

H1 2019

Analyst-Call

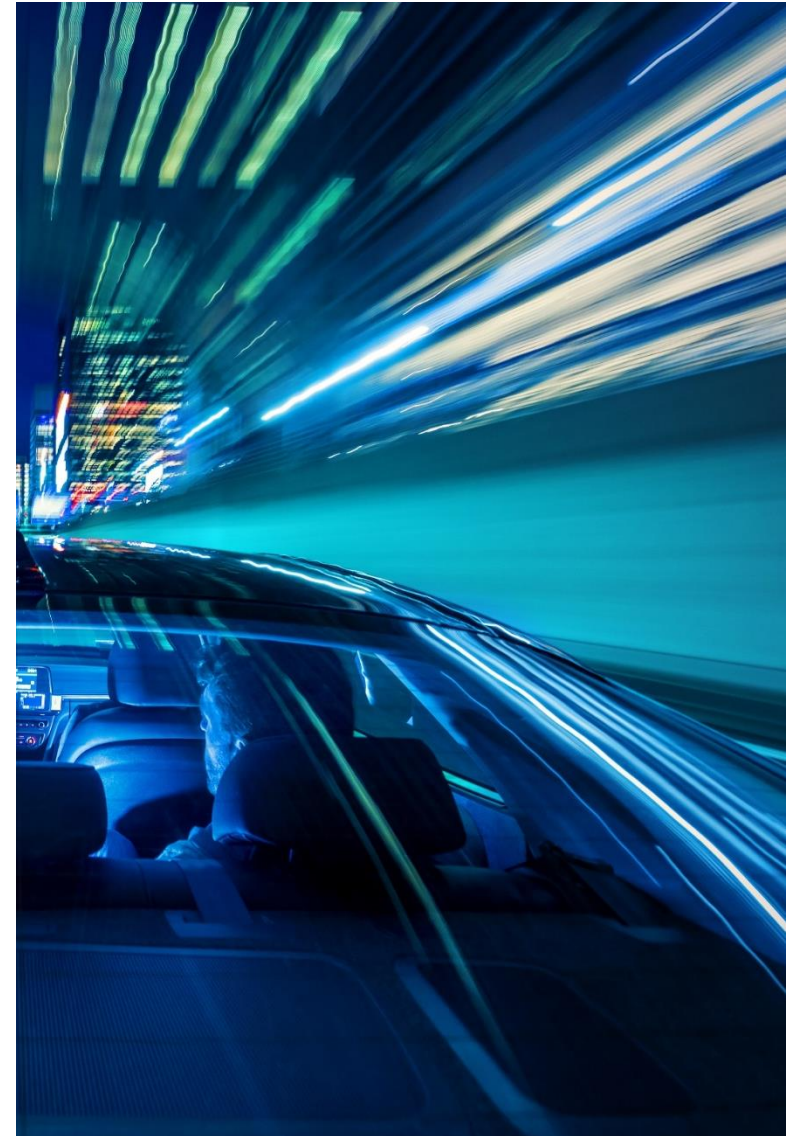
Wiesbaden, August 28th, 2019



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- World Economy with slower growth, IMF forecasts lowered in July
- Extreme high need for R&D at automotive OEM vs. declining sales
 - Evolution of existing engine-technology and product portfolio
 - New engine solutions
 - ADAS and connectivity
 - Mobility Solutions
 - Global car market with expected decline in 2019
- Reprioritization of investments, review of product portfolio, savings programs
- Short-term headwinds for ESP-market
- Mid/long-term high need for expertise and support
- Outsourcing-ratio expected to grow
- EDAG expects opportunities for all segments (VE, E/E and PS)

- Revenues stable at 390.4 m€
 - E/E with double digit growth
 - VE with robust growth
 - PS with sharp decline
- Adjusted EBIT at 16.9 m€
 - Margin at 4.3%
- Order intake up by 6.7% to 462.9 m€
 - H1 2018: 433.6 m€
- Restructuring program accelerated
 - For full year up to 8 m€

