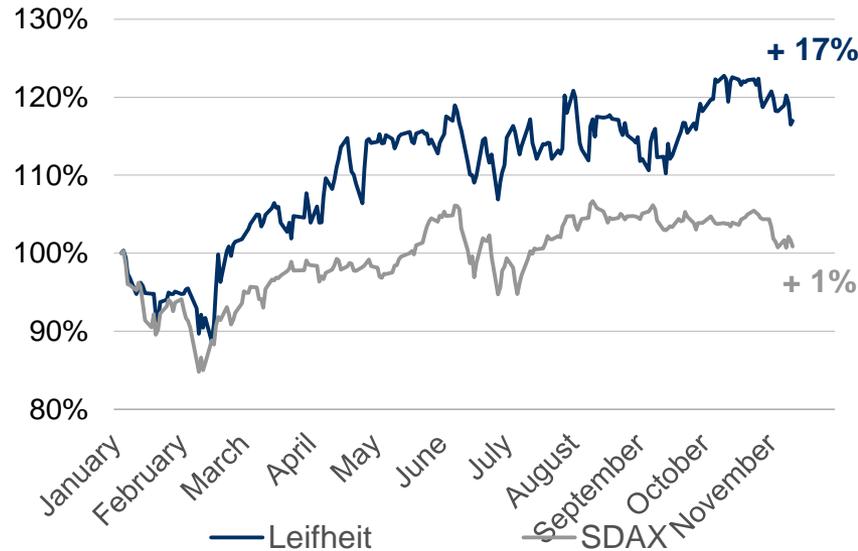
- **Above average dividend yield<sup>1)</sup>:**

2015: 5.6%	2011: 6.3%
2014: 3.9%	2010: 5.6% <sup>2)</sup>
2013: 5.3%	2009: 4.3% <sup>2)</sup>
2012: 5.2%	2008: 9.3%

1) Based on the particular closing price at year-end  
 2) Plus special dividend on disposals

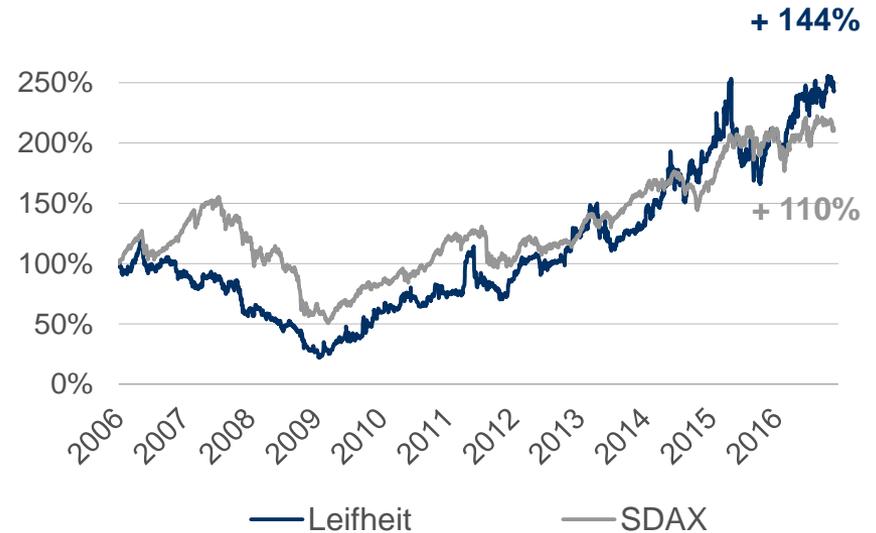
## H1 2016 price performance

Period: 1 January 2016 to 11 November 2016



## 10 year price performance

Period: 1 January 2006 to 11 November 2016



# Known to deliver on promises

<b>Strong brands</b>	<ul style="list-style-type: none"><li>▶ Well known, high consumer confidence</li><li>▶ Leading positions: Germany and many European countries</li><li>▶ High-quality supplier, middle and upper price range</li></ul>
<b>Sustainable earnings</b>	<ul style="list-style-type: none"><li>▶ Non-cyclical business: Leifheit brands are used every day</li><li>▶ Well prepared to exploit e-commerce potential</li><li>▶ Efficient cost structure, sustainable margins, high cash flow, solid financial position</li></ul>
<b>Attractive dividend</b>	<ul style="list-style-type: none"><li>▶ Distribution of approx. 75% of max (free cash flow, net income) targeted and backed by solid cash flow</li><li>▶ New dividend policy: distribution of surplus cash to shareholders via special dividend</li></ul>
<b>Significant growth potential</b>	<ul style="list-style-type: none"><li>▶ Offline/online conversion of well suited assortment</li><li>▶ Strategy “Leifheit 2020” to reach higher levels of profitable growth<ul style="list-style-type: none"><li>– Organic growth through focus on core categories, consumers, innovation, digital, efficiency</li><li>– External growth options (focus on core categories)</li></ul></li></ul>



