



Intelligent energy and data solutions for tomorrow's world

Conference Call Q1 Results
May 16, 2018

LEONI

LEONI started very successfully into the financial year 2018

Financial highlights Q1 2018

Financial Highlights

- › Organic sales growth by 13.5% y-o-y led to record sales above € 1.3 billion in Q1 2018
- › Profitability further improved:
 - › EBIT up by 13% to € 63.0 million
 - › Adjusted for extraordinary effects, EBIT margin increased from 4.5% to 4.9%
- › Full-year guidance 2018 confirmed:
 - › Sales: \geq € 5 billion
 - › EBIT: € 215 – 235 million

Dynamic order book growth with high demand for e-mobility solutions

Business highlights Q1 2018

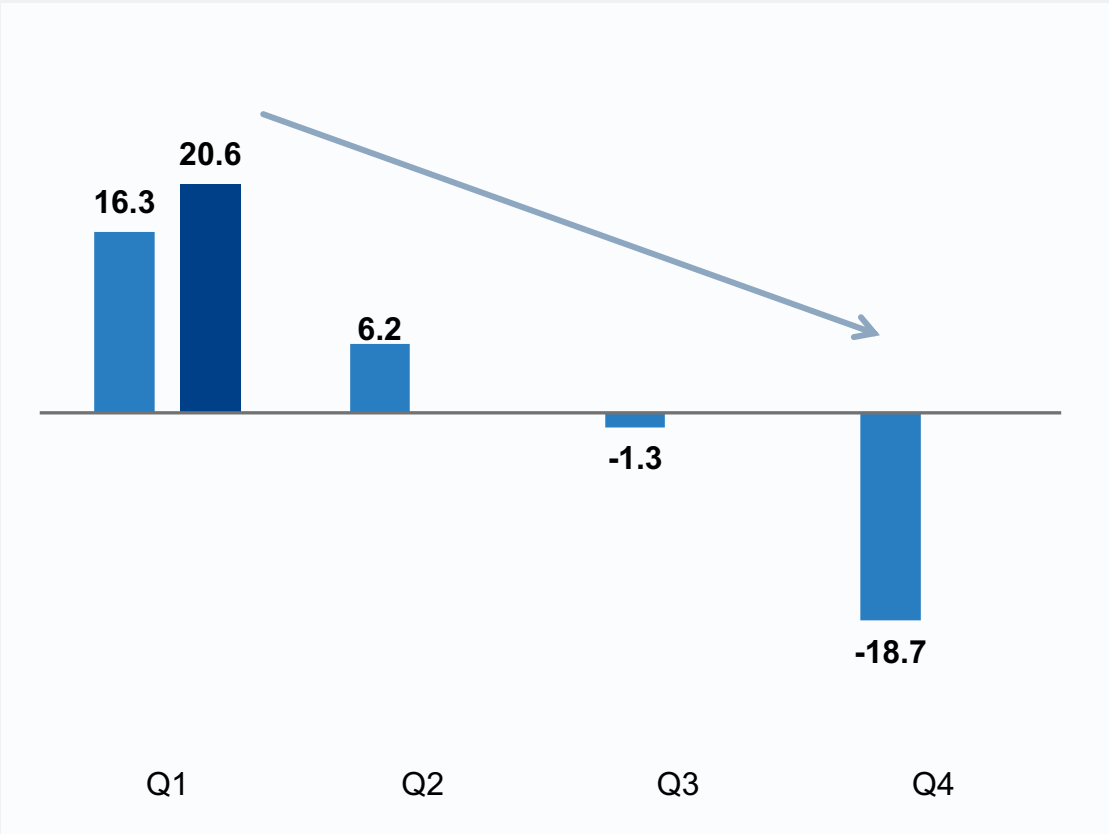
Business Highlights

- › Continuing dynamic order intake development in Wiring Systems Division (WSD):
 - › € 1.1 billion in Q1 2018
 - › 12% of order intake for e-mobility (high and low voltage cable harnesses)
- › High investments of Wiring Systems Division for significant capacity expansion
- › Wire & Cable Solutions division presented LEONiQ, a key technology for cable performance management

