



bertrandt

Welcome to Capital Market Day 2019

Ehningen, 6 June 2019, Hans-Gerd Claus, Michael Lücke, Markus Ruf



Market and Customer Environment

Global challenges and uncertainties



Trade conflicts with China,
Mexico & EU



2018: car market shrinks for the first time
since 1990
2019: stagnation expected



Brexit risk



Growth forecast cut to 0.8 %



Digitisation

Connectivity

Autonomous driving

Electric mobility

Automotive industry in transition

Reactions of the OEM



Investment



Cooperation



Austerity Programmes

Importance for development service providers



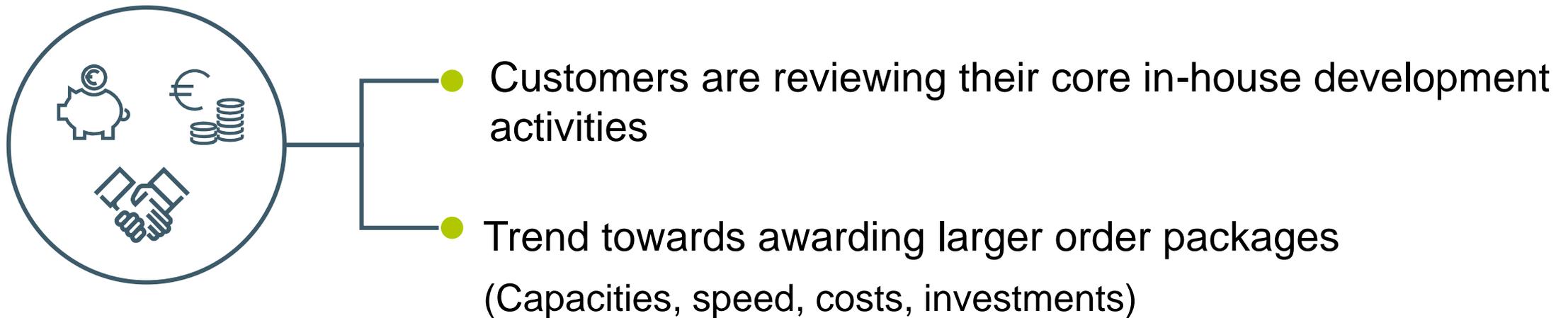
R&D costs in the automotive sector are at a high level worldwide



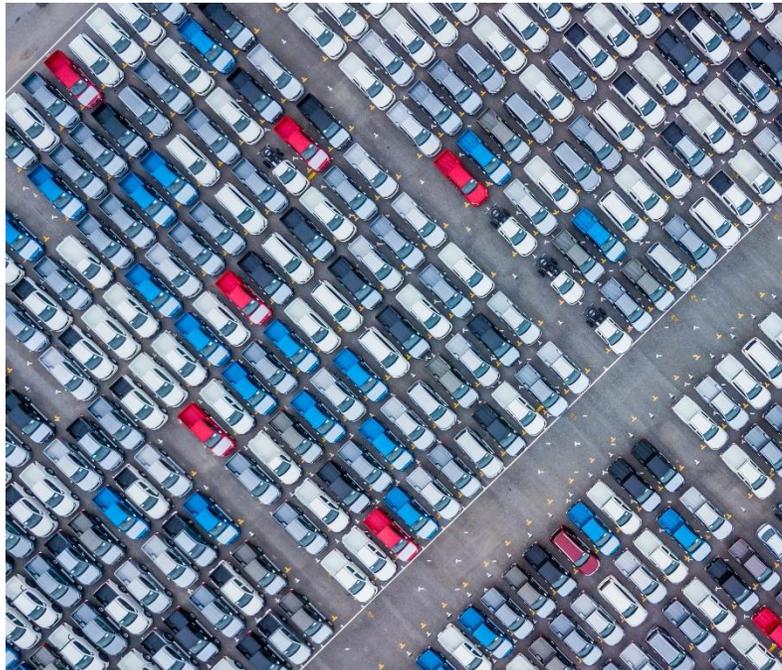
2017: EUR **135 bn** 2030: EUR **141 bn** \triangleq CAGR: 0.34%

