

 technotrans



Financial Year 2015

IR-PRESENTATION

Overall statement on the 2015 financial year

The Board of Management of technotrans AG assesses the year under review as having progressed positively. Business for technotrans was very successful overall in the past financial year of 2015. technotrans achieved further progress with the strategic transformation of the group into a growth-oriented specialist in liquid technology.

We again achieved all the important targets that we had set ourselves and communicated for the 2015 financial year. These include both increased revenue and increased earnings. The financial position and net worth remain very sound. We offer our shareholders an attractive yield.

We are cautiously optimistic about the coming financial year. We are determined to pursue the technotrans growth story and the medium and long-term goals.

The 2015 financial year

- › **technotrans** achieved its goals as a whole for the 2015 financial year
- › **Revenue: € 122.8 million**, organic growth **+ 9.3 %**
- › **EBIT: € 9.0 million (+ 31.1 %)**, **EBIT margin: 7.3 %**
- › **Technology segment** grows **+10.4 %**,
comprising +6.4 % from print, +16.2 % from non-print
- › **Services segment** grows overall **+7.2 %**,
only Technical Documentation down on previous year (**-4.9 %**)
- › **EPS** rises from € 0.67 to **€ 0.96**, proposed dividend of **€ 0.48** per share
- › **Equity ratio** reaches **68.0 %**, **net liquidity = € 11.6 million**
- › **Employee total** increases by 47 employees to **828** at end of 2015

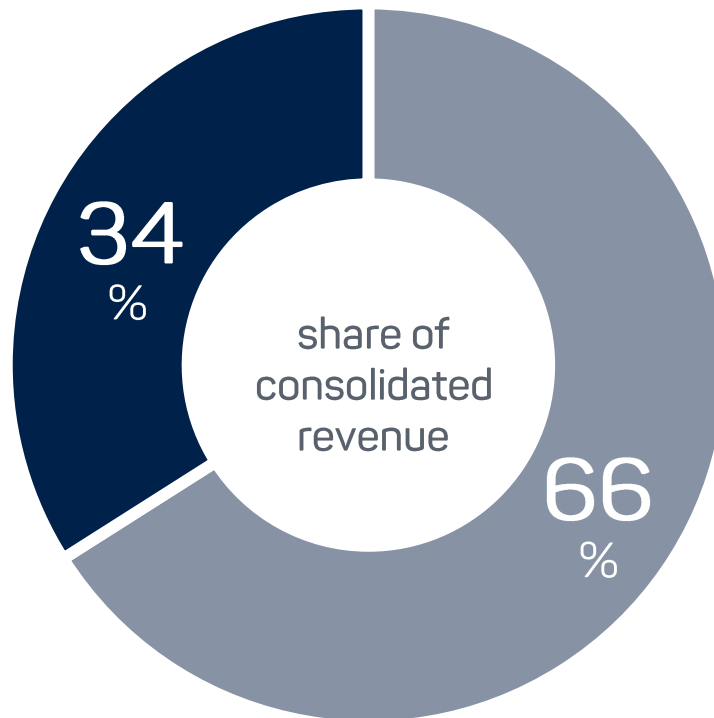
BUSINESS MODEL

The group of companies

- > **leading system supplier** with the core competence of liquid technology
- > **customer-specific solutions** for temperature control and filtration as well as pumping and spraying technology for/with fluids
- > **extensive range** of individual services world-wide



The business model



reporting segments

- > technology (566 employees)
- > services (262 employees)

Segment technology

Products and markets

Product portfolio	Market overview	Positioning
<ul style="list-style-type: none"> > Dampening solution systems > Ink supply > Industrial cooling solutions > Preparation of cooling lubricants > Spray lubrication systems > X-ray and scanner temperature control > Battery/converter cooling 	<ul style="list-style-type: none"> > Printing industry > Laser industry > Stamping and forming technology > Tooling industry > Battery and converter > Medical and scanner technology 	<ul style="list-style-type: none"> > World market leader in print area > Established system and development partner in mechanical and plant engineering > Innovation partner for new technological applications in niche markets

Segment services

Products and markets

Product portfolio	Market overview	Positioning
<ul style="list-style-type: none"> > Spare parts > Customer Service Support > Modernisation > Maintenance > Installations > Engineering > Technical documentation 	<ul style="list-style-type: none"> > Printing industry > Laser industry > Stamping and forming technology > Tooling industry > Battery and converter > Medical and scanner technology 	<ul style="list-style-type: none"> > World market leader for services in the printing industry > Extension of service activities in Non-Print-Markets > Additional demand for services and installation within the battery, converter and scanner technology > Steady expansion of worldwide range of services

Market and prospects

Leading position in key markets



Print

- > World market (equipment sales): **+ 0.5 percent CAGR up until 2017** (NPES), stable market
- > Industry in transition: growth segments, e.g. digital and flexographic printing gaining in importance compared with classic offset printing
- > technotrans: world market leader for peripheral solutions



Laser cooling

- > World market for laser applications **+ 5.5 percent CAGR up until 2019** (Strategies Unlimited), dynamic growth
- > High growth potential also for contract laser welding (additive manufacturing)
- > Common expansion of full-line principle