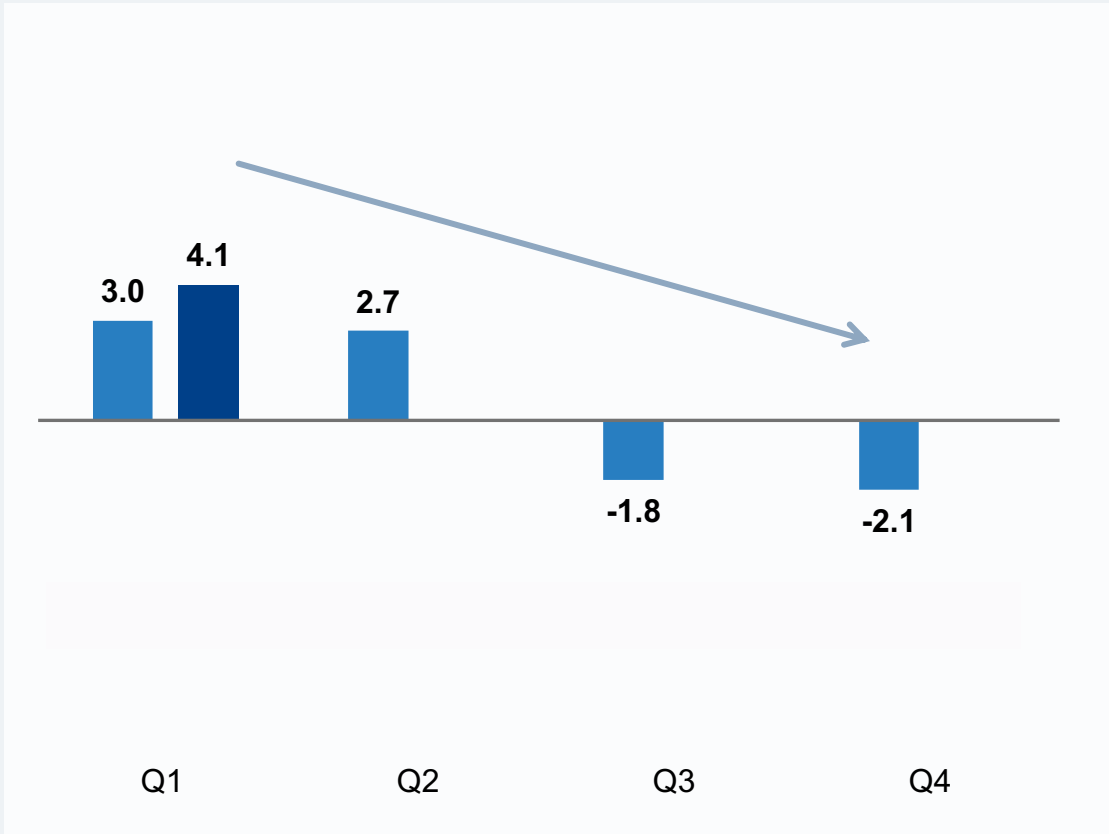
IFRS 15 effects at a glance

Absolute impact on group revenues and EBIT

REVENUE EFFECT
(Q1 2017 VERSUS Q1 2018 IN € MN)



EBIT EFFECT
(Q1 2017 VERSUS Q1 2018 IN € MN)