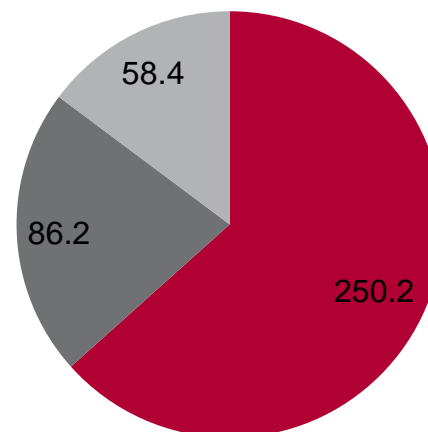


Revenues [m€]⁽¹⁾



Revenues by Segment [m€]⁽²⁾

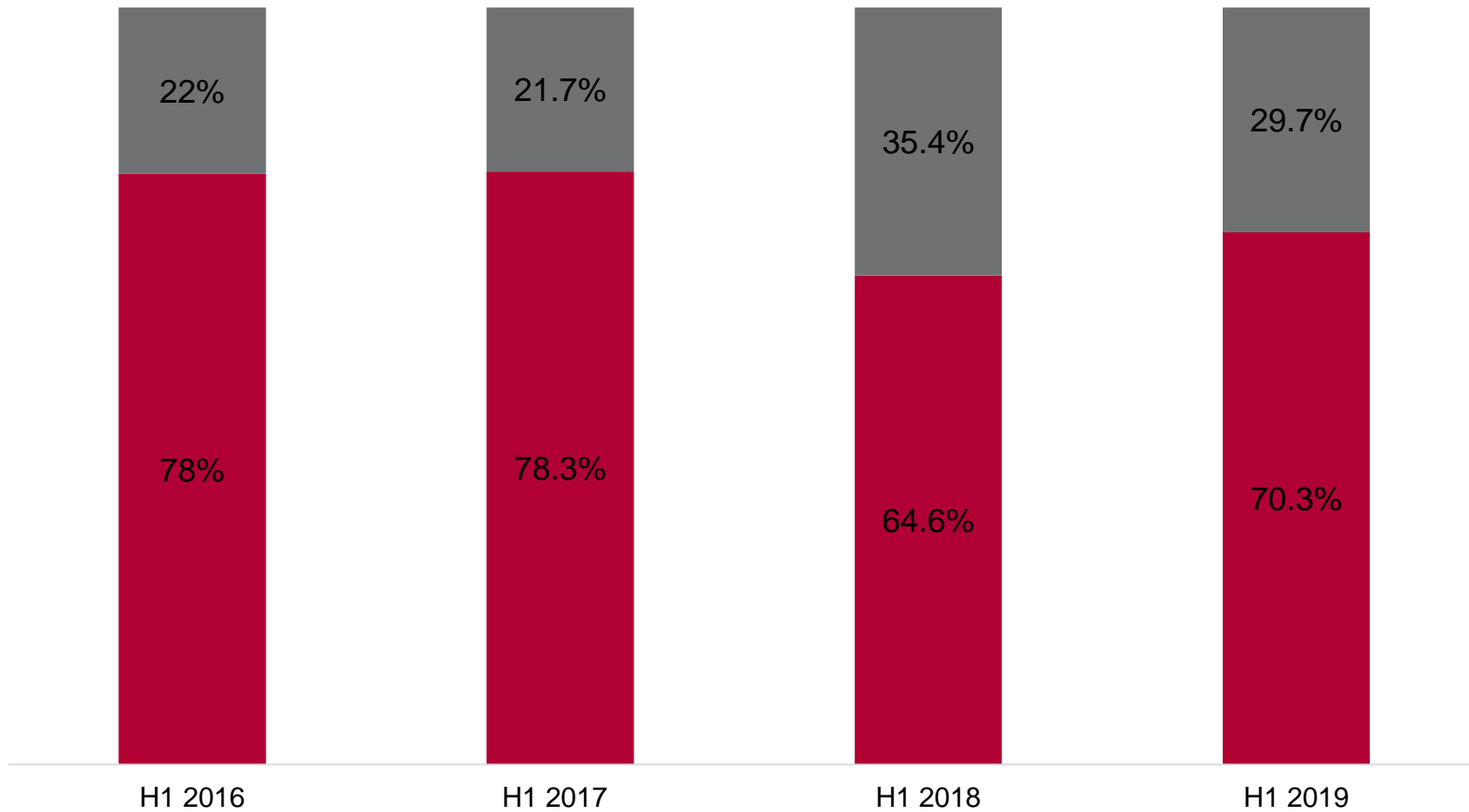
Segment	change to H1 2018
Vehicle Engineering	+ 3.1%
Electrics / Electronics	+14.2%
Production Solutions	- 26.3%



