

Preliminary figures FY 2019
February 19, 2020



Highlights FY 2019

- **Top line growth of 1.6%** to EUR 1,727 million despite declining markets, **organically up by 0.5%**
- **EBIT pre PPA** at EUR 63.2 million, **EBIT margin pre PPA at 3.7 %**;
cost-cutting measures and real estate sale with positive impact on earnings
- **Operating free cash flow remarkably improved** to EUR 175.8 million due to disciplined capex spending and ongoing optimization of net working capital
- **Net debt significantly reduced** to EUR 595 million
- **Operational insights:**
 - Efficiency program successfully implemented
 - Gradual productivity improvements, especially in Northern America
 - Completion of real estate sale in Q4 2019

Global vehicle production on downward trend

Production light vehicles 2019 vs. 2018 - in %



-8%

- Trade conflicts with USA and protests in Hong Kong burden economy
- Governmental subsidies for e-vehicles reduced
- State support measures and thus expected market recovery failed to materialize



ElringKlinger: Stronger sales in H2 2019 compared to H1



-4%

- Trade conflicts between China and US weaken the industry
- Fed lowered key interest rates to support economy three times in 2019
- Decline in passenger car segment, while light truck segment continued to grow



ElringKlinger: High demand for gaskets and heatshields continued



-4%

- Numerous political and economic instabilities are weighing on economic cycle
- Customs duties and trade barriers on international markets affected the economy
- Ongoing uncertainty regarding new drive concepts and bans imposed on diesel-powered vehicles



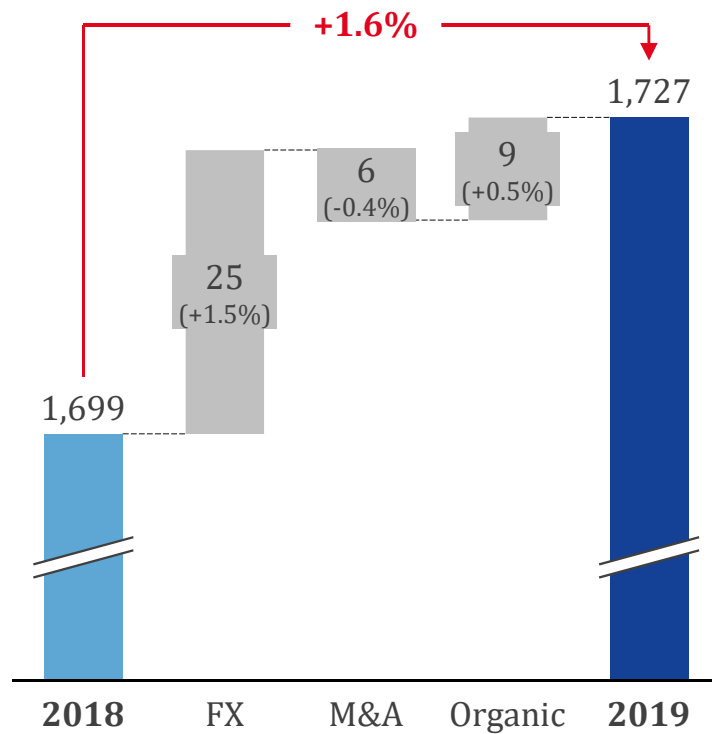
ElringKlinger: Strong Aftermarket business in Eastern Europe