Market and prospects

Expansion in promising markets



Stamping and forming technology, machine tools

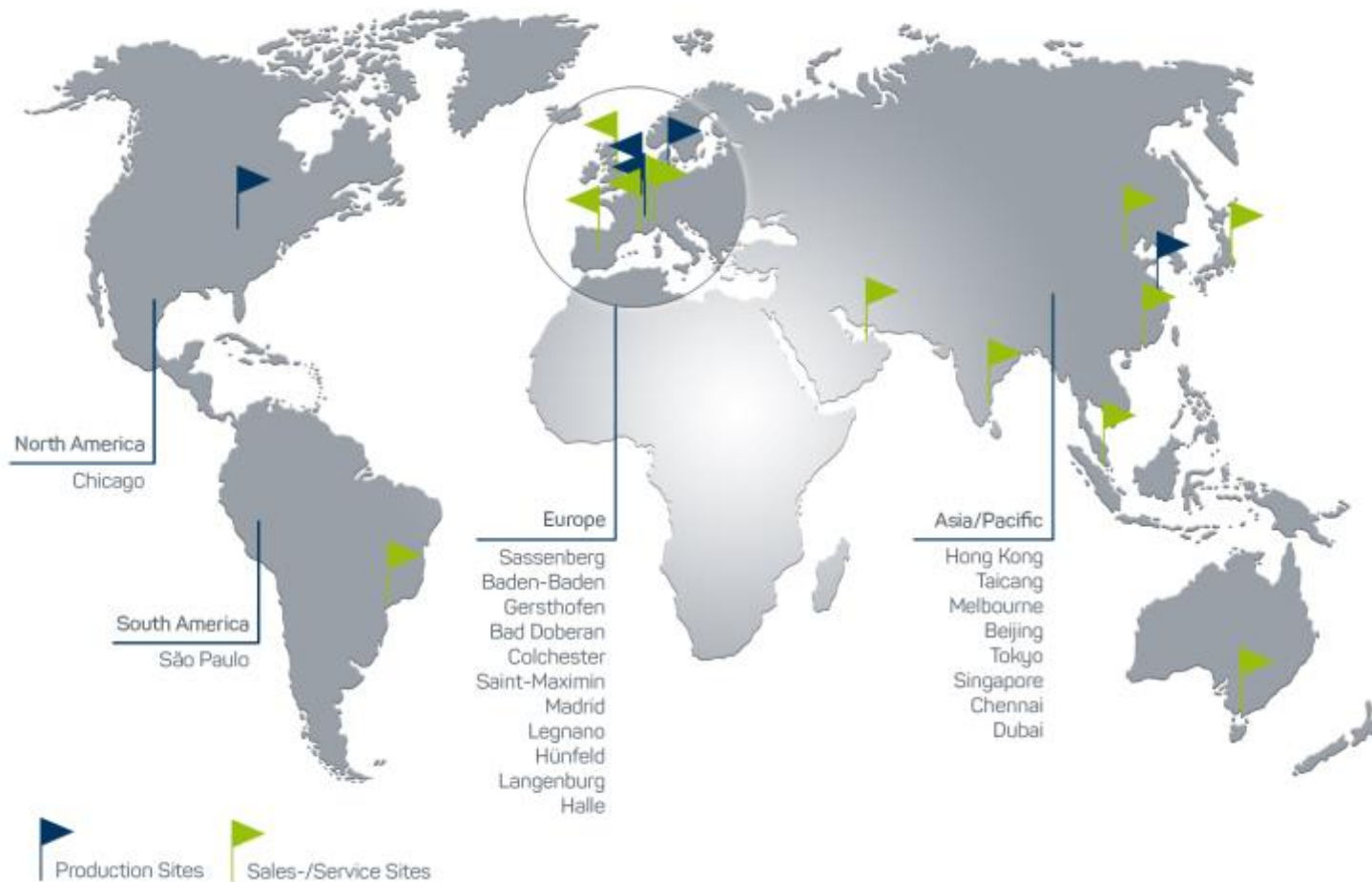
- > German machine and plant construction industry (VDMA) expecting **zero growth in 2016** for mechanical engineering industry
- > Positive impulses: expansion of market position in the niche for temperature control, filtration and lubrication



Growth markets

- > Scanner technology in aviation safety: **+ 7 percent CAGR up until 2020** (homelandsecurityresearch)
- > Medical technology / magnetic resonance tomography: **+ 3.5 percent CAGR up until 2017** (TMR)
- > Great innovation potential for technotrans

Worldwide presence



Reference customers



STRATEGY

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Long-term growth strategy

GROWTH MARKETS

- › steady expansion of new niche markets:
 - medical care
 - safety
 - storage
 - semiconductor
 - and others

MACHINERY & PLANT ENGINEERING

- › Development partner for new technologies and applications
- › ongoing product diversification
- › platform strategy
 - laser
 - turning/milling/grinding/polishing
 - cutters/presses
 - other applications



