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## **EDAG continues to grow revenues and earnings in Q3 2015**

- **Core revenues again outgrow the expected average market growth, increasing by 14.6% to EUR 533.9 million over the first nine months of the financial year (01/01 – 30/09/2015)**
- **Earnings once more improved: Adjusted Core EBIT increases over the first nine months by 29.2% to EUR 55.1 million year on year**
- **Adjusted Core EBIT margin of 10.3% over the first nine months significantly up year on year**
- **Positive development reflected across all three segments**

**Arbon, 11 November 2015.** EDAG, an independent engineering services provider (ESP) for the global automotive industry, has again grown dynamically in the third quarter of 2015. As a result, the company could increase its Core Revenues<sup>1</sup> by 14.6% to EUR 533.9 million over the first nine months of the financial year 2015 (compared to EUR 465.8 million in the previous year). This growth rate continues to exceed the expected continued annual growth rate of 9 to 12%<sup>2</sup> for the five largest players in the ESP market.

EDAG's earnings were also up again. The Adjusted Core EBIT<sup>3</sup> grew significantly year on year to EUR 55.1 million (EUR 42.6 million in the previous year), which corresponds to a 29.2% increase. EDAG also succeeded in improving profitability. Its Core EBIT margin reached 10.3% over the nine-month period in 2015, up from 9.1% in the previous year. All three segments Vehicle Engineering, Electrics/Electronics and Production Solutions contributed to EDAG's business growth.

“Our successful growth strategy again led to a significant increase in revenues and earnings in the third quarter. This development is further proof that we have embarked on the right track,” says Thomas Eichelmann, CEO of ATON and chairman of the executive board of EDAG Engineering Group AG. “EDAG has been growing very dynamically for years – we want to build on this positive trend. As one of the leading independent engineering services providers

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<sup>1</sup> Revenues are defined as sales revenues and changes in inventory. Core Revenues represent revenues in the Vehicle Engineering, Electrics/Electronics and Production Solutions segments without the segment “Others” (total revenues correspond to EUR 534.0 million for the first nine months of 2015 and EUR 506.3 million over the same period in 2014).

<sup>2</sup> Source: A.T. Kearney (2015): Market assessment Engineering Service Provider Automotive 2020.

<sup>3</sup> Core EBIT corresponds to the EBIT generated by the Vehicle Engineering, Electrics/Electronics and Production Solutions segments without the segment Others. The Adjusted Core EBIT represents EBIT adjusted by one-time effects such as expenditures from the purchase price allocation, proceeds from deconsolidations, expenditures from M&A transactions and restructurings as well as proceeds from the sale of properties.

for the automotive industry, we are ideally positioned to achieve this objective in a strongly growing market.”

### **Planned IPO secures capital market access and supports growth strategy**

At the beginning of the month, EDAG announced the intention to take the company public before the end of the year. The announced IPO is expected to help EDAG fully exploit the growth potential in the market for engineering services. Direct capital market access will give EDAG the independence and flexibility to enhance its international market position, make the company an even greater place to work and drive the development and marketing of successful innovations.

### **Overview of financials for the third quarter**

	<b>Q3 2015</b>	<b>Q3 2014</b>	<b>Change (in %)</b>
<b>Core Revenues</b> (in million Euro)	533.9	465.8	14.6
<b>Adjusted Core EBIT</b> (in million Euro)	55.1	42.6	29.2
<b>Adjusted Core EBIT margin</b> (in %)	10.3	9.1	-
<b>Headcount</b>	8,063 (30/09/2015)	7,551 (30/09/2014)	6.8

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### **About EDAG**

EDAG is an independent engineering services provider for the global automotive industry. The company serves leading domestic and international vehicle OEMs and sophisticated automotive suppliers through a global network of 57 locations in important automotive centres worldwide. EDAG offers complementary engineering services in the Vehicle Engineering, Electrics/Electronics and Production Solutions segments. Based on these extensive capabilities, EDAG can support its clients along the entire value chain from the original design idea to product development and prototype construction and all the way to the delivery of turnkey production systems. As a technology and innovation leader, EDAG also operates

established competence centres that design landmark technologies for future applications in the automotive industry, i.e. lightweight construction, electric mobility, car IT and new production technology. In the financial year 2014, the company generated Core Revenues of EUR 634.7 million and an Adjusted Core EBIT of EUR 53.2 million. As at 30 September 2015, about 8,063 employees (including apprentices) worked for EDAG in 19 countries.

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