INTERIM REPORT Q1 2018

SMART SYSTEMS FOR TRUCKS AND TRAILERS

JOST Werke AG

JOST AT A GLANCE

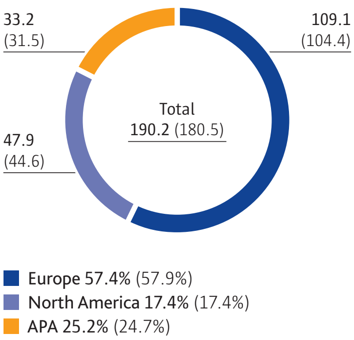
in € million	Q1 2018	Q1 2017	% yoy
Sales Europe	123.9	115.7	7%
Sales North America	30.7	30.0	2%
Sales Asia, Pacific and Africa (APA)	35.6	34.8	2%
Sales Group	**190.2**	**180.5**	**5%**
Adjusted EBITDA[1]	28.1	27.0	4%
Adjusted EBITDA margin (%)	14.8%	15.0%	−0.2%-points
Cash conversion rate (%)[2]	90.3%	87.2%	3.1%-points
Adjusted EBIT[1]	23.7	22.5	5%
Adjusted EBIT margin (%)	12.5%	12.4%	0.1%-points
Equity ratio (%)	34.8%	−20.9%	55.7%-points
Net debt[3]	111.0	262.4	−58%
Leverage[4]	1.16x	3.12x	−63%
Capex[5]	2.7	3.5	−21%
ROCE[6]	19.8%	20.6%	−0.8%-points
Profit after taxes	12.0	3.0	303%
Earnings per share (€)	0.81	0.20	305%

1 Adjusted for PPA effects and exceptionals
2 (Adjusted EBITDA – Capex) / adjusted EBITDA
3 Net debt = interest-bearing capital (excl. refinancing costs) – liquid assets
4 Leverage = net debt / adjusted EBITDA, LTM
5 Gross presentation (capex, without taking into account divestments)
6 LTM adjusted EBIT / interest-bearing capital employed; interest-bearing capital: equity + financial liabilities (excl. refinancing costs) – liquid assets + provisions for pensions

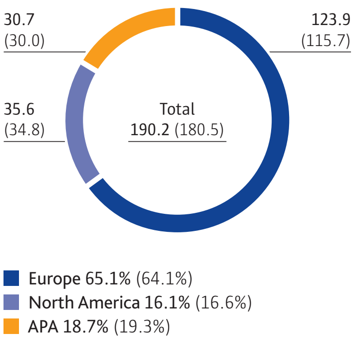
Positive picture emerges at the start of 2018

- Strong organic sales growth of **9.8%** adjusted for currency effects generated. All regions made a positive contribution to sales growth. The reported increase in sales on a euro basis was **5.4%**
- Adjusted EBIT rose by **5.5%**, while the EBIT margin improved to **12.5%**
- Improved operating leverage effects resulting from higher sales and continuous efficiency improvements in Europe offsetting margin pressure in other segments
- Profit after taxes quadrupled to **€12.0m**. Earnings per share increases to **€0.81**

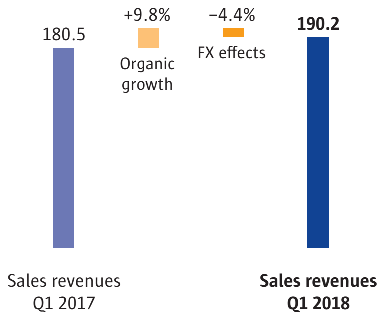
Regional sales by destination
Q1 2018 (Q1 2017)
in € million



Regional sales by origin
Q1 2018 (Q1 2017)
in € million



Organic sales development
in € million



JOST is a leading global producer and supplier of safety-critical systems to the truck and trailer industry.

JOST's global leadership position is driven by the strength of its brands, by its long-standing client relationships serviced through its global distribution network as well as by its efficient and asset-light business model.

JOST's core brands "JOST," "ROCKINGER," "TRIDEC" and "Edbro" are well recognized in the industry and highly regarded for their quality and continuous innovation. With its global distribution network and production facilities in thirteen countries across five continents, JOST has direct access to all major truck and trailer manufacturers and relevant end customers.

JOST currently employs about 2,800 staff worldwide.

JOST ON THE CAPITAL MARKET

Since July 20, 2017, the shares of JOST Werke AG have been listed on the regulated market (Prime Standard) of the Frankfurt Stock Exchange.

The shares gained admission to Deutsche Börse's SDAX index effective March 19, 2018. Deutsche Börse announced this decision on March 5, 2018 following a meeting of the Stock Indices Working Group.

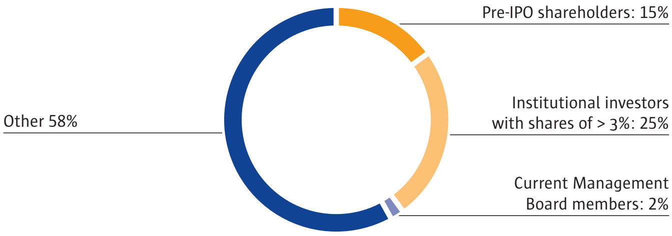
Basic Data for the JOST share

Initial listing	July 20, 2017
Share symbol	JST
ISIN	DE000JST4000
WKN	JST400
Number of shares outstanding as of March 31, 2018 (million)	14.9
Market segments (Frankfurt Stock Exchange) Regulated Market	Prime Standard
Index	SDAX
Sector	Industrial
Industry group	Products & Services
Designated Sponsors	Deutsche Bank Commerzbank JP Morgan

From initial listing to the last day of trading in the first quarter of 2018, the share price of JOST Werke AG climbed by 36% and ended March 29, 2018 at €36.65. The JOST share reached its high for the first quarter of 2018 of €44.30 on March 12, 2018, while its low during the period was €35.50.