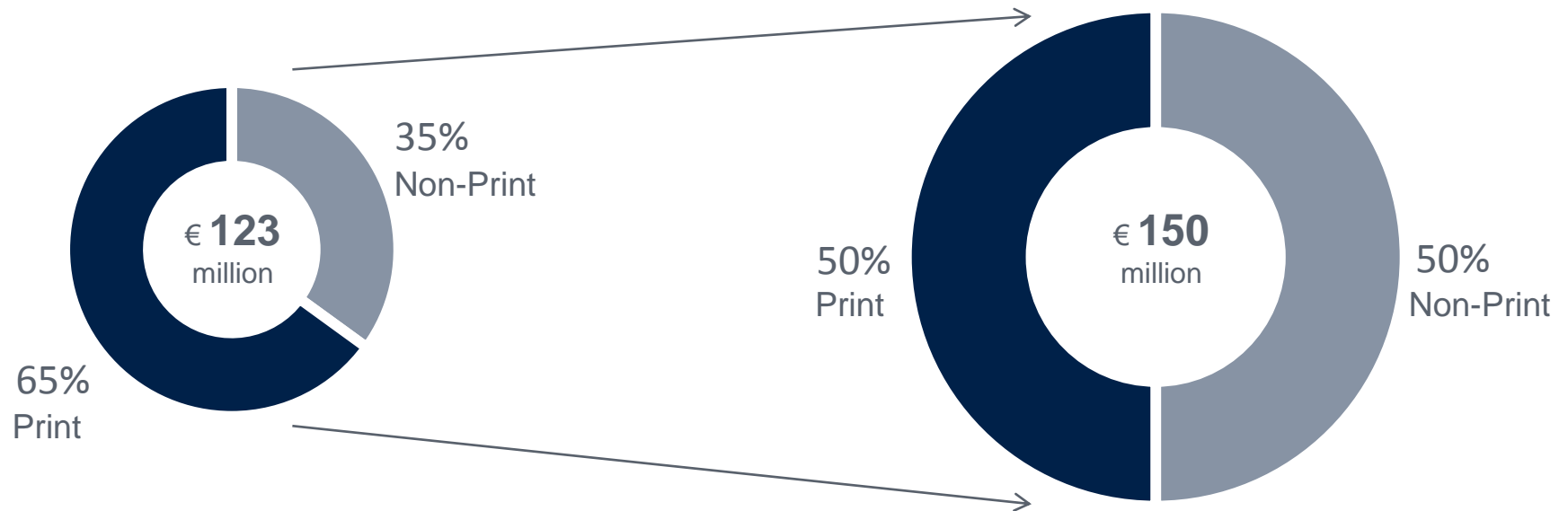
PRINT INDUSTRY

- › Development partner for new technologies and applications
- › ongoing product diversification platform strategy
 - offset print
 - digital print
 - flexo print
 - other printing processes

SERVICE BUSINESS

- › Expansion/establishment of international service business in all market areas:
 - spare parts management
 - installation
 - maintenance
 - techn. documentation (gds)
 - training

Growth strategy 2017/2018



› Target: technotrans grows stronger than the market

Non-organic growth / growth-driving acquisitions



Termotek GmbH, D-Baden-Baden

- > A technotrans company since **2011**
- > **70** employees, revenue 2015 **€ 14.8 m**
- > Products ranging from air-to-water heat exchangers for low-power lasers, specifically for medical applications, and air-to-water compressor-based chillers for diode lasers in the medium performance range (up to 200 watts), through to air-to-water compressor-based chillers for high-power diode lasers.



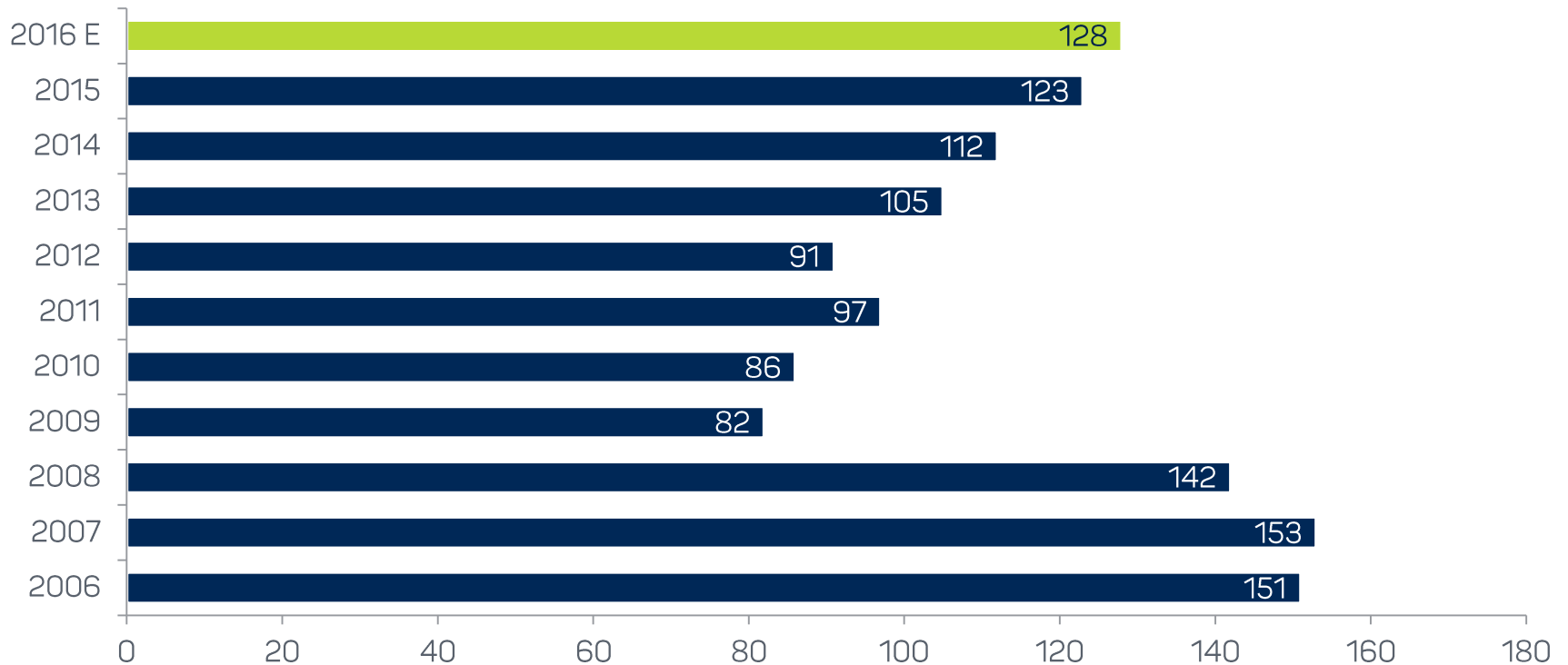
KLH Kältetechnik GmbH, D-Bad Doberan/CN-Taicang