Source: IHS, ElringKlinger research

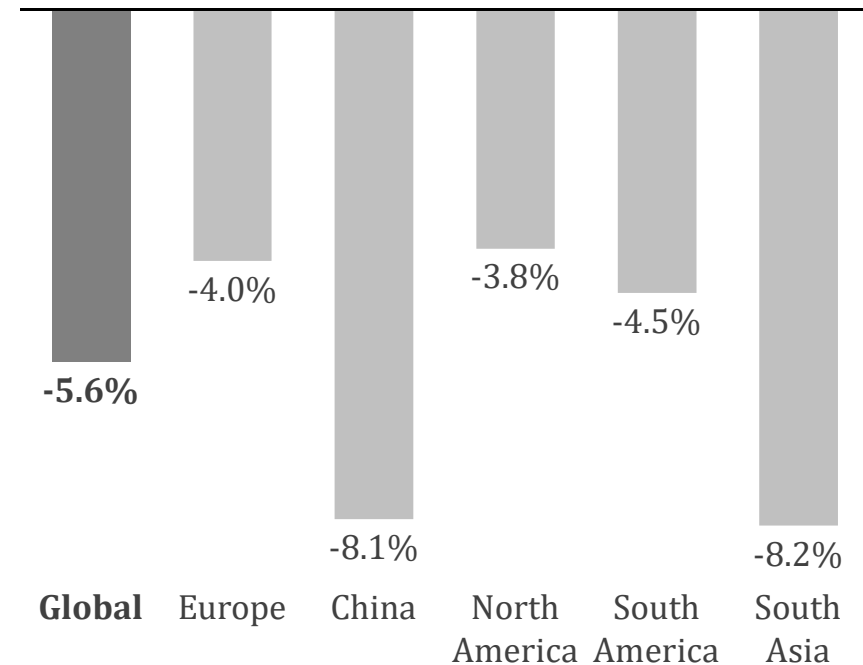
Preliminary figures FY 2019: Income statement

Again top line outperformance of global production growth

Sales – in EUR million



Global production by region 2019 vs. 2018 – in %

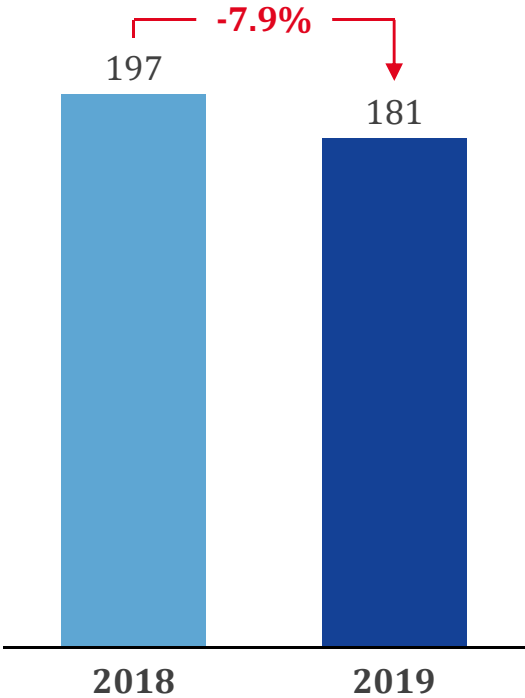


Source: IHS, JP Morgan, ElringKlinger research

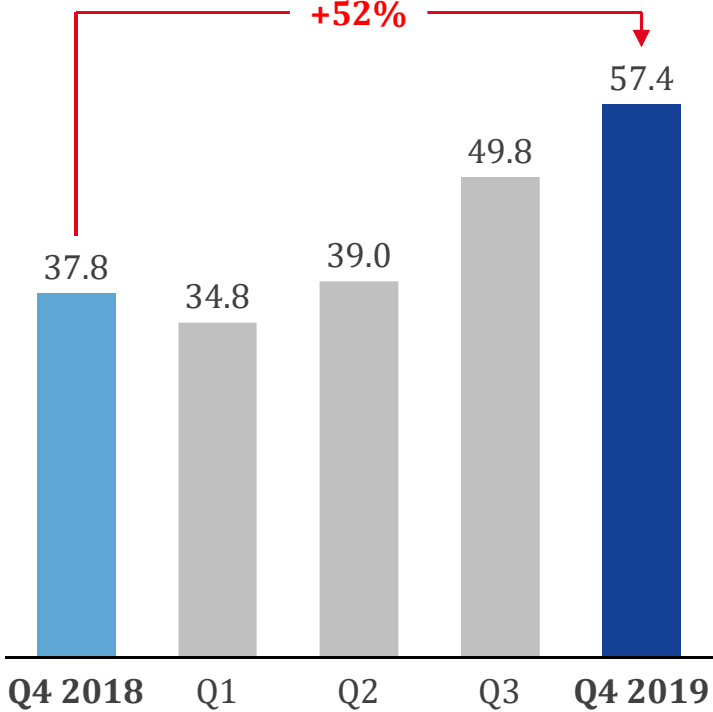
Preliminary figures FY 2019: Income statement