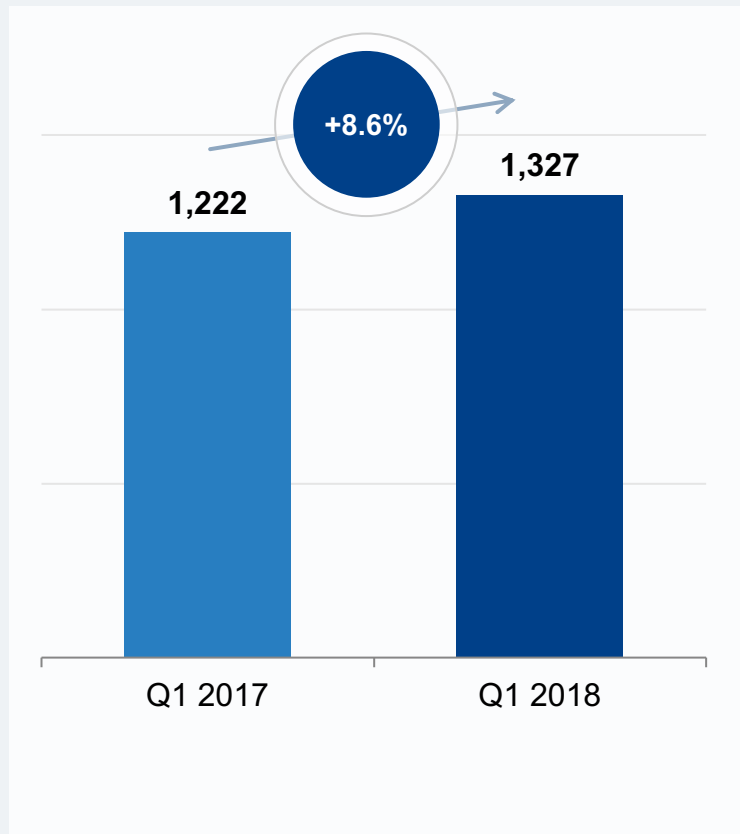


■ 2017 ■ 2018

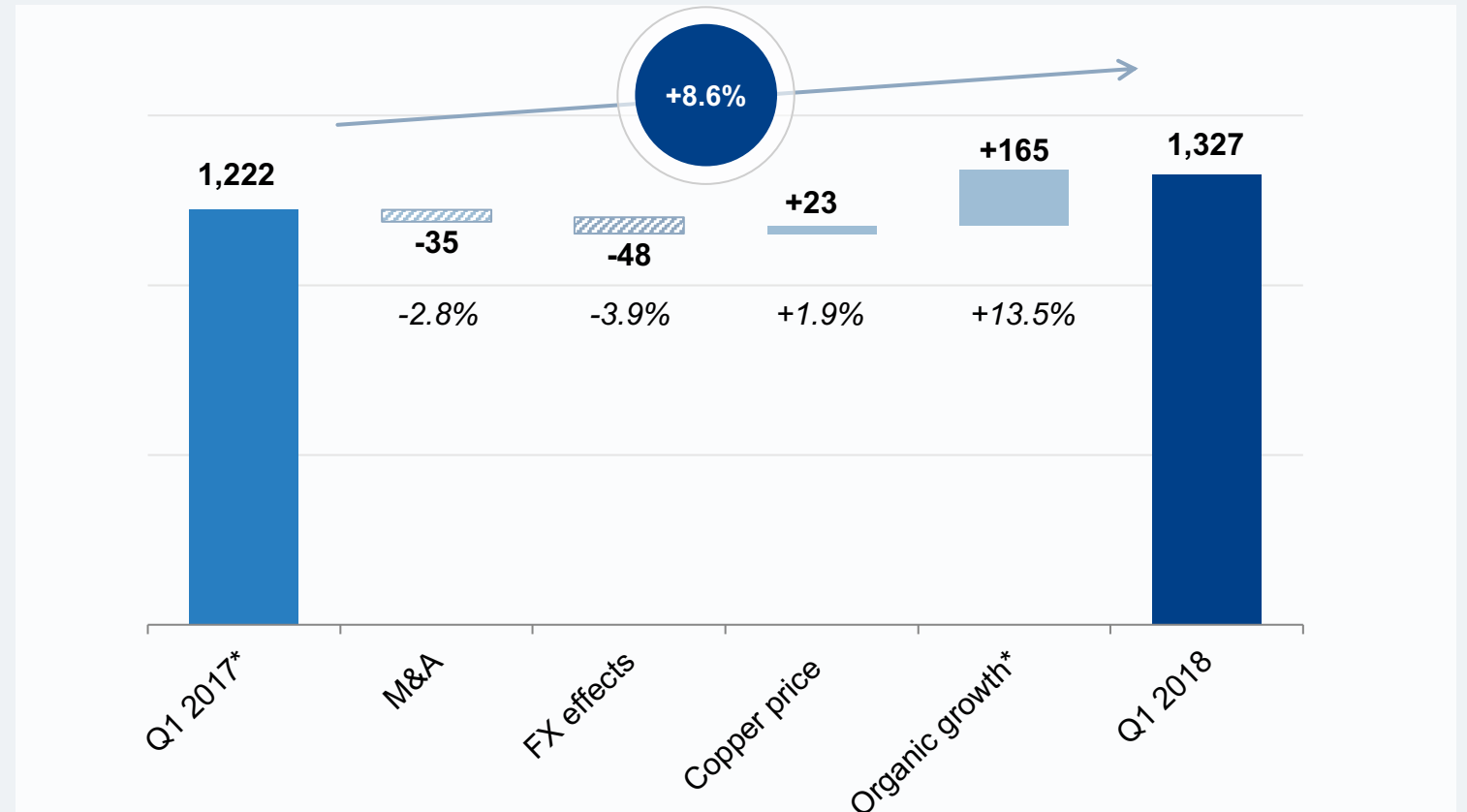
Strong double-digit organic growth

Group revenues Q1

REVENUES (€ MN)*



REVENUE BRIDGE Q1 2017 – Q1 2018 (€ MN)

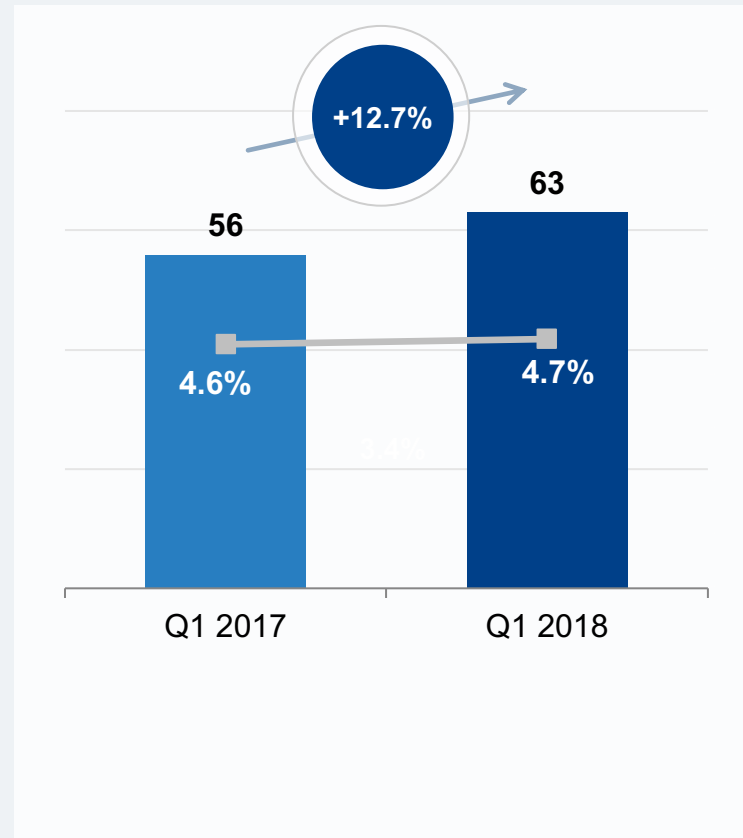


* Include IFRS 15 effects: Q1 2017: + € 16.3 mn; Q1 2018: + € 20.6 mn

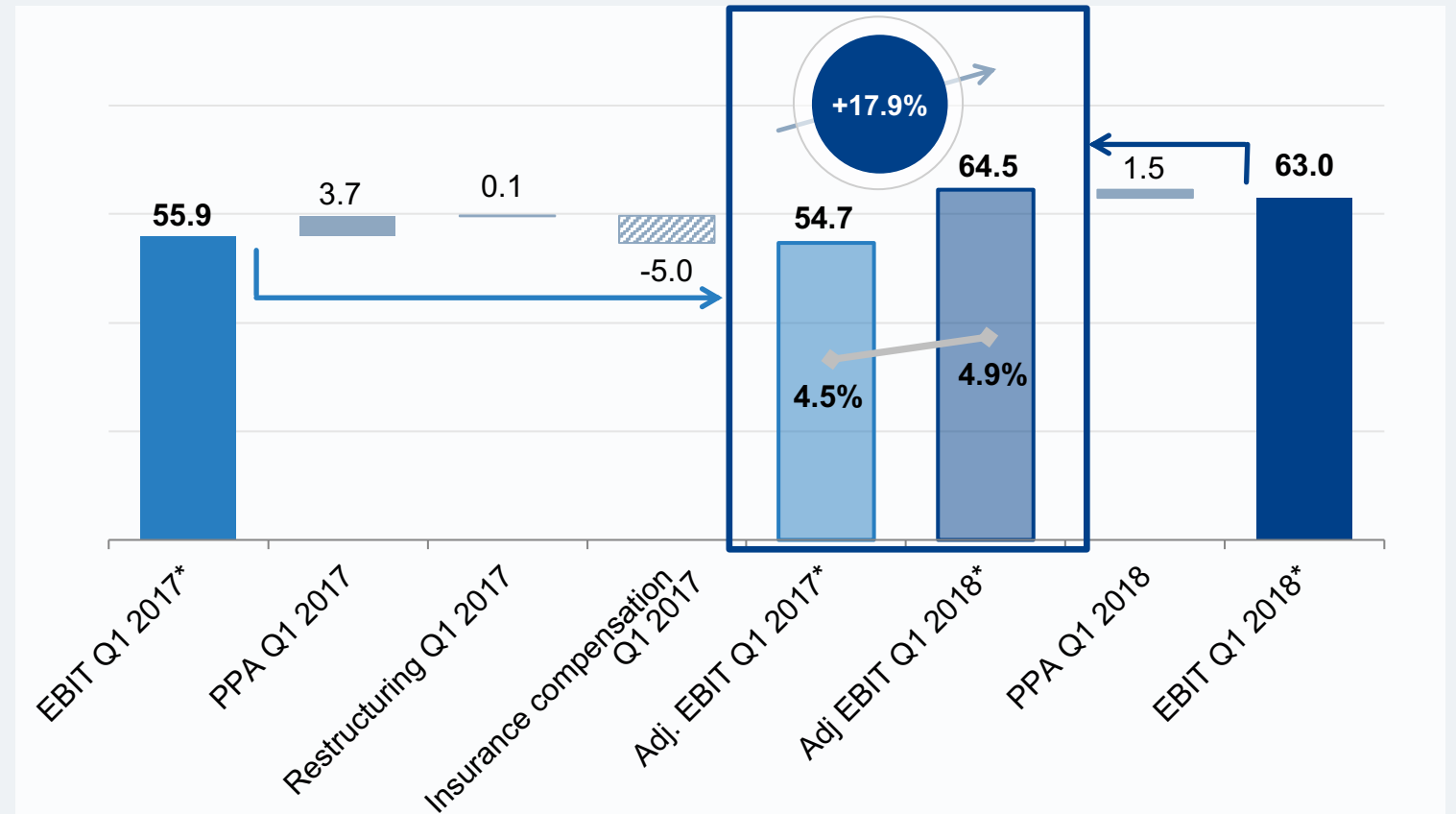
Operating performance improved significantly