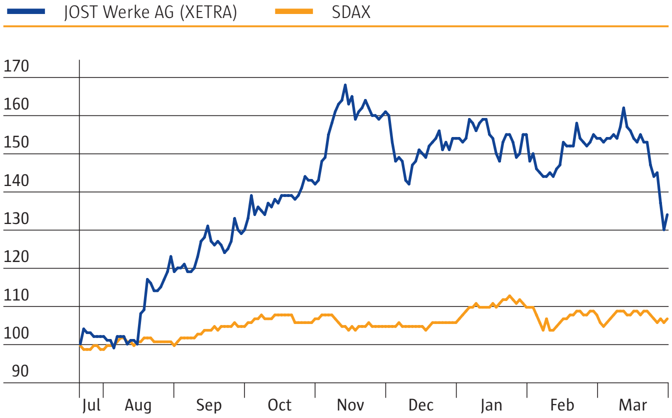
The first lock-up agreement since the stock listing expired on January 16, 2018. Shortly afterwards, the existing shareholders reduced their investment in JOST Werke AG from 42.5% to 14.9%. The new agreed lock-up period lasted for 90 days from January 31, 2018 to April 30, 2018. The Company's Management Board is not aware of any other agreements affecting the voting rights or the transfer of JOST Werke AG shares.

Shareholder Structure of JOST Werke AG
as of March 31, 2018



All of the voting rights notifications and transactions carried out by management announced by JOST Werke AG can be found on the Investor Relations website at http://ir.jost-world.com.

Share Price Performance from July 20, 2017 to March 31, 2018



(XETRA, indexed to opening price on July 20, 2017)

INTERIM GROUP MANAGEMENT REPORT

for the first three months ended March 31, 2018

MACROECONOMIC AND SECTOR-SPECIFIC ENVIRONMENT

Global economic upturn continues for now

Global economies have been strengthening for more than two years and have grown on a broad basis during this time. While equity markets reached their highest level in ten years by the end of 2017 as part of this economic upturn, they lost ground slightly in the first three months of 2018. Although industrial output remained on track for growth until the end of 2017 (OECD), the first signs of a slowdown were apparent in European car registration figures, for example, which fell to their lowest level in five years in March. According to the latest forecasts by IMF, the global economic upturn is likely to continue until around 2019, when a cyclical slowdown is expected. For 2018, the IMF forecast for European GDP anticipates an increase of 2.4% compared to the previous year, raising the estimate by 20 basis points. Expectations for Asia remain unchanged at +6.5% year-on-year for the current year. Growth in Latin America is expected to intensify, with a rise of 10 basis points to 2.0% forecast for this region compared to 2017. Growth of 2.9% is expected in the USA, 20 basis points more than was anticipated just three months ago.

The business climate in Europe dipped slightly in recent months from its high at the end of 2017 and has been trending downwards since then. In China, sentiment fell below its previous trend as early as December. By contrast, business climate indicators remained clearly positive in the USA and Brazil (OECD).

Labor market data in North America is stable (Bureau of Labor Statistics), with unemployment at its lowest level in more than ten years. Incoming orders in the manufacturing industry have continued to grow at a high level since the fourth quarter of 2016 (US Census). As a result, a significant rise in truck freight prices (FTR) was observed in recent quarters and in the latest figures in particular, which is a good prerequisite for positive investment activity within the transport industry.

Asia puts a damper on the global commercial vehicle sector after strong growth in 2017

According to LMC, global truck production rose by almost 29% year-on-year in 2017. In Europe, production figures rose by 7% compared to the previous year. After a significant decline in 2016, North American truck production recovered strongly over the second half of 2017 to grow by 12%. However, global production figures in 2017 were impacted by Asia, particularly China. The world's largest vehicle market by volume recorded a massive surge in production of almost 42% year-on-year due to regulatory changes. Although the Brazilian market recovered with 46% growth in 2017 after several weak years, it remains at a low level.

Driven by the huge rise caused by regulatory changes in the Chinese truck production market in particular over the past year, a decline in global truck production of almost 3% year-on-year is forecast for the current year. While Europe is expected to record moderate growth (+2%) and a sharp rise is expected in North America (+27%) compared to 2017, China and the wider Asia region are likely to decline significantly (−11%).

Global trailer production rose slightly year-on-year in 2017 (Clear). The number of trailers registered in Western Europe reached its highest level since 2007/08. Forecasting institute Clear anticipates a cyclical downturn of 4% in 2018 compared to 2017. FTR expects 7% year-on-year growth for the USA and is forecasting a cyclical decline in the following year. A drop in trailer production is expected in Asia (−9%; Clear), while South America is likely to continue its recovery (+16%).

COURSE OF BUSINESS Q1 2018

Sales development

Sales by origin

in € thousand	Q1 2018	Q1 2017	% yoy
Europe	123,881	115,688	7.1%
North America	30,694	30,013	2.3%
Asia, Pacific and Africa (APA)	35,610	34,795	2.3%
Total	**190,185**	**180,496**	5.4%

JOST made a successful start to the 2018 fiscal year. Adjusted for negative FX effects, organic consolidated sales rose considerably by 9.8% in the first quarter of 2018. Despite headwinds caused by currency effects, JOST succeeded in boosting consolidated sales by 5.4% year-on-year to €190.2m in the first quarter of 2018, with all regions contributing to this strong growth.