Notes:

- 1. Revenue defined as sales revenue plus change in inventories
- 2. Figures include sales revenue with other segments

Revenues by region



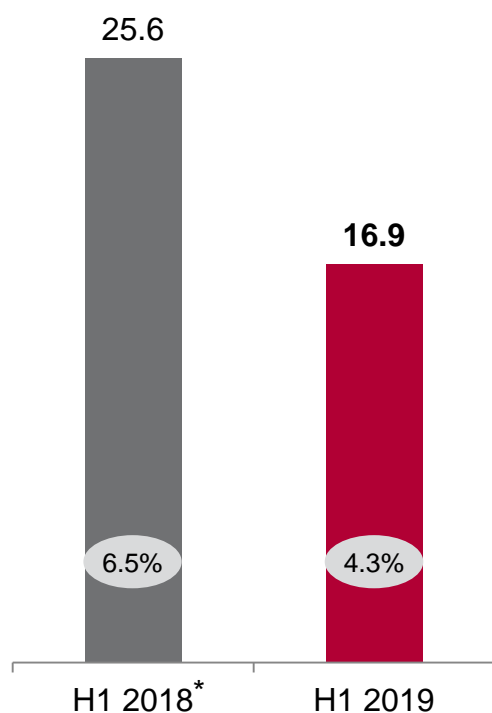
Notes:

Revenue defined as sales revenue plus change in inventories

■ Germany ■ Rest of World

Adjusted EBIT

Adjusted EBIT [m€]⁽¹⁾



Adjusted EBIT by Segment

	margin	
	H1 2018*	H1 2019
■ Vehicle Engineering	7.1%	6.6%
■ Electrics / Electronics	3.6%	6.7%
■ Production Solutions	7.2%	-9.2%

