

 technotrans



## Conference Call Q1 2017

Henry Brickenkamp, CEO / Dirk Engel, CFO

May 5, 2017

# Highlights Q1 2017



New technological system solution for industrial digital printing (packaging printing): successful expansion of press installation rate in digital printing.



Dynamic business environment in e-mobility area. High capacity utilisation for projects involving mobile and stationary battery cooling.



Growing volume of orders in scanner technology.

Healthy capacity utilisation for project business in the “Spraying and Pumping” business area along with rising demand for UV ink supply systems.



Initial sales successes in stamping and forming technology in the Asian and North American market. Increased tendering activities in spray lubrication for further major projects (transfer presses).



Strong growth in laser cooling, positive prospects for start of series production in semiconductor business.

Welcome revenue performance in market for plastics processing industry continues.

M&A: technotrans Board of Management very satisfied with the latest acquisition. Integration of GWK Gesellschaft Wärme Kältetechnik mbH proceeding according to plan.

First airline optimises documentation processes using XR/airline, the new XML-based editorial system from Ovidius.

# Business performance / key figures Q1 2017

in million €	Q1 2016	Q1 2017	Δ
Revenue	30.4	52.8	74%
EBITDA	2.8	5.5	95%
EBIT	2.1	4.3	110%
EBIT-margin (%)	6.8%	8.2%	
EBT	2.0	4.2	109%
Net profit for period	1.4	3.1	120%
Earnings per share (€)	0.22	0.45	
Free cash flow	1.4	2.7	97%

Magnificent start to the new financial year, revenue up 74 percent to € 52.8 million

EBIT rises to € 4.3 million, EBIT margin reaches 8.2 percent

Earnings per share double to € 0.45

Free cash flow improves to € 2.7 million

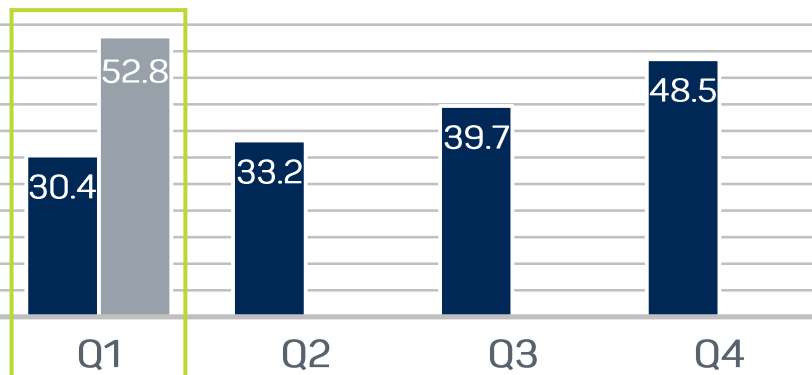
Good starting position for year's targets

	Dec 31, 2016	March 31, 2017	
Equity	61.9	65.0	5%
Equity ratio (%)	51.0%	50.6%	
Net dept	5.3	2.6	-51%
Ø employees (FTE)	855	1,096	28%

# The financial year 2017 by quarters

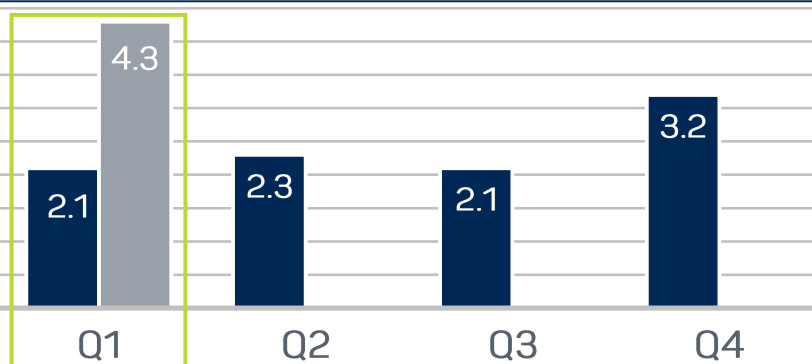
Turnover development 2016/2017  
quarters (in million €)

■ 2016 ■ 2017



EBIT-development 2016/2017  
quarters (in million €)