In Europe, we managed to increase sales by 7.1% to €123.9m in the first quarter of 2018. Our North American business benefited from market share gains in the dynamically growing truck market and the persistently solid demand for trailers – we boosted sales on a dollar basis by 18.0% year-on-year. Due to the significant appreciation of the euro versus the US dollar, as a result, reported sales in this region only rose by 2.3% to €30.7m.

We once again succeeded in boosting sales in the Asia, Pacific and Africa (APA) region. Organic sales in APA grew by 10.4% compared with a strong prior-year quarter. Overall, sales in this region totaled €35.6m – a rise of 2.3% on a euro basis.

Results of operations

Results of operations

in € thousands	Q1 2018	Q1 2017	% yoy
Sales revenues	**190,185**	**180,496**	**5.4%**
Cost of sales	–137,667	–129,832	
Gross profit	**52,518**	**50,664**	**3.7%**
Operating expenses	–35,340	–34,745	
Operating profit (EBIT)	**17,178**	**15,919**	**7.9%**
Net finance result	**–2,496**	**–8,698**	
Income taxes	–2,678	–4,243	
Profit / loss after taxes	**12,004**	**2,978**	

Gross profit increased by 3.7% to €52.5m. Cost of sales rose slightly faster than sales at 6.0%. This is mainly due to higher commodity prices that could not be fully passed on to customers during the period. However, the successful continuation of our efficiency measures and the positive contribution of our Brazilian joint venture to the operating result enabled us to lift earnings before interest and taxes (EBIT) by 7.9%.

Adjusted EBIT grew by 5.5% to €23.7m. The following table explains the adjustments made, which primarily relate to non-operating exceptionals arising from purchase price allocation effects (PPA) totaling €6.4m.

Reconciliation of adjusted earnings

in € thousands	Q1 2018	Q1 2017
EBIT	**17,178**	**15,919**
Other effects	–158	–241
D&A from PPA	–6,359	–6,302
Adjusted EBIT	**23,695**	**22,462**
Depreciation of property, plant and equipment	–3,023	–3,119
Amortization of intangible assets	–1,395	–1,431
Adjusted EBITDA	**28,113**	**27,012**

The net finance result improved by €6.2m to €–2.5m compared to the previous year. This improvement mainly resulted from the reduction in interest payments to banks. This was related to the improvement in the debt financing structure connected with the stock listing.

As a result, we paid interest to banks totaling €–0.8m in the first quarter of 2018 (Q1 2017: €–4.2m). In the previous year, this figure still included interest expenses for shareholder loans of €–5.3m.

These improvements in the operating business and financial result, combined with income tax effects, caused profit after tax to quadruple to €12.0m (Q1 2017: €3.0m). Earnings per share came to €0.81.

Segments

Segment reporting Q1 2018:

in € thousands	Asia, Pacific and Africa	Europe	North America	Reconciliation	Consolidated financial statements
Sales revenues*	47,744	199,045	30,850	–87,454	190,185**
thereof: external sales revenues*	**35,610**	**123,881**	**30,694**	**0**	**190,185**
thereof: internal sales revenues*	12,134	75,164	156	–87,454	0
Adjusted EBIT***	**4,903**	**15,228**	**2,845**	**719**	**23,695**
thereof: depreciation and amortization	271	3,594	553	0	4,418
Adjusted EBIT margin	13.8%	12.3%	9.3%		12.5%
Adjusted EBITDA***	**5,174**	**18,822**	**3,398**	**719**	**28,113**
Adjusted EBITDA margin	14.5%	15.2%	11.1%		14.8%

* Sales by destination in the reporting period:
- Americas: €33,159 thousand
- Asia, Pacific and Africa: €47,897 thousand
- Europe: €109,129 thousand

** Sales revenues in the segments show the sales revenues by origin.

*** Adjusted EBIT / EBITDA includes share of profit or loss of investment accounted for using the equity method that is not allocated to a segment and therefore included in the reconciliation column.

Segment reporting Q1 2017:

in € thousands	Asia, Pacific and Africa	Europe	North America	Reconciliation	Consolidated financial statements
Sales revenues*	41,604	191,266	30,121	–82,495	180,496**
thereof: external sales revenues*	**34,795**	**115,688**	**30,013**	**0**	**180,496**
thereof: internal sales revenues*	6,809	75,578	108	–82,495	0
Adjusted EBIT***	**5,811**	**13,054**	**3,105**	**492**	**22,462**
thereof: depreciation and amortization	355	3,620	575	0	4,550
Adjusted EBIT margin	16.7%	11.3%	10.3%		12.4%
Adjusted EBITDA***	**6,166**	**16,674**	**3,680**	**492**	**27,012**
Adjusted EBITDA margin	17.7%	14.4%	12.3%		15.0%

* Sales by destination in the reporting period:
- Americas: €31,484 thousand
- Asia, Pacific and Africa: €44,590 thousand
- Europe: €104,422 thousand

** Sales revenues in the segments show the sales revenues by origin.

*** Adjusted EBIT / EBITDA includes share of profit or loss of investment accounted for using the equity method that is not allocated to a segment and therefore included in the reconciliation column.

All segments benefited from higher sales revenues compared to the previous year.

In Europe, adjusted EBIT rose by 16.7% to €15.2m. The EBIT margin improved by 1 percentage point to 12.3%. The main reasons for this solid performance were operating leverage effects resulting from the higher business volume and further efficiency improvements caused by measures introduced in the 2017 fiscal year.

In North America, adjusted EBIT increased on a dollar basis compared to the first quarter of 2017 although less strongly than sales. Reported adjusted EBIT amounted to €2.8m (Q1 2017: €3.1m). The EBIT margin declined accordingly by 1 percentage point to 9.3%. This is mainly due to higher commodity prices that could not yet be fully passed on to customers. We also had to recruit and train additional staff to meet the strong growth in demand and gains in market share (+18% organic sales growth). The operating leverage effects were not enough to compensate for these effects.