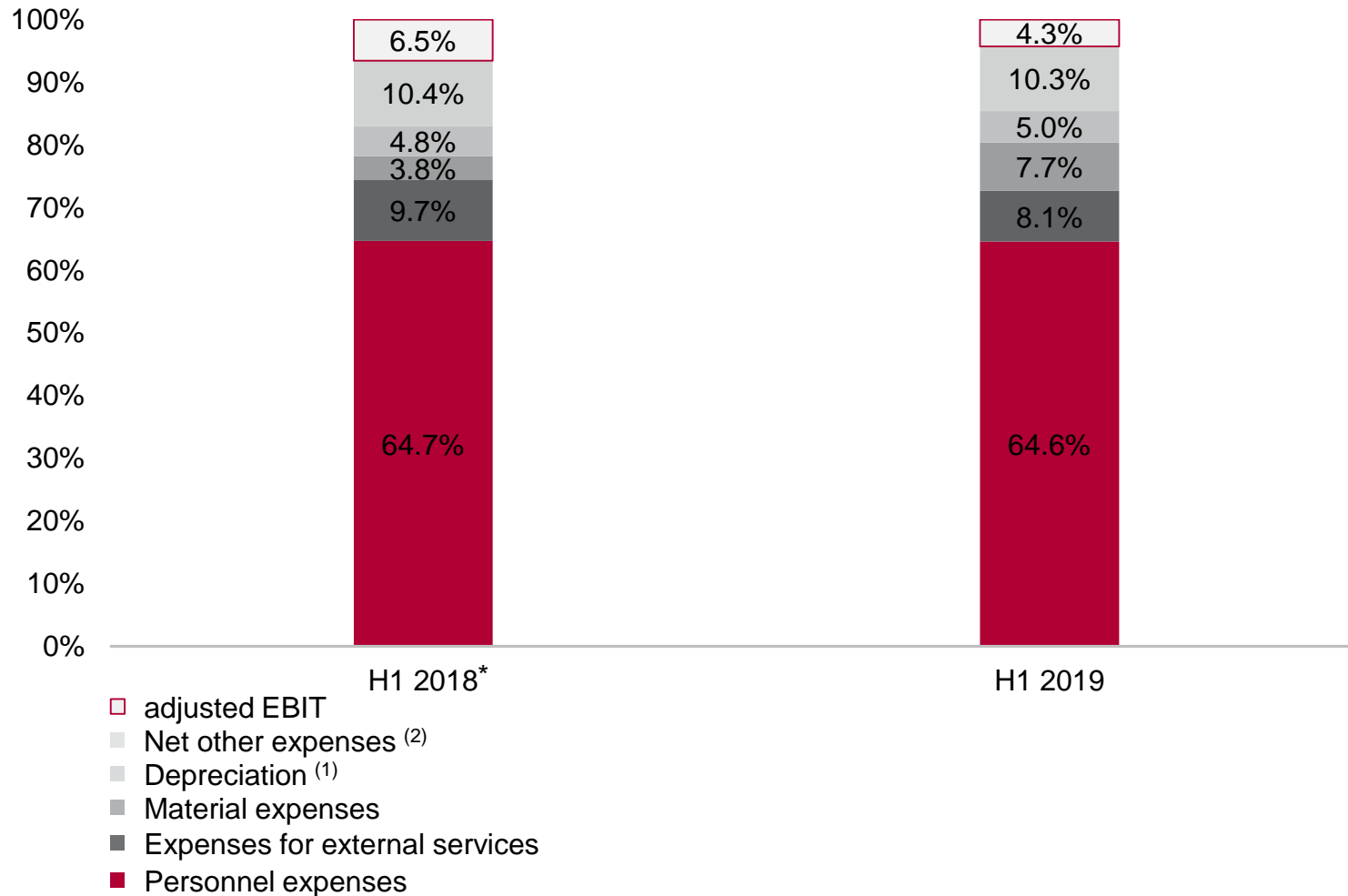
Notes:

* Adjusted base on new IFRS 16 Standards

1. Adj. for one-offs (purchase price allocation, consolidation effects, restructuring, a. o.)

x.x% adjusted EBIT-Margin

Total cost structure breakdown (as % of revenues)