- > A technotrans company since **2013**
- > **119** employees, revenue 2015 **€ 20.3 m**
- > KLH Kältetechnik GmbH has specialised in universal cooling systems from 0.8 kW to 300 kW as well as energy-conscious industrial cooling equipment and plant engineering up to 1 MW.

FINANCES AND OUTLOOK

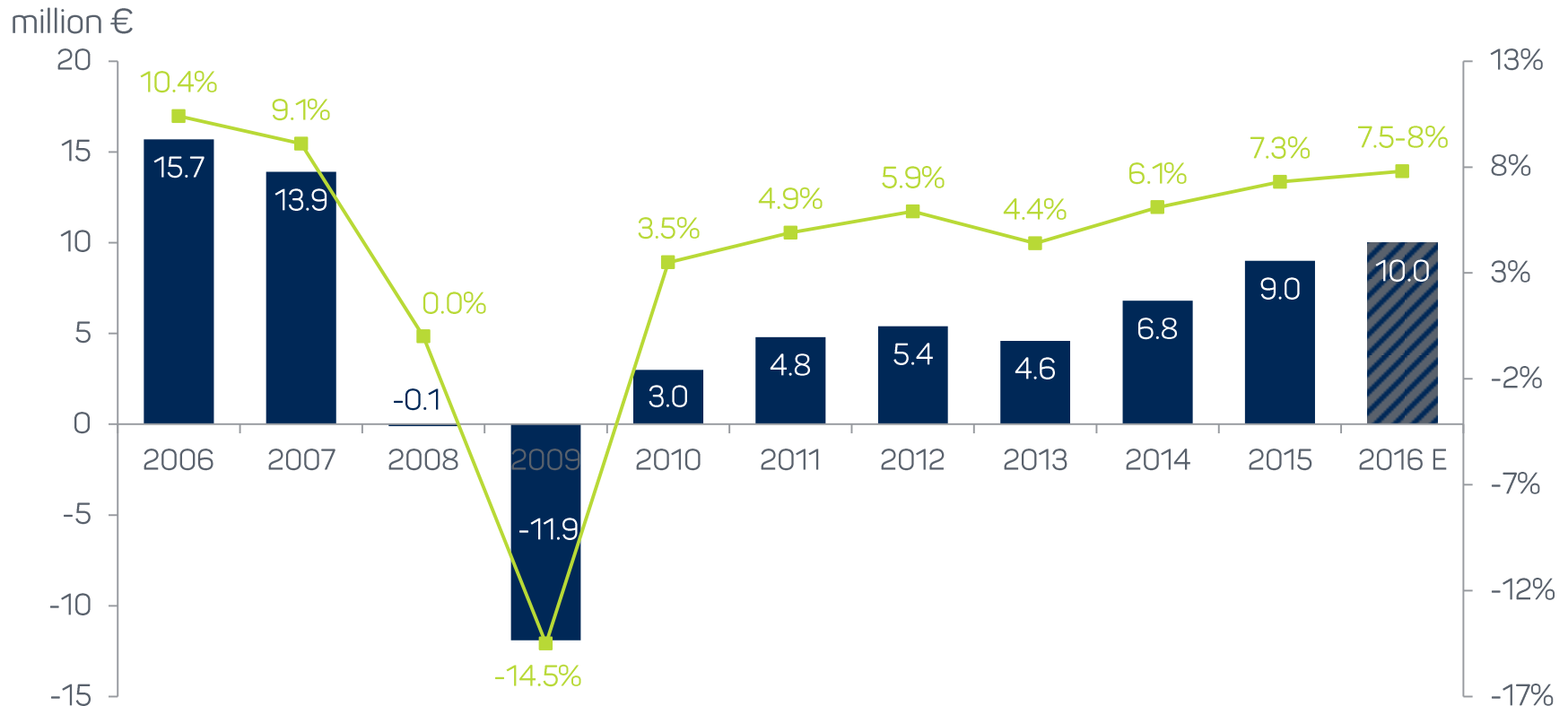
Turnover since 2006

million €



> growth resumed after transformation

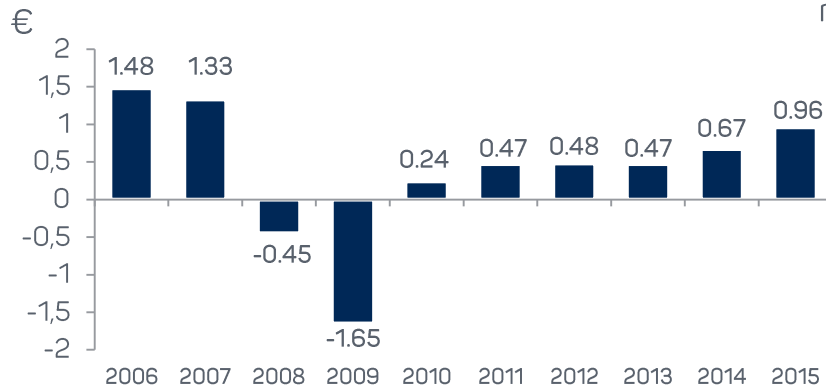