Increase in market volume for development services forecast

Derivatives for bertrandt



Orientation



Markets & Customers

Services & Solutions

Globalisation

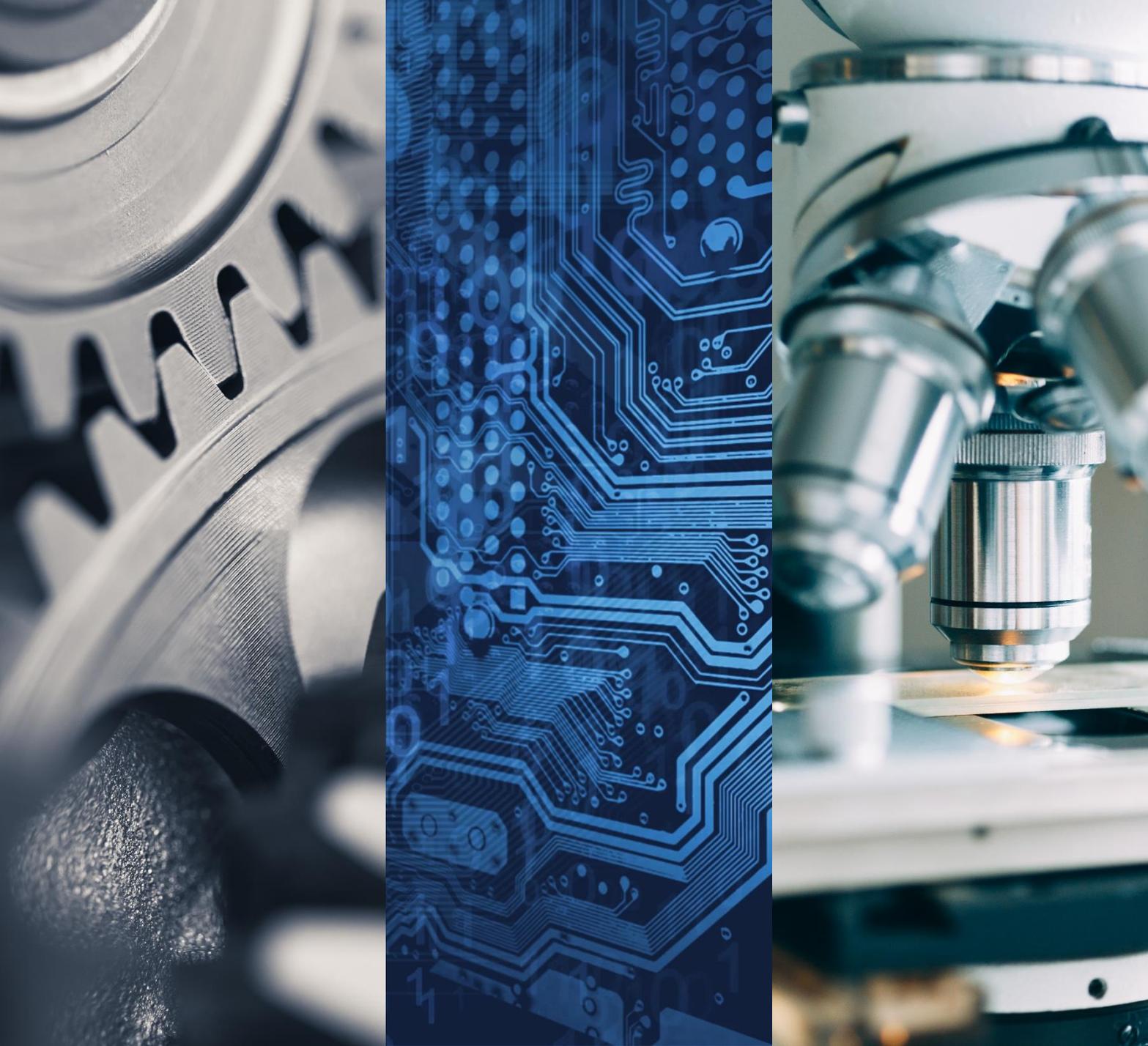


MOBILITY

OEM

Tier 1

Tier 2



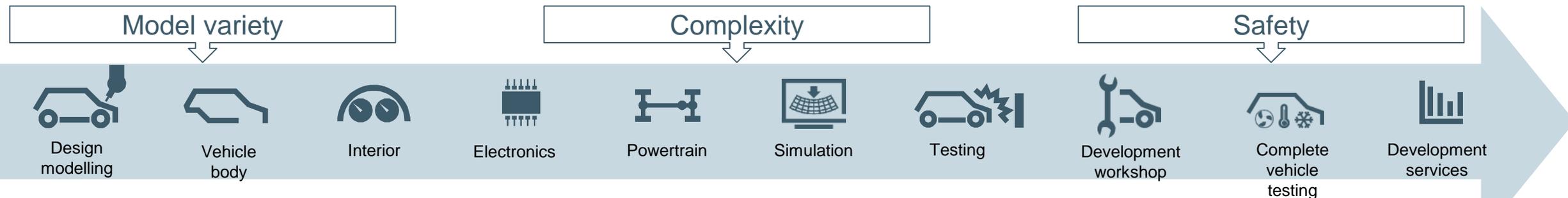
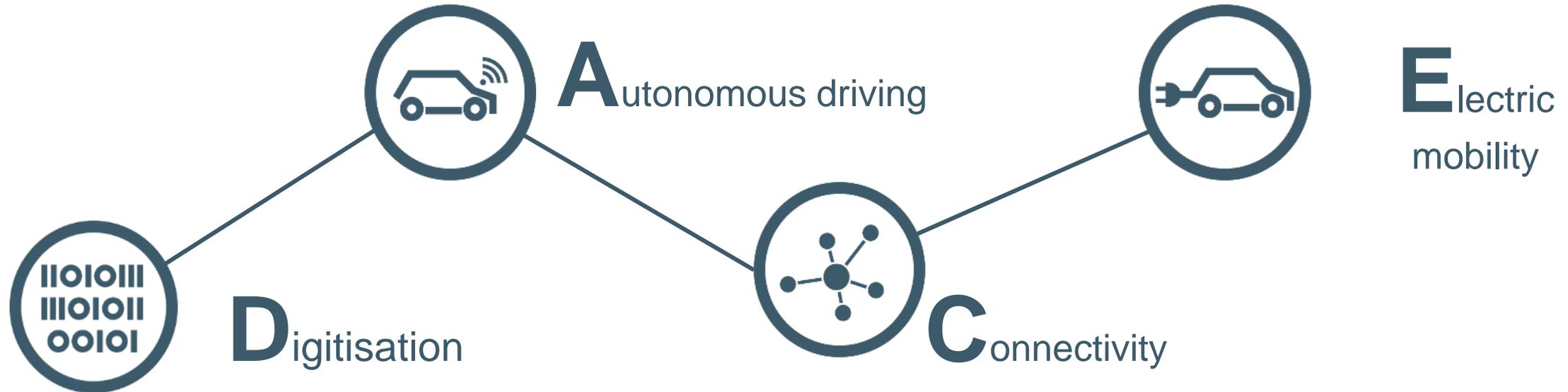
NON- MOBILITY

OEM

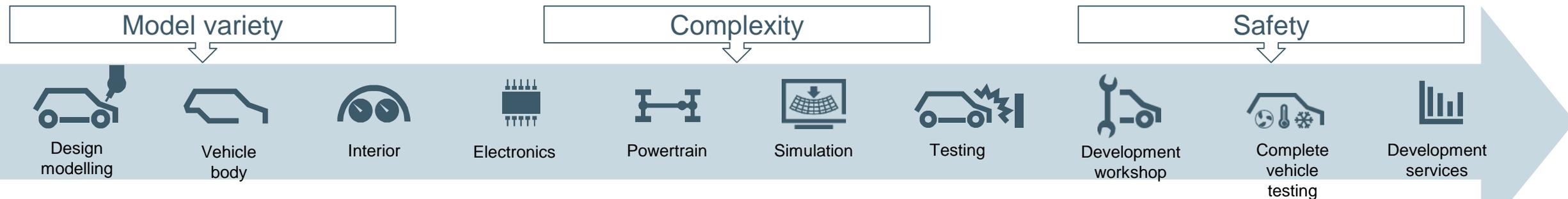
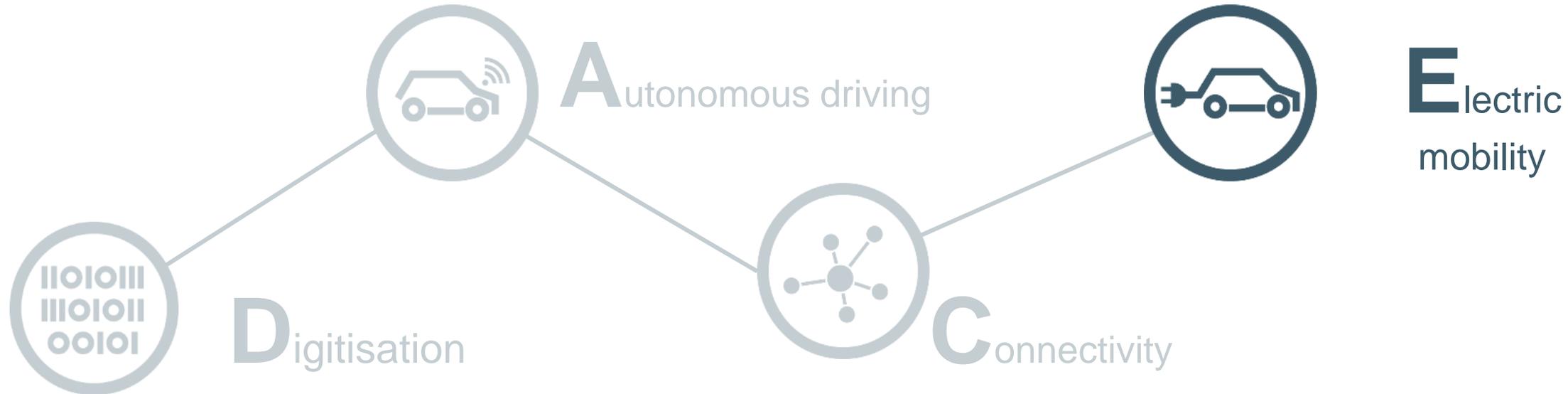
Tier 1