Notes

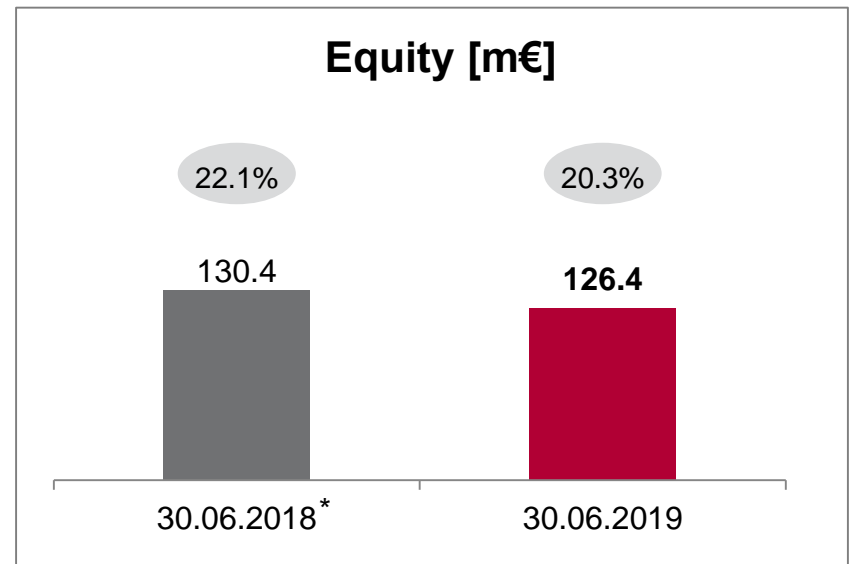
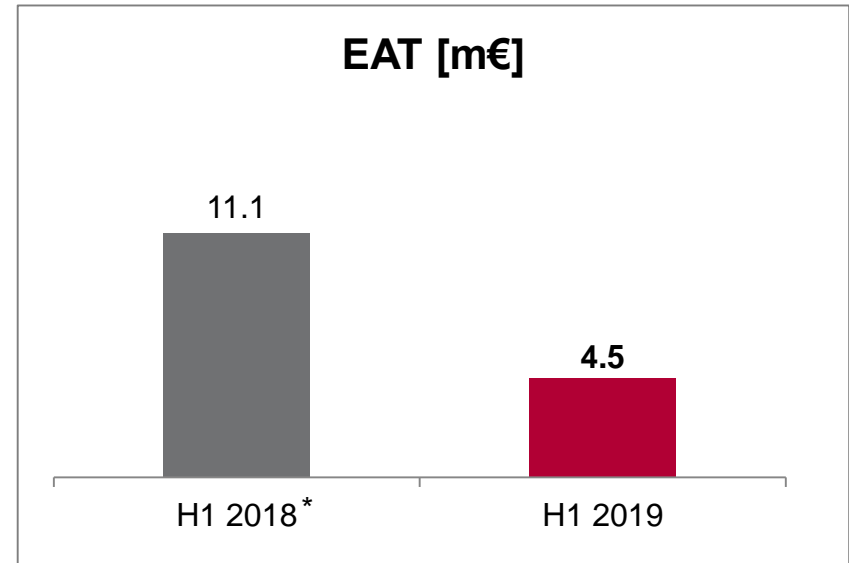
* Adjusted base on new IFRS 16 Standards