Continuous earnings improvement throughout FY 2019

EBITDA – in EUR million



EBITDA per quarter – in EUR million

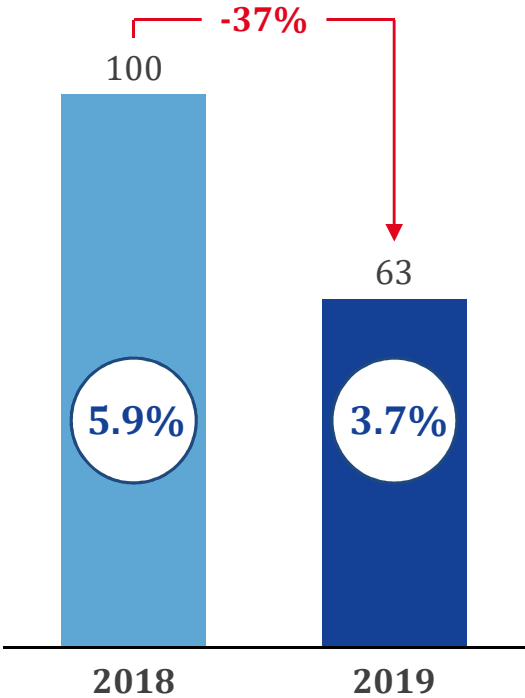


Differences due to rounding

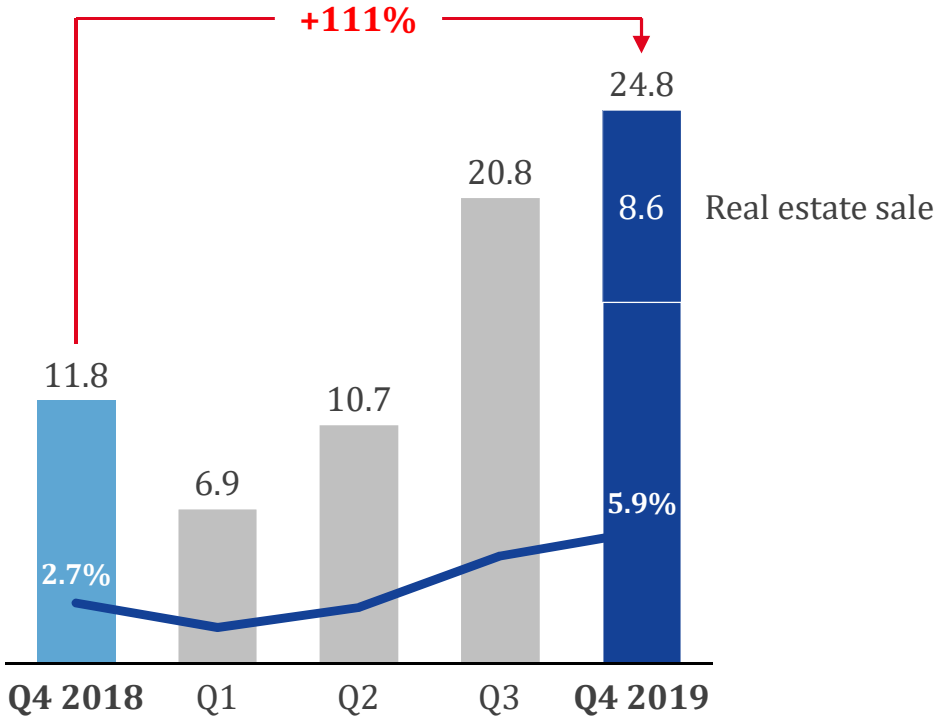
Preliminary figures FY 2019: Income statement