EBIT/EBIT-Margin since 2006



- › Solid increase in profit hand in hand with continuing high investment in future growth

Control parameter

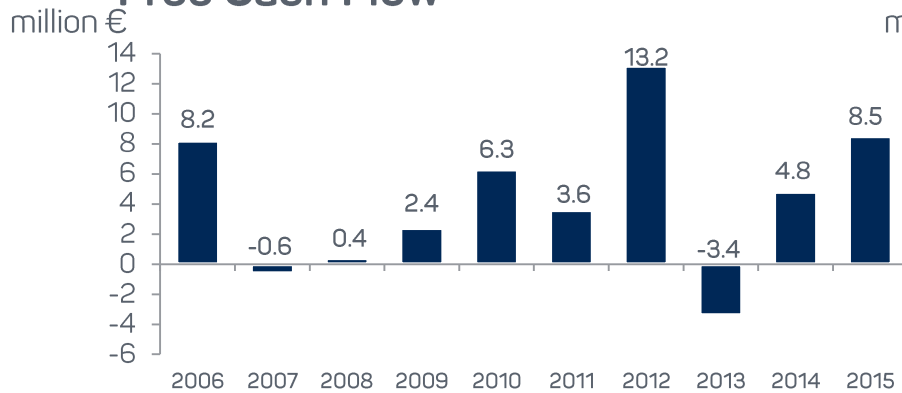
EPS- Earnings per Share



Equity/Equity ratio



Free Cash Flow



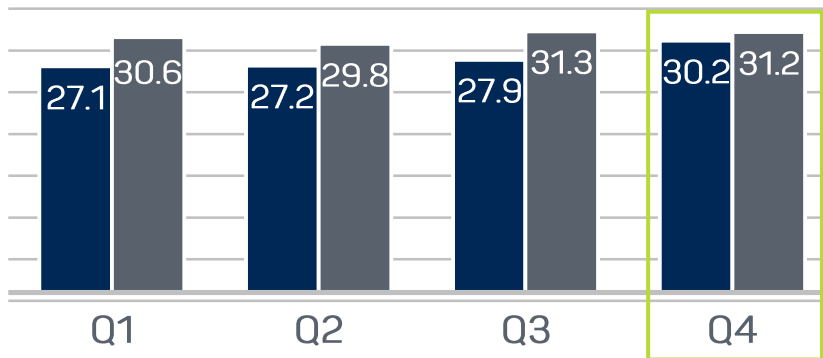
Net debt



The financial year 2015 by quarters

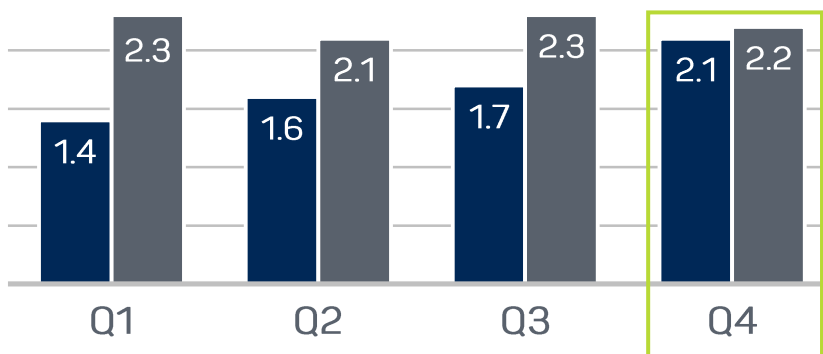
Turnover development 2014/2015
quarters (in million €)