■ 2016 ■ 2017



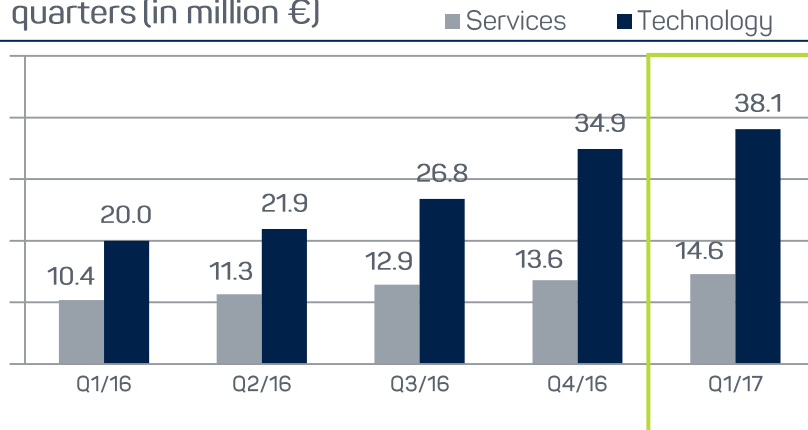
## TURNOVER AND EBIT BY QUARTERS

### Magnificent start to new financial year

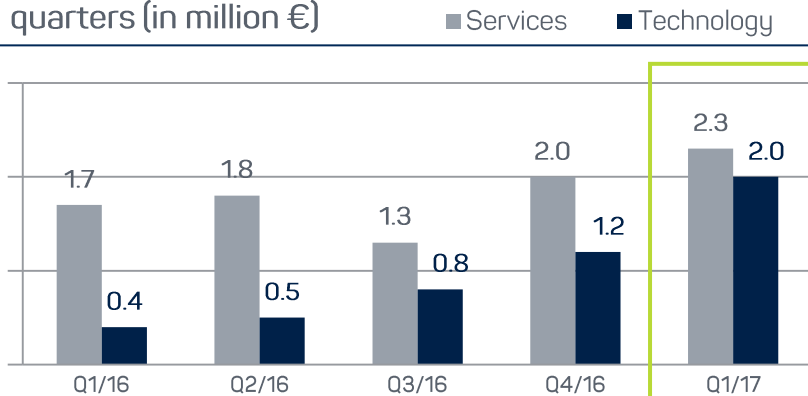
- > **Revenue 2016/2017:**  
growth in all markets  
yoy → revenue + **73.6 percent**  
  
organic: → + **24.3 percent**
- > **EBIT 2016/2017:**  
doubling  
**€ 4.3 million** (PY € 2.1 million)  
EBIT margin reached **8.2 percent** (PY 6.8 percent)

# The financial year 2017 by segments

Turnover development 2016/2017  
quarters (in million €)



EBIT-development 2016/2017  
quarters (in million €)



## TURNOVER AND EBIT BY SEGMENTS

### Technology (revenue share increased to 72.3%)

- > revenue growth **+91.2 %** (yoy) **+9.1 %** (qoq)
- > organic growth **+ 31.8 %** (yoy)
- > rate of return for the segment = **5.2 %**

### Services (revenue share increased to 27.7%)

- > revenue growth **+40.1 %** (yoy) **+7.6 %** (qoq)
- > organic growth **+ 9.6%** (yoy)
- > rate of return for the segment = **16.0 %**

# Key figures at a glance

Earning figures (in million €)	Q1 2016	Q1 2017	Δ in %
Revenue	30.4	<b>52.8</b>	+74
EBITDA	2.8	<b>5.5</b>	+95
EBIT	2.1	<b>4.3</b>	+110
EBIT-margin in %	6.8%	<b>8.2%</b>	
Net profit for the period *	1.4	<b>3.1</b>	+120
EPS	0.22	<b>0.45</b>	+102

\* Profit attributable to technotrans AG shareholders

Cashflow key figures (in million €)	Q1 2016	Q1 2017	Δ in %
Net Cash from operating activities	1.5	<b>3.0</b>	+97
CF from investing activities	-0.2	<b>-0.3</b>	+99
CF from financing activities	-0.7	<b>-0.7</b>	+6
Free Cash Flow	1.4	<b>2.7</b>	+97

Balance sheet figures (in million €)	31.12. 2016	31.03. 2017	Δ in %
Balance sheet capital	121.4	<b>128.4</b>	+6
Equity	61.9	<b>65.0</b>	+5
Equity ratio in %	51.0%	<b>50.6%</b>	
Net debt	5.3	<b>2.6</b>	-51
Working Capital	23.9	<b>25.9</b>	+8

Other key figures	Q1 2016	Q1 2017	Δ in %
Employees	716	<b>1,096</b>	+53

- > **successful start**
- > **technotrans is starting the new financial year better than expected**