1. Excluding PPA amortization

2. Defined as other expenses net of other income plus all EBIT adjustments other than PPA amortization

- EAT down to 4.5 m€
 - EPS at 0.18€

- Equity impacted by IFRS 16
- Equity ratio at 20.3%



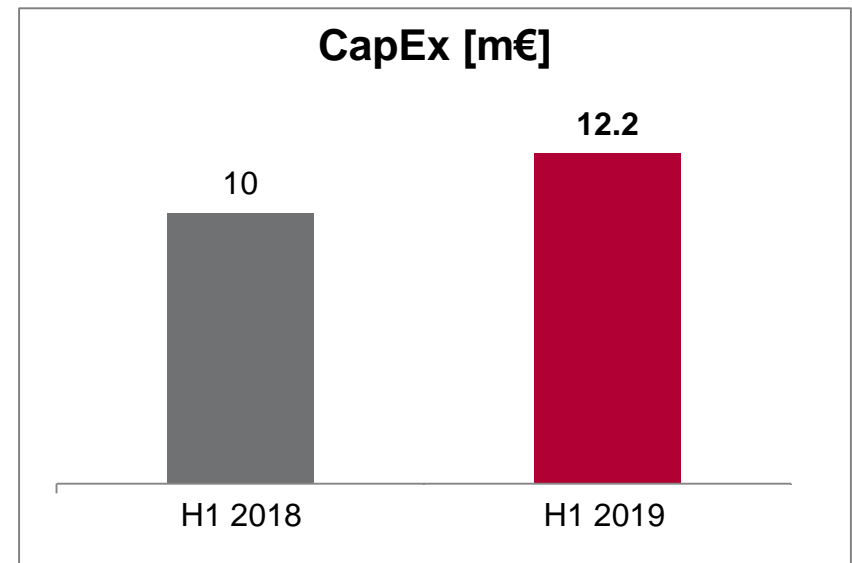
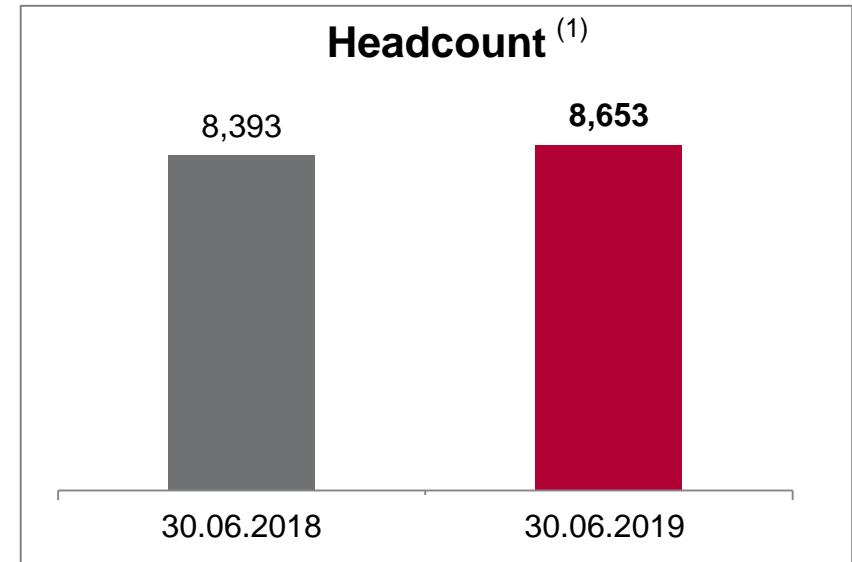
Notes

* Adjusted base on new IFRS 16 Standards

x.x% Equity / Balance Sheet total

- Headcount up by 260 employees (yoy)
 - Down by 28 (qoq)

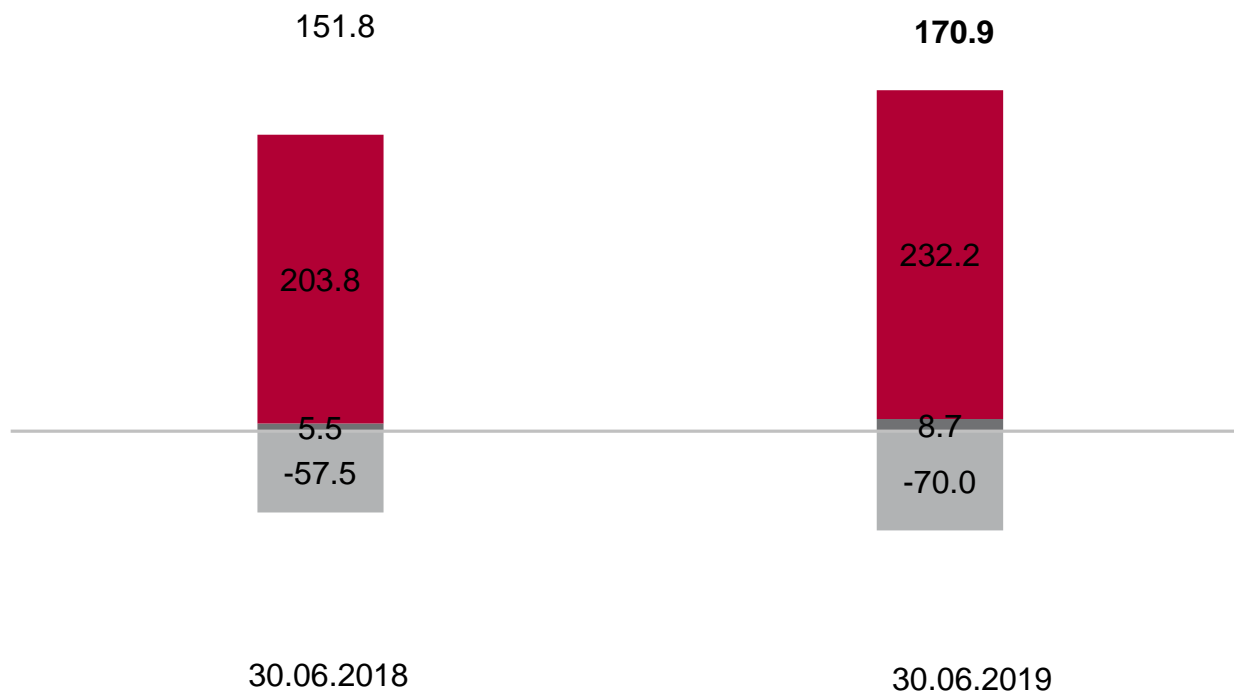
- CapEx up to 12.2 m€
- CapEx levels at about 3.1% of revenues