Leifheit is more than just household products

# Leifheit is more than just household products – since more than 55 years

Strong brands



Innovative products and solutions



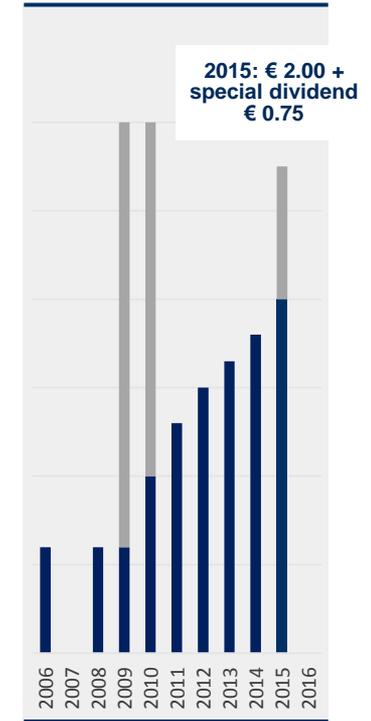
Creative people



Efficient and lean processes



Reliable partnership to our shareholders



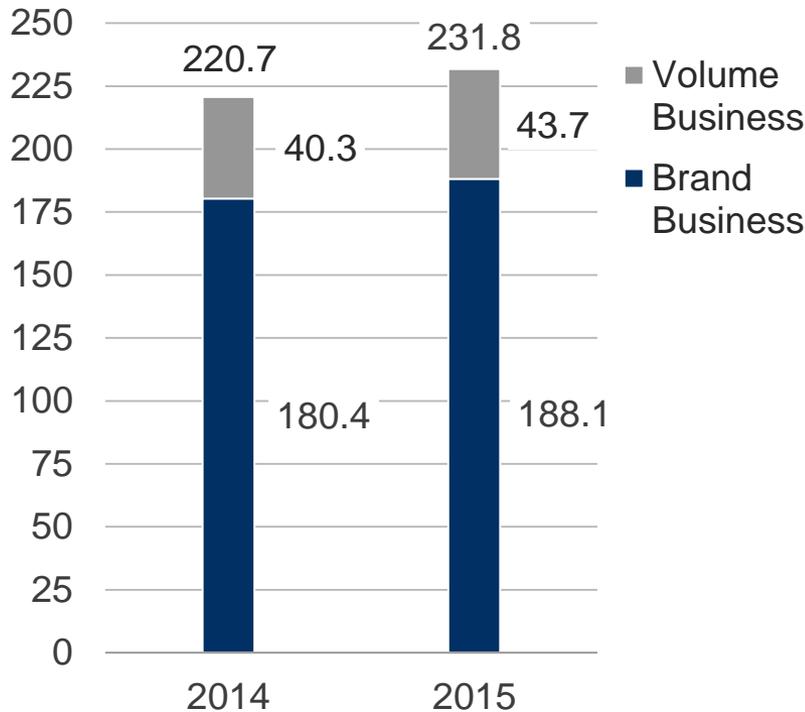
# **Figures**

# **Financial Year 2015**

# Group turnover driven by Europe

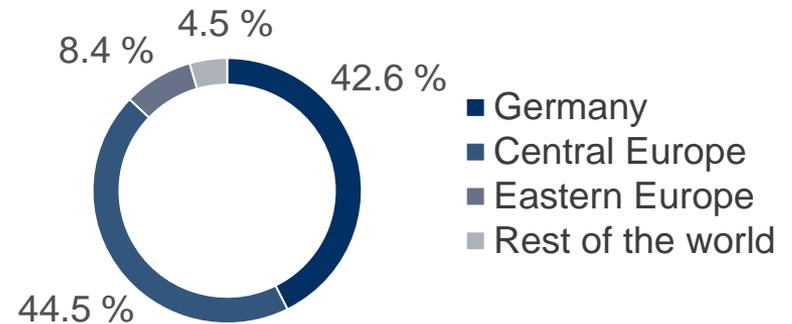
## Group turnover by segment

in € m



## Group turnover by region

2015



- Continuous sales growth in Germany (+3.9 %)
- Above average growth in turnover in Central Europe (+7.7 %)
- Eastern Europe: strong growth in Czech Republic and Poland compensates decline in Russia and Ukraine (+0.8 %)
- Rest of the world: Turnover almost stable (-0.9 %)

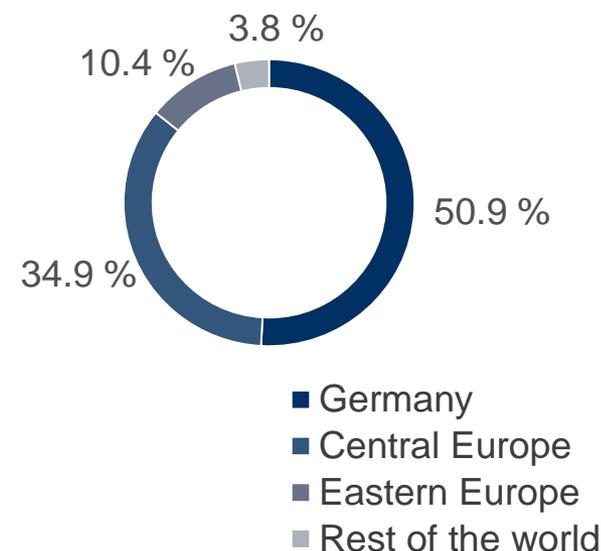
# Brand Business shows significant growth

		2014	2015	Δ
Turnover	€ m	180.4	188.1	+4.3 %
Gross margin	%	50.1	49.3	-0.8 pps
Segment result (EBIT)	€ m	16.2	15.5	-4.3 %
EBIT adjusted <sup>1)</sup>	€ m	12.2	14.6	+19.7 %
Employees	Pers.	782	831	+49