# 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

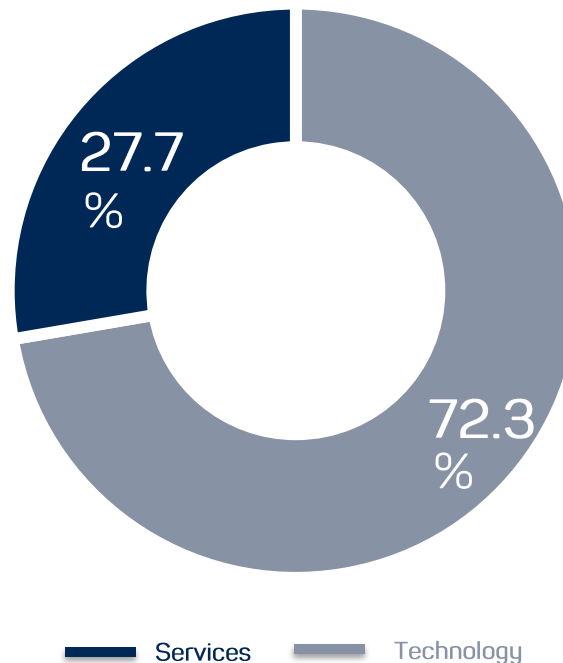




# The business model

## Services (370 employees)

- > High service ratio due to installed base in the printing industry
- > Continuous expansion of the global range of services in all non-print markets
- > Additional need in service and installation generated by growth markets (e-mobility, scanner)



## Technology (891 employees)

- > Established system and development partner in mechanical and plant engineering
- > World market leader in print
- > Full-liner for temperature control solutions in laser industry
- > Innovative solutions in the plastics processing industry (gwk)
- > Innovation partner for new technological applications in growth markets