EBIT / Adjusted EBIT Q1

EBIT (€ MN)* / MARGIN (%)



RECONCILIATION TO ADJUSTED EBIT Q1 2017 – Q1 2018 (€ MN)

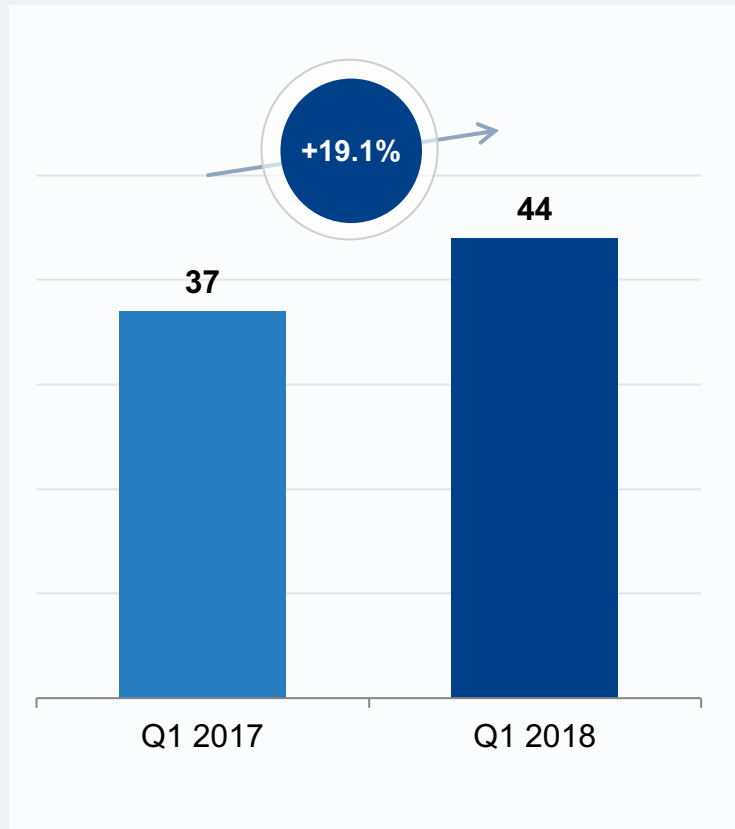


* Include IFRS 15 effects: Q1 2017: + € 3.0 mn , Q1 2018: + € 4.1 mn

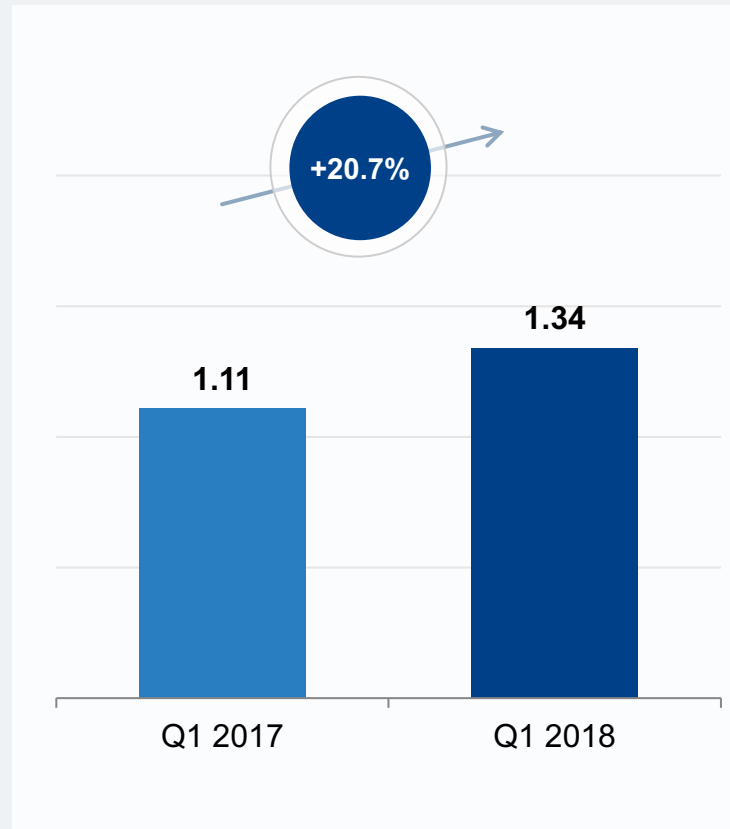
EPS up by more than 20%

Net profit and EPS Q1

NET PROFIT (€ MN)