- Center of Group growth strategy
- High quality products by Leifheit and Soehnle brands
- Brand Business achieved 81.1 % of total sales (2014: 81.8 %)
- Segment EBIT represents 71.4 % of total result (2014: 75.3 %)
- Substantial growth driver: Cleaning products by Leifheit brand
- Leifheit window vacuum cleaner remains bestseller

## Turnover Brand Business

2015 / by region



1) Adjusted for foreign currency results due to the valuation at the balance sheet date of financial instruments to hedge future currency risks

Figures Financial Year 2015

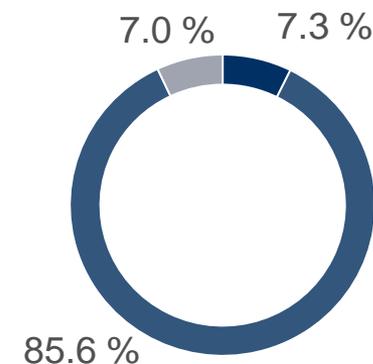
# Special effects drive Volume Business above expectations

		2014	2015	Δ
Turnover	€ m	40.3	43.7	+8.4 %
Gross margin	%	36.9	35.4	-1.5 pps
Segment result (EBIT)	€ m	5.3	6.2	+17.0 %
EBIT adjusted <sup>1)</sup>	€ m	4.2	4.6	+9.5 %
Employees	Pers.	273	218	-65

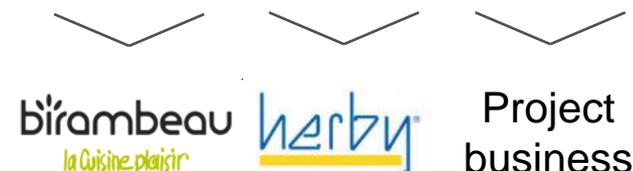
- Lead by profitability, focused on European markets and project business
- Share of turnover of 18.9 % (2014: 18.3 %)
- Volume Business represents 28.6 % of total EBIT (2014: 24.7 %)
- Growth driver 2015: Birambeau (kitchen) and Herby (laundry) in France
- Sales growth driven by initial stocking of newly signed trade partner

## Turnover Volume Business

2015 / by region



- Germany
- Central Europe
- Rest of the world



1) Adjusted for foreign currency results due to the valuation at the balance sheet date of financial instruments to hedge future currency risks

Figures Financial Year 2015

## Group results before foreign currency effects significantly increased

		2014	2015	Δ
Group turnover	€ m	220.7	231.8	+5.0 %
Gross margin	%	47.7	46.7	-1.0 pps
EBIT	€ m	21.5	21.7	+0.5 %
Foreign currency result	€ m	5.1	2.5	-51.9 %
EBIT adjusted <sup>1)</sup>	€ m	16.4	19.2	+16.4 %
EBIT margin	%	9.8	9.3	-0.5 pps
EBIT margin adjusted <sup>1)</sup>	%	7.4	8.3	+0.9 pps
Earnings before taxes (EBT)	€ m	19.8	20.2	+2.2 %
Net result for the period	€ m	14.1	14.3	+1.6 %
ROCE	%	20.3	18.1	-2.2 pps

- Decline in gross margin due to foreign currency related increased purchasing cost for goods from Far East (in USD and HKD)
- Adjusted by currency effects gross margin increased by 1.1 pps

1) Adjusted for foreign currency results due to the valuation at the balance sheet date of financial instruments to hedge future currency risks

Figures Financial Year 2015

## Operative cash flow influenced by increase in inventory and liabilities

in € m	2014	2015	Δ
Cash flow from operating activities	24.5	20.8	-3.7
Cash flow from investment activities	-9.1	-6.7	+2.4
Cash flow from financing activities	-7.8	-8.5	-0.7
Effects of exchange rate differences	0.2	-0.2	-0.4
Net change in cash and cash equivalents	7.9	5.4	-2.5
Cash and cash equivalents at the end of reporting period	58.8	64.2	+5.4
Short-term securities	4.0	4.0	-
Group liquidity	62.8	68.2	+5.4
Free cash flow <sup>1)</sup>	18.4	14.1	-4.3

