



Financial Results 12M 2017

Investor conference call

March 28, 2018

PUBLIC INFORMATION ONLY

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Prior year pro forma Wittur Group figures sum up Wittur Group standalone IFRS accounts and Sematic Group Italian GAAP standalone accounts for the period January 1, to March 31, 2016, and Sematic Group IFRS accounts from April 1, 2016, onwards, assuming that the Sematic acquisition occurred on January 1, 2016, so that Sematic standalone’s business operations are included as of January 1, 2016.

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Forward-Looking Statements

This Presentation includes statements that are, or may be deemed to be, “forward-looking statements,” within the meaning of the securities laws of certain jurisdictions. These forward-looking statements appear in a number of places in this Presentation and include but are not limited to statements regarding the Group’s plans, intentions, beliefs, expectations and assumptions as well as other statements that are not historical facts. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “anticipate,” “expect,” “suggest,” “plan,” “believe,” “intend,” “estimate,” “target,” “project,” “should,” “could,” “would,” “may,” “will,” “forecast,” and other similar expressions or, in each case, their negative or other variations or comparable terminology. When considering these forward-looking statements, you should keep in mind that a number of factors that are beyond the Group’s control could cause actual results to differ materially from the results contemplated by any such forward-looking statements. These forward-looking statements include all matters that are not historical facts. We believe that the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Presentation should not be unduly relied upon. These statements speak only as of the date made.

Speakers



Antoine Doutriaux
CEO Wittur Group



Christoph Kaml
CFO Wittur Group

Agenda

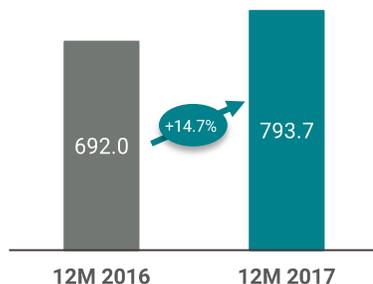


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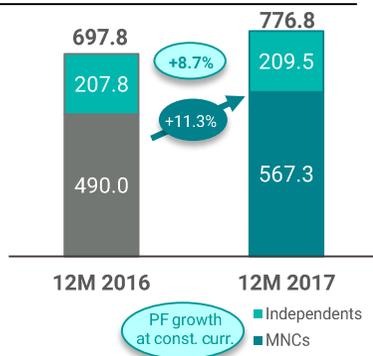
Wittur Group with clear growth in sales and earnings in first twelve months 2017



Order intake (in €m)



Revenue (in €m)



EBITDA Adjusted (in €m)