Real estate sale successfully completed in Q4 2019

EBIT pre PPA – in EUR million
EBIT margin pre PPA – in %



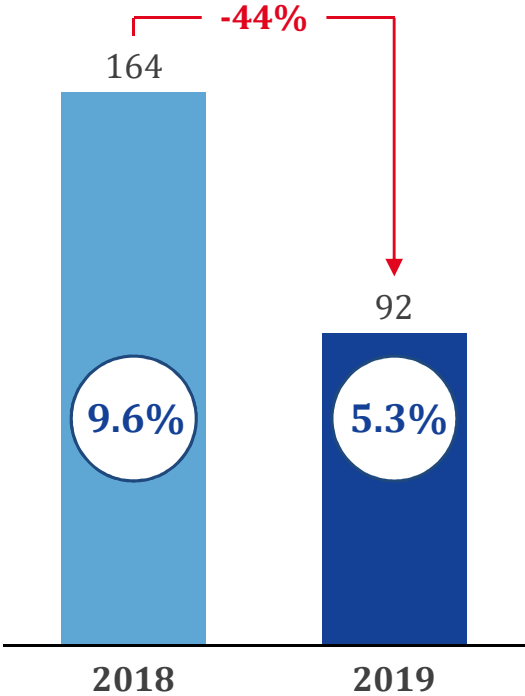
EBIT pre PPA per quarter – in EUR million
EBIT margin pre PPA per quarter – in %