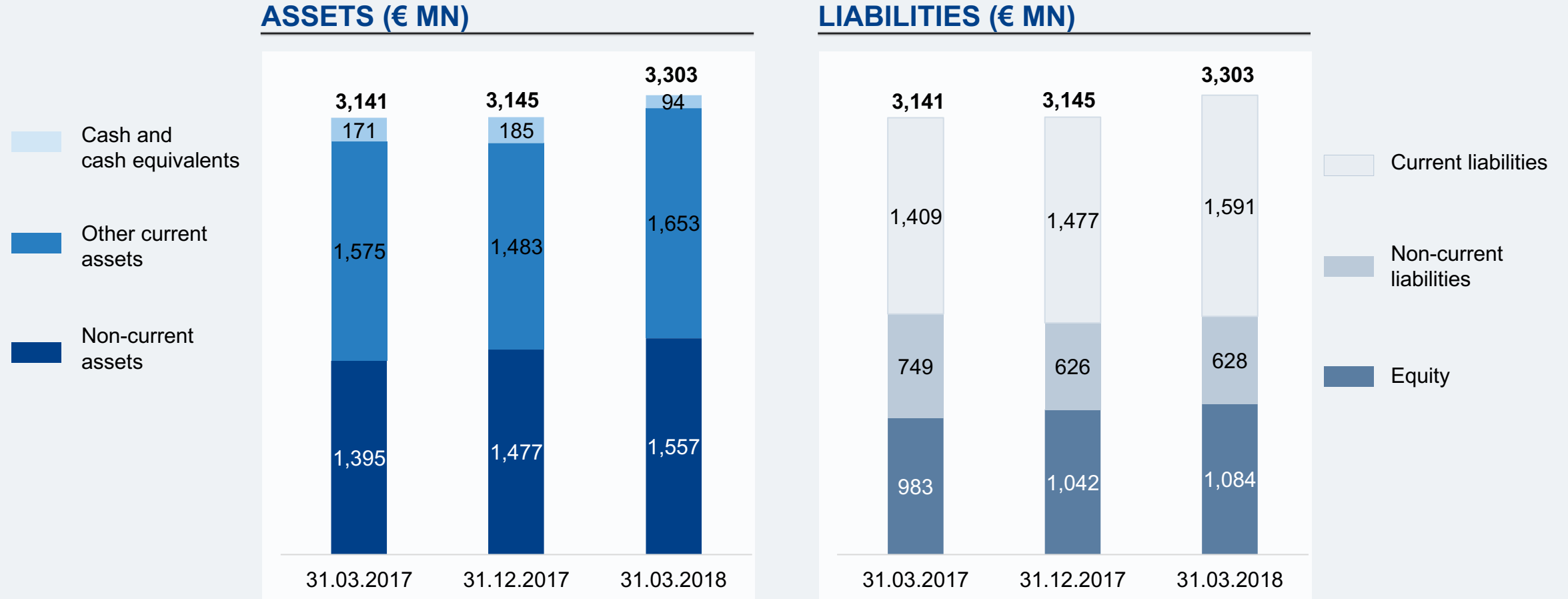


EARNINGS PER SHARE (€ MN)