# Segment Technology - Markets



> Printing industry



> Laser industry



> Stamping and forming technology



> Tooling industry



> E-mobility



> Medical and scanner technology



> Plastic processing industry

# Segment Technology - Products



> Dampening solution cooling



> Ink supply systems



> Industrial cooling solutions



> Preparation of cooling lubricants



> Spray lubrication systems



> X-ray and scanner temperature control



> Battery and converter cooling



> Cooling and temperature control technology



# Segment Services - Products



> Spare parts



> Customer Service Support



> Modernisation



> Repairs



> Maintenance



> Installations

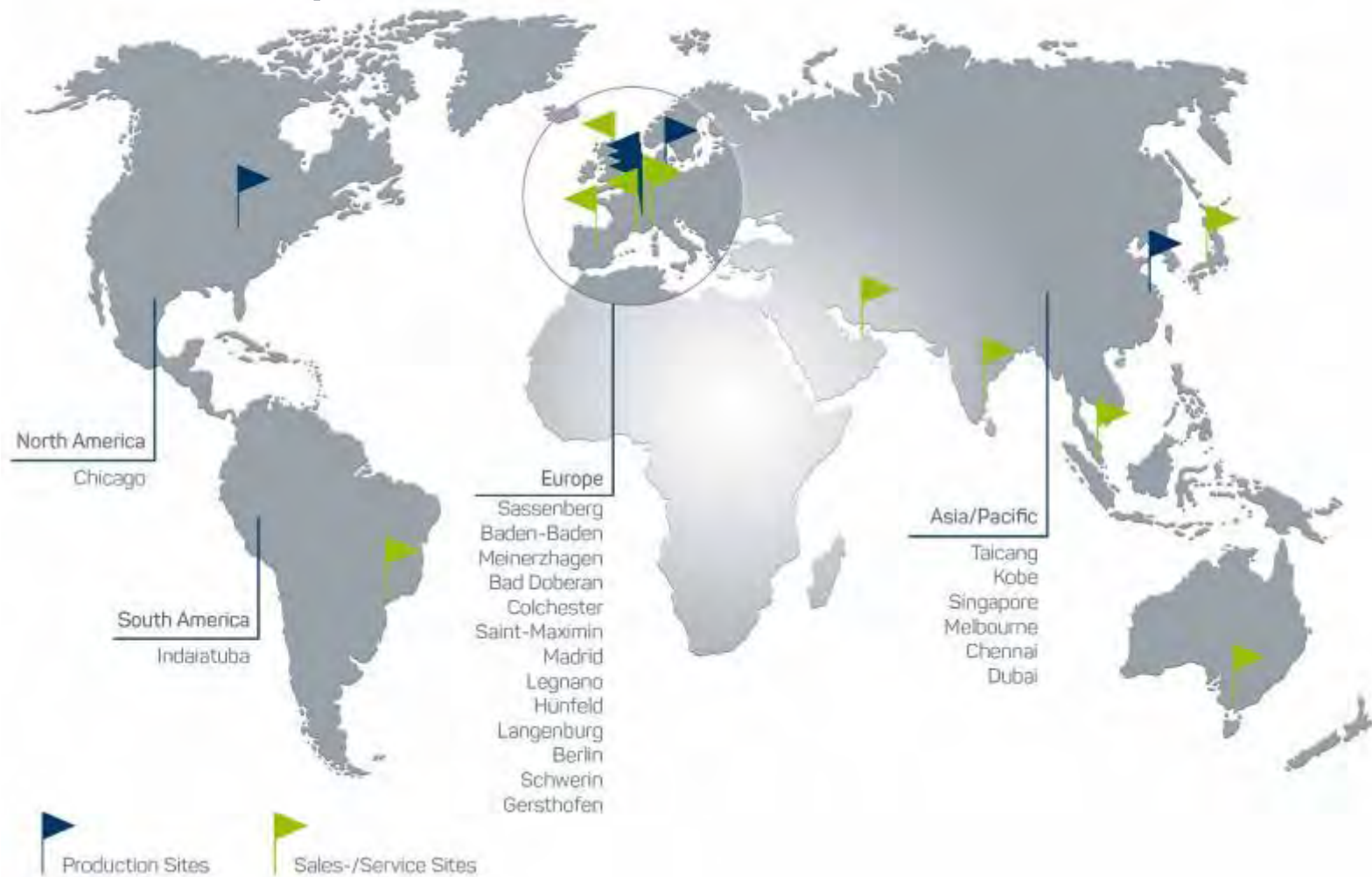


> Engineering



> Technical documentation (gds)

# Worldwide presence



# STRATEGY AND OUTLOOK

# Long-term growth strategy

## PRINT INDUSTRY

- > offset print, digital print, flexo print, other printing processing

## GROWTH MARKETS

- > medical/scanner technology, electromobility, semiconductors, others



## PLASTIC PROCESSING INDUSTRY

- > injection moulding, extrusion, pressing, blow moulding, casting

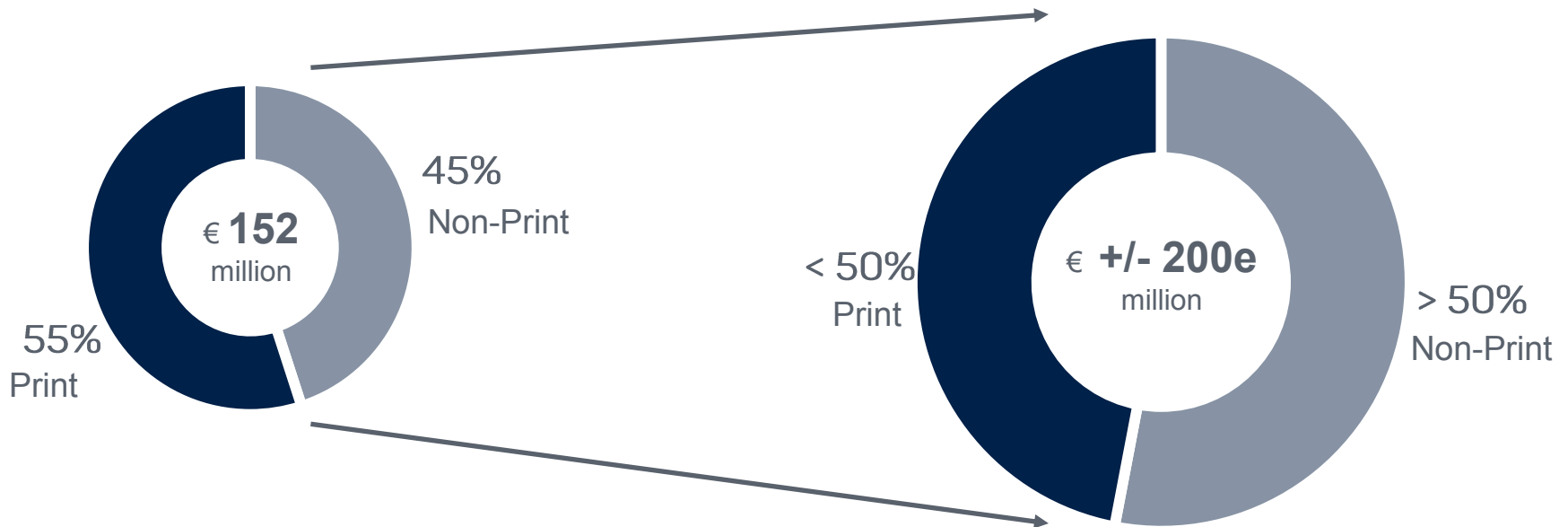
## LASER INDUSTRY, TOOLING INDUSTRY, STAMPING AND FORMING TECHNOLOGY

- > laser, turning/milling/grinding/polishing, cutters/presses, other applications