Tier 2

Services and solutions

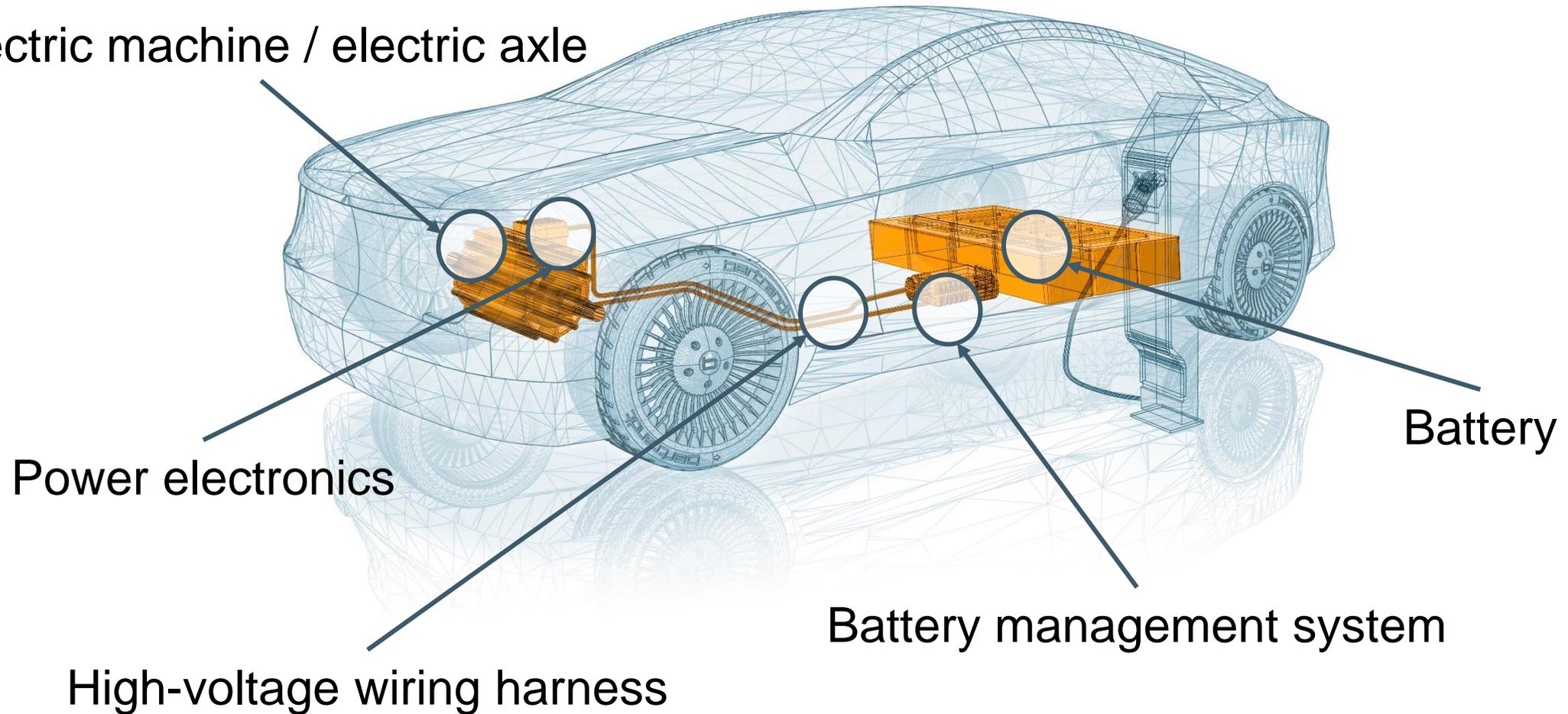


Services and solutions

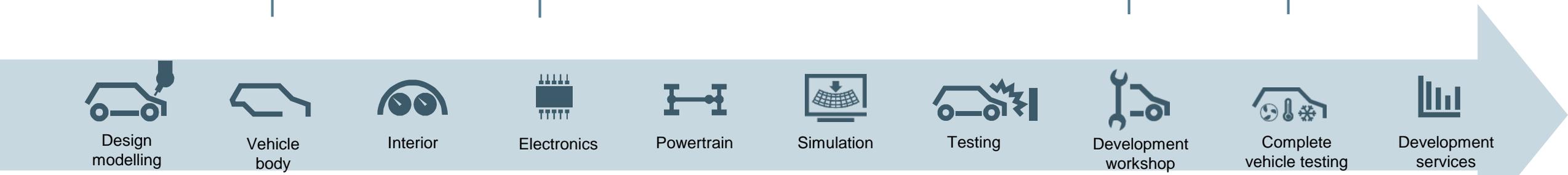
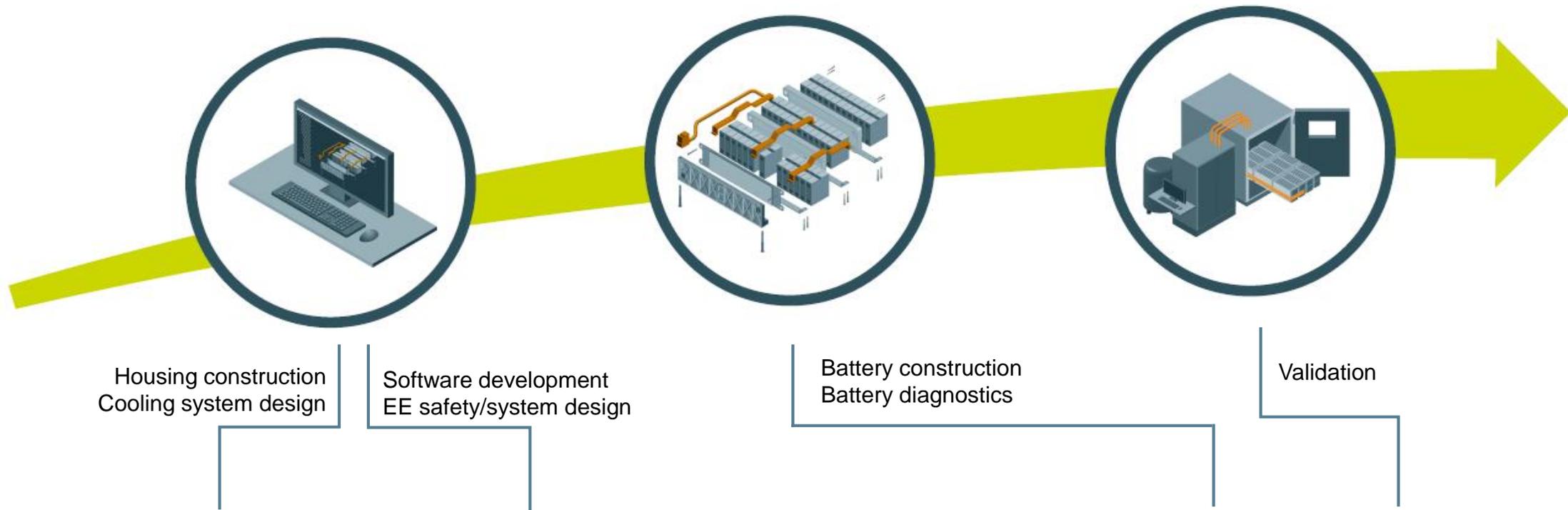


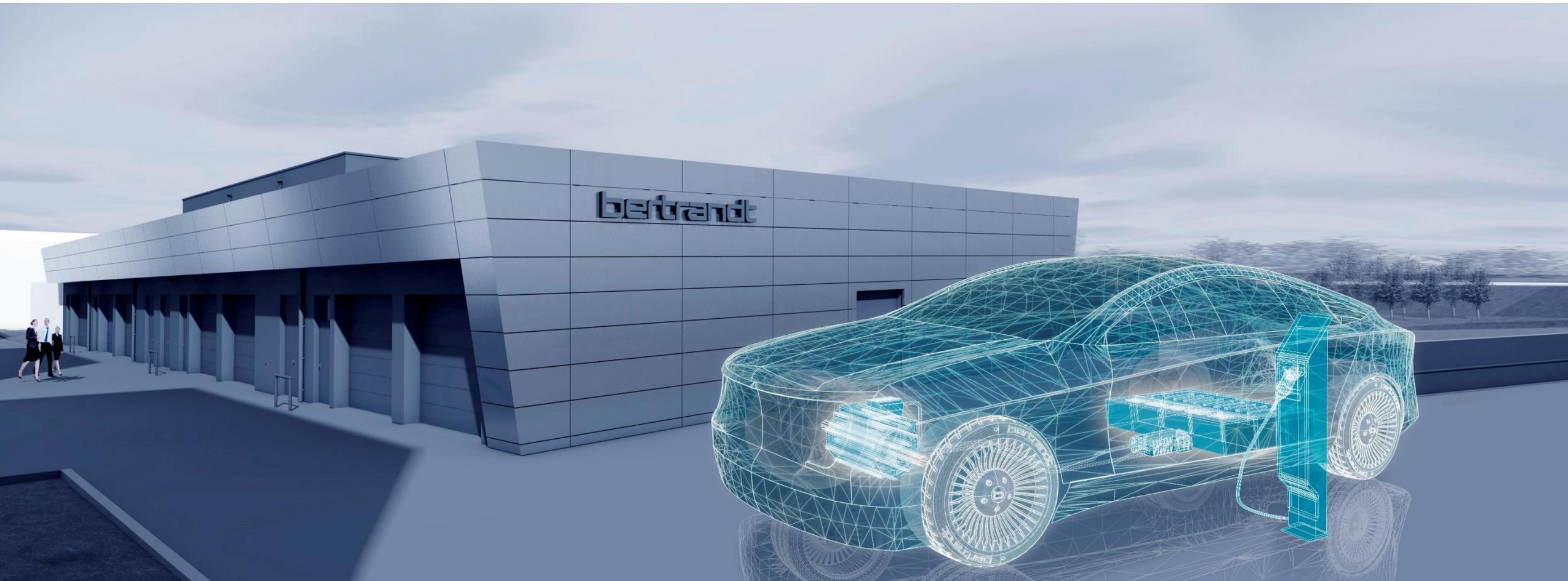
Important components of an electric drive system

Electric machine / electric axle



High-voltage battery derivative development





High-voltage battery testing centre

Bertrandt is building two state-of-the-art vehicle emissions testing centres



April 2019



Commissioning: July 2020



Validation of the powertrain concepts of the future

Powertrains with different fuels
Petrol | diesel | CNG | hydrogen | special fuels

Alternative powertrain concepts
Hybrid / electric drive systems



Locations



Munich



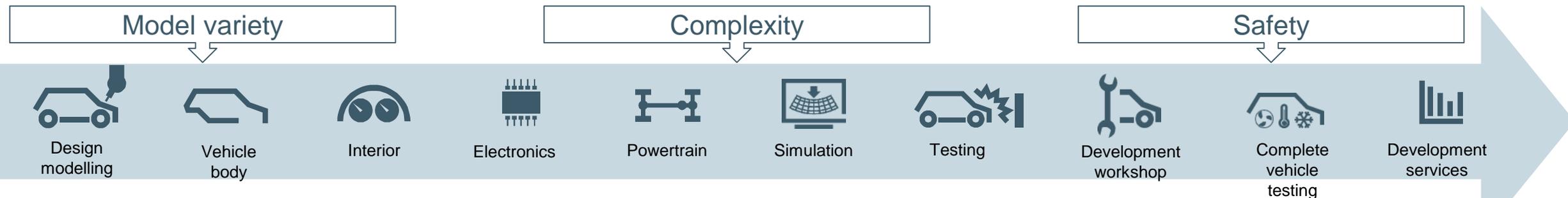
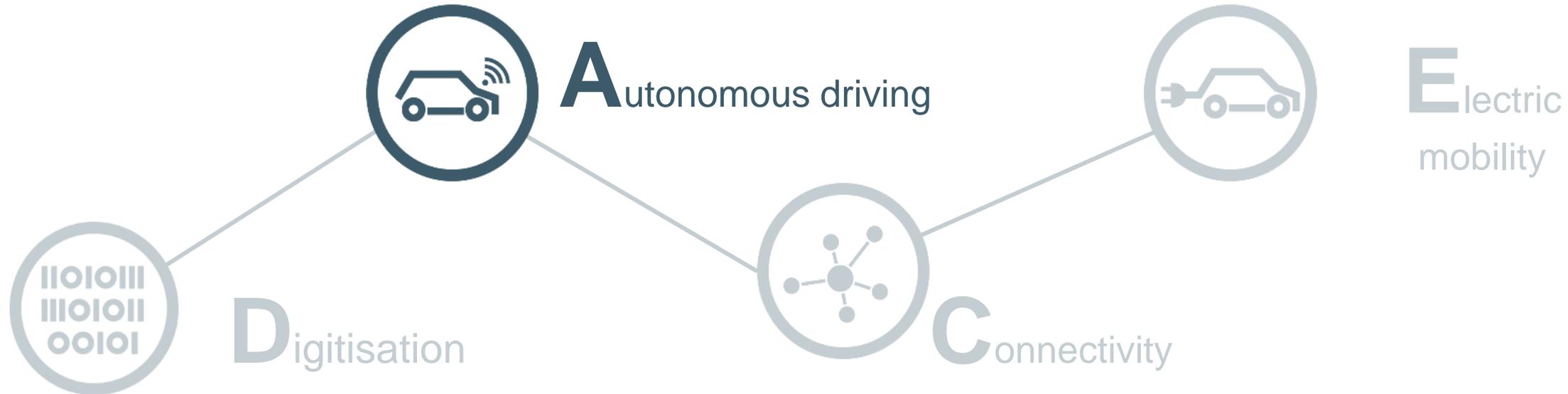
Wolfsburg