In APA, adjusted EBIT fell to €4.9m (Q1 2017: €5.8m). The EBIT margin declined by three percentage points to 13.8%, due to an increase in commodity prices and higher research and development expenses, as well as start-up costs after moving the production of trailer parts from Shanghai to Wuhan in the fourth quarter of 2017.

Net assets

Assets

in € thousands	03/31/2018	12/31/2017
Noncurrent assets	327,901	336,704
Current assets	304,183	285,341
Total Assets	**632,084**	**622,045**

Equity and Liabilities

in € thousands	03/31/2018	12/31/2017
Equity	219,689	209,333
Noncurrent liabilities	292,641	295,791
Current liabilities	119,754	116,921
Total Equity and Liabilities	**632,084**	**622,045**

The profit generated in the first quarter of 2018 caused equity to grow by 4.9% to €219.7m. The equity ratio improved by 1.1 percentage points to 34.8%.

The decrease in noncurrent assets was mainly attributable to amortization of intangible assets arising from historical purchase price allocations (PPA) as well as to current depreciation of property, plant, and equipment.

The rise in business volumes caused inventories to grow to €102.4m compared to 31 December 2017 (€96.9m). This was also the main reason for the rise in trade receivables to €123.6m (31 December 2017: €105.9m). This increase was bolstered by seasonal effects as inventories and receivables are generally lower at the end of the year. By comparison, trade payables rose less sharply to €73.7m (31 December 2017: €72.6m). As a result, working capital increased to €152.4m in the first quarter of 2018. Working capital as a percentage of sales was 21.4% in the last twelve months (Q1 2017: 20.8%).

As of March 31, 2018, liquid funds rose slightly compared to December 31, 2017, causing net debt to fall to €111.0m at the end of the first quarter of 2018 (December 31, 2017: €113.3m). The ratio of net debt to adjusted EBITDA for the last twelve months improved during the first quarter of 2018 to 1.16x (December 31, 2017: 1.20x).

Financial Position

Cash flows

in € thousands	Q1 2018	Q1 2017
Cash flow from operating activities	**5,600**	**17,320**
thereof change in net working capital	–23,085	–11,098
Cash flow from investing activities	**–2,615**	**–2,888**
Cash flow from financing activities	**–813**	**–4,212**
Net change in cash and cash equivalents	**2,172**	**10,220**
Change in cash and cash equivalents due to exchange rate movements	–111	94
Cash and cash equivalents at January 1	66,313	47,189
Cash and cash equivalents at March 31	**68,374**	**57,503**

Cash flow from operating activities dropped to €5.6m due to the rise in working capital in particular.

Capital expenditure for property, plant and equipment totaled €2.5m in the first quarter of 2018 (Q1 2017: €3.1m). The improvement in the debt financing structure connected with the stock listing led to a sharp reduction in interest payments to €–0.8m (Q1 2017: €–4.2m).

As of 31 March 2018, liquid assets increased to €68.4m (Q1 2017: €57.5m).

OPPORTUNITIES AND RISKS

Opportunities and risks are a natural result of all business activity. Sufficient provisions have been recognized for all known company-specific risks. The risk and opportunity situation of the JOST Group has not changed significantly since the publication of our 2017 Annual Report on March 26, 2018. For more details please refer to p. 39 et seq. of the 2017 Annual Report.

FUTURE BUSINESS DEVELOPMENT

JOST continues to expand its geographical presence with the establishment of subsidiaries in Turkey, Thailand and New Zealand. This is intended to improve local services for existing customers and open up new sales opportunities going forward.

We also want to take advantage of the currently favorable situation on the lending market to secure longer term financing at more flexible and favorable terms.

OUTLOOK

We confirm the guidance presented on page 45 of the 2017 Annual Report without any changes.

EVENTS AFTER THE REPORTING DATE

No material events have occurred since the reporting date.

The Management Board

Neu-Isenburg, May 24, 2018

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the first three months ended March 31, 2018

CONDENSED CONSOLIDATED STATEMENT OF INCOME – BY FUNCTION OF EXPENSES

for the first three months ended March 31, 2018
JOST Werke AG

in € thousands	Notes	Q1 2018	Q1 2017
Sales revenues	(4)	**190,185**	**180,496**
Cost of sales		**–137,667**	**–129,832**
Gross profit		**52,518**	**50,664**
Selling expenses		–21,539	–21,033
thereof: depreciation and amortization of assets		–6,575	–6,514
Research and development expenses		–3,065	–2,622
Administrative expenses		–11,473	–11,712
Other income	(5)	1,463	1,136
Other expenses	(5)	–1,445	–1,006
Share of profit or loss of equity method investments		719	492
Operating profit (EBIT)		**17,178**	**15,919**
Financial income	(6)	354	1,036
Financial expense	(6)	–2,850	–9,734
Net finance result		**–2,496**	**–8,698**
Profit / loss before tax		**14,682**	**7,221**
Income taxes	(7)	–2,678	–4,243
Profit / loss after taxes		**12,004**	**2,978**
Weighted average number of shares		**14,900,000**	
Basic and diluted earnings per share (in €)	(8)	**0.81**	

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the first three months ended March 31, 2018
JOST Werke AG

in € thousands	Q1 2018	Q1 2017
Profit / loss after taxes	**12,004**	**2,978**
Items that will be reclassified to profit or loss in subsequent periods		
Exchange differences on translating foreign operations	–2,438	1,144
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit pension plans	1,128	1,268
Deferred taxes relating to other comprehensive income	–338	–380
Other comprehensive income	**–1,648**	**2,032**
Total comprehensive income	**10,356**	**5,010**