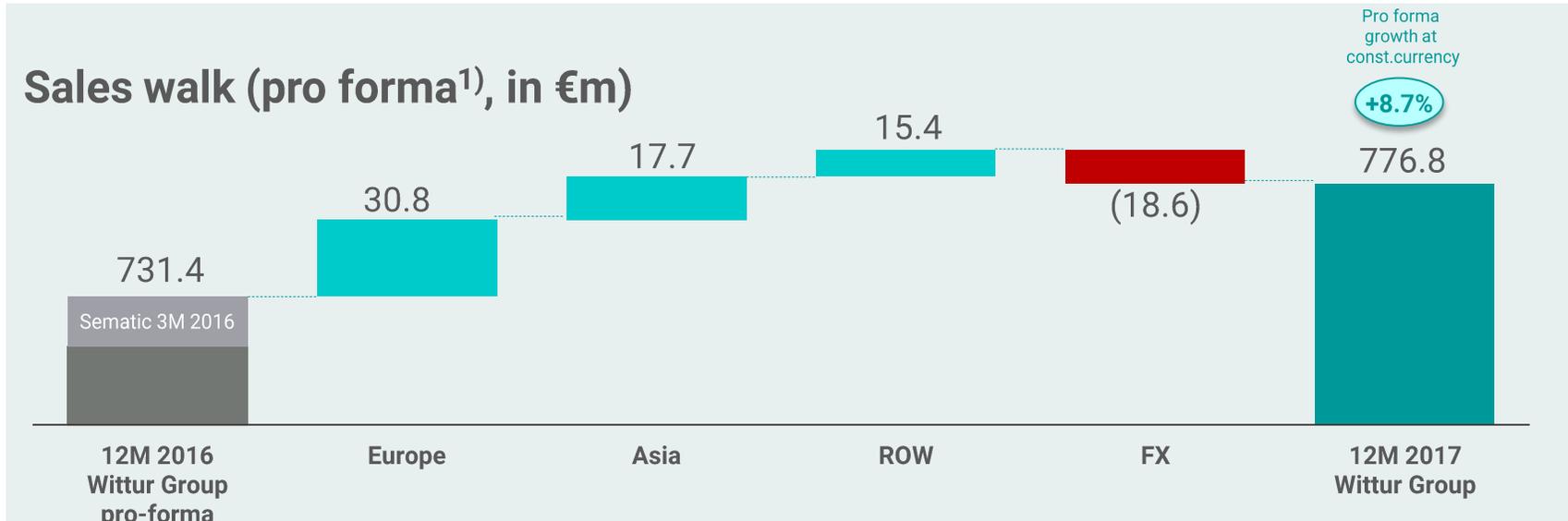


Wittur Group¹⁾ in first 12M 2017

- Strong 12M 2017 order intake (+14.7%) in solid market environment
- Revenue at €776.8m (+11.3%) increase based on a growth in all regions
- Underlying pro forma²⁾ revenue growth at constant currency was 8.7%
- EBITDA Adjusted of €106.7m, up 9.0% over prior year period mainly supported by underlying revenue growth. 13.7% EBITDA adjusted margin.
- Underlying pro forma²⁾ EBITDA Adjusted growth at constant currency was 8.7%
- Geographic mix more balanced with Europe contributing 54.2% to Group revenue, Asia 36.9% and ROW 8.9%, with good growth in all regions but disproportionate on RoW improving global balance
- 12M one-off costs €27.7m over prior year mainly related to extraordinary items related to the ERP roll-out and additional efforts to further streamline group functions in line with strategy
- Accrued penalties due to delayed deliveries after roll out of new ERP system of €15.8m, major part expected to be paid in 2018 and 2019
- Senior secured leverage of 3.62x / total leverage ratio of 5.97x with a net financial debt of €636.5m, 12M 2017 deleveraged by 0.43
- 1,955,237 doors sold, up 10.5% over prior year period

1) Consolidated Wittur Group including Sematic. Prior year figures include Sematic IFRS figures from April 1, 2016 onwards, unless otherwise specified.
 2) Prior year combined pro forma Wittur Group figures sum up Wittur Group standalone IFRS accounts and Sematic Group Italian GAAP standalone accounts for the period January 1, to March 31, 2016, and Sematic Group IFRS accounts from April 1, 2016 onwards, assuming that the Sematic acquisition occurred on January 1, 2016, so that Sematic standalone's business operations are included as of January 1, 2016.

Very resilient underlying topline performance in 12M 2017



- Pro forma revenue up 8.7% or € 63.9m with growth in Europe (+7.9%), Asia (+6.4%) and ROW (+24.6%)
- FX impact on sales was €-18.6m
- Europe up 30.8m on a pro forma basis at constant currency, supported, amongst others, by Italy, Spain, Hungary and Austria on the back of the successful launch of Augusta EVO for Schindler
- Asia showed significant growth of 17.7m on a pro forma basis at constant currency with strong growth in APAC and a moderate increase in China
- ROW pro-forma revenue increase at constant currency was 15.4m with a strong contribution to revenue growth in Turkey and significant increase in Americas

Performance is driven by successful integration of Sematic and resilient organic growth

1) Assuming that the Sematic acquisition occurred on January 1, 2016.