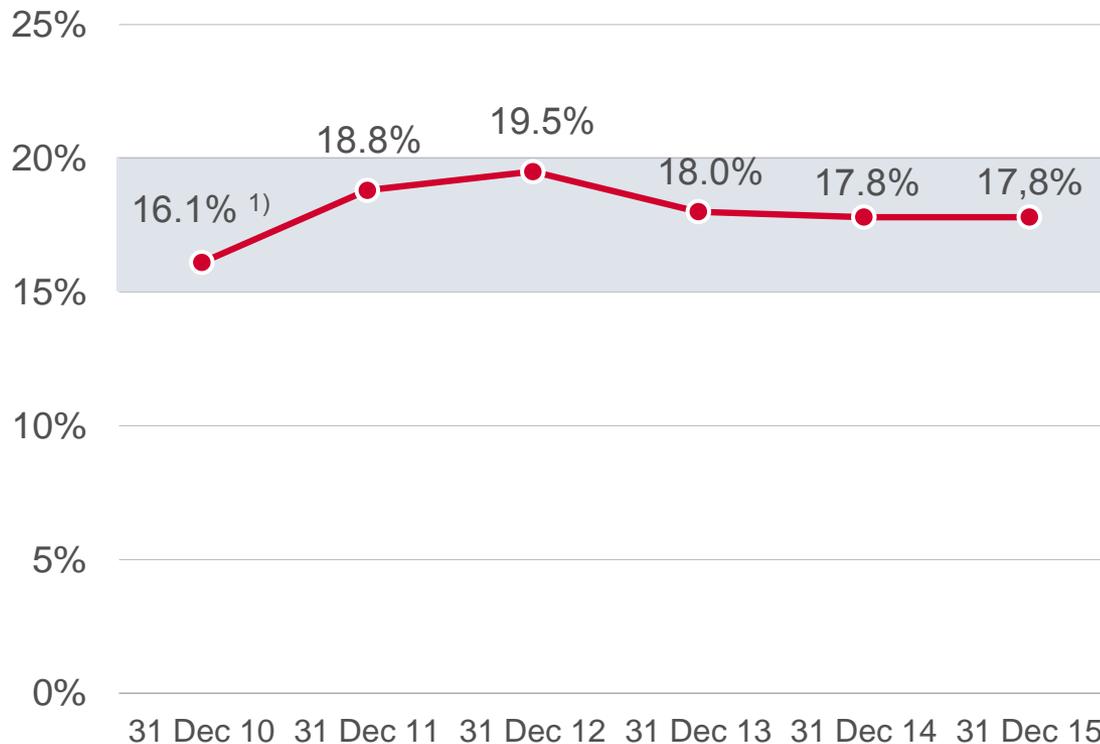
- The operative cash flow results mainly from the period results of € 14.3 m (2014: € 14.1 m), depreciation of € 5.8 m (2014: € 6.3 m), a decrease in trade receivables by € 2.6 m (2014: increase of € 2.0 m), an increase in inventories of € 7.5 m (2014: increase of € 1.8 m) and an increase in trade payables and other liabilities of € 3.0 m (2014: increase of € 8.5 m)
- Particular reason for the decrease in free cash flow was a turnover-driven increase in working capital

1) Sum of cash flow from operating activities and investments, adjusted by deposits and disbursements in financial assets as well as from sell-offs of business units

# Working Capital ratio at stable levels

## Working Capital

in % of turnover



- Increase in working capital due to the expanded volume of business
- Working capital ratio remained stable at a good level of 17.8 %

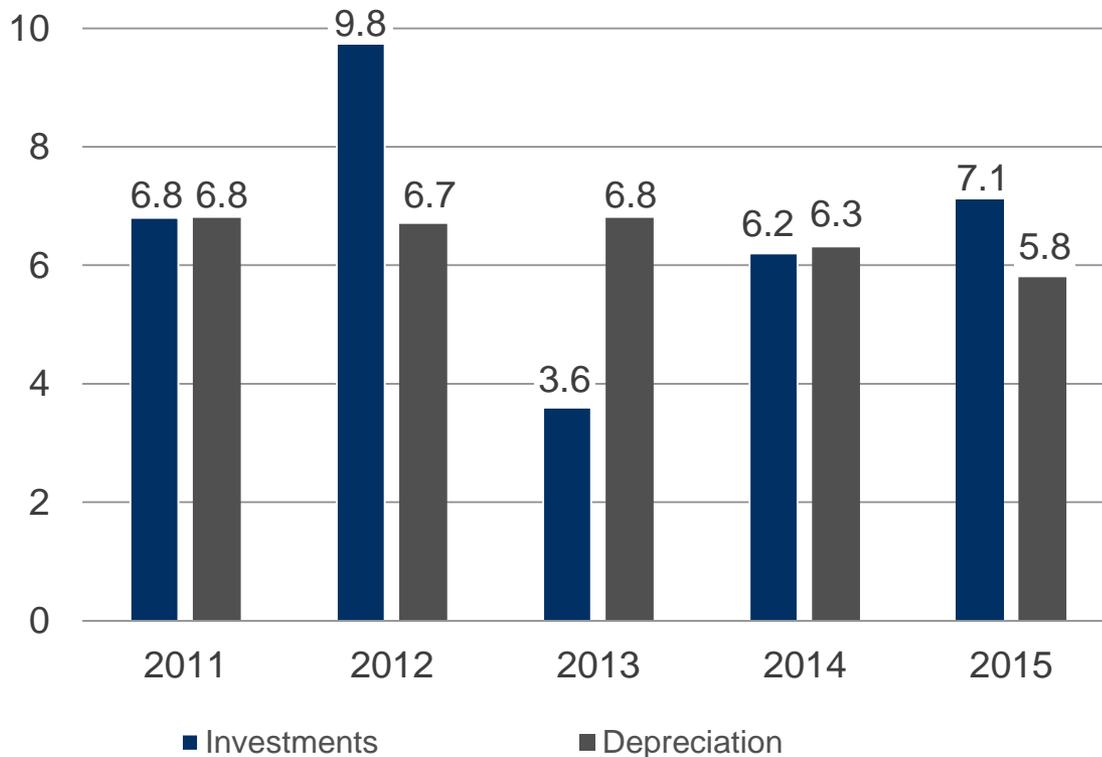
1) 2010 ultimately without consolidation of Leifheit CZ a.s.