Investment



€ 80 m

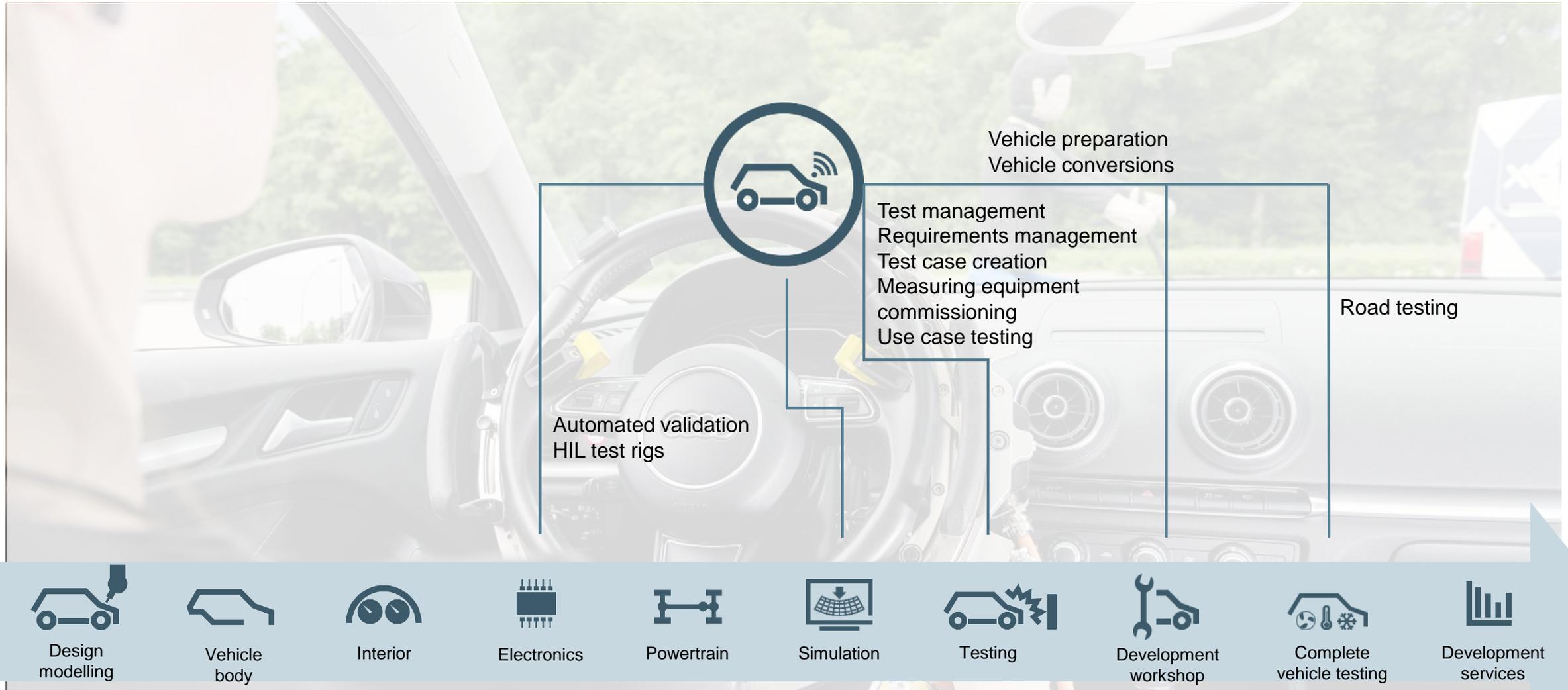
Services and solutions



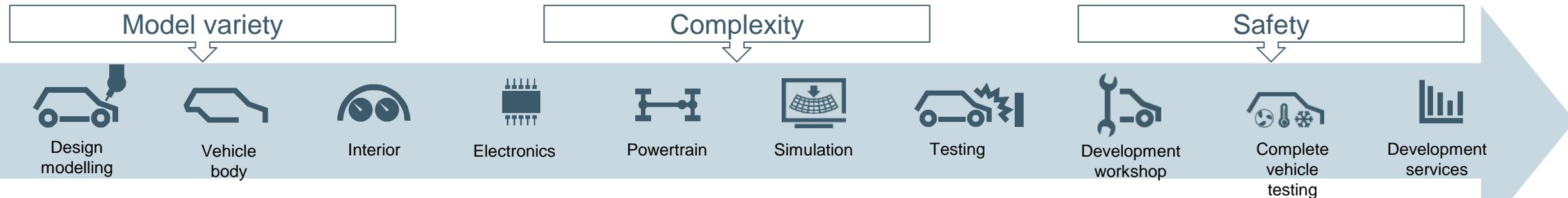
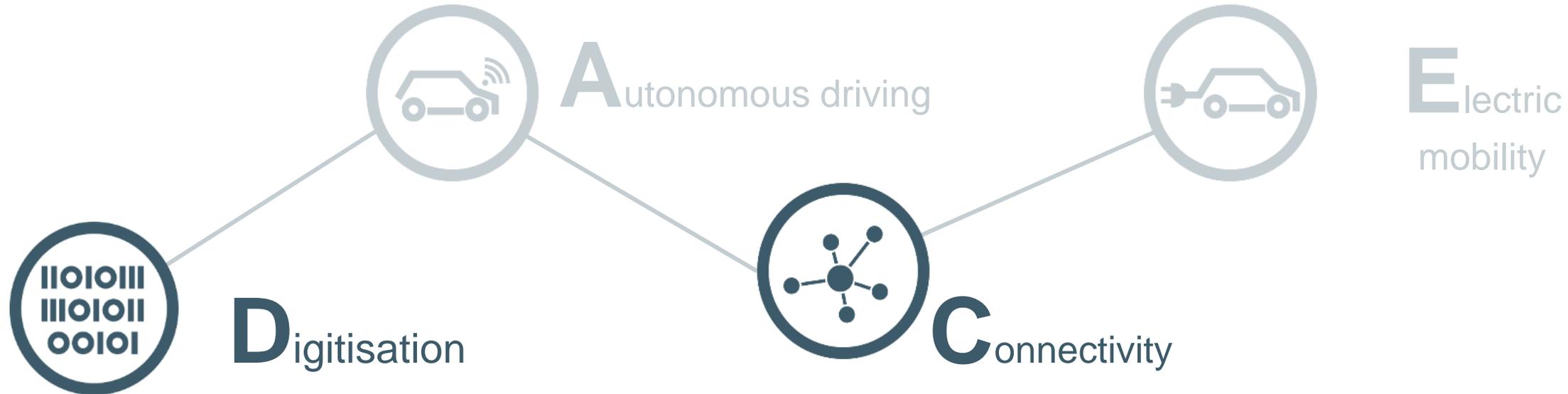
Autonomous driving – development of driver assistance systems



