

Q3 2016

Analyst-Call

Wiesbaden, November 11th, 2016



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1 Overview Q3 figures

2 Outlook – Financial Year 2016

- Core Revenues flat at 533 m€
 - Growth in Vehicle Development and Production Solutions, decrease in Electrics/Electronics
- Core adjusted EBIT down from 55.1 m€ to 32.7 m€
 - Margin down from 10.3% to 6.1%
- Equity ratio up from 29.4% to 32.9% (yoy)
- Headcount edged up to 8.337 (+3.4% yoy)
- CapEx at about 4.2% of revenues
- Operating Cash Flow up to 10.3 m€ from -16.3 m€
- Dividend yield at 5.1%⁽¹⁾

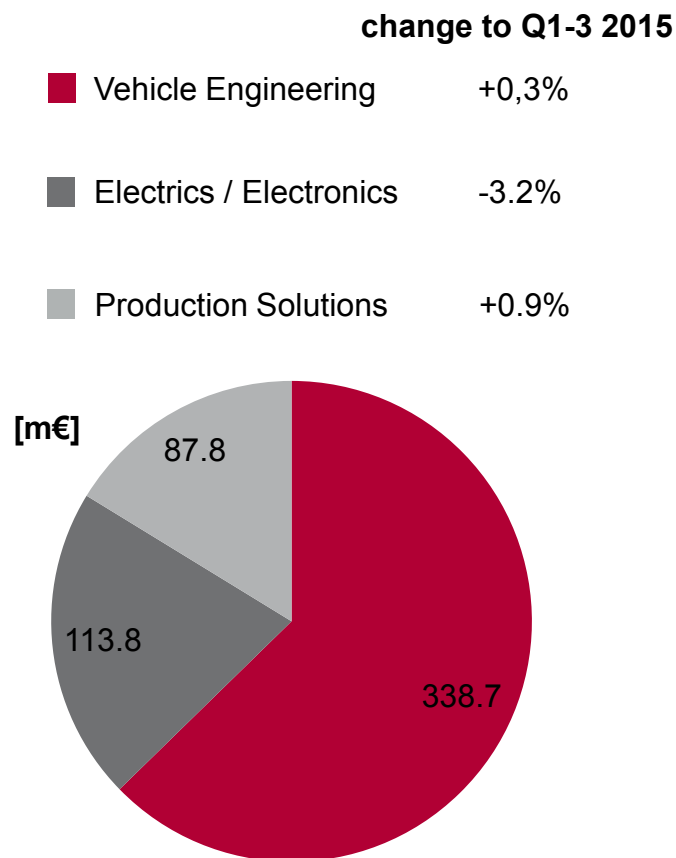


1. Based on stock closing price at November 7th, 2016 (XETRA)

Core Revenue [m€] ⁽¹⁾



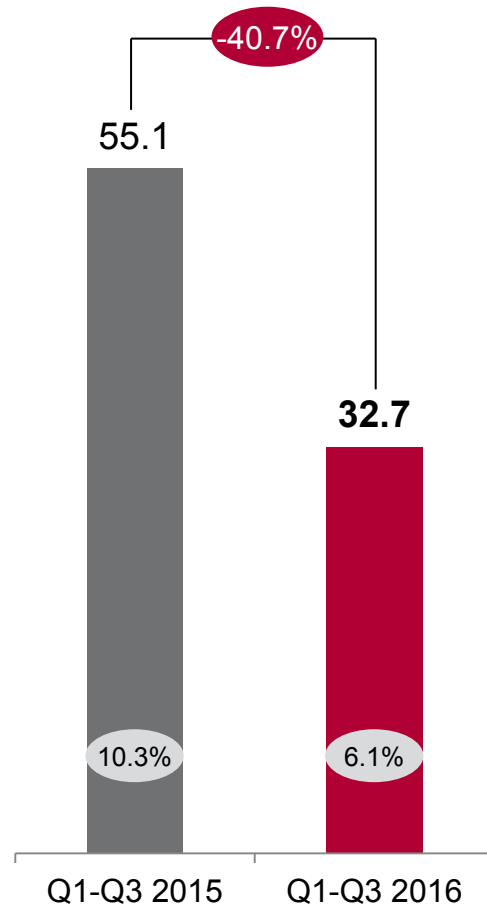
Revenues by Segment [m€] ⁽²⁾



1. Revenue defined as sales revenue plus change in inventories; Core defined as total excluding Others segment
 2. Figures include sales revenue with other segments