Figures Financial Year 2015

# Investments into an efficient distribution in Eastern Europe

## Investments vs. depreciation

in € m



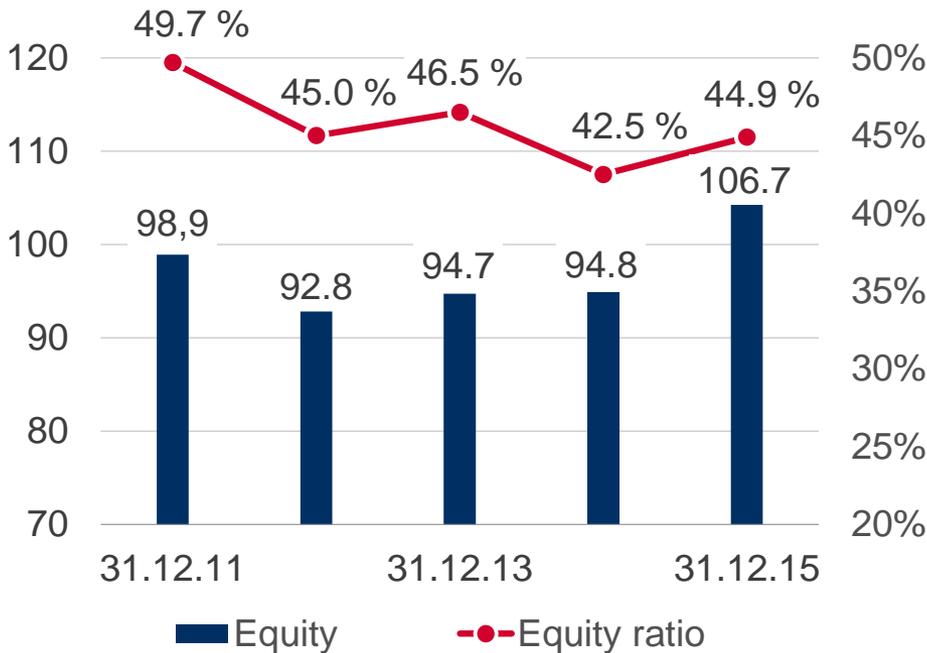
### Investments 2015:

- € 6.1 m in fixed assets (2014: € 5.1 m), hereof € 1.9 m in the new logistics center Eastern Europe at production site Blatná
- € 1.0 m (2014: € 1.0 m) in intangible assets (mainly software/warehouse management system)
- Brand Business: € 6.4 m (2014: € 5.5 m)
- Volume Business: € 0.7 m (2014: € 0.7 m)

# Strong capital structure and financial flexibility

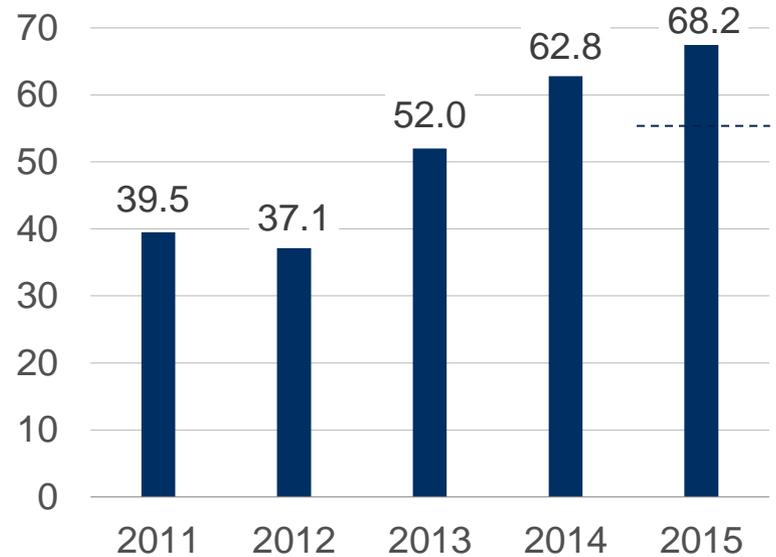
## Equity/-ratio<sup>1)</sup>

in € m



## Cash, cash equivalents and short-term financial assets

in € m



1) from 2012 according to IAS 19 (adjusted 2011)

# Annex

## Long-term financial overview

		2011	2012	2013	2014	2015
<b>Turnover</b>	€ m	222.1	224.2	220.9	220.7	231.8
Group adjusted <sup>1)</sup>	€ m	215.8	217.4	219.5	220.7	231.8
Brand business <sup>1)</sup>	€ m	164.2	170.9	172.8	180.4	188.1
Volume business	%	51.6	46.5	46.7	40.3	43.7
<b>Profitability</b>						
Gross margin	%	43.0	43.6	44.9	47.7	46.7
Cash flow from operating activities	€ m	12.8	8.2	22.9	24.5	20.8
Free cash flow	€ m	7.7	-1.4	19.5	18.4	14.1
EBIT	€ m	13.9	14.2	14.9	21.5	21.7
EBIT adjusted <sup>2)</sup>	€ m	11.4	13.0	16.9	16.4	19.2
EBIT margin	%	5.1	5.8	6.8	9.8	9.3
EBT	€ m	12.2	12.2	13.3	19.8	20.2
Net result for the period	€ m	12.1	9.4	10.2	14.1	14.3
ROCE	%	9.7	10.2	12.6	20.3	18.1

1) Turnover adjusted for discontinued business with Dr. Oetker Bakeware

2) EBIT 2011 adjusted by one-off consolidation effects from obtaining control over Leifheit CZ a.s.