CONDENSED CONSOLIDATED BALANCE SHEET

as of March 31, 2018
JOST Werke AG

Assets

in € thousands	Notes	03/31/2018	12/31/2017
Noncurrent assets			
Intangible assets		224,744	232,082
Property, plant and equipment		78,631	80,039
Investments accounted for using the equity method		10,954	10,535
Deferred tax assets		11,722	12,516
Other noncurrent financial assets	(10), (11)	27	28
Other noncurrent assets		1,823	1,504
		327,901	**336,704**
Current assets			
Inventories		102,446	96,910
Trade receivables		123,587	105,932
Receivables from income taxes		1,706	3,624
Other current financial assets	(10), (11)	1,410	677
Other current assets		6,660	11,885
Cash and cash equivalents		68,374	66,313
		304,183	**285,341**
Total Assets		**632,084**	**622,045**

Equity and Liabilities

in € thousands	Notes	03/31/2018	12/31/2017
Equity			
Subscribed capital		14,900	14,900
Capital reserves		522,423	522,423
Other reserves		–31,849	–30,201
Retained earnings		–285,785	–297,789
		219,689	**209,333**
Noncurrent liabilities			
Pension obligations	(12)	58,044	59,349
Other provisions		2,587	2,550
Interest-bearing loans and borrowings	(13)	177,654	177,778
Deferred tax liabilities		47,824	49,563
Other noncurrent liabilities		6,532	6,551
		292,641	**295,791**
Current liabilities			
Pension obligations	(12)	2,225	2,225
Other provisions		18,970	18,521
Interest-bearing loans and borrowings	(13)	6	2
Trade payables		73,682	72,562
Liabilities from income taxes		5,824	5,201
Other current financial liabilities	(10), (14)	595	770
Other current liabilities		18,452	17,640
		119,754	**116,921**
Total Equity and Liabilities		**632,084**	**622,045**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the first three months ended March 31, 2018
JOST Werke AG

Condensed Consolidated Statement of Changes in Equity for the first three months ended March 31, 2018

in € thousands	Subscribed capital	Capital reserves	Retained earnings
Balance as of January 1, 2018	14,900	522,423	−297,789
Profit / loss after taxes	0	0	12,004
Other comprehensive income	0	0	0
Deferred taxes relating to other comprehensive income	0	0	0
Total comprehensive income	0	0	12,004
Balance as of March 31, 2018	**14,900**	**522,423**	**−285,785**

Condensed Consolidated Statement of Changes in Equity for the first three months ended March 31, 2017

in € thousands	Subscribed capital	Capital reserves	Retained earnings
Balance as of January 1, 2017	25	79,728	−194,576
Profit / loss after taxes	0	0	2,978
Other comprehensive income	0	0	0
Deferred taxes relating to other comprehensive income	0	0	0
Total comprehensive income	0	0	2,978
Balance as of March 31, 2017	**25**	**79,728**	**−191,598**

Other reserves			
Exchange differences on translating foreign operations	Remeasurements of defined benefit pension plans	Other reserves	**Total consolidated equity**
–8,584	–21,514	–103	209,333
0	0	0	12,004
–2,438	1,128	0	–1,310
0	–338	0	–338
–2,438	790	0	10,356
–11,022	**–20,724**	**–103**	**219,689**

Other reserves			
Exchange differences on translating foreign operations	Remeasurements of defined benefit pension plans	Other reserves	**Total consolidated equity**
125	–22,567	–103	–137,368
0	0	0	2,978
1,144	1,268	0	2,412
0	–380	0	–380
1,144	888	0	5,010
1,269	**–21,679**	**–103**	**–132,358**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the first three months ended March 31, 2018
JOST Werke AG

in € thousands	Q1 2018	Q1 2017
Profit / loss before tax	**14,682**	**7,221**
Depreciation, amortization, impairment losses and reversal of impairment on non current assets	10,777	10,852
Other noncash expenses	–426	5,099
thereof: shareholder loan effects	0	5,282
Change in inventories	–6,343	2,735
Change in trade receivables	–18,042	–26,841
Change in trade payables	1,300	13,008
Change in other assets and liabilities	4,798	7,836
Income tax payments	–1,146	–2,590
Cash flow from operating activities	**5,600**	**17,320**
Proceeds from sales of intangible assets	0	2
Payments to acquire intangible assets	–216	–417
Proceeds from sales of property, plant, and equipment	8	52
Payments to acquire property, plant, and equipment	–2,515	–3,104
Dividends received	0	461
Interests received	108	118
Cash flow from investing activities	**–2,615**	**–2,888**
Interest payments	–813	–4,212
Cash flow from financing activities	**–813**	**–4,212**
Net change in cash and cash equivalents	**2,172**	**10,220**
Change in cash and cash equivalents due to exchange rate movements	–111	94
Cash and cash equivalents at January 1	66,313	47,189
Cash and cash equivalents at March 31	**68,374**	**57,503**

CONSOLIDATED SEGMENT REPORTING

JOST Werke AG

Consolidated Segment Reporting Q1 2018

in € thousands	Asia, Pacific and Africa	Europe	North America	Reconciliation	Consolidated financial statements
Sales revenues*	47,744	199,045	30,850	–87,454	190,185**
thereof: external sales revenues*	**35,610**	**123,881**	**30,694**	**0**	**190,185**
thereof: internal sales revenues*	12,134	75,164	156	–87,454	0
Adjusted EBIT***	**4,903**	**15,228**	**2,845**	**719**	**23,695**
thereof: depreciation and amortization	271	3,594	553	0	4,418
Adjusted EBIT margin	13.8%	12.3%	9.3%		12.5%
Adjusted EBITDA***	**5,174**	**18,822**	**3,398**	**719**	**28,113**
Adjusted EBITDA margin	14.5%	15.2%	11.1%		14.8%

* Sales by destination in the reporting period:
- Americas: €33,159 thousand
- Asia, Pacific and Africa: €47,897 thousand
- Europe: €109,129 thousand

** Sales revenues in the segments show the sales revenues by origin.

*** Adjusted EBIT / EBITDA includes share of profit or loss of investment accounted for using the equity method that is not allocated to a segment and therefore included in the reconciliation column.