Solid balance sheet with stable equity ratio of 33%

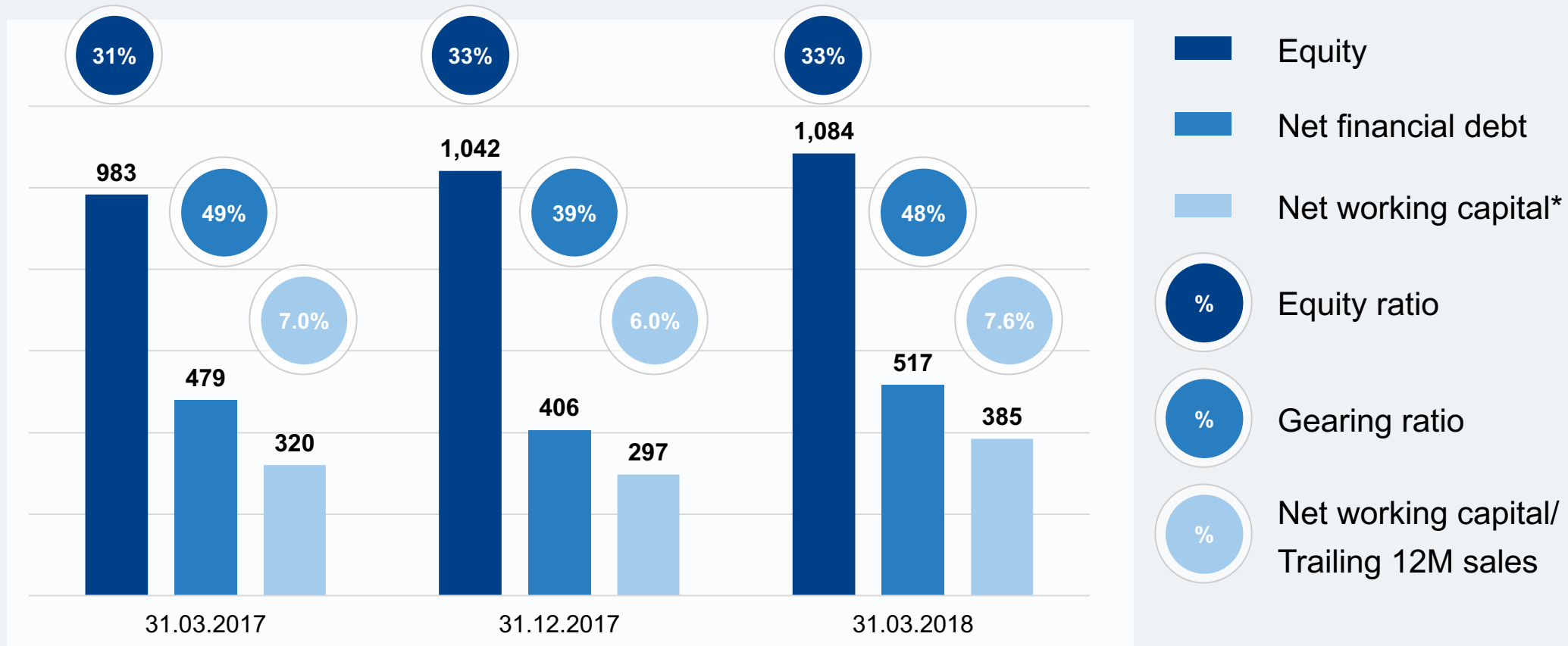
Balance sheet structure



Sound financial position supports growth strategy

Key balance sheet items

EQUITY, NET FINANCIAL DEBT AND NET WORKING CAPITAL (€ MN)