EBIT 2012 adjusted by one-off effects from sales of assets relating to termination of license agreement Dr Oetker Bakeware

EBIT 2014 and EBIT 2015 adjusted by extraordinary effects from foreign currency result

## Long-term financial overview

		2011	2012	2013	2014	2015
<b>Per Share</b>						
Net result <sup>1)</sup>	€	2.55	1.97	2.16	2.97	3.02
Free cash flow <sup>1)</sup>	€	1.63	-0.28	4.11	3.88	2.96
Dividend	€	1.30	1.50	1.65	1.80	2.00
Special dividend	€	--	--	--	--	0.75
<b>Investments</b> in tangible assets	€ m	5.4	9.3	3.3	5.2	6.1
<b>Depreciation</b> in tangible assets	€ m	5.3	5.3	5.5	5.3	5.0
		31/12/11	31/12/12	31/12/13	31/12/14	31/12/15
<b>Employees</b>						
Group	No.	1,032	1,025	1,026	1,055	1,049
Brand business	No.	726	741	741	782	831
Volume business	No.	306	284	285	273	218
<b>Balance sheet total</b> <sup>2)</sup>	€ m	198.9	205.9	203.8	223.3	237.9
<b>Equity</b> <sup>2)</sup>	€ m	98.9	92.8	94.7	94.8	106.7
<b>Equity ratio</b> <sup>2)</sup>	%	49.7	45.0	46.5	42.5	44.9

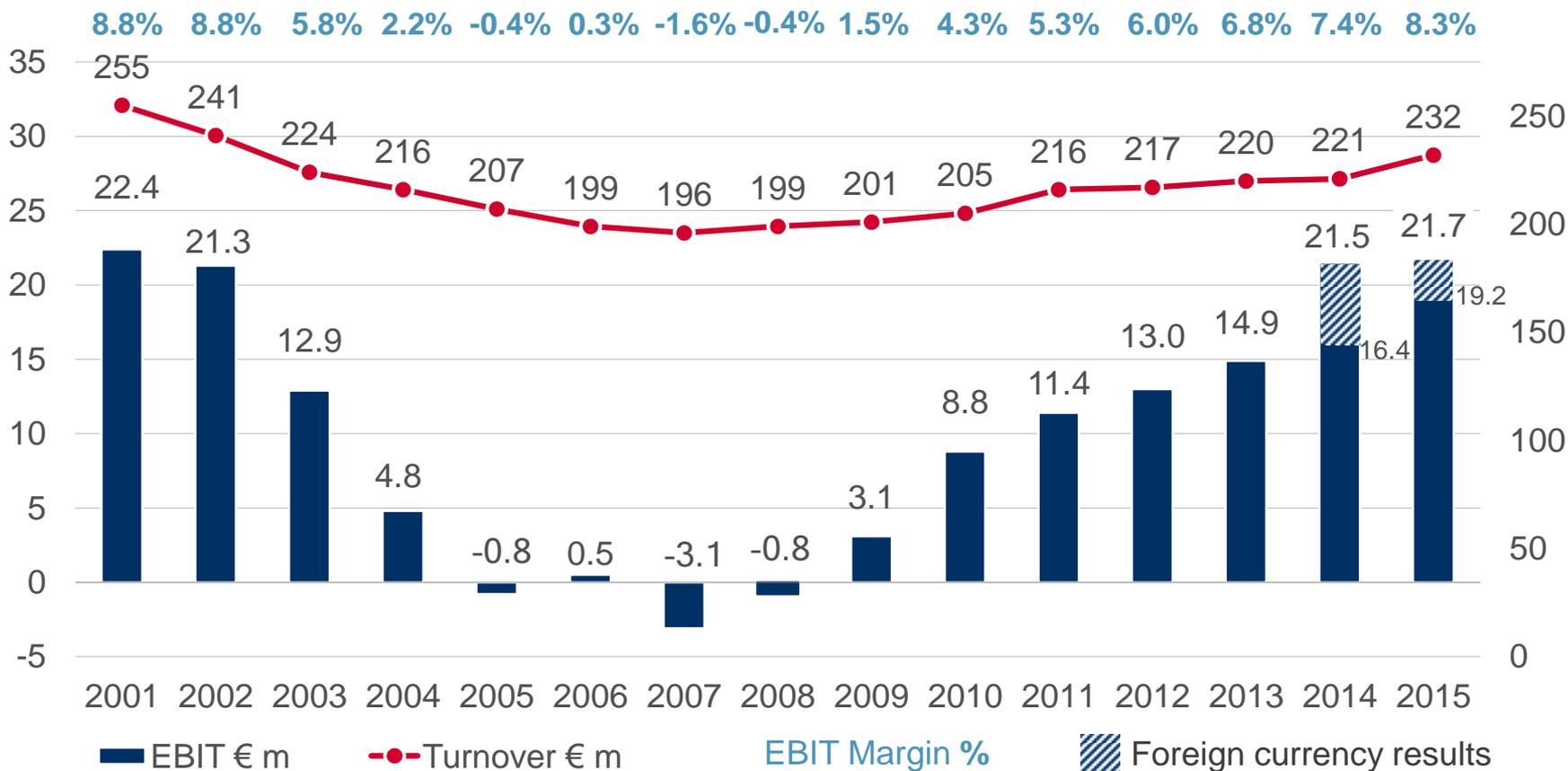
1) Not including treasury shares

2) From 2012 in accordance with IAS 19 (revised in 2011)