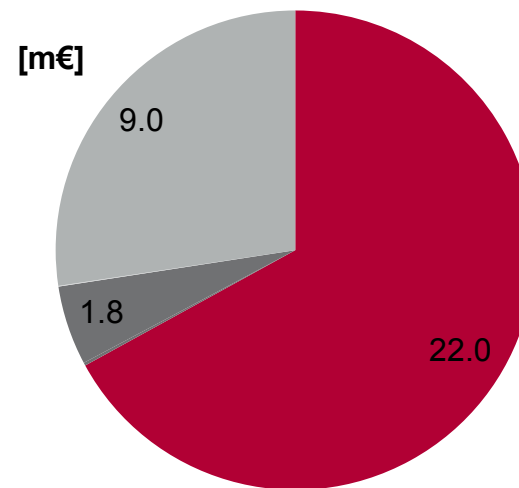
Adjusted EBIT

Core adjusted EBIT [m€]⁽¹⁾



Adjusted EBIT by Segment

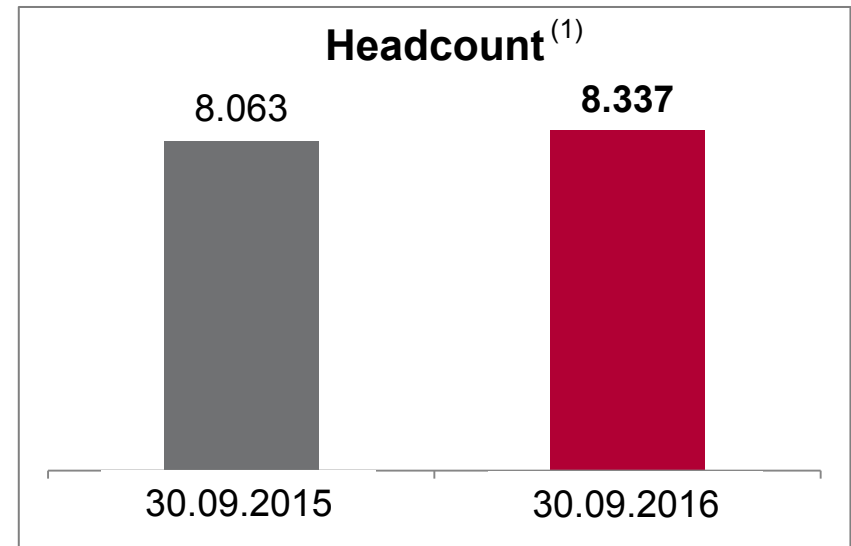
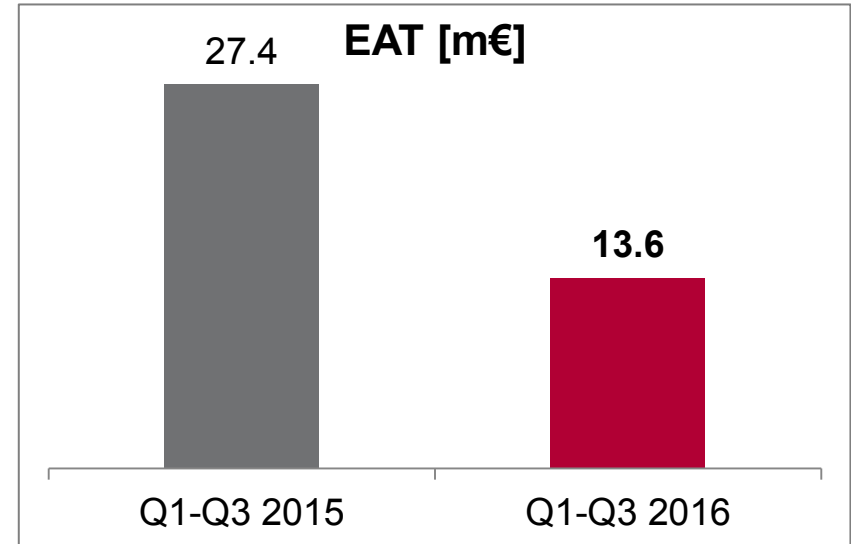
	margin	
	Q1-3 2015	Q1-3 2016
Vehicle Engineering	10.3%	6.5%
Electrics / Electronics	8.0%	1.5%
Production Solutions	12.4%	10.2%



1. Core defined as total excluding segment Others; Adj. for one-offs (purchase price allocation, consolidation effects, M&A costs, restructuring costs, proceeds from real estate sales, a. o.)