Autonomous driving – validation of driver assistance systems



Services and solutions



Analytics solutions for today's challenges



Development and integration services for the mobile world



Tier I + II



IT



Energy



Fleet



Telecommunications

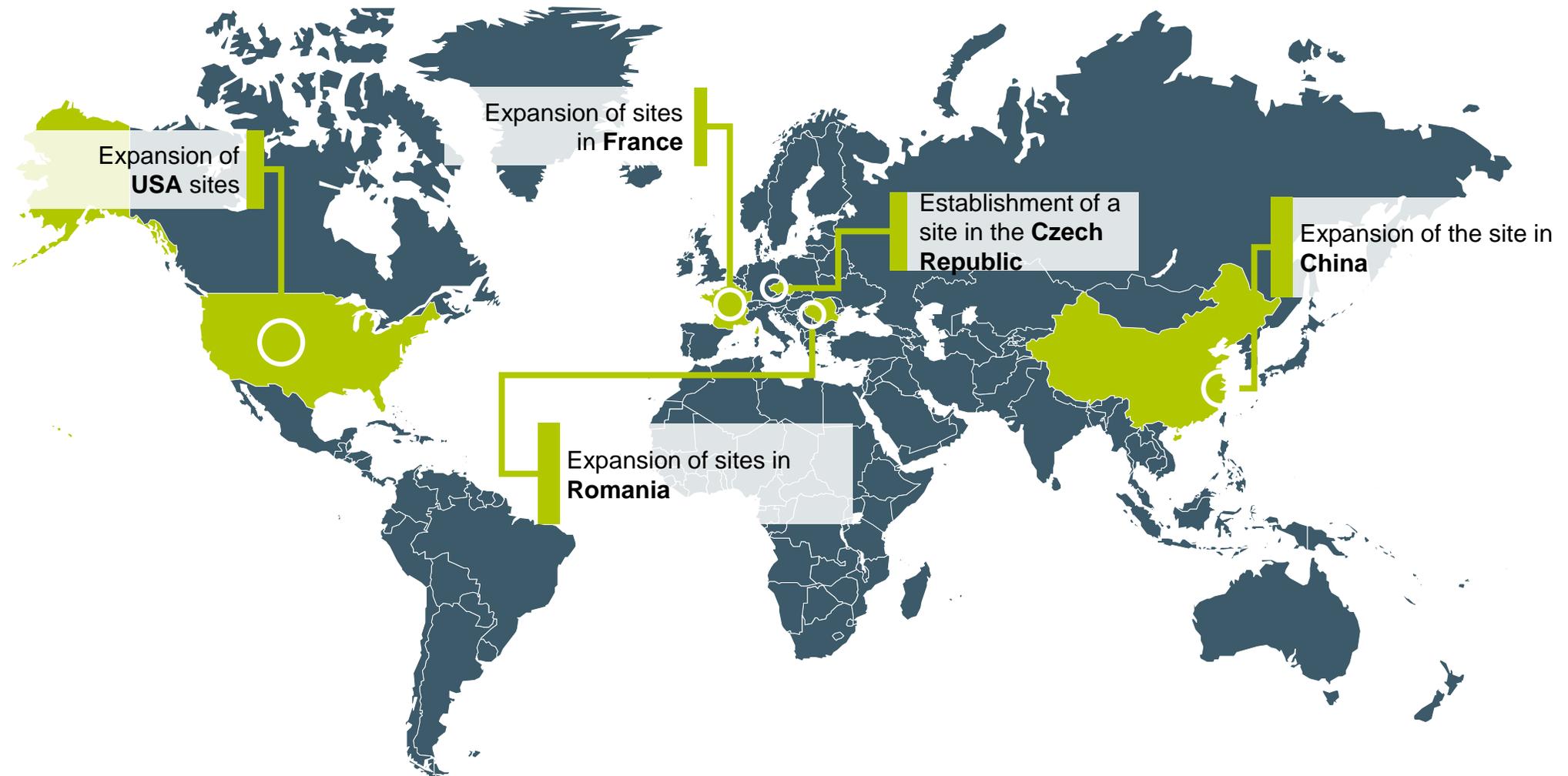


Consulting

bertrandt

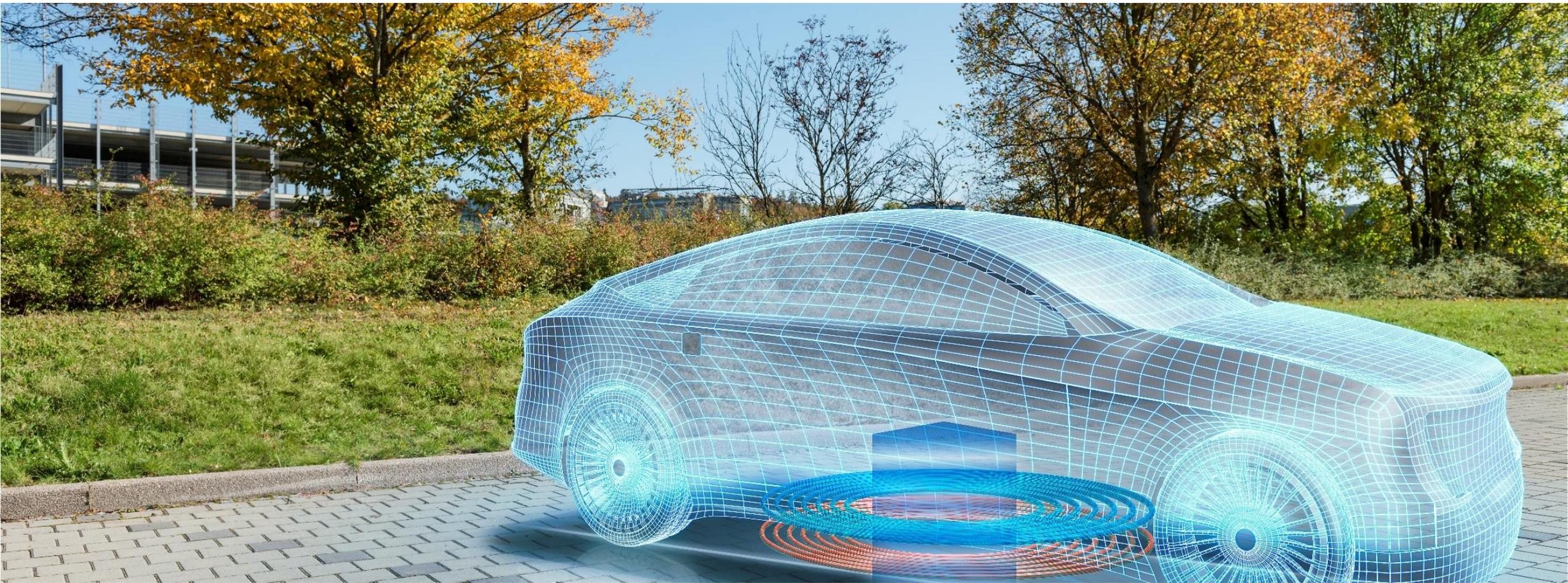


Globalisation





Digitalisierung
The best solution for every customer!
Vernetzung
Autonomes Fahren
Elektromobilität



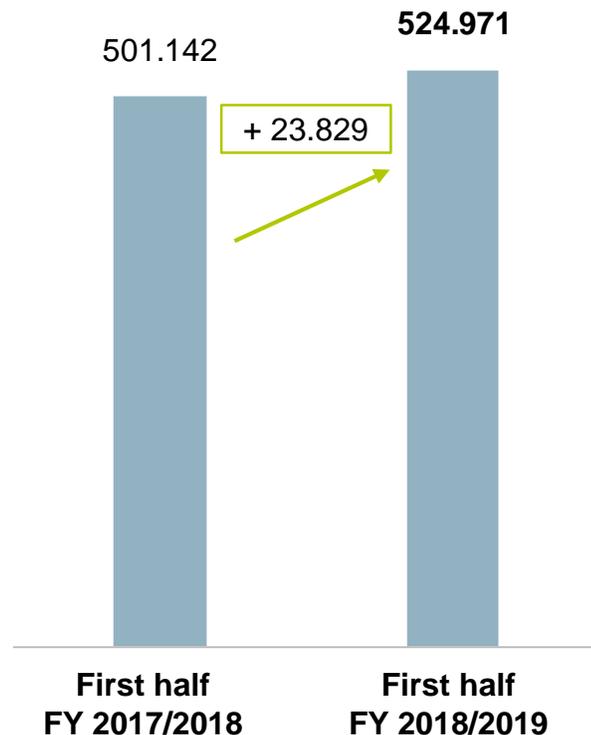
First half 2018/2019

Consolidated Income Statement

	1st HY 18/19 EUR million	1st HY 17/18 EUR million	comparison	
			EUR million	%
Total revenues	524.971	501.142	23.829	4,8%
Other operating income	4.522	4.335	187	4,3%
Raw materials and consumables used	-45.495	-48.906	3.411	-7,0%
Personnel expenses	-377.035	-354.923	-22.112	6,2%
Depreciation	-16.223	-16.507	284	-1,7%
Other operating expenses	-54.918	-49.076	-5.842	11,9%
EBIT	35.822	36.065	-243	-0,7%
Net finance income	-1.407	-1.344	-63	4,7%
Profit from ordinary activities	34.415	34.721	-306	-0,9%
Other taxes	-1.707	-1.618	-89	5,5%
Earnings before tax	32.708	33.103	-395	-1,2%
Income taxes	-9.340	-8.880	-460	5,2%
Post-tax earnings	23.368	24.223	-855	-3,5%

Total revenues

Total revenues
(EUR million)



- Growth HY 17/18 → HY 18/19 | + 4.8 %
 - Domestic + 2 %
 - Foreign + 25 %
- Segment growth
 - Digital Engineering + 3.8 %
 - Physical Engineering + 5.9 %
 - Electrical Systems/Electronics + 6.2%
- Growth (half-year comparison)
 - HY 17/18 → HY 18/19 | + EUR 23.8 million | + 4.8 %
 - HY 16/17 → HY 17/18 | + EUR 3.5 million | + 0.7 %

Key expenditure figures

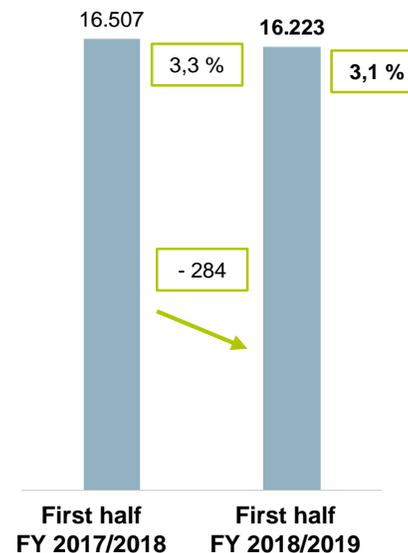
Personnel expenses

(EUR million)



Depreciation/amortisation expense

(EUR million)



Other operating expenses

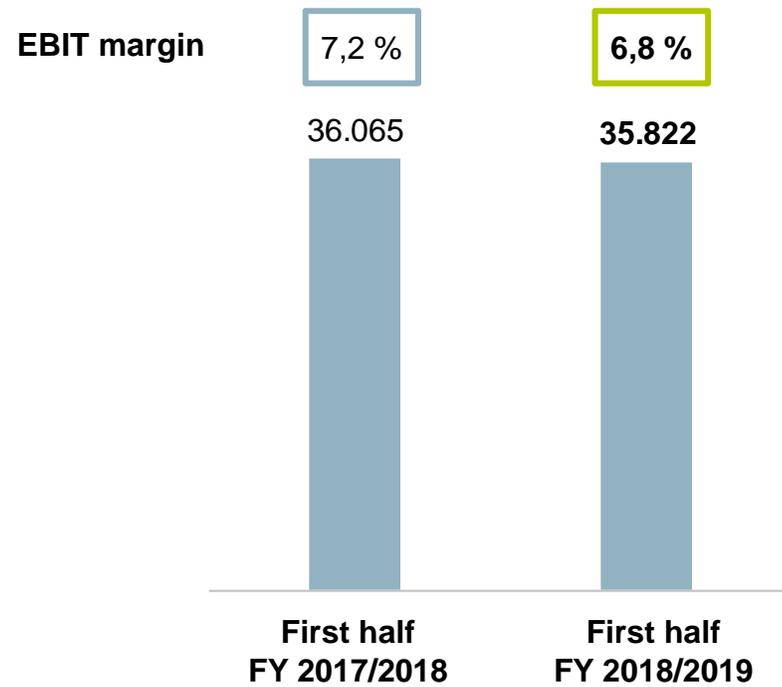
(EUR million)



- Growth + 353 employees since 01/04/2018
- Depreciation/amortisation broadly the same year-on-year
- Ratio of depreciation/amortisation to total revenues slightly reduced year-on-year
- Costs of recruiting and further training + EUR 1 million
- Costs of space needed for expanding infrastructure and “new work” areas EUR + 1.8 million

EBIT

EBIT
(EUR million)