Annex

# Long-term financial overview

adjusted for non-operating effects



Turnover and EBIT adjusted for Soehnle Professional (divested as of 1.1.2006)

Turnover and EBIT adjusted for bathroom division (divested in 2010)

Turnover adjusted for Dr Oetker Bakeware (termination of license agreement by 31.12.2012)

EBIT 2011 adjusted for one-off consolidation effects of € 2.5 m from obtaining control over Leifheit CZ a.s.

EBIT 2012 adjusted for one-off effects of € 1.2 m from sale of assets relating to termination of license agreement Dr Oetker Bakeware

EBIT 2014 + 2015 include foreign currency results: 2014: € 5.1 m, 2015: € 2.5 m, EBIT margins adjusted for this effects

# Experienced Management Board

Thomas Radke  
55 | CEO



## Core competencies

- Driving growth via strategy and business model analysis, development and implementation
- Marketing and Sales
- M&A and post-merger integration

## Previous experience

- CEO Herlitz AG
- Member of the Board of Directors Pelikan Holding AG
- General Management, Marketing and Sales positions at Carl Zeiss Vision, Procter & Gamble/Wella, Effem/Mars and Henkel KGaA

Dr Claus-O. Zacharias  
62 | CFO



## Core competencies

- Performance management, process optimisation and value creation concepts
- Controlling, Finance, IT and Operations
- M&A and post-merger integration

## Previous experience

- CFO NICI GmbH
- CFO Lehnkering GmbH
- CFO tegut...Gutberlet Stiftung & Co.
- CFO Steilmann-Holding
- CFO Eismann International GmbH
- Controlling/Finance Suedzucker AG

Ansgar Lengeling<sup>1)</sup>  
50 | COO



## Core competencies

- Purchasing, production, logistics and quality management

## Previous experience

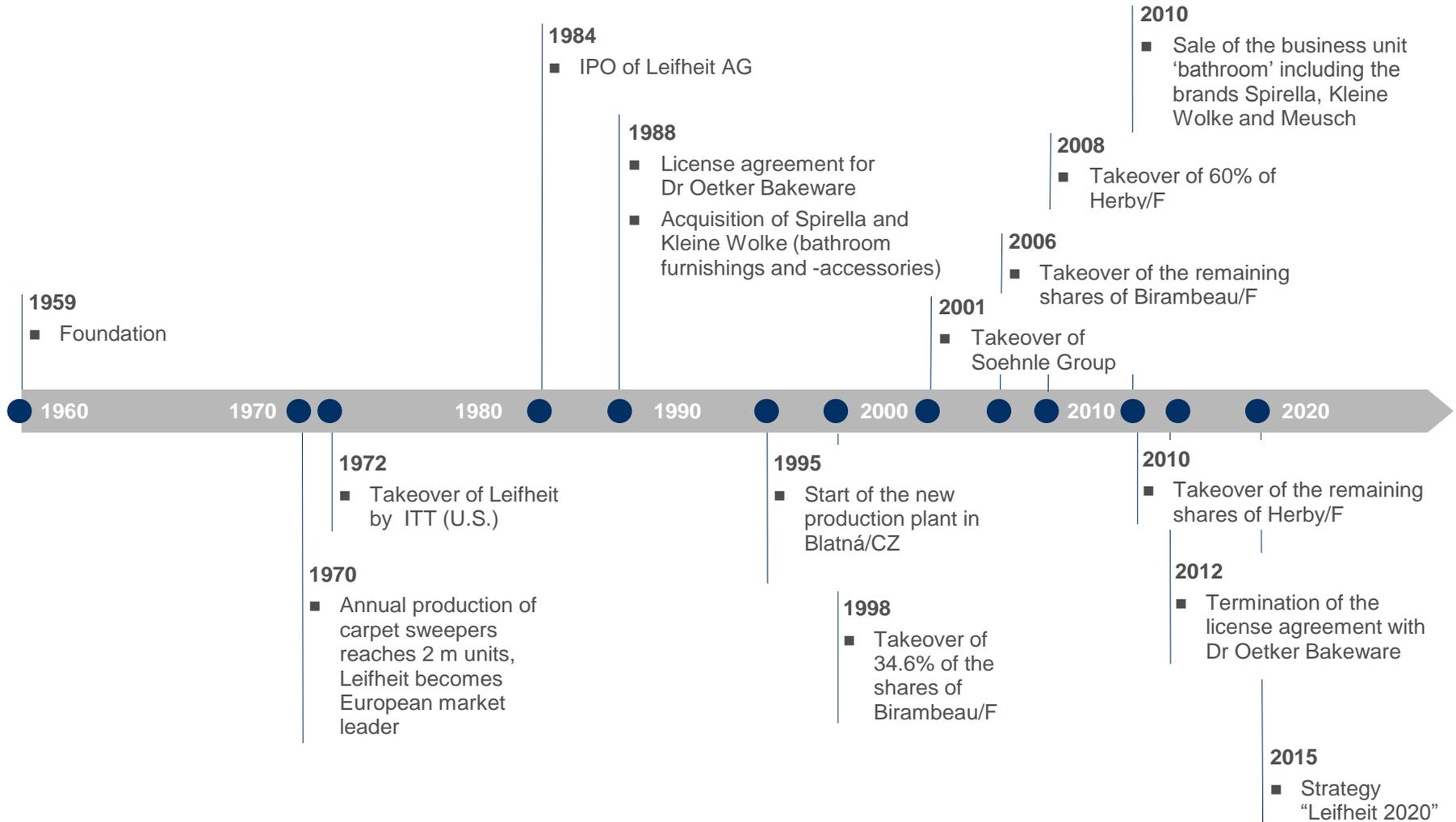
- Vice President Manufacturing, Bosch Green
- General Manager Bosch Power Tools, Hungary
- General Manager, Bosch Power Tools, China
- Quality Director, Bosch Power Tools, Hungary