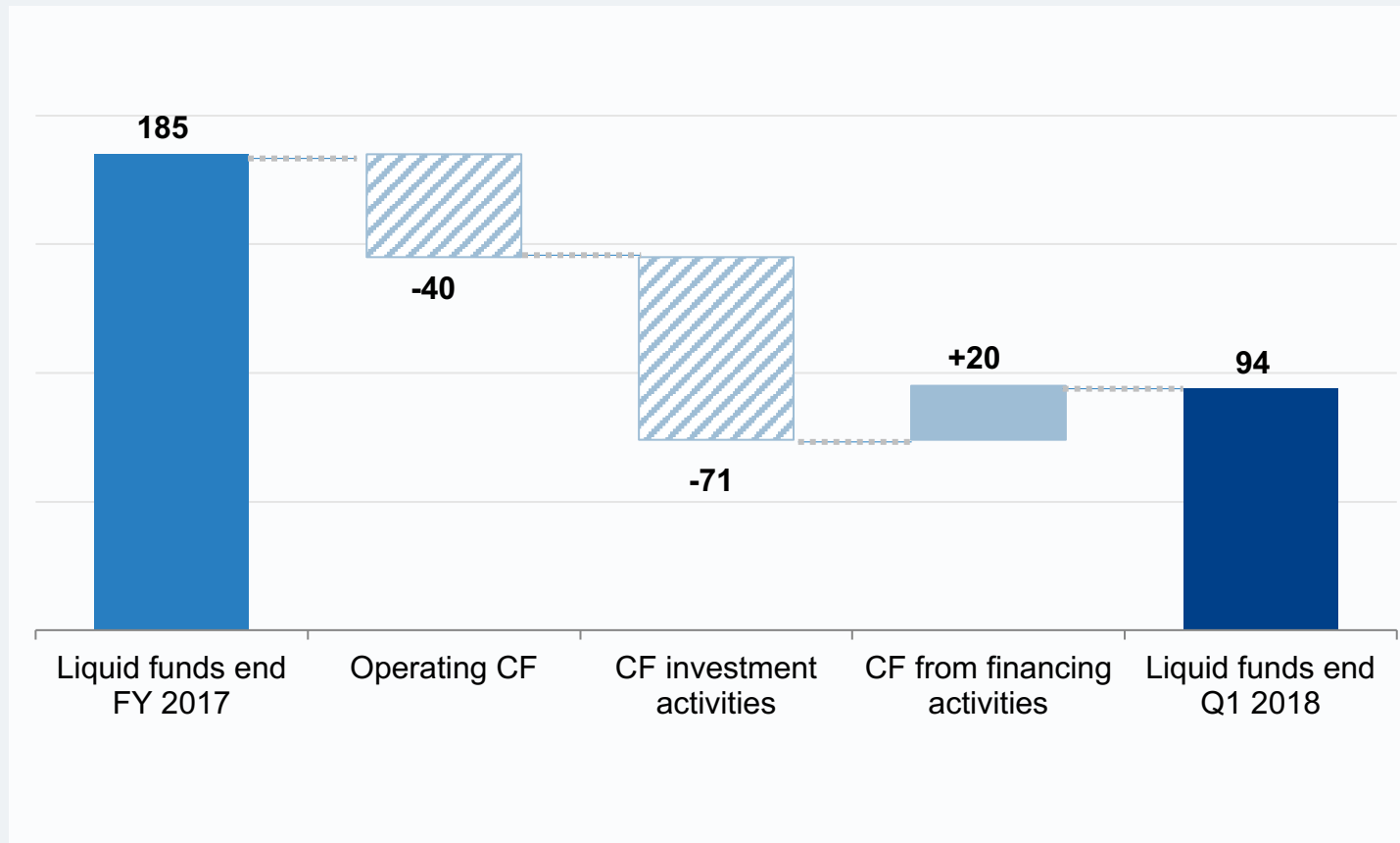


* Net working capital = Trade receivables + Inventories – Trade payables

Free cash flow impacted by higher working capital and investments

Change in liquid funds in Q1 2018

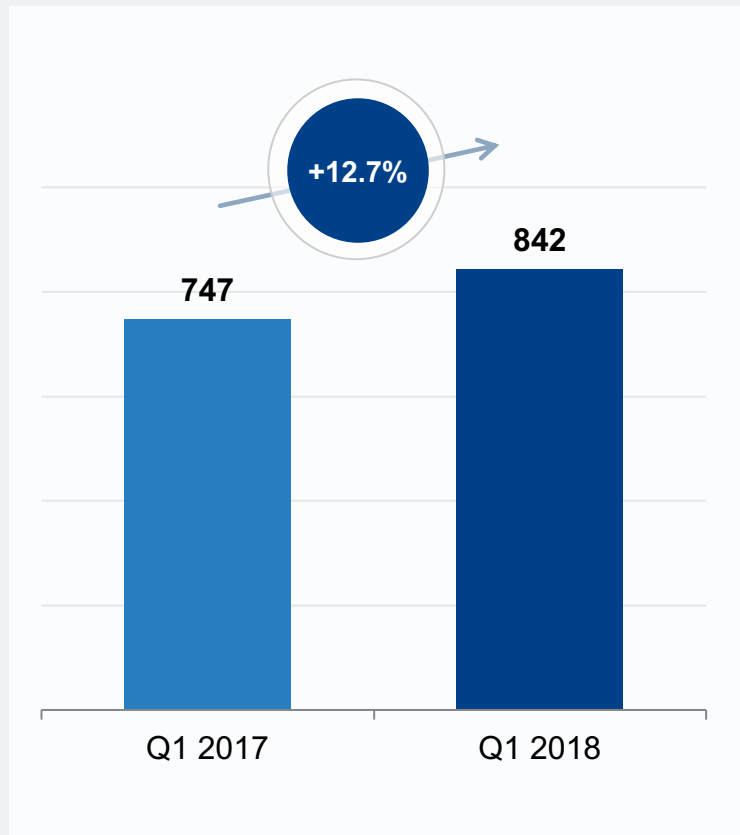
CASH FLOW ITEMS Q1 2018 (€ MN)



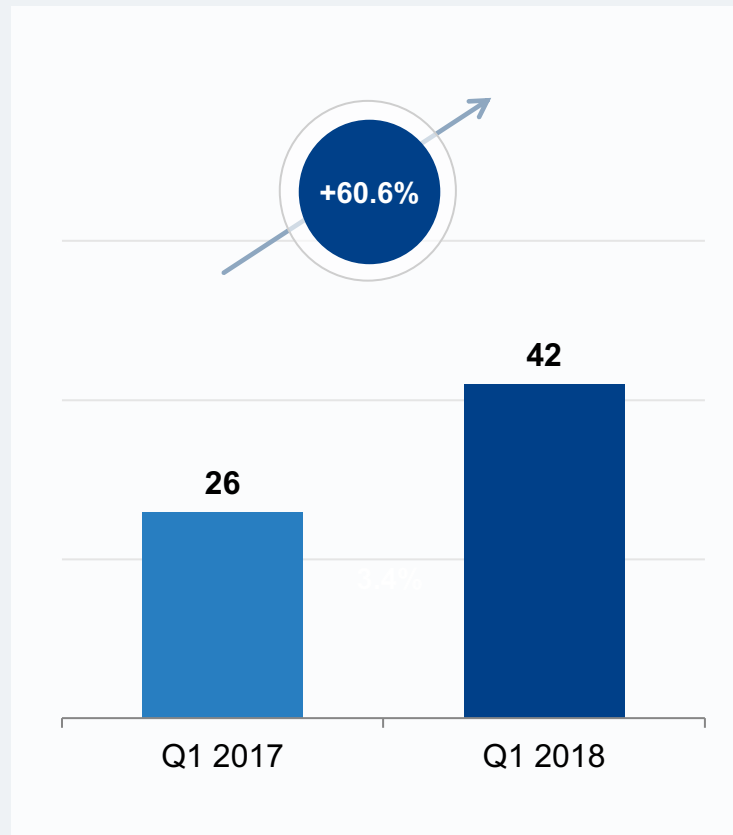
Strong organic sales growth and significantly improved profitability

Revenue and EBIT Q1 – Wiring Systems Division (WSD)

REVENUES (€ MN)*



EBIT (€ MN)**



- › Strong organic sales growth of 15% y-o-y
- › Margin contributions from increased sales
- › Positive development of Chinese JV
- › Adjusted EBIT increased by 45%
- › Adjusted EBIT margin up from 3.9% to 5.1%

* Include IFRS 15 effects: Q1 2017: + € 16.3 mn; Q1 2018: + € 20.6 mn

** Include IFRS 15 effects: Q1 2017: + € 3.0 mn , Q1 2018: + € 4.1 mn

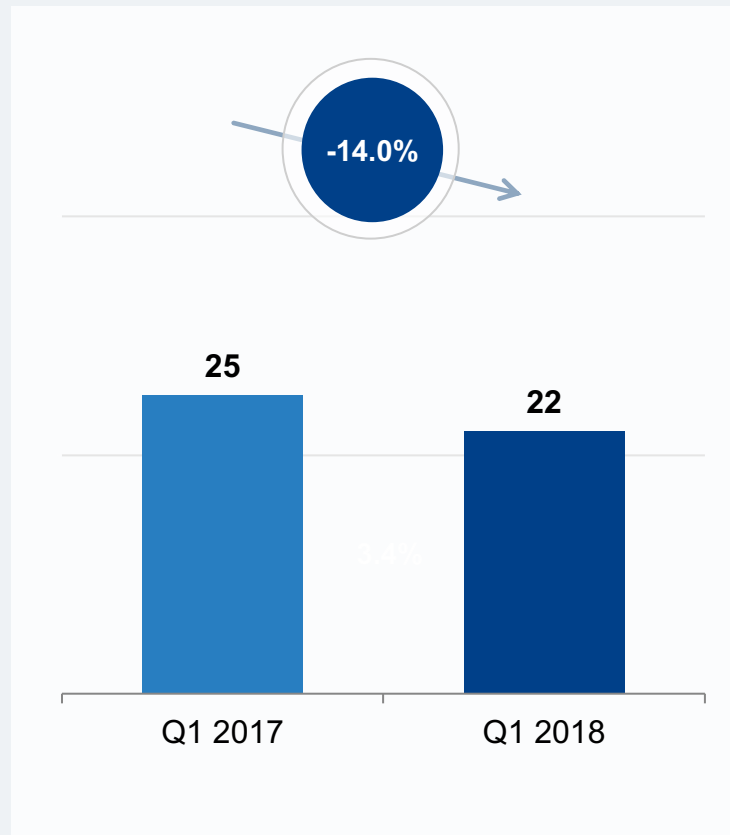
Double-digit organic sales growth of 11%