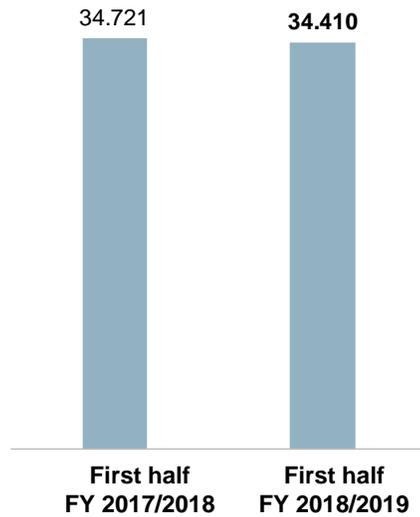
- EBIT
 - Overall at previous year's level
 - Customer-specific fluctuations in capacity utilisation
 - Start-up costs incurred for new technical facilities
 - Recruiting and qualification of new employees

- Segments | Earnings and contribution to EBIT
 - Digital Engineering | EUR 17.3 million | 48.2 %
 - Physical Engineering | EUR 8.0 million | 22.4 %
 - Electrical Systems/Electronics | EUR 10.5 million | 29.4%

EBIT

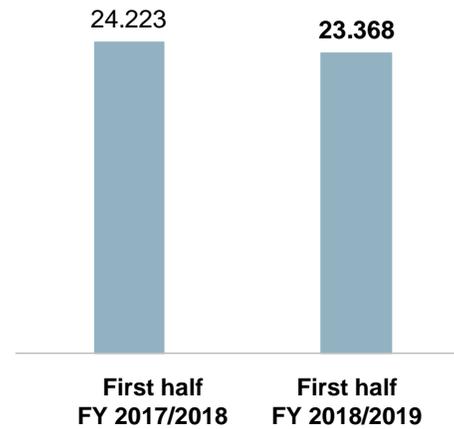
EBT

(EUR million)

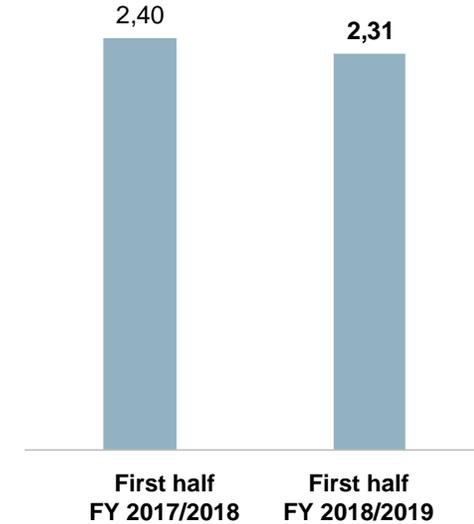


Post-tax earnings

(in EUR million)



Earnings per share



- Income tax rate + 28.6%

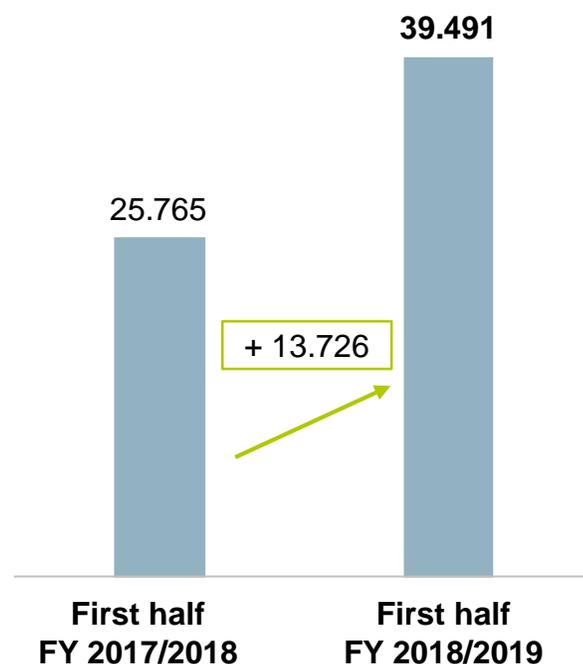
Consolidated Balance Sheet

Assets	31/03/2019 EUR million	30/09/2018 EUR million	comparison	
			EUR million	%
Property, plant and equipment	304.359	282.104	22.255	7,9%
Non-current assets	339.855	318.914	20.941	6,6%
Current assets	431.603	469.481	-37.878	-8,1%
Total assets	771.458	788.395	-16.937	-2,1%
Equity and liabilities	31/03/2019 EUR million	30/09/2018 EUR million	comparison	
			EUR million	%
Equity	402.612	398.876	3.736	0,9%
Non-current liabilities	226.753	222.608	4.145	1,9%
Current liabilities	142.093	166.911	-24.818	-14,9%
Total equity and liabilities	771.458	788.395	-16.937	-2,1%

Financial and assets position

Capital expenditure

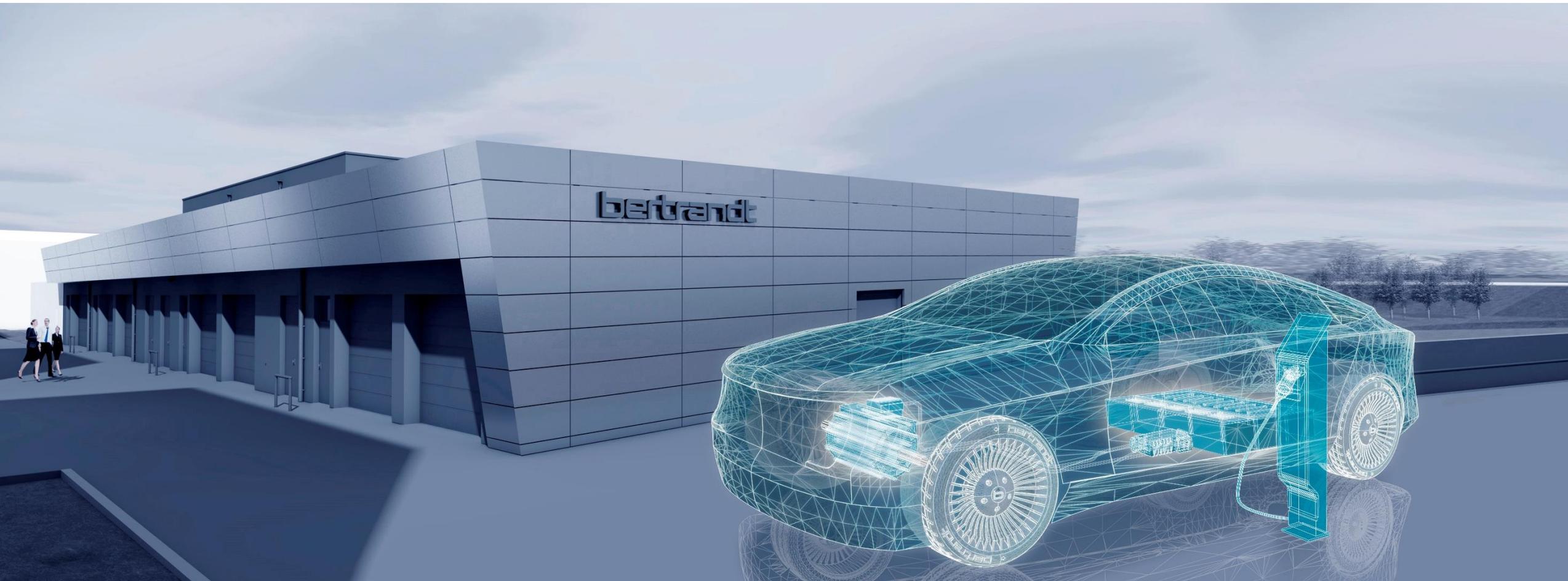
(EUR million)



- Non-current assets
 - High-voltage battery test centre
 - Vehicle emissions test centres North and South
 - Roller dynamometer centre for determining the range of electrically powered vehicles
 - Portable Emissions Measurement System (PEMS)
 - ...

- Current assets
 - Increased contract assets
 - Reduced current receivables and cash

Assets	31/03/2019	30/09/2018	comparison	
	EUR million	EUR million	EUR million	%
Inventories	3.920	1.156	2.764	239,1%
Contract assets	139.734	121.100	18.634	15,4%
Current receivables	212.794	258.820	-46.026	-17,8%
Cash and cash equivalents	75.155	88.405	-13.250	-15,0%
Current assets	431.603	469.481	-37.878	-8,1%



High-voltage battery test centre

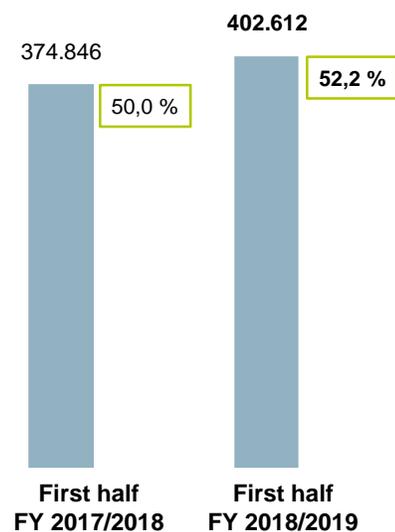


State-of-the-art vehicle emissions test centres

Financial and assets position

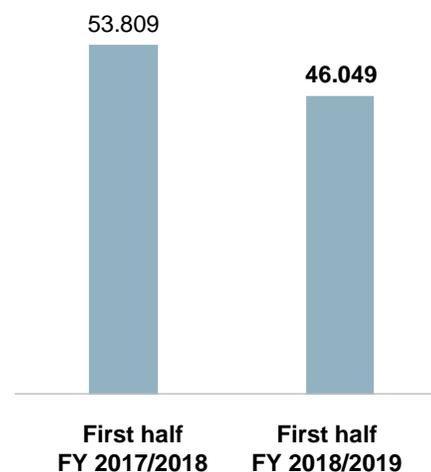
Equity

(EUR million)