Consolidated Segment Reporting Q1 2017

in TEUR	Asia, Pacific and Africa	Europe	North America	Reconciliation	Consolidated financial statements
Sales revenues*	41,604	191,266	30,121	–82,495	180,496**
thereof: external sales revenues*	**34,795**	**115,688**	**30,013**	**0**	**180,496**
thereof: internal sales revenues*	6,809	75,578	108	–82,495	0
Adjusted EBIT***	**5,811**	**13,054**	**3,105**	**492**	**22,462**
thereof: depreciation and amortization	355	3,620	575	0	4,550
Adjusted EBIT margin	16.7%	11.3%	10.3%		12.4%
Adjusted EBITDA***	**6,166**	**16,674**	**3,680**	**492**	**27,012**
Adjusted EBITDA margin	17.7%	14.4%	12.3%		15.0%

* Sales by destination in the reporting period:
- Americas: €31,484 thousand
- Asia, Pacific and Africa: €44,590 thousand
- Europe: €104,422 thousand

** Sales revenues in the segments show the sales revenues by origin.

*** Adjusted EBIT / EBITDA includes share of profit or loss of investment accounted for using the equity method that is not allocated to a segment and therefore included in the reconciliation column.

RECONCILIATION OF ADJUSTED EARNINGS FIGURES

JOST Werke AG

Reconciliation of adjusted earnings figures

in € thousands	**Q1 2018**	Q1 2017
Profit / loss after taxes	**12,004**	**2,978**
Income taxes	–2,678	–4,243
Net finance result	–2,496	–8,698
EBIT	**17,178**	**15,919**
Other effects	–158	–241
D&A from PPA	–6,359	–6,302
Adjusted EBIT	**23,695**	**22,462**
Depreciation of property, plant and equipment	–3,023	–3,119
Amortization of intangible assets	–1,395	–1,431
Adjusted EBITDA	**28,113**	**27,012**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the first three months ended March 31, 2018
JOST Werke AG

1. GENERAL INFORMATION

JOST Werke AG (hereinafter also the "Group," or "Company," or the "JOST Group") was founded as Cintinori Holding GmbH on February 27, 2008. On June 23, 2017, Cintinori Holding GmbH was converted from a German private limited company (GmbH) into a German public limited company (AG) and renamed JOST Werke AG. The respective entry in the Commercial Register was made on July 7, 2017. As of July 20, 2017, the shares were traded for the first time on the Frankfurt Stock Exchange. As of March 31, 2018, all of JOST's shares were held in free float.

The registered office of JOST Werke AG is at 2, Siemensstraße in 63263 Neu-Isenburg, Germany. The Company is registered in the Commercial Register of Offenbach am Main under section B, number 50149.

JOST is a leading global producer and supplier of safety-critical systems to the truck and trailer industry.

The condensed consolidated interim financial statements of JOST Werke AG were prepared based on the going concern principle.

2. BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements (hereinafter also "interim financial statements") as of and for the three months ended March 31, 2018 (hereinafter also "2018 reporting period") comprise JOST Werke AG and its subsidiaries. These interim financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), London, that are effective as of the reporting date, and the Interpretations (IFRS IC) issued by the International Financial Reporting Interpretations Committee, as adopted by the European Union (EU).

The interim financial statements were prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's net assets, financial position and results of operations since the last annual consolidated financial statements as at and for the year ended December 31, 2017. The interim financial statements should be read in conjunction with the annual consolidated financial statements as of and for the year ended December 31, 2017, which can be downloaded at http://ir.jost-world.com/.

Amendments to the IFRSs during fiscal year 2018 did not have any material impact on the condensed consolidated interim financial statements as of March 31, 2018.

The Management Board approved the condensed consolidated interim financial statements of JOST Werke AG for the period ended March 31, 2018 for issue on May 24, 2018.

3. SEASONALITY OF OPERATIONS

Seasonal effects during the year can result in variations in sales and resulting profit. The JOST Group usually has higher sales and earnings in the first half-year due to the fact that major customers close their manufacturing plants for summer break at the start of the second half-year.

4. SALES REVENUES

The increase in sales revenues mainly relates to the increased sales activity in Europe, which mainly results from positive market developments.

The new revenue recognition standard IFRS 15 – Revenue from Contracts with Customers has been applied since January 1, 2018. The first-time adoption of IFRS 15 did not have significant effects on these interim financial statements.

5. OTHER INCOME / OTHER EXPENSES

For the 2018 reporting period, other income amounted to €1.5m (2017 reporting period: €1.1m) and other expenses amounted to €1.4m (2017 reporting period: €1.0m).

In the 2018 reporting period as well in the 2017 reporting period, other income mainly comprises currency gains. Other expenses mainly compromise currency losses.