Revenue and EBIT Q1 – Wire & Cable Solutions (WCS)

REVENUES (€ MN)



EBIT (€ MN)

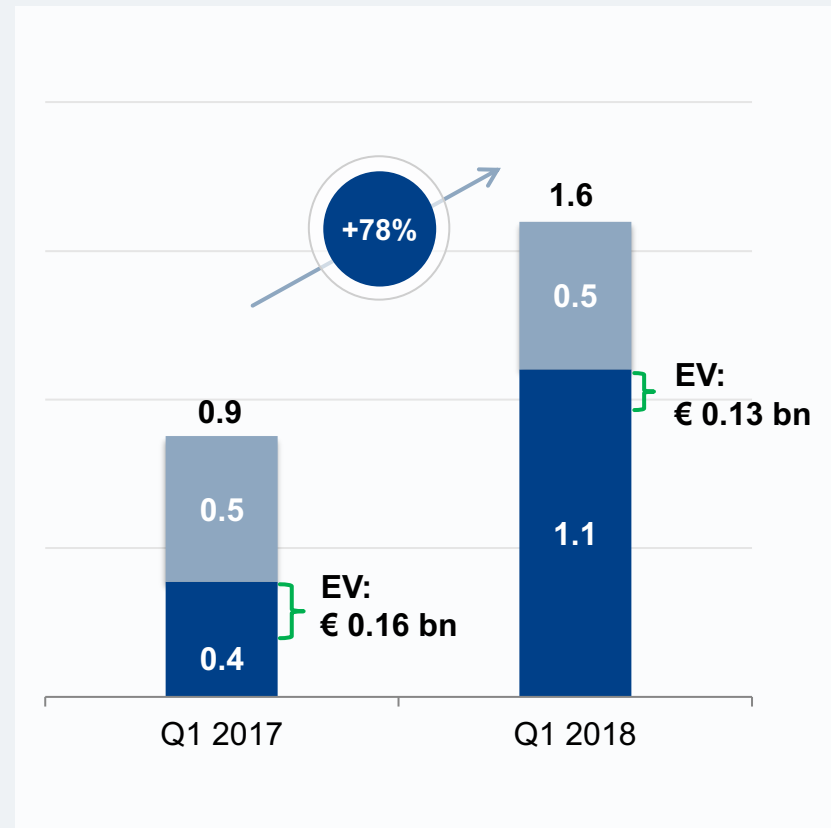


- › Strong organic sales growth of 11% y-o-y mainly driven by automotive business
- › Offset of revenue loss due to BG ES sale and negative FX effects
- › EBIT burdened by adverse copper price and FX effects
- › Adjusted EBIT margin down from 5.3% to 4.5% y-o-y

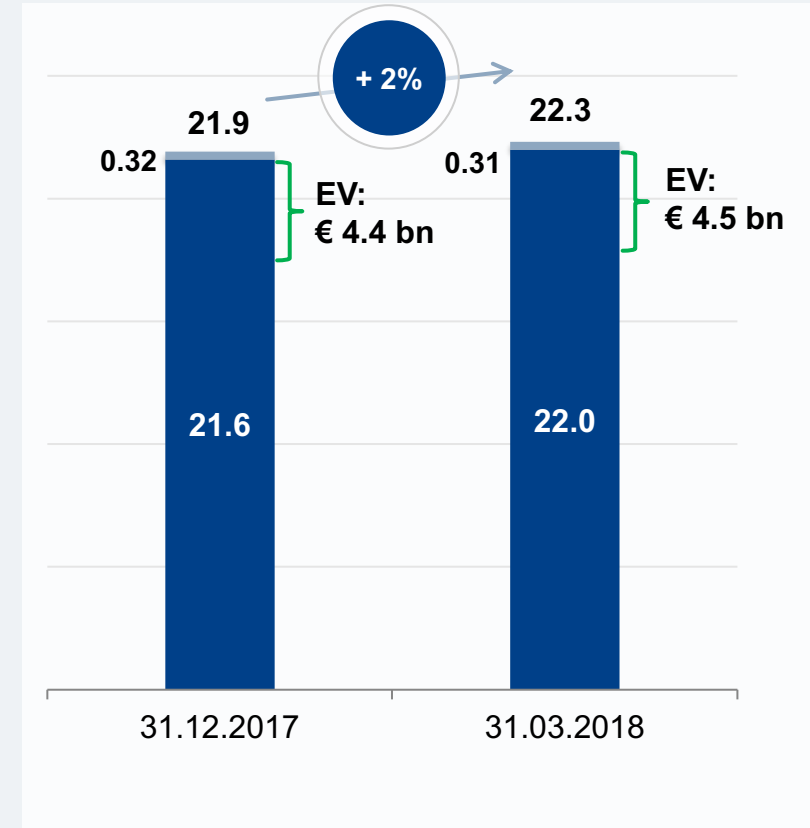
Dynamic order intake development with significant EV share

Order book

ORDER INTAKE (€ BN)



ORDER BACKLOG (€ BN)



LEONI will continue to invest in profitable growth

Guidance 2018 and in the mid-term

2018

Sales: \geq € 5 billion

- › WSD: ~ € 3.2 billion
- › WCS: ~ € 1.8 billion

EBIT: € 215 – 235 million

- › WSD: € 135 – 145 million
- › WCS: € 80 – 90 million

CAPEX: 5% of sales*

**Positive free cash flow
(before dividend distribution)**

2020

Sales: $>$ 5% CAGR 2018-2020

EBIT margin: \geq 5%

CAPEX: 5% of sales

**Positive free cash flow
(after dividend distribution)**

*Excl. investment in the "Factory of the Future"

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Q & A session



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