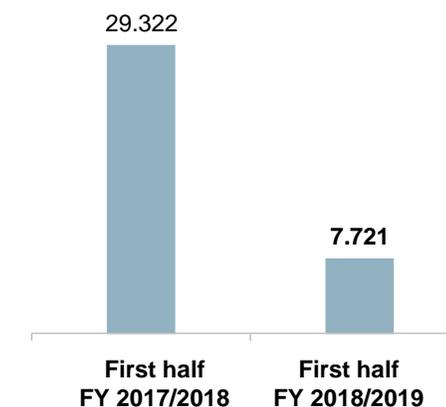
Cash flow from operating activities

(EUR million)



Free cash flow

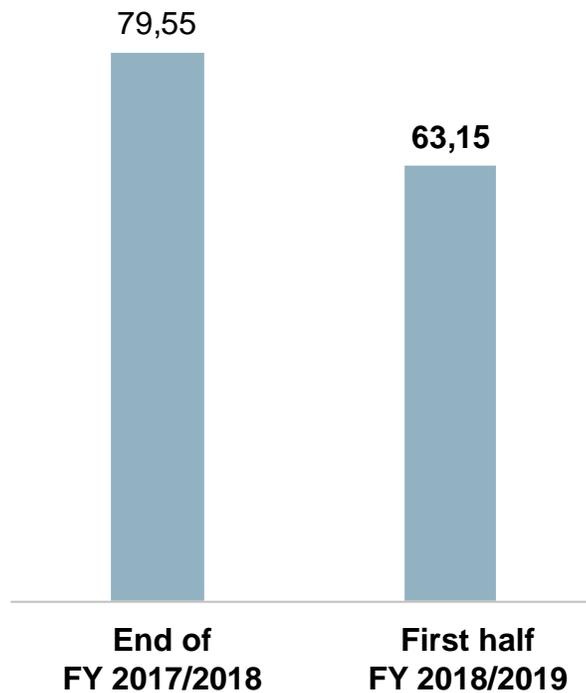
(EUR million)



- Dividend payment of EUR 20.190 million in the quarter under review
- Reduction in direct comparison with previous year: in correlation with the growth in revenue and the related increase in tied-up funds
- Cash flow from investing activities
 - 1st HY 18/19 | EUR -38.328 million
 - 1st HY 17/18 | EUR -24.487 million

Share price

Share price*
(in EUR)

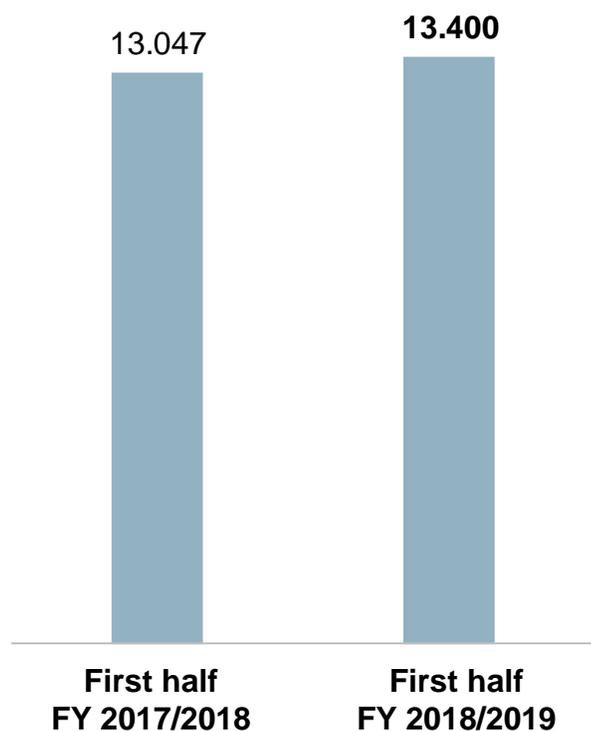


- Share price in the 1st HY 2018/2019
 - High for the period at EUR 80.65
 - Low for the period at EUR 59.40

*In Xetra trading

Human resources

Employees



- Growth + 171 employees since 01/10/2018
 - Staff increase in France, Wolfsburg, Romania
- Competence Centre Electronics + 266 employees since 01/10/2018
- Near-shore: 206 employees in Romania as at 31/03/2019
- Current vacancies as at 31/03/2019: around 1,900
 - of this total: > 550 in Competence Centre Electronics
- Increased training opportunities
 - E-learning, methodology training, leadership development
- Bertrandt, too, is aware of the “war of talents” and consistently adapting the scope of work and the work environment