- Decrease of EAT to 13.6 m€
 - Lower income from companies using the equity method
 - Increased tax ratio

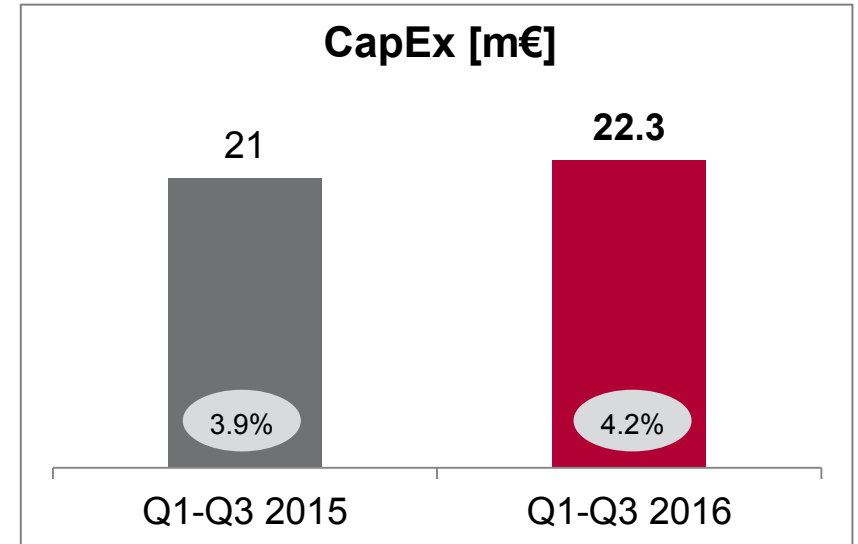
- Headcount increased by 274 employees (yoy)
 - Growth of 3.4% compared to Q3 2015
 - In Q3 staff grew by 70 people compared to Q2
 - New training year with 208 trainees and work-study students started in August



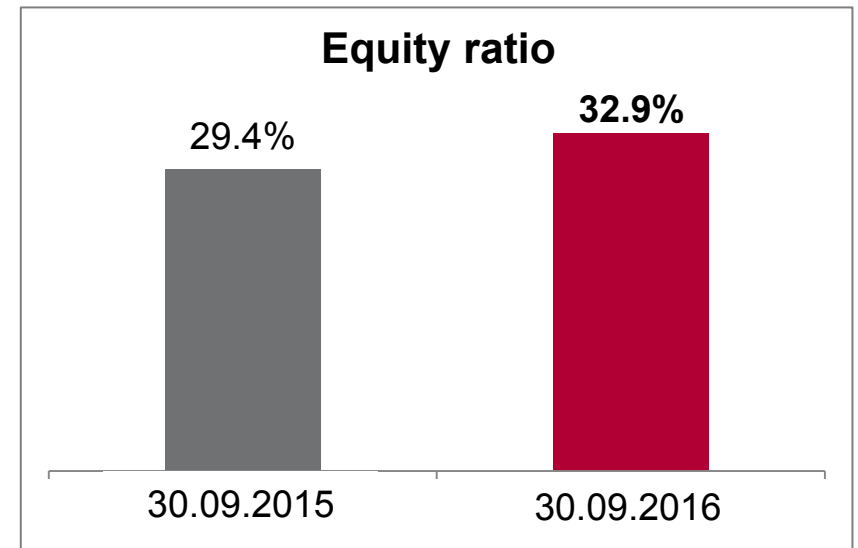
Notes

1. Including Trainees and work-study students

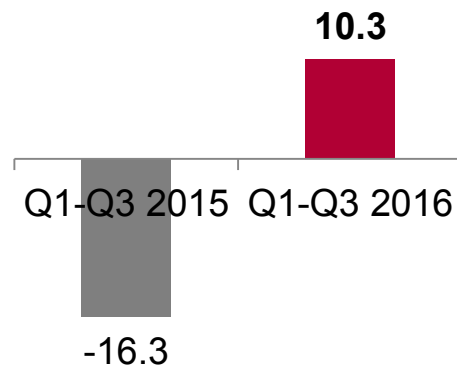
- CapEx with slight increase
 - levels at about 4.2% of revenues