## SERVICES

- > spare parts, installationen, maintenance, technical documentation (gds)

# Growth strategy 2017



- › Target: technotrans grows stronger than the market
- › Adapted medium-term targets in the revision



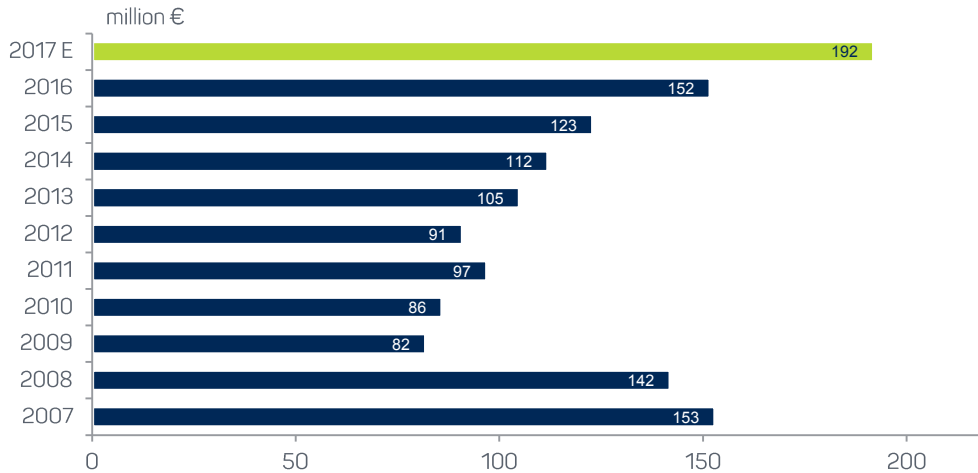
# Guidance of the group and the segments

Also for 2017 technotrans is aiming to grow faster than the market

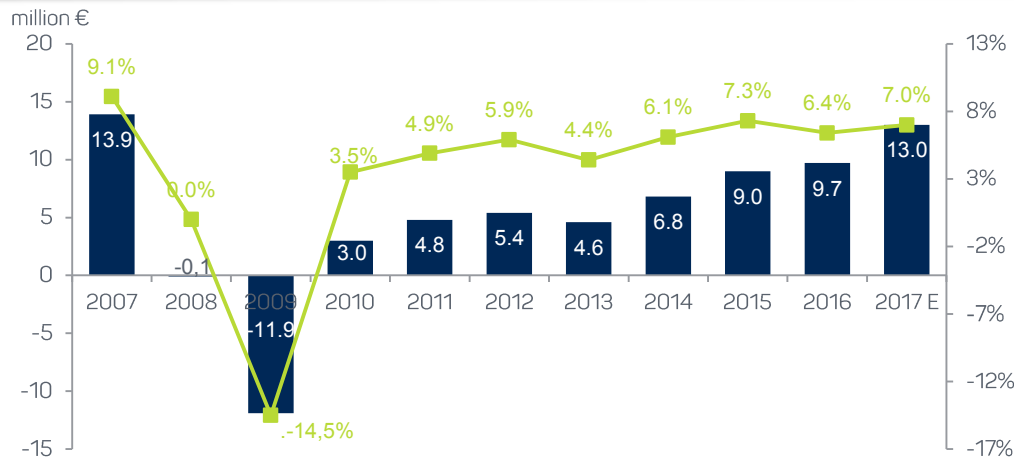
		2016	Forecast 2017 group management report
<b>Revenue</b>	million €	151.8	185 - 195
Technology	million €	103.6	131 - 137
Services	million €	48.2	54 - 58
<b>EBIT</b>	million €	9.7	12,0 - 14,0
	%	6.4%	6,5% - 7,2%
Technology	%	2.8%	> 3,5%
Services	%	14.2%	> 14%
<b>Free cash flow</b>	million €	-12.6	positive