Mission statement: the basis of our competence model for career development

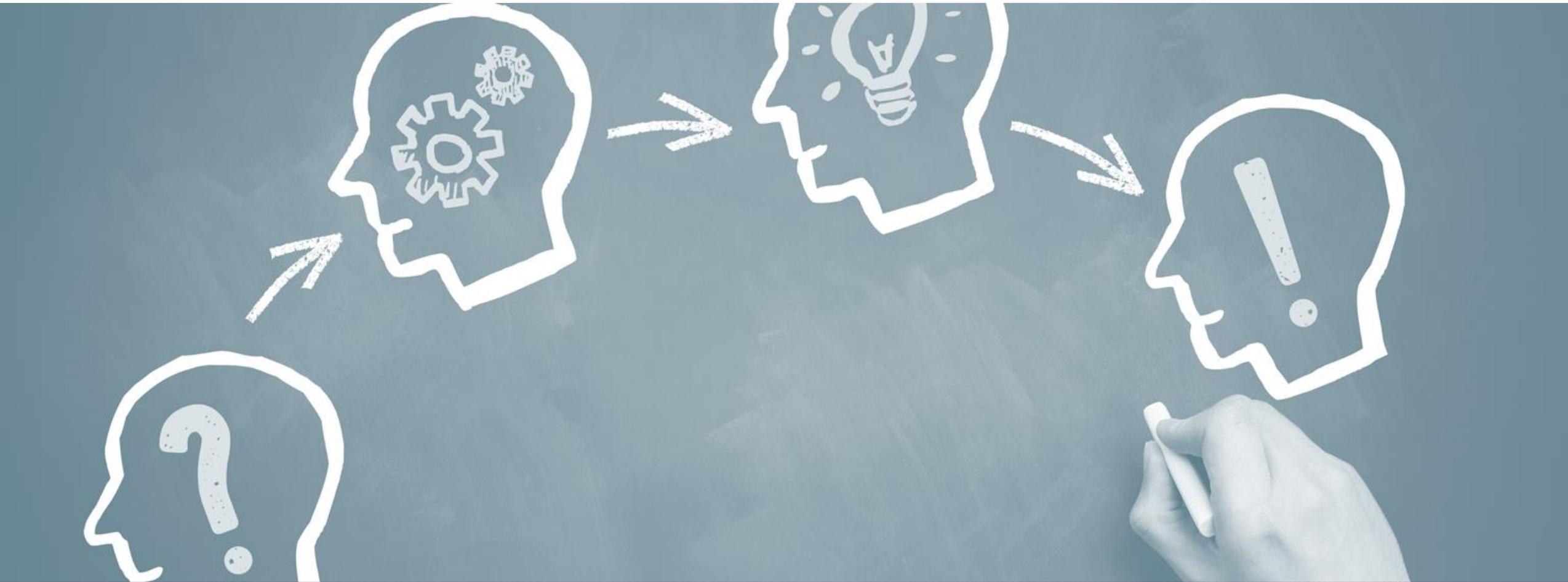


Employer branding: focus on workforce increase in new fields

*Stand Dezember 2018

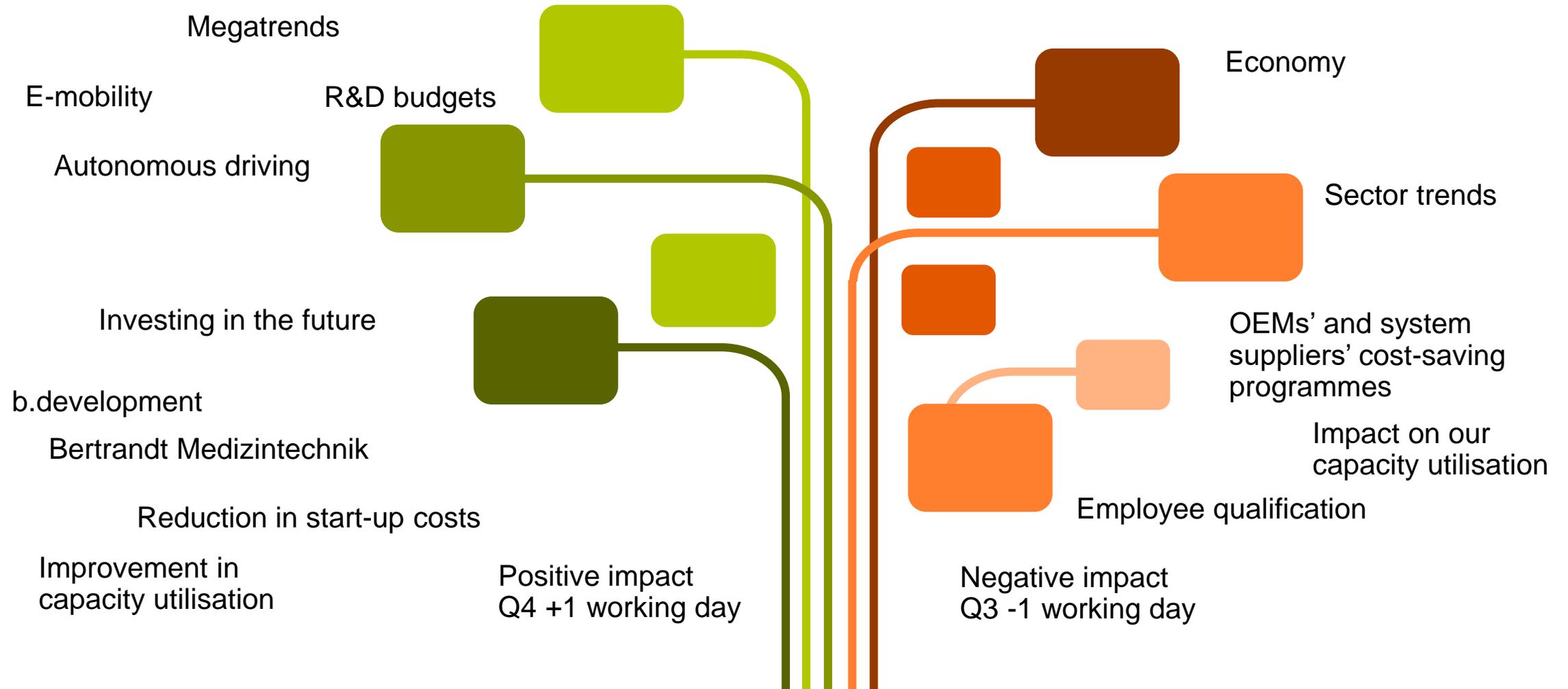


Workplace of the future as part of our corporate culture



Outlook

Opportunities and risks in the financial year



Guidance for FY 2018/2019



20-50

EUR million
increase in
total revenues



7-9%

of total revenues
for EBIT ratio



60-80

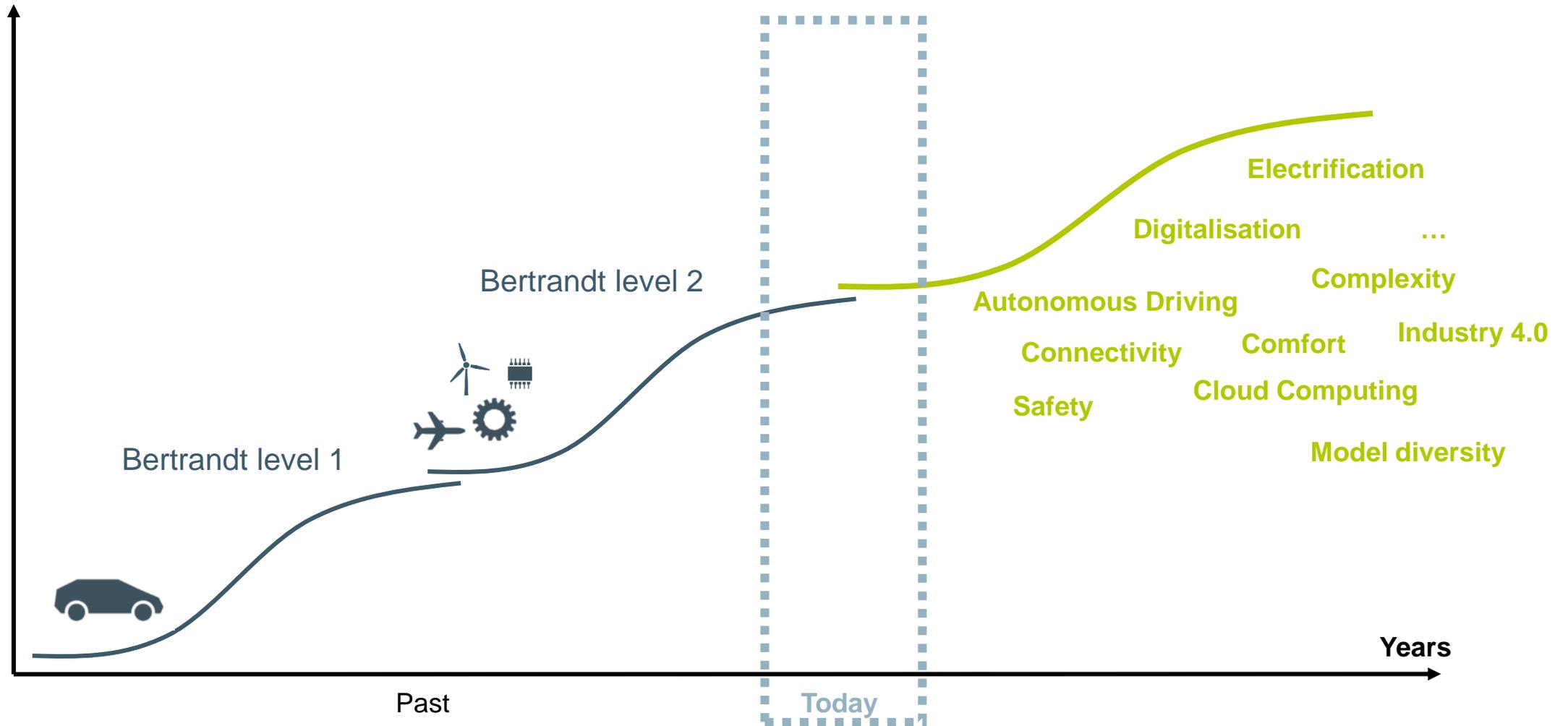
EUR million
volume of
capital spending

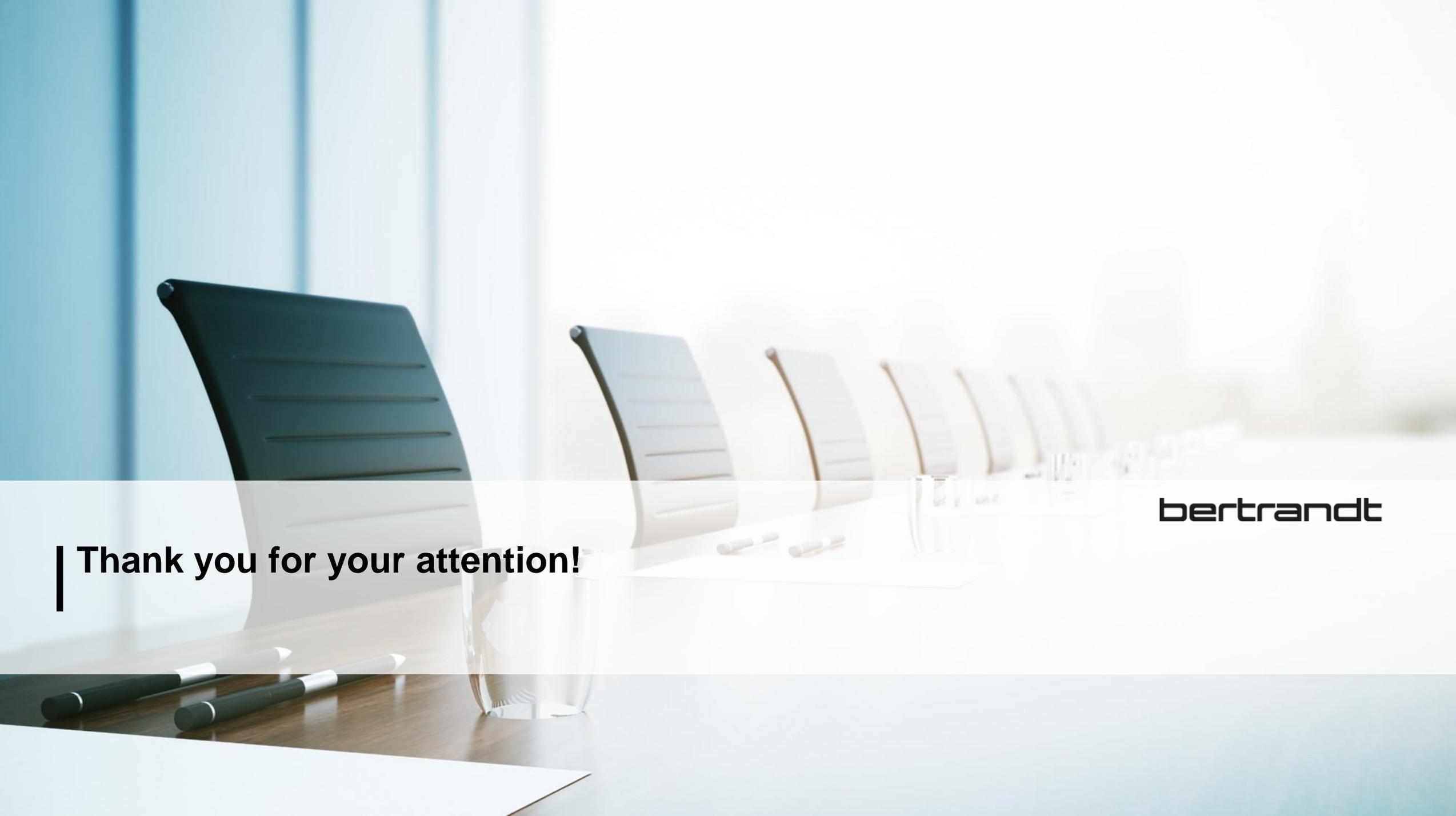


Positive

cash flow from
operating activities

Megatrends and new technologies as a basis for long-term positive development of Bertrandt



A photograph of a conference room. In the foreground, a dark wooden table holds a glass of water, two black markers, and a white marker. A row of modern, light-colored chairs with dark backs is arranged along the table. The background is a bright, out-of-focus window with blue vertical blinds. A semi-transparent white banner is overlaid across the middle of the image.

| Thank you for your attention!

bertrandt

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