1) Started November 1, 2016

# European competitors by category



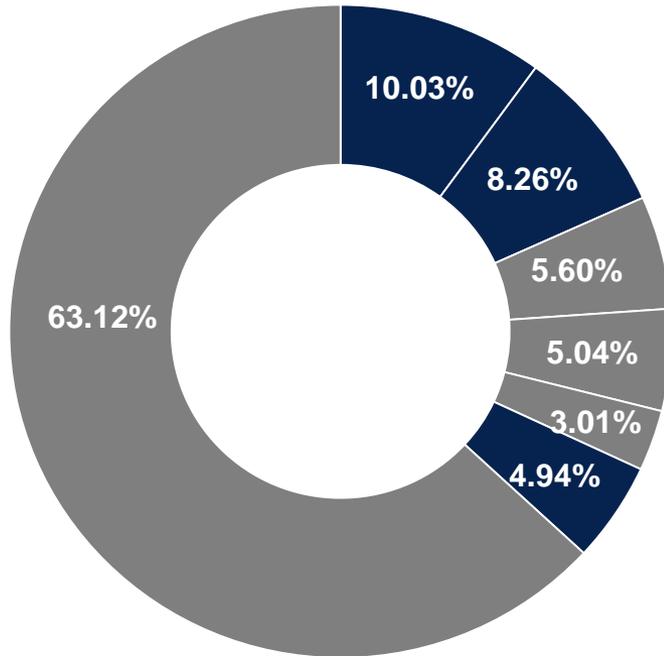
# Leifheit – more than 55 years “always a better idea”



# Significant free float and international investors

## Shareholder structure

as at November 2016



- MKV Verwaltungs GmbH, Grünwald (GER), 10.03%
- Joachim Loh, Haiger (GER), 8.26%
- Capital Income Builder, Los Angeles (USA), 5.60 %
- MainFirst SICAV, Senningerberg (LUX), 5.04%
- Nmás1 Asset Management SGIIC S.A., Madrid (ES), 3.01%
- Leifheit AG Nassau (D), treasury shares, 4.94%
- Share ownership under reporting threshold of 3.00%

■ Non free float shareholders<sup>1,2)</sup> 23.3 %  
 ■ Free float<sup>1)</sup> 76.7 %

1) Definition of German stock exchange for indices  
 2) Including restricted employee stocks (0.07%)

## Recent equity research

Date	Recommendation	Target price	Institute
07/08/2016	hold	58.00 EUR	Oddo Seydler Bank AG
05/08/2016	buy	60.00 EUR	Bankhaus Lampe Research
07/06/2016	buy	64.00 EUR	Berenberg Bank
12/04/2016	hold	58.00 EUR	Oddo Seydler Bank AG
04/04/2016	buy	64.00 EUR	Berenberg Bank
01/04/2016	buy	60.00 EUR	Bankhaus Lampe Research
17/02/2016	buy	60.00 EUR	Berenberg Bank
16/02/2016	buy	60.00 EUR	Bankhaus Lampe Research
28/01/2016	buy	60.00 EUR	Bankhaus Lampe Research

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# Financial calendar, share data, contact

## Dates 2016/2017

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**21 – 23 November 2016**

German Equity Forum, Frankfurt/Main

**29 March 2017**

Annual Financial Report 2016

**29 March 2017**

Analyst's conference, Frankfurt/Main

**11 May 2017**

Quarterly Statement  
for the period ending 21 March 2017

**24 May 2017**

Annual General Meeting, Frankfurt/Main

**10 August 2017**

Financial Report for the first half-year  
ending 30 June 2017

**9 November 2017**

Quarterly Statement  
for the period ending 30 September 2017

# Financial calendar, share data, contact

## Share data

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ISIN:	DE0006464506
Ticker:	LEI:GR, LEIG.DE
Trading segment:	Prime Standard
Selection index:	SDAX (since 19 September 2016)
Share capital:	€ 15,000,000.-
Number of shares:	5,000,000 no-par value ordinary bearer shares
Stock market launch:	3 October 1984
Designated Sponsor:	Oddo Seydler

## Contact

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**Petra Dombrowsky**

Corporate Communications / Investor Relations

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Email: [ir@leifheit.com](mailto:ir@leifheit.com)[www.leifheit-group.com](http://www.leifheit-group.com)

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