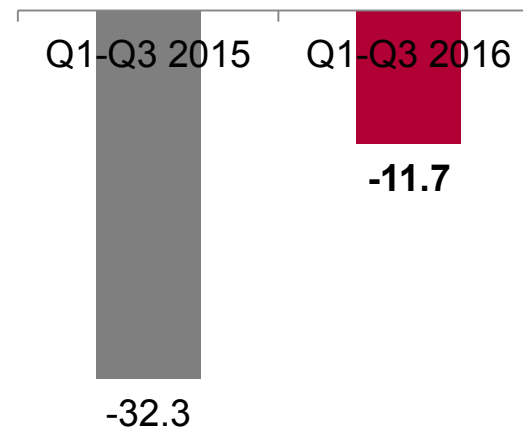
- Equity ratio went up from 29.4% to 32.9%
 - Total equity at September 30th amounts to 145 m€ (146.5 m€ at Sep. 30th 2015)



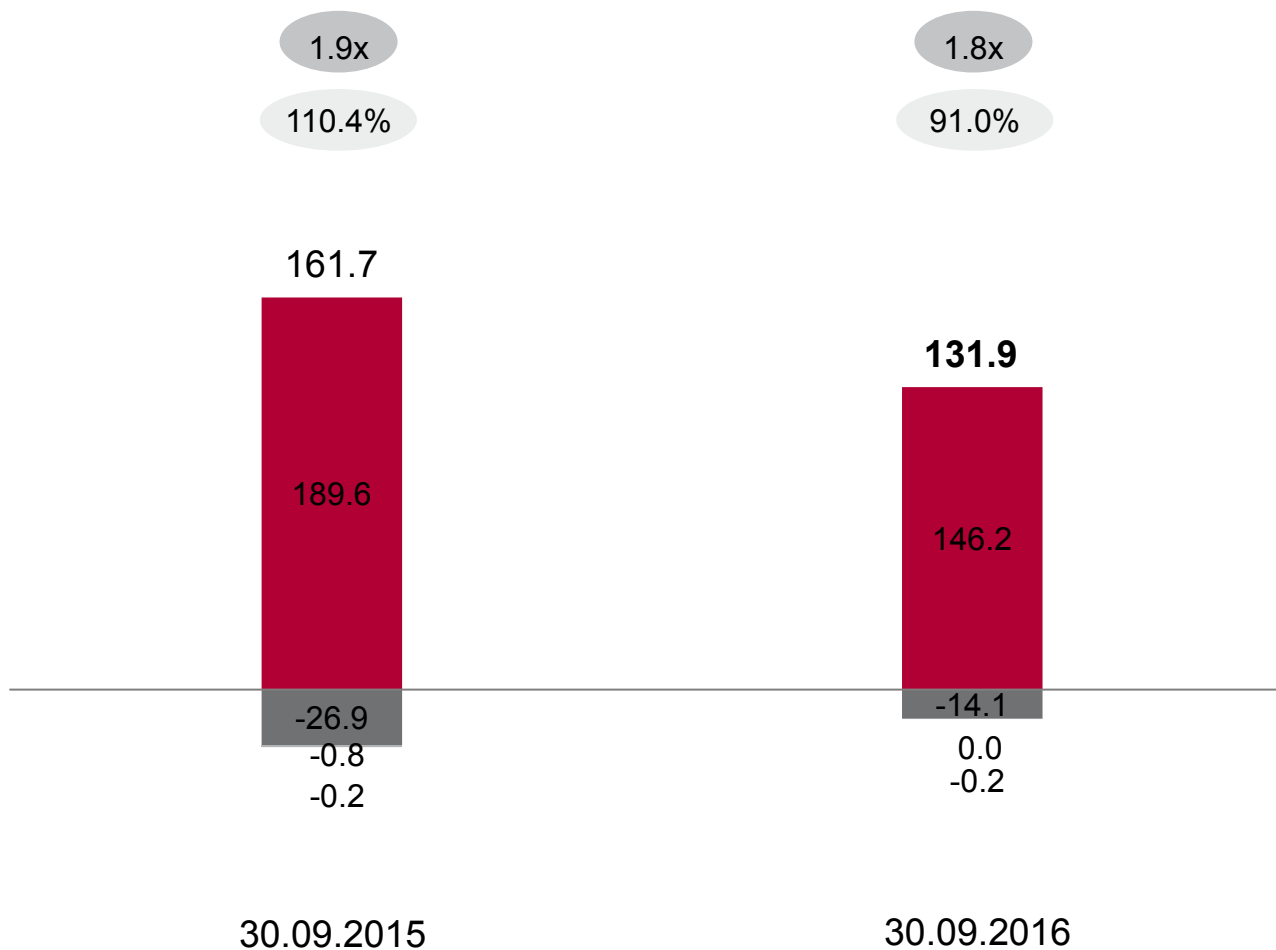
Operating CF [m€]