6. FINANCE RESULT

Financial income is composed of the following items:

in € thousands	**Q1 2018**	Q1 2017
Interest income	107	126
Realized and unrealized currency gains	215	851
Other financial income	32	59
Total	**354**	**1,036**

Financial expense is composed of the following items:

in € thousands	**Q1 2018**	Q1 2017
Interest expenses	–1,057	–9,486
thereof: shareholder loan interests	0	–5,282
Realized and unrealized currency losses	–163	–32
Other financial expenses	–1,630	–216
Total	**–2,850**	**–9,734**

Prior to the stock listing, the shareholder loans were converted into equity in June 2017; effects such as interest on shareholder loans are not to be expected anymore going forward. Furthermore, the reduction in interest expenses is mainly attributable to lower interest charges achieved as a result of refinancing in the second quarter of 2017.

Other financial expenses include interest on expected additional tax payments of €1.5m.

7. INCOME TAXES

The following table shows a breakdown of income taxes:

in € thousands	Q1 2018	Q1 2017
Current tax on profits for the year	–3,870	–4,404
Deferred taxes	1,192	161
Income taxes	**–2,678**	**–4,243**

Tax expenses are recognized based on management's best estimate of the weighted average annual income tax rate expected for the full fiscal year multiplied by the pre-tax income of the interim reporting period.

8. EARNINGS PER SHARE

On June 23, 2017, JOST Werke AG changed its legal form to a stock corporation. In connection with the capital contribution, the number of shares increased to 10,025,000. On July 18, 2017, an additional 4.875 million shares were issued. As of March 31, 2017, there were still 25,000 GmbH shares. As the Company was not listed, it was not required to make disclosures in the previous year. Due to the limited comparability resulting from the capital increase, no prior-year figures are provided retrospectively, either.

The diluted earnings per share (in €) correspond to basic earnings per share; both are determined based on the weighted average number of shares.

Earnings per share

	Q1 2018	Q1 2017
Profit/loss after taxes (in € thousand)	12,004	2,978
Weighted average number of shares	14,900,000	–
Basic and diluted earnings per share (in €)	**0.81**	**–**

9. EXCEPTIONALS

The following explanation of adjusted effects serves to clarify the information in the income statement.

In the 2018 reporting period, expenses amounting to €6,517 thousand (2017: €6,543 thousand) were adjusted within earnings before interest and taxes (EBIT).

The items adjusted within EBIT relate to selling expenses arising from the purchase price allocations (PPA depreciation and amortization) in the amount of €6,359 thousand (2017: €6,302 thousand). Furthermore, administrative expenses and other expenses were adjusted for costs relating to other effects totaling €158 thousand (2017: €241 thousand).

No expenses have been adjusted within the net finance result in the 2018 reporting period (2017: €–5,282 thousand). In the previous year, these expenses were related to interest on and the measurement of the shareholder loans which no longer exist.

Notional income taxes after adjustments were recognized in the amount of €6,360 thousand in 2018 (2017: €5,714 thousand).

The table below shows the earnings adjusted for these effects:

in € thousands	Q1 2018 Unadjusted	Other effects	PPA-Depreciation and amortization	Adjustments, total	Q1 2018 Adjusted
Sales revenues	**190,185**			**0**	**190,185**
Cost of sales	**–137,667**			**0**	**–137,667**
Gross profit	**52,518**	**0**	**0**	**0**	**52,518**
Selling expenses	–21,539	0	6,359	6,359	–15,180
thereof: depreciation and amortization of assets	0			0	0
Research and development expenses	–3,065			0	–3,065
Administrative expenses	–11,473	131		131	–11,342
Other income	1,463			0	1,463
Other expenses	–1,445	27		27	–1,418
Share of profit or loss of equity method investments	719			0	719
Operating profit (EBIT)	**17,178**	**158**	**6,359**	**6,517**	**23,695**
Financial income	354				354
Financial expense	–2,850			0	–2,850
Net finance result	**–2,496**	**0**	**0**	**0**	**–2,496**
Profit / loss before tax	**14,682**	**158**	**6,359**	**6,517**	**21,199**
Income taxes	–2,678				–6,360
Profit / loss after taxes	**12,004**				**14,839**
Basic and diluted earnings per share (in €)	**0.81**				**1.00**

in € thousands	Q1 2017 Unadjusted	Stock listing and other	PPA-Depreciation and amortization	Shareholder loans	Adjustments, total	Q1 2017 Adjusted
Sales revenues	**180,496**				**0**	**180,496**
Cost of sales	**–129,832**				**0**	**–129,832**
Gross profit	**50,664**	**0**	**0**	**0**	**0**	**50,664**
Selling expenses	–21,033	41	6,302		6,343	–14,690
thereof: depreciation and amortization of assets	–6,514				0	–6,514
Research and development expenses	–2,622				0	–2,622
Administrative expenses	–11,712	148			148	–11,564
Other income	1,136				0	1,136
Other expenses	–1,006	52			52	–954
Share of profit or loss of equity method investments	492				0	492
Operating profit (EBIT)	**15,919**	**241**	**6,302**	**0**	**6,543**	**22,462**
Financial income	1,036				0	1,036
Financial expense	–9,734			5,282	5,282	–4,452
Net finance result	**–8,698**	**0**	**0**	**5,282**	**5,282**	**–3,416**
Profit / loss before tax	**7,221**	**241**	**6,302**	**5,282**	**11,825**	**19,046**
Income taxes	–4,243					–5,714
Profit / loss after taxes	**2,978**					**13,332**

10. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The carrying amounts, fair values, categories and classes of financial assets and financial liabilities are as follows:

in € thousands	Business model acc. to IFRS 9	**Carrying amount 03/31/2018**	**Fair value 03/31/2018**	Carrying amount 12/31/2017	Fair value 12/31/2017	Level
Assets						
Cash and cash equivalents	Hold	68,374	68,374	66,313	66,313	n/a
Trade receivables	Hold	123,587	123,587	105,932	105,932	n/a
Other financial assets	Hold	1,437	1,437	705	705	n/a
Total		**193,398**	**193,398**	**172,950**	**172,950**	