FINANCES

# Turnover since 2007



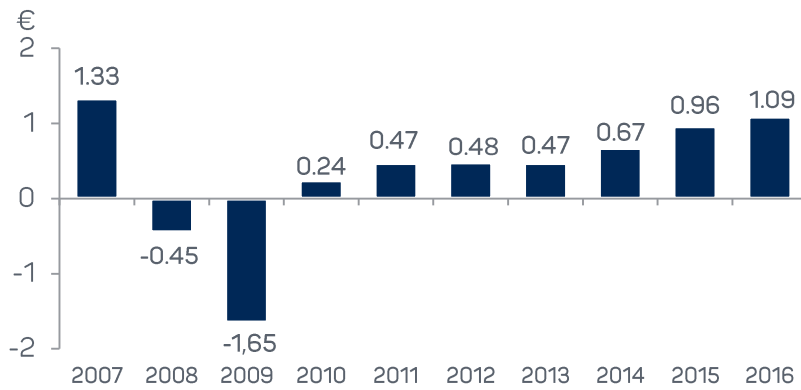
intact  
growth story



sustainable  
profit performance

# Control parameter

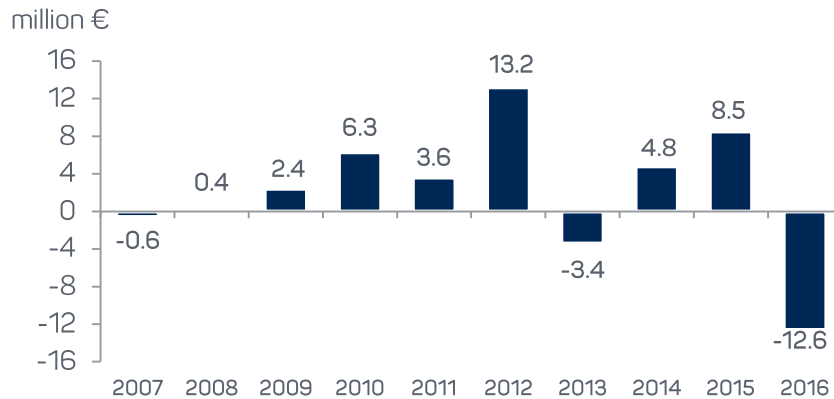
## EPS- Earnings per Share



## Equity/Equity ratio



## Free Cash Flow



## Net debt



# Consolidated Balance Sheet

ASSETS	31.03.2017	31.12.2016	EQUITY AND LIABILITIES	31.03.2017	31.12.2016
	€ '000	€ '000		€ '000	€ '000
<b>Non-current assets</b>			<b>Equity</b>		
Property, plant and equipment	17,485	17,734	Issued capital	6,908	6,908
Goodwill	23,144	23,144	Capital reserve	19,097	19,097
Intangible assets	8,069	8,639	Retained earnings	41,583	34,391
Other financial assets	92	92	Other reserves	-5,849	-5,826
Deferred tax	2,100	2,440	Net profit for the period	3,109	7,192
	<b>50,890</b>	<b>52,049</b>	<b>Total equity attributable to technotrans AG shareholders</b>	<b>64,848</b>	<b>61,762</b>
<b>Current assets</b>			Non-controlling interests in equity	140	118
Inventories	26,890	25,609		<b>64,988</b>	<b>61,880</b>
Trade receivables	21,929	17,787	<b>Non-current liabilities</b>		
Income tax receivable	102	180	Financial liabilities	22,115	23,024
Other financial assets	982	724	Provisions	1,209	1,178
Other assets	1,718	1,167	Other financial liabilities	1,355	1,359
Cash and cash equivalents	25,917	23,929	Deferred tax	2,079	2,215
	<b>77,538</b>	<b>69,396</b>		<b>26,758</b>	<b>27,776</b>
<b>Total assets</b>	<b>128,428</b>	<b>121,445</b>	<b>Current liabilities</b>		
			Financial liabilities	5,271	5,068
			Trade payables	8,189	4,809
			Prepayments received	6,657	6,928
			Provisions	9,253	8,617
			Income tax payable	1,420	1,060
			Other financial liabilities	2,627	2,631
			Other liabilities	3,265	2,676
				<b>36,682</b>	<b>31,789</b>
			<b>Total equity and liabilities</b>	<b>128,428</b>	<b>121,445</b>