Break-Down Extraordinary Items (Normalization)

In € million	YTD	Q1*	Q2*	Q3*	Q4*
ERP-related costs	37.2	3.4	11.2	3.2	19.4
Costs related to implementation issues around new ERP requiring additional temporary workforce, shipping etc.	21.5	3.4	10.5	3.2	4.4
Accrued penalties due to delayed deliveries after roll out of new ERP system**	15.8	0.0	0.8	0.0	15.0
Reorganization & Sematic integration costs	23.8	2.8	4.2	4.8	12.0
Subsequent costs resulting from Sematic acquisition, such as streamlining indirect functions/processes as well as optimizing the operations footprint ("functional excellence"), strategy project, finance advisory projects, working capital optimization, and restructuring of the complete systems business in Europe	23.8	2.8	4.2	4.8	12.0
Transaction costs	1.6	0.0	0.7	0.3	0.6
Due diligence and other M&A costs related to potential acquisitions	1.6	0.0	0.7	0.3	0.6
Other extraordinary costs	1.0	0.1	0.1	0.2	0.6
Other miscellaneous extraordinary costs	1.0	0.1	0.1	0.2	0.6
TOTAL	63.7	6.4	16.3	8.5	32.5

* Due to reclassifications between the categories at year-end, amounts per category can differ from what was disclosed in the Quarterly Bond Reports.

** In the fourth quarter of 2017, a potential obligation towards one of the Group's customers was recorded as provision to compensate the customer for extra costs caused by significant delays in Wittur meeting its commitments to deliver products on time in 2017. The delays incurred in conjunction with the roll-out of a new Enterprise Resource Planning system, leading to a temporary disruption of the Group's business activities in one of its European plants. The Group's current best estimate of the obligation plus goodwill to secure business continuation is €15.0 million and includes also contractual penalties. Thereof €10.0 million are expected to be paid within 12 months after the balance sheet date and €5.0 million are expected to be paid in the first quarter of 2019. The Group cannot reliably assess whether any reimbursements from other parties will be received to partially compensate for the costs.

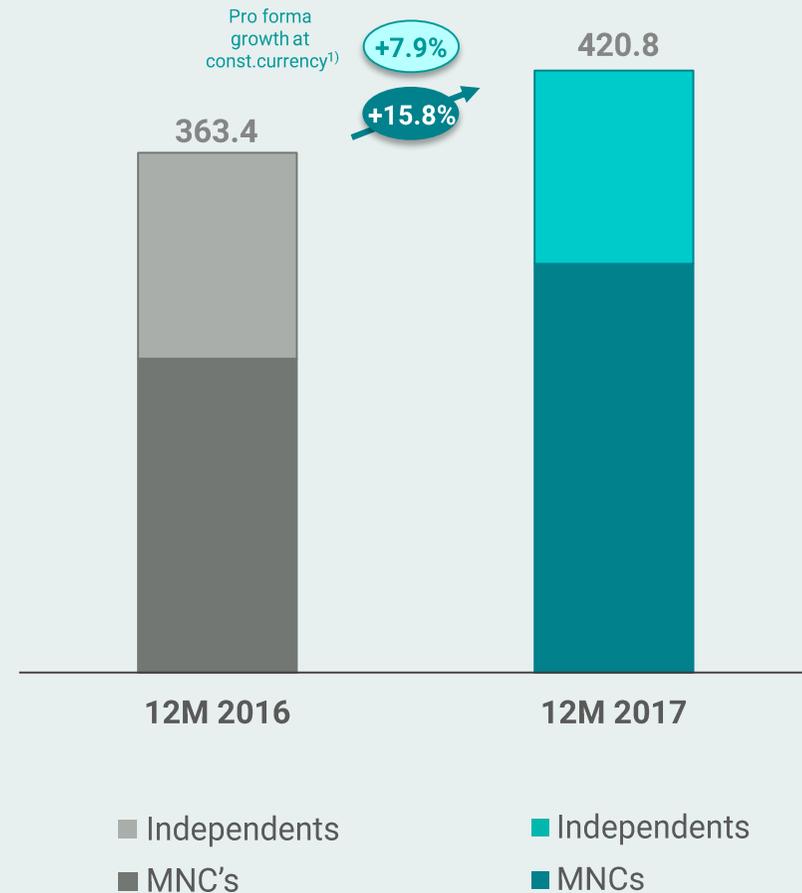
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Europe delivers strong growth