Cash and cash equivalents, trade receivables, and other financial assets are generally of a current nature. The fair value therefore corresponds to the carrying amount.

in € thousands	Business model acc. to IFRS 9	**Carrying amount 03/31/2018**	**Fair value 03/31/2018**	Carrying amount 12/31/2017	Fair value 12/31/2017	Level
Liabilities						
Trade payables	Hold	73,682	73,682	72,562	72,562	n/a
Interest-bearing loans and borrowings	Hold	179,350	179,350	179,568	179,568	2
Other financial liabilities	Hold	575	575	748	748	n/a
Derivative financial liabilities	Hold	20	20	22	22	2
Total		**253,627**	**253,627**	**252,900**	**252,900**	

Trade payables and other financial liabilities have expected short duration, therefore carrying amount and fair value do not differ.

The JOST Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

There were no transfers between the levels of the fair value hierarchy during 2018 and 2017.

The fair value of the interest-bearing loans and borrowings is determined in 2018 and 2017 considering actual interest curves and classified as level 2 of the fair value hierarchy.

11. OTHER FINANCIAL ASSETS

Future interest rate volatility is hedged via one interest rate swap (please also see note 14.) and three interest rate caps.

Overall, the interest rate caps have a positive fair value of €0 thousand (December 31, 2017: €0 thousand) as of March 31, 2018 (mark-to-market valuation) which is recognized in the balance sheet under other current financial assets. As of March 31, 2018, approximately 76% (December 31, 2017: 76%) of interest-bearing loans and borrowings were hedged by these derivative financial instruments (see note 14.).

As in the previous year, the Group did not apply hedge accounting in accordance with IAS 39 in the reporting period.

12. PENSION OBLIGATIONS

Pension obligations as of March 31, 2018 were €60.3m. The following significant actuarial assumptions were made:

Assumptions	**03/31/2018**	12/31/2017
Discount rate	1.6%	1.5%
Inflation rate / future pension increases	2.0%	2.0%
Future salary increases	2.0%	2.0%

13. INTEREST-BEARING LOANS AND BORROWINGS

The following table shows the Group's loan liabilities as of March 31, 2018:

in € thousands		**03/31/2018**	12/31/2017
Senior loans	Facility A	171,228	171,228
	Facility A (USD tranche)	8,116	8,338
Senior loans		179,344	179,566
Other		6	2
Interest bearing loans		179,350	179,568
Accrued financing costs		–1,690	–1,788
Total		**177,660**	**177,780**

As of March 31, 2018, the Group has not drawn the available revolving facility (2017 reporting period: €0m) and interest payments on the old facilities were made in the amount of €813 thousand (2017 reporting period: €4,212 thousand).

The costs incurred under the financing agreement are spread evenly until mid-2022 in accordance with the effective interest method.

14. OTHER FINANCIAL LIABILITIES

Future interest rate volatility is hedged via an interest rate swap and three interest rate caps (see also note 11.). Overall, the interest rate swap as of March 31, 2018 had a negative fair value of €20 thousand (December 31, 2017: €22 thousand) (mark-to-market valuation), which is shown in the balance sheet under other financial liabilities. As of March 31, 2018, approximately 76% (December 31, 2017: 76%) of interest-bearing loans and borrowings were hedged by these derivative financial instruments.

As in the previous year, the Group did not apply hedge accounting in accordance with IAS 39 in the reporting period.

15. RELATED PARTY DISCLOSURES

IAS 24 defines related parties as those persons and companies that have control or a significant influence over the other party.

In the first quarter of 2018, the following companies were established: Jost Otomotiv Sanayi Ticaret A.S., Izmir, Turkey; Jost (Thailand) Co. Ltd., Moo, Thailand; and JOST New Zealand Ltd., Hamilton, New Zealand. These companies have yet to commence operations. The start-ups have therefore not yet led to any sales revenues for the JOST Group and only to insignificant start-up-related expenses. Other than that, the structure of the JOST Group, including the subsidiaries and the joint venture, as of March 31, 2018, has not changed compared to December 31, 2017.

The shareholder structure of the JOST Group has changed since the IPO on July 20, 2017 in that, according to Deutsche Börse's definition, all of its shares were held in free float as of March 31, 2018.

The Management Board comprises the following members, who are all related parties within the meaning of IAS 24:

Lars Brorsen, cand.oecon., Heubach
Chairman of the Management Board
Chief Executive Officer

Dr.-Ing. Ralf Eichler, Diplom-Ingenieur, Dreieich
Chief Operating Officer

Christoph Hobo, Diplom-Kaufmann, Frankfurt am Main
Chief Financial Officer

The Supervisory Board consists of the following persons:

Manfred Wennemer (Chair)

Prof. Dr. Bernd Gottschalk

Natalie Hayday

Rolf Lutz

Jürgen Schaubel

Klaus Sulzbach

There were no other material changes to existing transactions or new transactions with related parties during the 2018 reporting period.

16. EVENTS AFTER THE REPORTING DATE

There were no significant, reportable events after the reporting date.

REVIEW

The interim report was neither audited according to Section 317 HGB nor reviewed by auditors.

Neu-Isenburg, May 24, 2018

Lars Brorsen   Dr. Ralf Eichler   Christoph Hobo

Financial Calendar

Date	Current events
August 28, 2018	Half-year Financial Report H1 2018
November 22, 2018	Interim Report 9M 2018

Legal disclaimer

This interim report has been translated into English. Both language versions are available for download on the Internet at https://www.jost-world.com/. In case of any conflicts, the German version of the interim report shall prevail over the English translation.

IMPRINT

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