# Consolidated income statement

	01/01-31/03/ 2017	01/01-31/03/ 2016
	€ '000	€ '000
<b>Revenue</b>	<b>52,786</b>	<b>30,403</b>
of which Technology	38,143	19,953
of which Services	14,643	10,450
Cost of sales	-34,944	-20,003
<b>Gross profit</b>	<b>17,842</b>	<b>10,400</b>
Distribution costs	-6,740	-4,105
Administrative expenses	-4,785	-3,224
Development costs	-1,763	-1,058
Other operating income	681	713
Other operating expenses	-917	-666
<b>Earnings before interest and taxes (EBIT)</b>	<b>4,318</b>	<b>2,060</b>
Financial income	0	0
Financial charges	-152	-67
<b>Financial result</b>	<b>-152</b>	<b>-67</b>
<b>Profit before tax</b>	<b>4,166</b>	<b>1,993</b>
Income tax expense	-1,035	-568
<b>Net income for period</b>	<b>3,131</b>	<b>1,425</b>
<b>Earnings per share (€)</b>		
basic/diluted	<b>0.45</b>	0.22

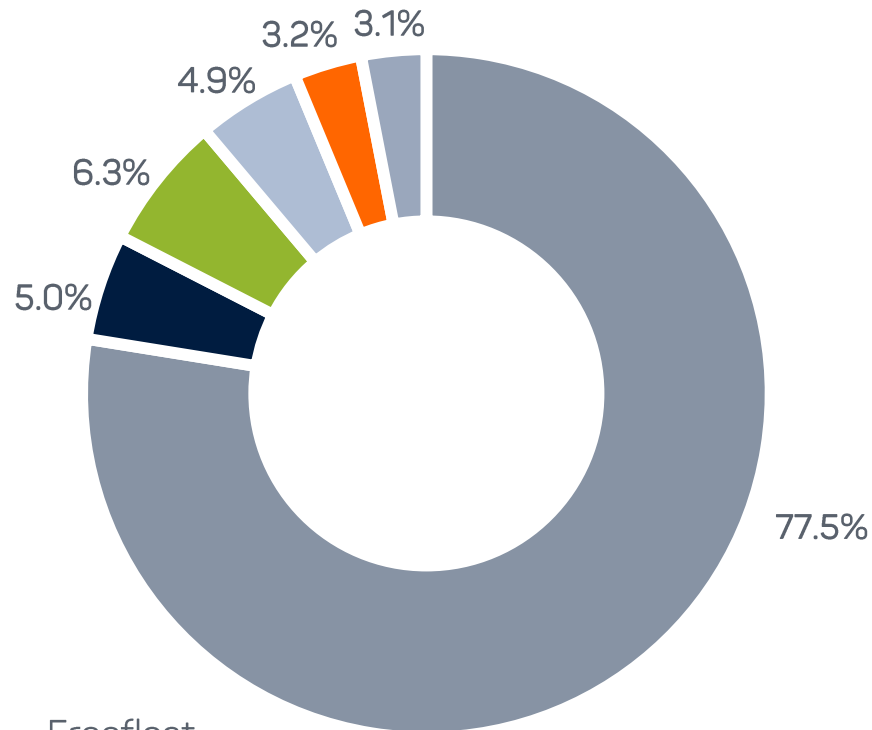
# Consolidated cash flow statement

	31.03.2017	31.03.2016		31.03.2017	31.03.2016
	€ '000	€ '000		€ '000	€ '000
<b>Cash flow from operating activities</b>			<b>Cash flow from investing activities</b>		
Net income for period	3,131	1,425	Cash payments for investments in property, plant and equipment and in intangible assets	-444	-159
Adjustments for:			Cash payments for the acquisition of consolidated companies	0	-9
Depreciation and amortisation	1,219	775	Proceeds from the sale of property, plant and equipment	110	0
Share-based payment transactions	0	35	<b>Net cash used for investing activities</b>	<b>-334</b>	<b>-168</b>
Income tax expense	1,035	568	<b>Cash flow from financing activities</b>		
Gain (-)/loss (+) on the disposal of property, plant and equipment	-68	0	Cash receipts from the sale of treasury shares	0	0
Foreign exchange losses (+) / gains (-)	-32	-156	Cash receipts from the raising of short-term and long-term loans	0	0
Financial result	152	68	Cash payments from the repayment of loans	-705	-666
<b>Cash flow from operating activities before working capital changes</b>	<b>5,437</b>	<b>2,715</b>	Distributions to investors	0	0
Change in:			<b>Net cash used in financing activities</b>	<b>-705</b>	<b>-666</b>
Inventories	-4,873	-745	Net increase/decrease in cash and cash equivalents	1,987	703
Receivables and other assets	-942	-1,700	Cash and cash equivalents at start of period	23,929	19,978
Liabilities and prepayments received	4,089	2,284	Change in financial resources from changes in the consolidated group	0	
Provisions	384	-413	Net effect of currency translation in cash and cash equivalents	0	-66
<b>Cash from operating activities</b>	<b>4,095</b>	<b>2,141</b>	<b>Cash and cash equivalents at end of period</b>	<b>25,916</b>	<b>20,615</b>
Interest income		0			
Interest expense	-152	-68			
Income taxes paid / income tax rebates	-917	-536			
<b>Net cash from operating activities</b>	<b>3,026</b>	<b>1,537</b>			