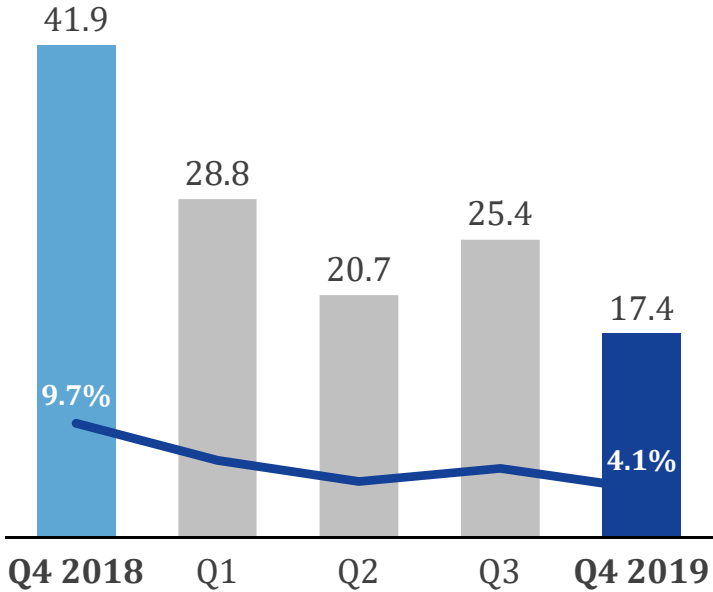
Differences due to rounding

Disciplined capex approach continued

Capex – in EUR million
Capex ratio – in % of total sales



Capex per quarter – in EUR million
Capex ratio per quarter – in % of total sales

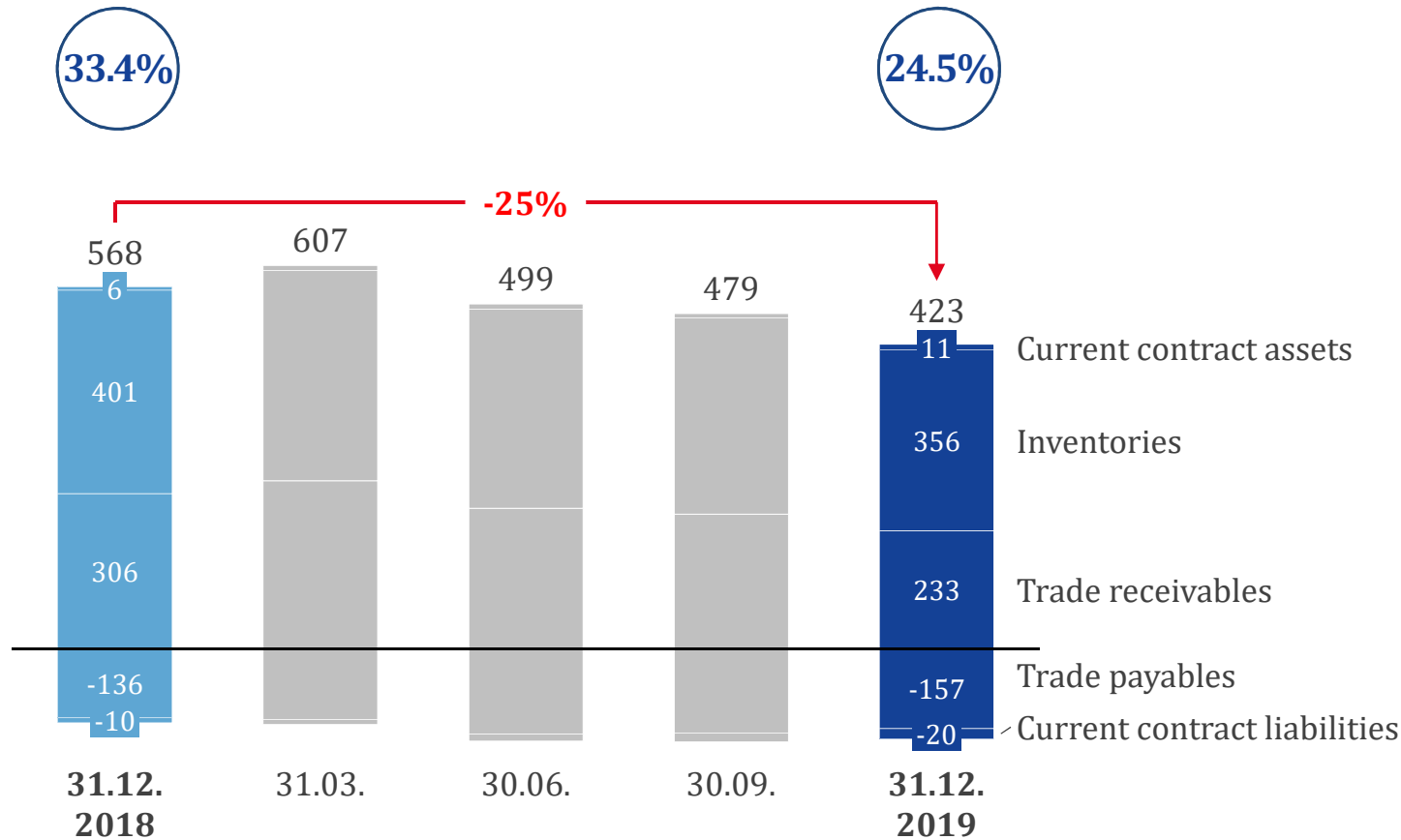


Differences due to rounding