Revenue development (in €m)

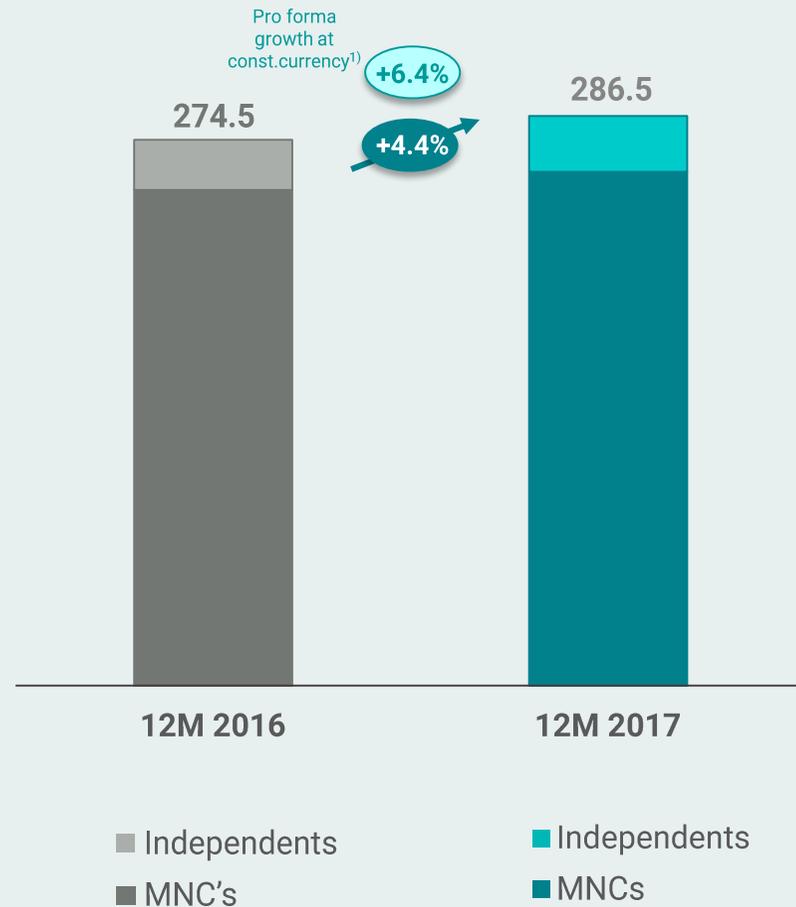


- Business in Europe contributed €420.8m or 54.2% to Group revenue, up 15.8% reported due to Sematic integration and strong growth with MNC customers
- Good sales growth in Italy, Spain, Hungary and Austria, amongst others
- Sales to MNCs contributed 67.9% to European revenue
- Good contribution of Augusta EVO across Europe
- Streamlining of system business

1) Pro forma growth at constant currency, i.e. assuming that the Sematic acquisition occurred on January 1, 2016, and excluding exchange rate effects

Asia with respectable top line growth

Revenue development (in €m)