Notes

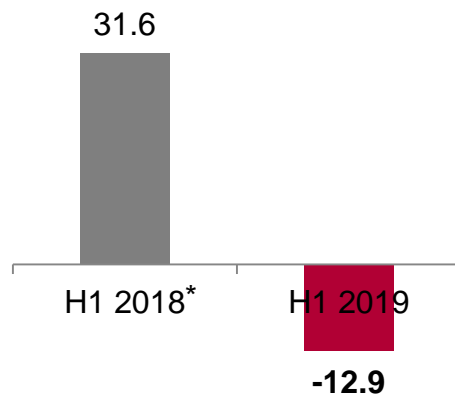
1. Including Trainees and work-study students

Trade Working Capital [m€]

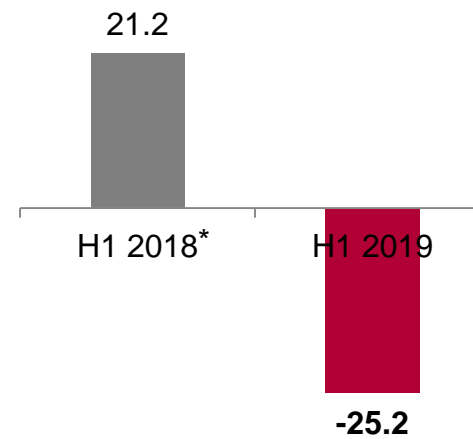


■ Trade receivables ■ Inventories ■ Trade payables

Operating CF [m€]