■ 2014 ■ 2015



EBIT-development 2014/2015
quarters (in million €)

■ 2014 ■ 2015



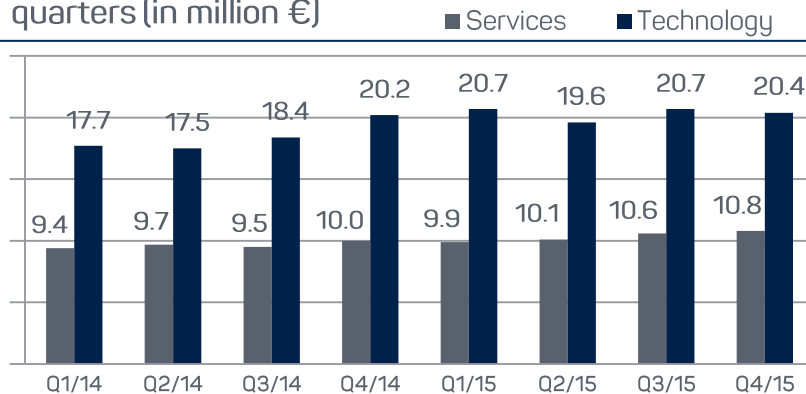
TURNOVER AND EBIT BY QUARTERS

technotrans grows according to plan

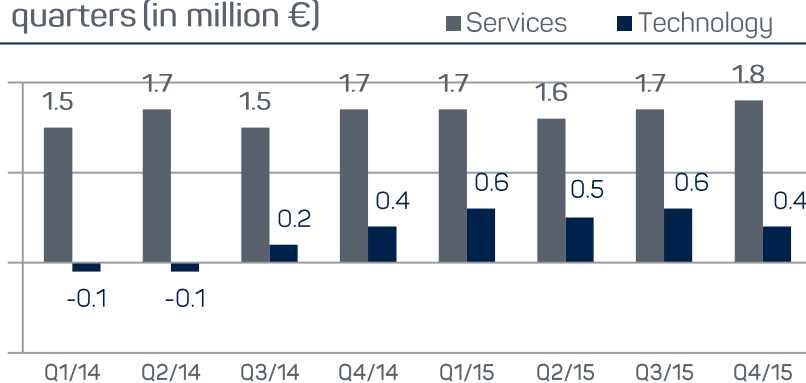
- > Revenue for 2nd half of 2015 better than in 1st half
- > EBIT stable > € 2.0 million per quarter
EBIT margin between 7.0 % and 7.5 %
(previous year: 5.2 % – 7.0 %)

The financial year 2015 by segments

Turnover development 2014/2015
quarters (in million €)



EBIT-development 2014/2015
quarters (in million €)



TURNOVER AND EBIT BY SEGMENTS

- Technology (66%)**
 growth of turnover **+10.4 % YTD** by successfully expanding in all submarkets

 positive segment result
 € **2.1** million,
 return for the segment reaches **2.6 %**

- Services (34%)**
 growth of turnover **+7.2 % YTD**

 segment result € **6.8** million
 stable return for the segment of **16.5 %**

Key figures at a glance

Earning figures (in million €)	GJ 2014	GJ 2015	Δ in %
Turnover	112,371	122,838	+9.3
EBITDA	9,873	12,187	+23.4
EBIT	6,830	8,952	+31.1
EBIT-margin in %	6.1%	7.3%	
Net profit for the period *	4,381	6,262	+42.9
Net profit per share	0.67	0.96	+43.3