Free CF [m€]



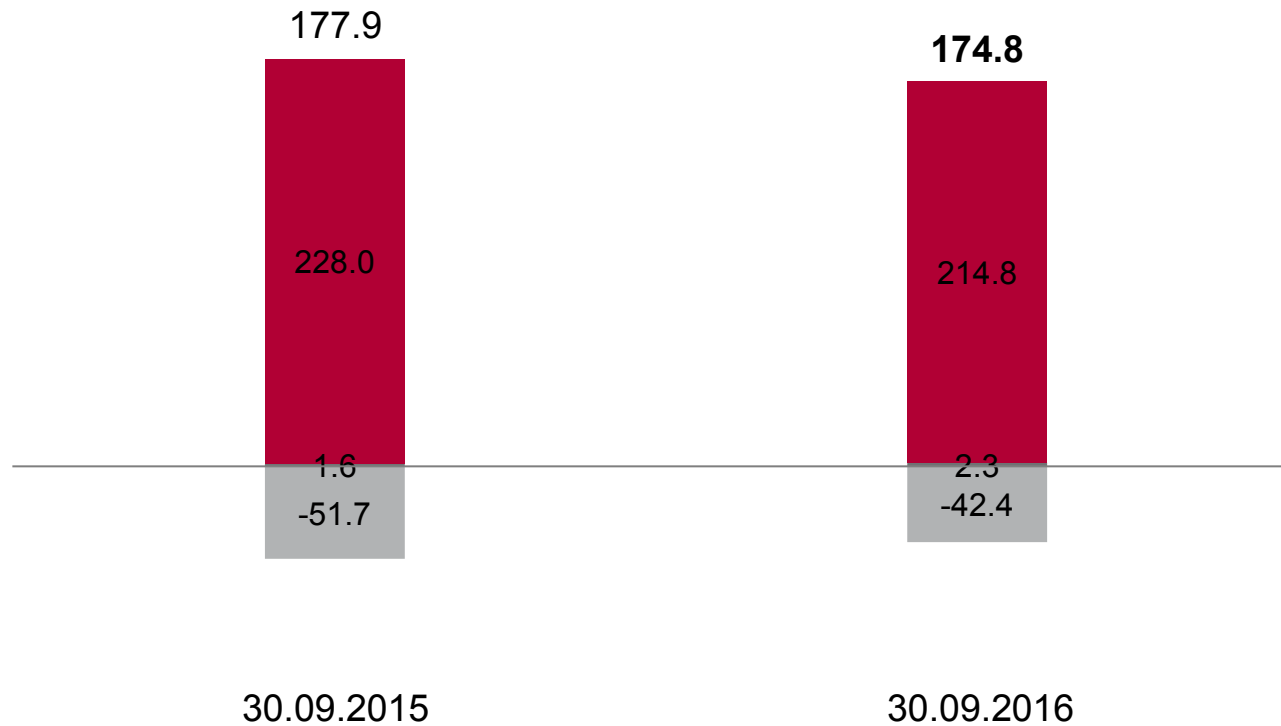
Net financial debt [m€]