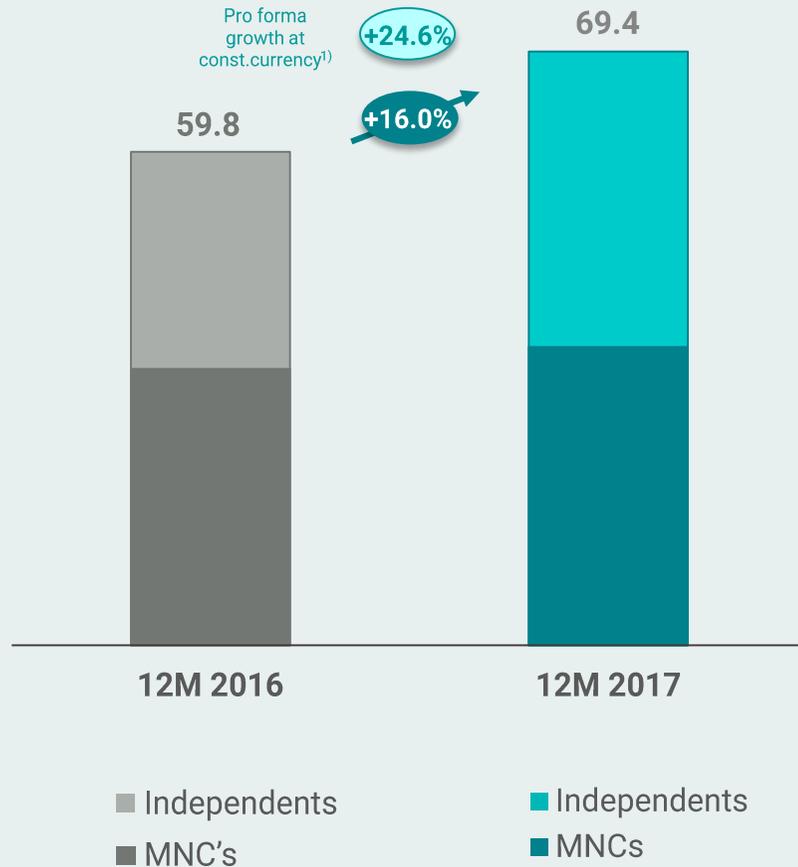


- Reported revenue in Asia increased by 4.4% to €286.5m
- Strong revenue increase in Asia Pacific including India and a moderate revenue increase in China
- India with strong double digit growth rate due to robust business development with both Independents and MNCs
- Asia contributed 36.9% to total Wittur Group revenue compared to previously 39.3%
- Share of revenue with MNCs is approx. 90% of total Asian business with a more balanced split between the top two customers

1) Pro forma growth at constant currency, i.e. assuming that the Sematic acquisition occurred on January 1, 2016, and excluding exchange rate effects

Rest of World achieves high growth rates

Revenue development (in €m)



- Reported revenue in ROW improved by 16.0% to €69.4m
- Fastest growing Wittur Group region with strong performance in Turkey and America
- 66.6% of revenue in the region is from Independents. Substantial increase of MNCs and strong growth of Independents vs. prior year period

1) Pro forma growth at constant currency, i.e. assuming that the Sematic acquisition occurred on January 1, 2016, and excluding exchange rate effects