Preliminary figures FY 2019: Balance sheet

Inventories and receivables optimized, payment terms extended

Net working capital - in EUR million / in % of total sales

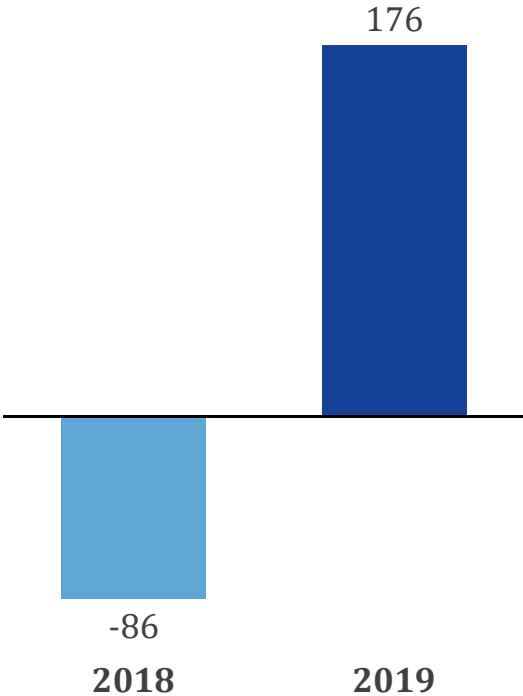


Differences due to rounding

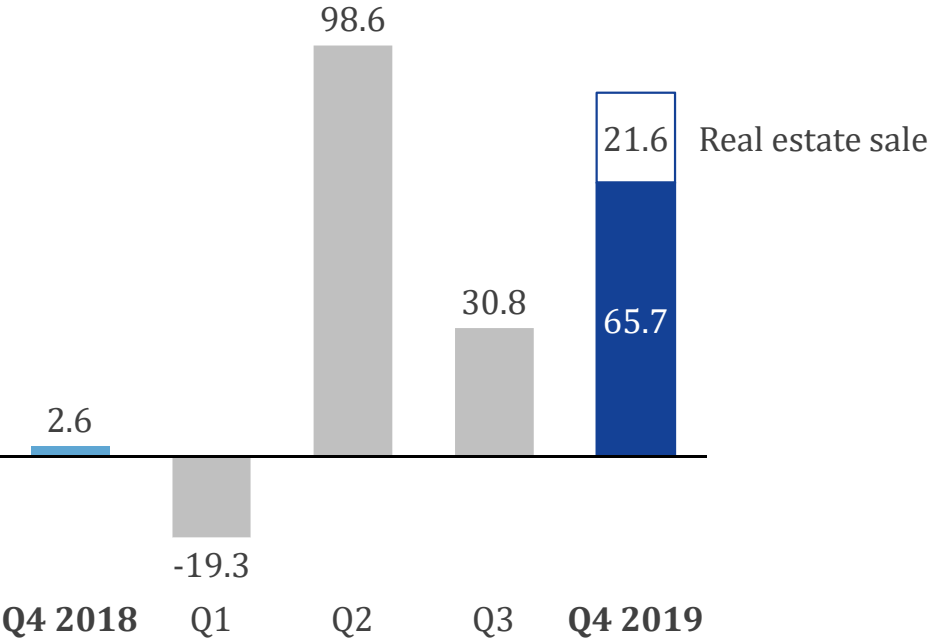
Preliminary figures FY 2019: Cash flow statement