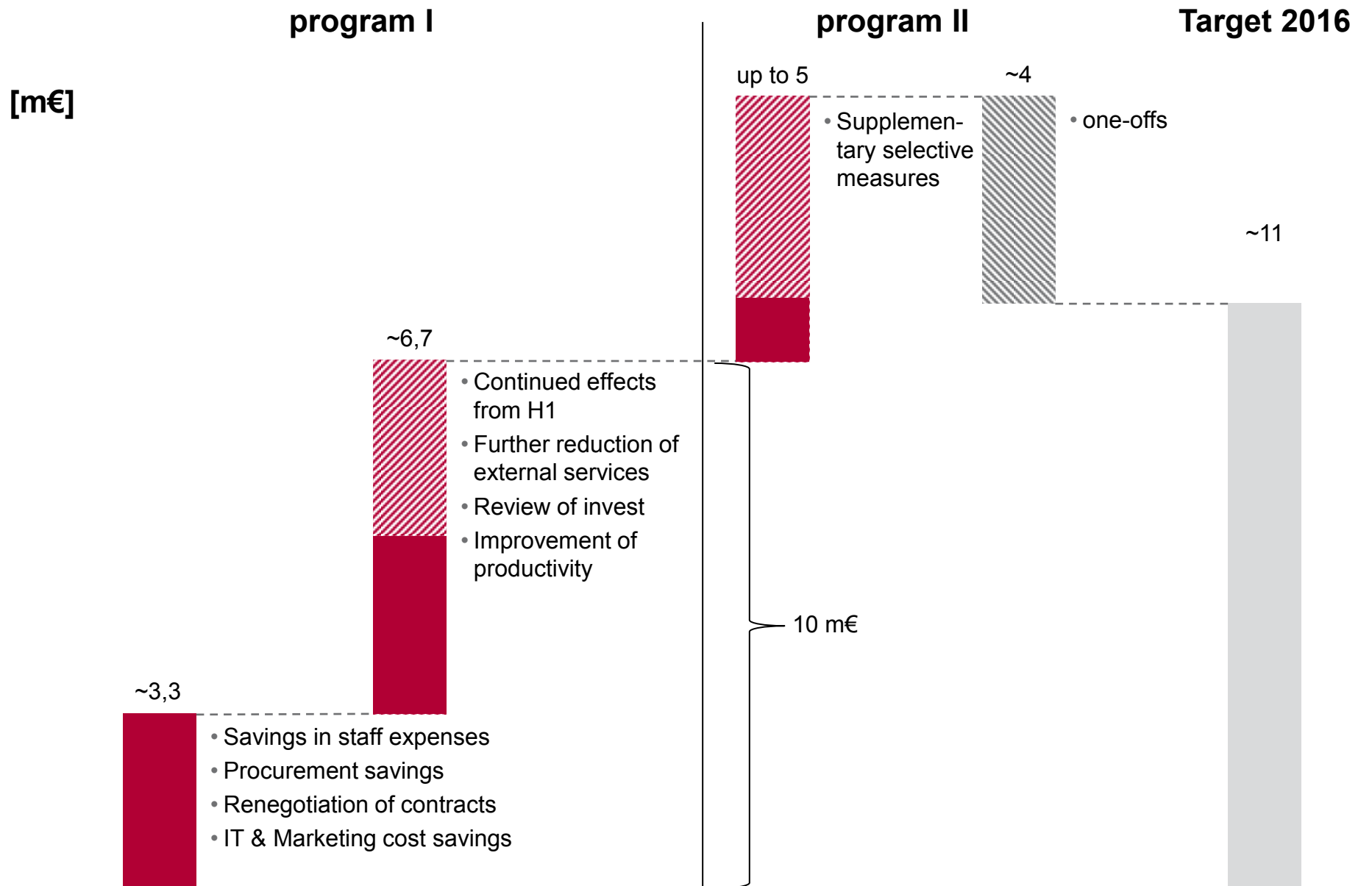
- Financial debt
- Cash and cash equivalents
- Cash pool receivables
- Other financial assets

- x Net financial debt / Adj. EBITDA (LTM)
- x Net Gearing (Net financial debt / equity)

Trade Working Capital [m€]



■ Trade receivables ■ Inventories ■ Trade payables



1 Overview Q3 figures

2 **Outlook – Financial Year 2016**

2016

- Continued challenging market conditions
- Situation at key customers is gradually improving
- Cost savings come into effect and contribute to margin
- For the full year 2016, we expect revenues at or slightly above previous year's level and an adjusted EBIT-margin of 6-8%

2017 et seq.

- Medium- and long-term market perspectives remain positive and intact
- Shifting of R&D budgets at OEMs seems to be likely. This development may contain future chances but also risks for the ESP business. EDAG reviews the situation carefully and might adopt strategy accordingly
- Overall, the automotive ESP-market enables a further profitable growth over the next years

Questions / Answers