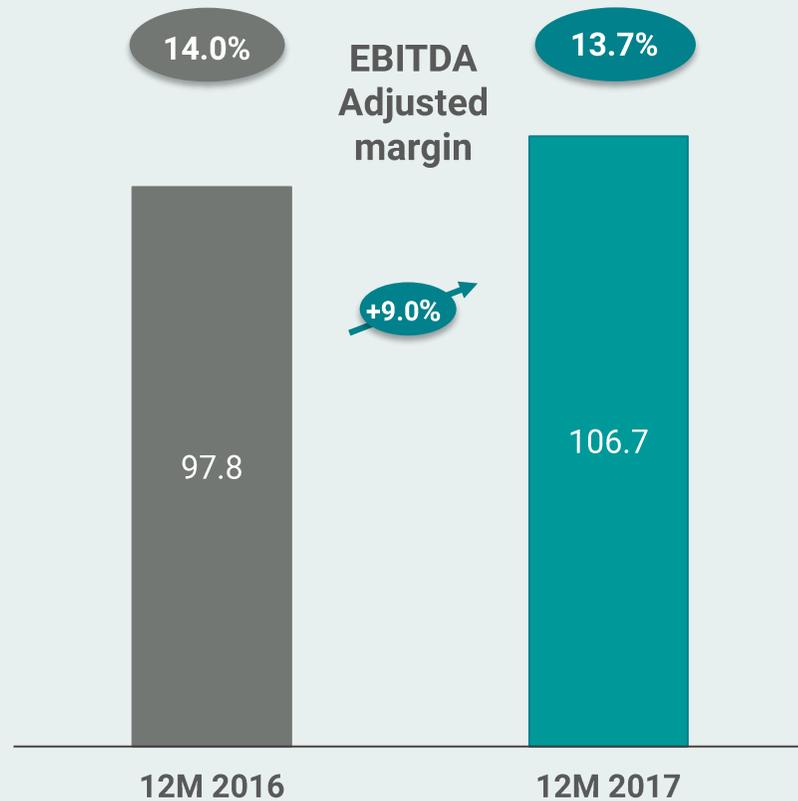
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Increased EBITDA Adjusted

EBITDA Adjusted development (in €m)

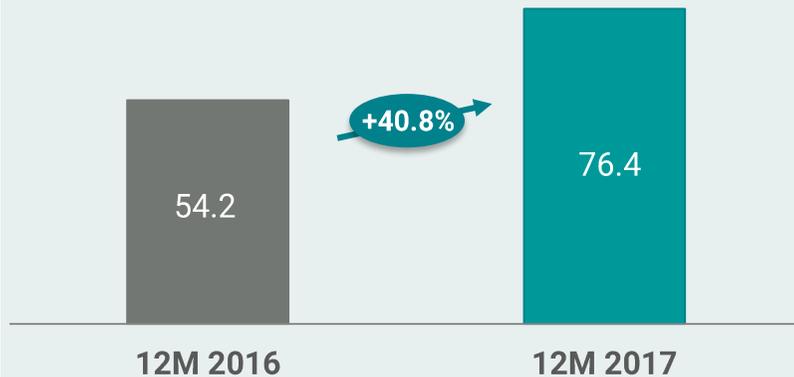


- Reported EBITDA Adjusted increased by 9.0% to €106.7m in 12M 2017, Gross profit was up 5.1%
- Underlying pro forma¹⁾ EBITDA Adjusted growth at constant currency was 8.7%
- Earnings increase supported by
 - underlying revenue growth
 - EBITDA contribution of Sematic
 - generation of synergies following the acquisition

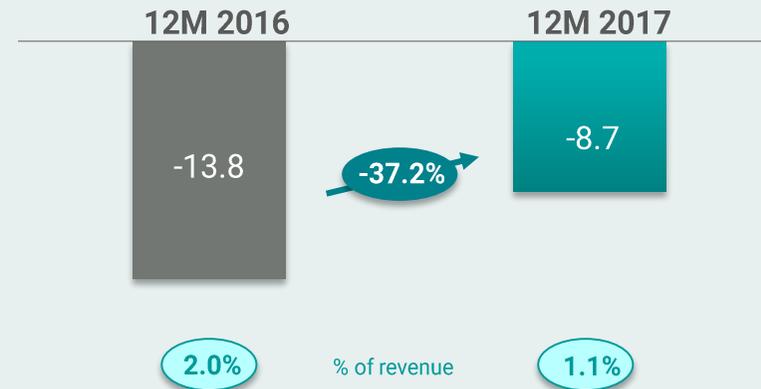
1) Assuming that the Sematic acquisition occurred on January 1, 2016.