Cash flow stimulated by capex and net working capital release

Operating free cash flow – in EUR million



Operating free cash flow per quarter – in EUR million

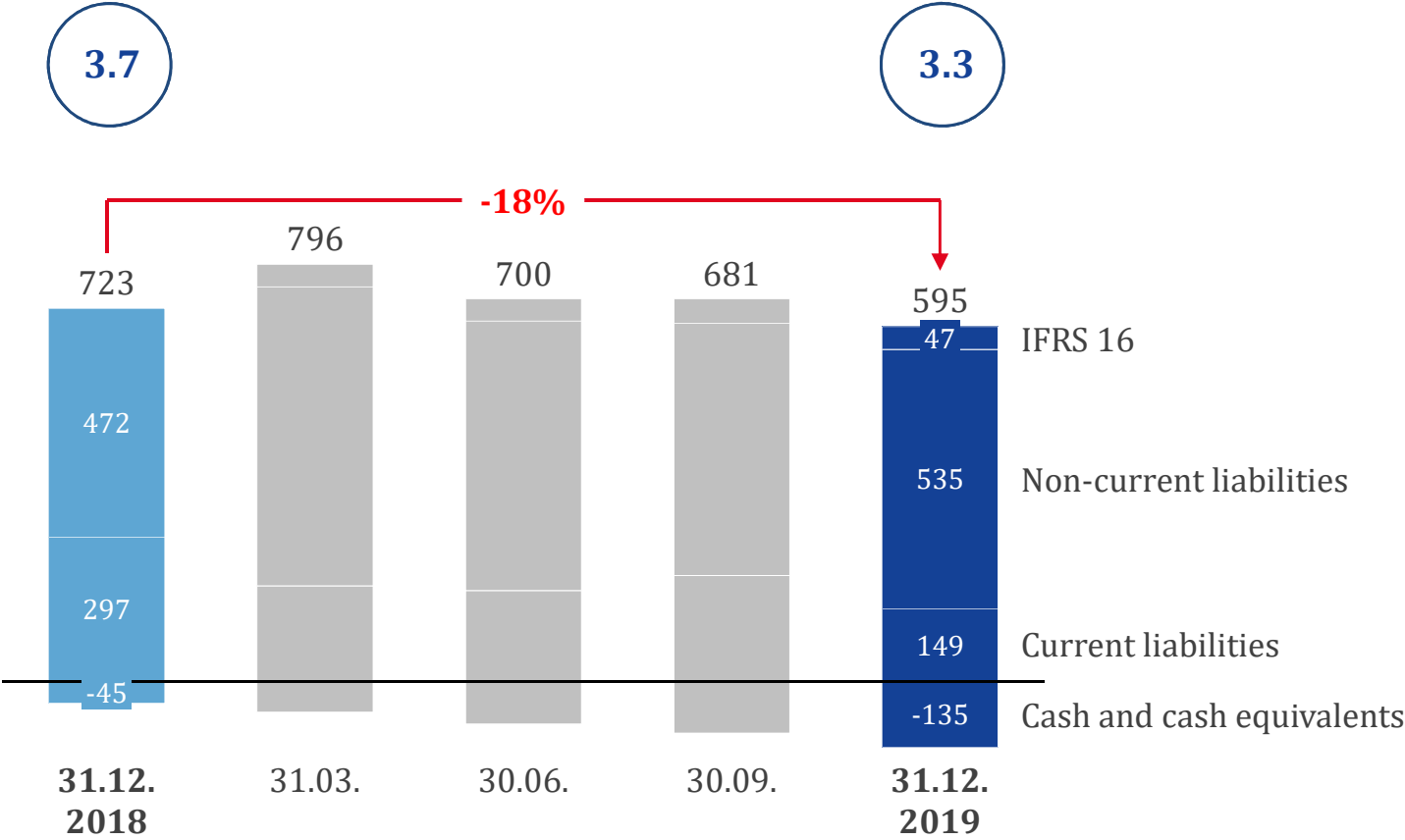


Differences due to rounding

Preliminary figures FY 2019: Balance sheet

Cash flow boost enables strong repayment of debt

Net financial debt - in EUR million
 Net financial debt/EBITDA



Differences due to rounding

Current year

High degree of uncertainty in challenging market environment

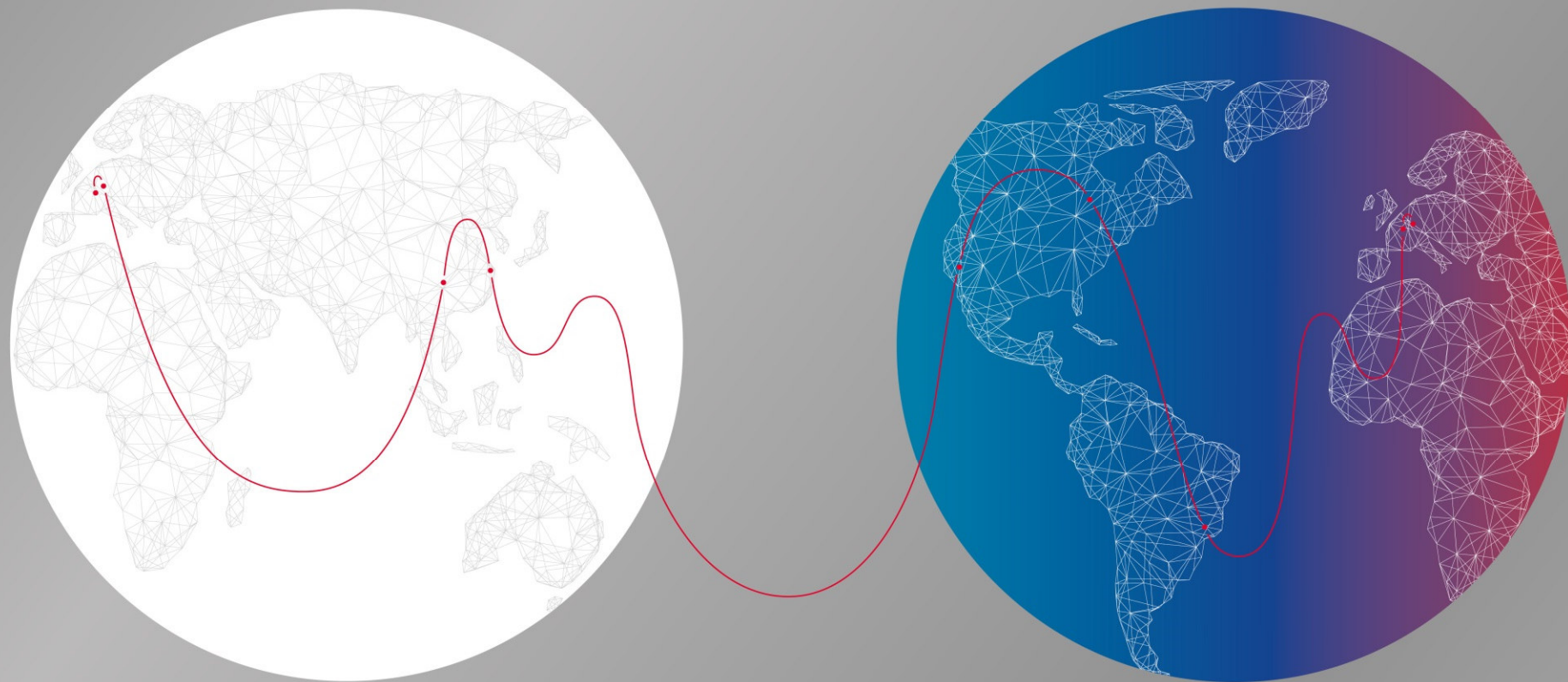


2020

- Brexit executed, but trade agreement with EU still pending
- Outbreak of coronavirus with clear impact on economic cycle
- Trade conflicts, particularly between the US and China
- Low reliability of auto forecasts in 2019 due to high volatility on global markets

Detailed outlook for current year in line with release of Annual Report on March 30

Q&A



Disclaimer

Forward-looking statements and predictions

This presentation contains statements about the future. These statements are based on current expectations, market evaluations and predictions by the Management Board, and on information that is currently available to them. The statements about the future should not be interpreted as guarantees of the future developments and results that they refer to. Whilst the Management Board is convinced that the statements that have been made, and the convictions and expectations on which they are based, are realistic, they rely on suppositions that may conceivably prove to be incorrect; future results and developments are dependent on a multitude of factors, they involve various risks and imponderabilities that can affect whether the ongoing development deviates from the expectations that have been expressed. These factors include, for example, changes to the general economic and business situation, variations of exchange rates and interest rates, poor acceptance of new products and services, and changes to business strategy.