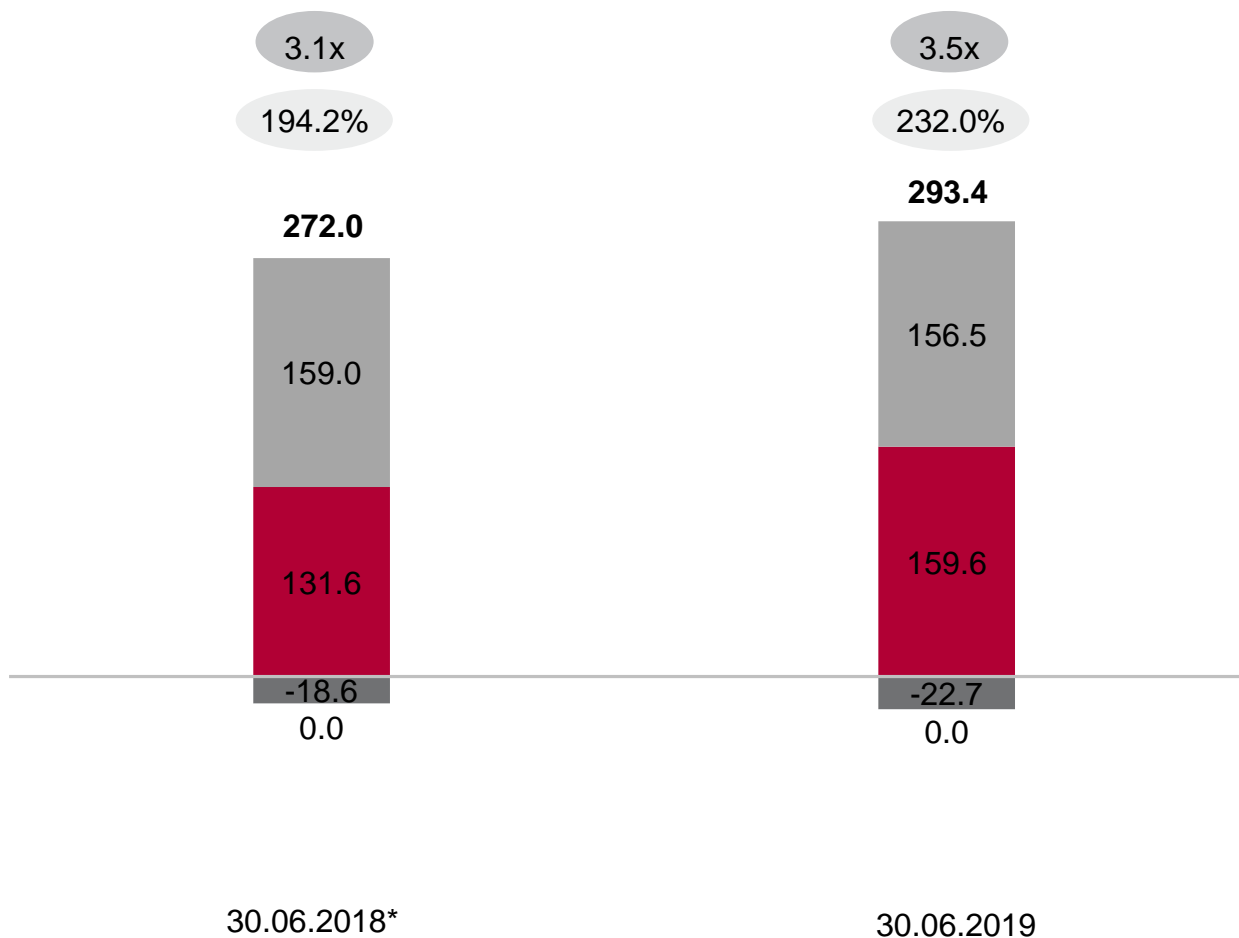
Free CF [m€]



Notes

* Adjusted base on new IFRS 16 Standards

Net financial debt [m€]



■ Leasing liabilities
 ■ Financial debt
 ■ Cash and cash equivalents
 ■ Other fin. assets
 x Net financial debt / Adj. EBITDA (LTM)**
 x Net Gearing (Net financial debt / equity)

Notes
 * Adjusted base on new IFRS 16 Standards
 ** for H2 2017 only pro forma calculation

- Extreme high demand for R&D vs. declining global car sales.
- Shifts in Budgets and savings programs at OEMs and suppliers lead to high volatility, short-term.
- Mid/long-term high need for expertise and support.
- EDAG expects opportunities for all segments (VE, E/E and PS).
- For the full year 2019, we expect revenues at previous year's level +/- round 1% and an adjusted EBIT-margin in a range of round 4-5%.
- Earnings after tax are expected to be below 10 million Euros.
- The segment Production Solutions now expects a negative adjusted EBIT in a single-digit percentage range.

Questions / Answers