* Profit attributable to technotrans AG shareholders

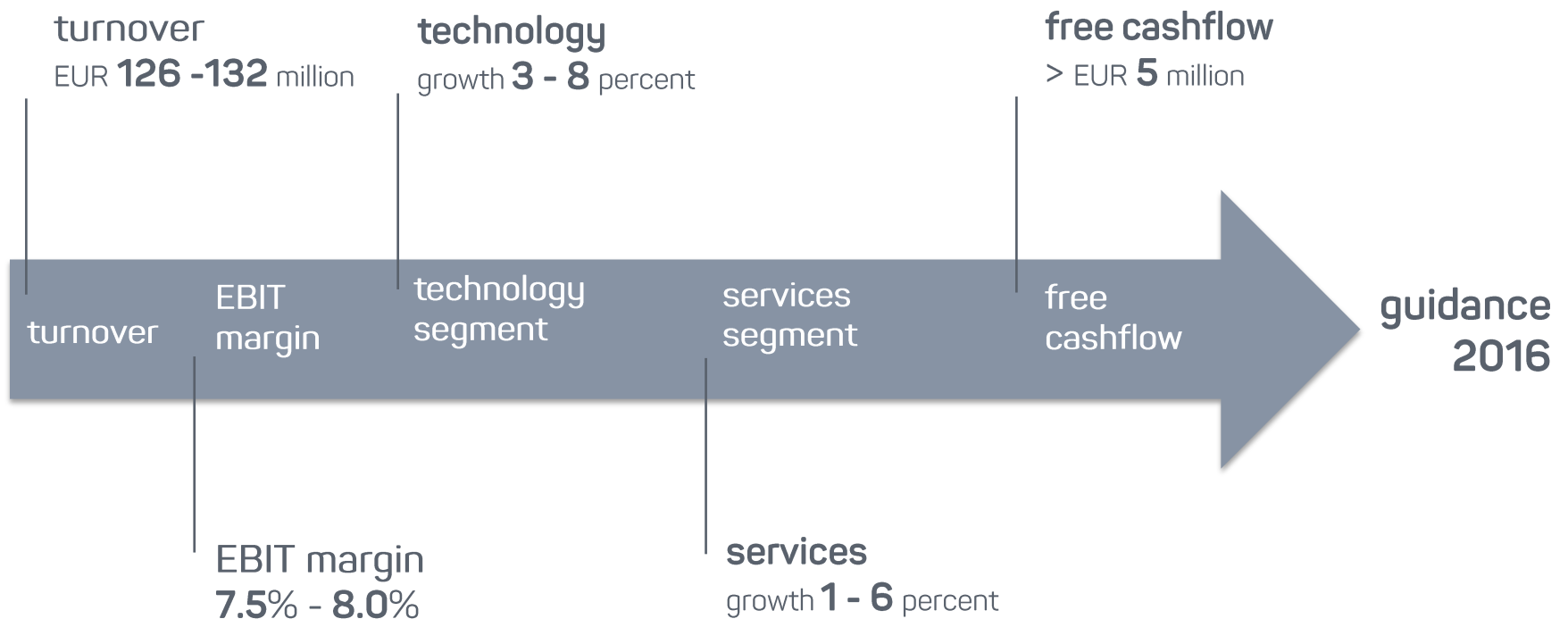
Cashflow key figures (in million €)	GJ 2014	GJ 2015	Δ in %
Operational cashflow	7,124	10,325	+44.9
CF from investing activities	-2,303	-1,686	-26.8
CF from financing activities	-4,596	-6,093	+32.6
Free Cash Flow	4,821	8,542	+77.2

Balance sheet figures (in million €)	GJ 2014	GJ 2015	Δ in %
Balance sheet capital	74,534	76,043	+2.0
Equity	47,470	51,725	+9.0
Equity ratio in %	63.7%	68.0%	
Net debt	-4,763	-11,575	+143.0
Working Capital	17,238	19,978	+15.9

Other key figures	GJ 2014	GJ 2015	Δ in %
Employees	771	810	+5.1

› Targets achieved!