Cash flow statement

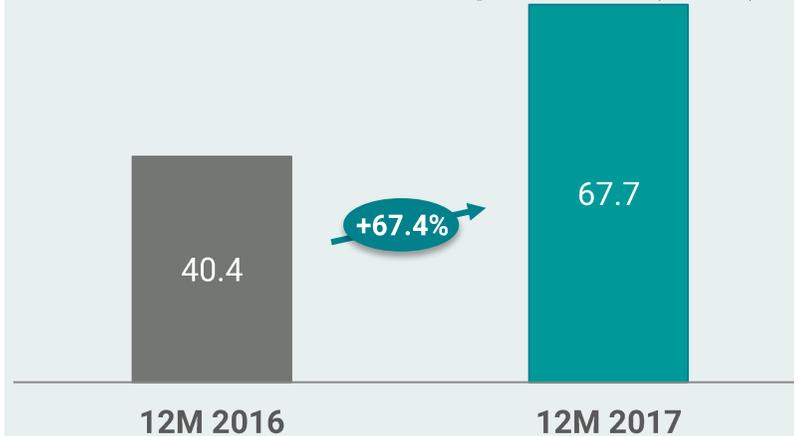
Net cash flow from operating activities (in €m)



Net cash flow used in investing activities (in €m)^{1) 2)}



Net cash flow before financing activities (in €m)¹⁾



- Increased net cash flow from operating activities driven by strong cash generation on the back of significant working capital improvements, some of which were temporary
- Strong underlying cash generation by top line growth and EBITDA growth

1) For comparison reasons, the net cash flow used in investing activities and net cash flow before financing activities for 12M 2016 exclude the cash outflow for the acquisition of Sematic of €117.9m in April 2016.

2) 2017 includes disposal of assets in the amount of €4.4m vs. €0.8m in 2016 and dividends from associates of €1.0m vs. €0.0m in 2016

Wittur Group – Net Financial Debt and Leverage Ratio



in €m	Wittur Group ¹⁾	Wittur Group
	As of 31.12.2016	As of 31.12.2017
Bond Senior Notes	225.0	225.0
Senior Secured Term Loan B	410.0	464.0
Revolving Credit Facility	25.0	0.0
Ancillary Credit Facility	3.7	0.0
Finance Leases	3.8	3.4
Other Bank debt	19.6	22.3
Less cash & cash equivalents	-37.4	-78.2
Total Net financial Debt	649.7	636.5
LTM EBITDA Adjusted	101.6 ²⁾	106.7
Ratio of Net financial Debt to LTM EBITDA Adjusted	6.40x	5.97x

1) Wittur Group including Sematic Italian GAAP figures, assuming that the acquisition occurred on January 1, 2016

2) Combined pro forma LTM EBITDA Adjusted including Sematic Italian GAAP EBITDA Adjusted from January 1, 2016 to March 31, 2016 and IFRS EBITDA Adjusted from April 1, 2016 to December 31, 2016. Prior year number adjusted, please refer to Note 4.2 "Accounting Policies" in the Notes to our consolidated financial statements.

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Outlook for 2018



Markets

- **Megatrends** (urbanization, aging population, increasing energy efficiency, regulation, outsourcing trend from MNC's) will continue to provide long-term growth drivers for our business
- The **new equipment market** in China is expected to be stable with some continued price competition. The markets in the rest of the Asia-Pacific region and India are expected to grow. North America, Europe, Middle East and Africa are expected to show slight growth.
- The **modernization markets** are expected to grow in Europe and North America and to grow clearly in Asia-Pacific.

Wittur

- Management expects the consolidated **Wittur Group revenue** for 2018 to exceed 2017
- **Normalizations** 2018 expected to be significantly below 2017 levels
- Roll-out of our **global product range Core Door** will continue this year in Eurasia and India
- 3rd MNC contract ramp-up in China with Core Door in HY2 2018

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Q&A and contact



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Investor Relations calendar 2018



Date	Event
May 15	Press release on key financial figures 3M 2018
	Publication of 3M report 2018 with conference call
August 16	Press release on key financial figures 6M 2018
	Publication of 6M report 2018 with conference call
November 15	Press release on key financial figures 9M 2018
	Publication of 9M report 2018 with conference call