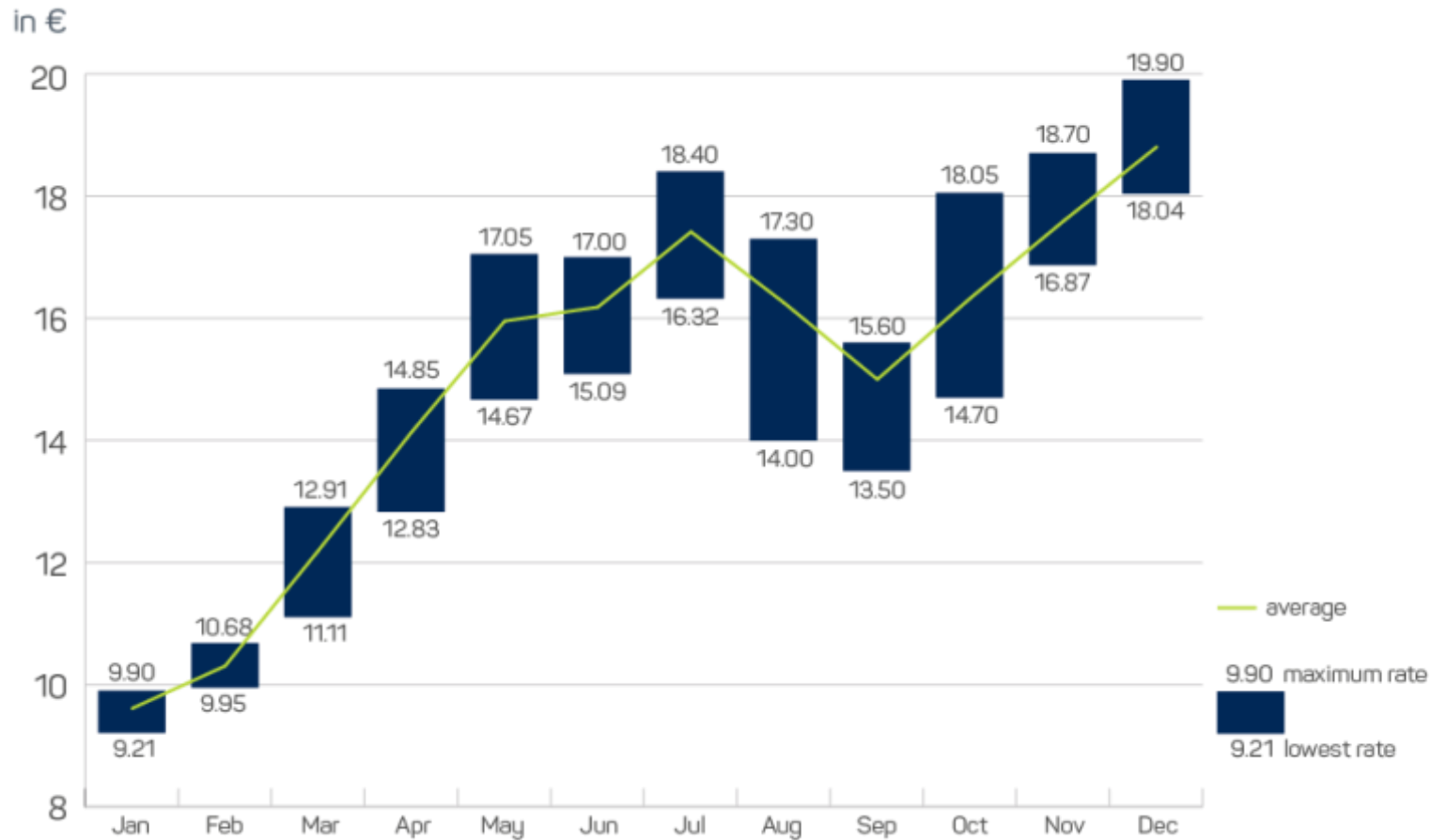
Outlook 2016



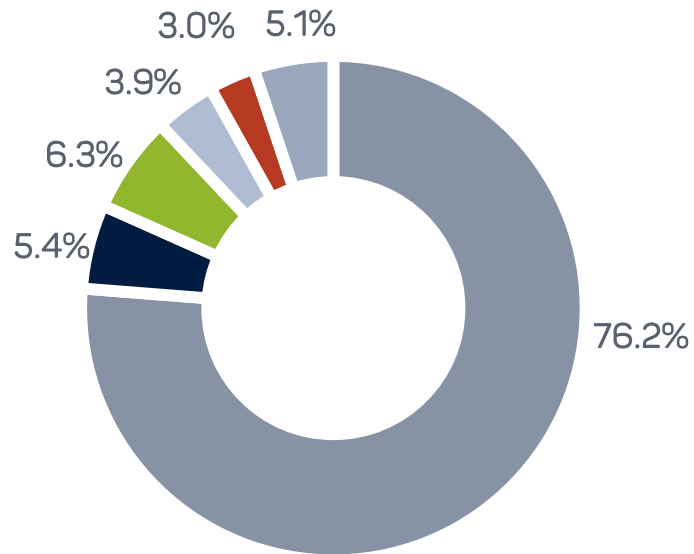
SHARE

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technotrans-share performance in 2015



Overview of technotrans share



- Freefloat
- technotrans AG (eigene Aktien)
- Ojectif Small Cap
- Midlin NV
- Baring Asset Management Limited
- Hauck & Aufhäuser S.A.

KEY DATA SHARE

ISIN/Code	DE000A0XYA7/AOXGA
establishment/IPO	1970/1998
financial year	01.01. – 31.12.
share capital	6,907,665.00
number of shares	6,907,665
number of shares (free float)	6,530,588
stock markets	XETRA, Frankfurt
designated sponsors	Bankhaus Lampe, equinet Bank
index	Prime Standard

› market capitalisation:

as of December 31st, 2015

EUR 126 millionen

Share performance and analyst estimates

SHARE PERFORMANCE
JANUARY 1st, 2014 – DECEMBER 30th, 2015



- > dividend policy: distribution of 50 % of the consolidated net earnings
- > proposed dividend of **€ 0.48** per share for 2015

Research

2016-01-28	Bankhaus Lampe buy	Gordon Schönell price target € 20.00
2015-11-09	Warburg Research buy	Eggert Kuls price target € 23.00
2016-02-24	equinet Bank buy	Victoria Kruchevska price target € 21.00
2015-12-09	Hauck + Aufhäuser buy	Nils-Peter Gehrman price target € 24.00
2015-12-03	HSBC hold	Richard Schramm price target € 17.50

Financial Calendar

2016-03-08	Annual Report 2015
2016-05-04	Interim Report (1-3/2016)
2016-08-05	Interim Report (1-6/2016)
2016-11-04	Interim Report (1-9/2016)

Investment Highlights

Why investing in technotrans shares is an attractive proposition:

- › You are investing in a successful business model designed for the long term, from a German mid-cap business.
- › You are investing in a strategy, that targets a steady development in value and healthy profits.
- › You are investing in innovation and enterprise-led growth in an international environment.

Management



Henry Brickenkamp

- › Chief Executive Officer
- › DOB 1968
- › Sales director since 2005, Board of Management member since 2006
- › Responsible for **Products & Markets**



Dirk Engel

- › Chief Financial Officer
- › DOB 1967
- › Head of finance and accountancy since 2004, Board of Management member since 2006
- › Responsible for **Finance & Administration**



Dr. Christof Soest

- › Chief Technology Officer
- › DOB 1964
- › Board of Management member since 2011
- › Responsible for **Technology & Operations**

Thank you for your attention!

Member of
the technotrans group

 technotrans

 gds

 termotek

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Any forward-looking statements contained in this presentation represent our best judgement as to what will occur in the future. The Company's actual results could differ materially from those presented and will depend on a number of competitive and economic factors, some of which will be outside the control of the company.