SHARE



# Overview of technotrans share



- Freefloat
- Gerlin NV
- Ojectif Small Cap
- Midlin NV
- Hauck & Aufhäuser S.A.
- Luxempart S.A.

## KEY DATA SHARE

ISIN/Code	DE000A0XYA7/A0XGA
establishment/IPO	1970/1998
financial year	01.01. – 31.12.
share capital	6,907,665.00
number of shares	6,907,665
stock markets	XETRA, Frankfurt
designated sponsors	Bankhaus Lampe, equinet Bank
index	Prime Standard

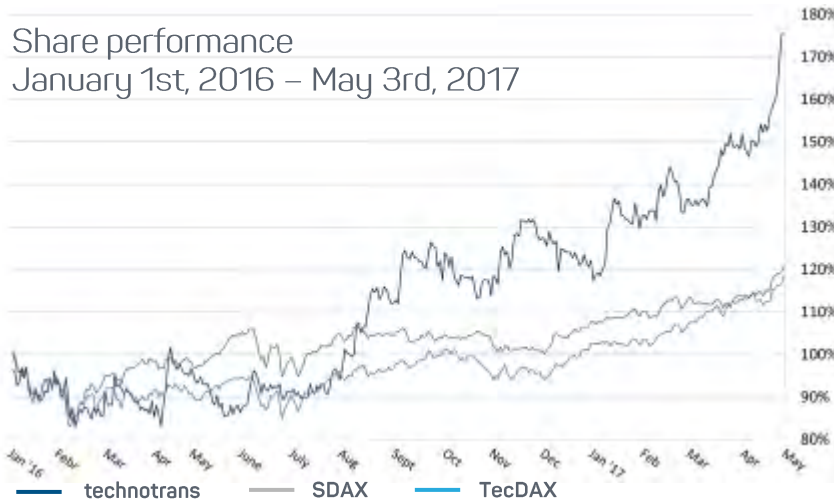
## › market capitalisation:

as of May 3, 2017

**EUR 237,6 million**

# Share performance and analyst estimates

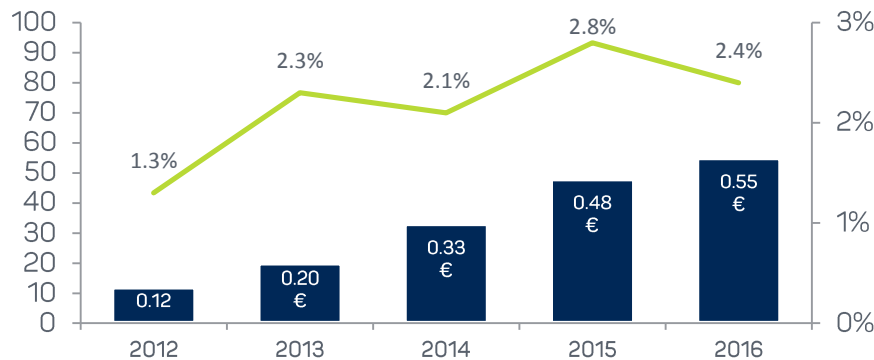
Share performance  
January 1st, 2016 – May 3rd, 2017



## Research

2017-04-06	<b>Bankhaus Lampe</b> buy	Gordon Schönell price target <b>€ 32.00</b>
2017-04-27	<b>Warburg Research</b> buy	Eggert Kuls price target <b>€ 40.00</b>
2017-04-03	<b>equinet Bank</b> buy	Winfried Becker price target <b>€ 32.50</b>
2017-03-22	<b>Hauck + Aufhäuser</b> buy	Nils-Peter Gehrman price target <b>€ 33.00</b>
2017-03-15	<b>HSBC</b> hold	Richard Schramm price target <b>€ 27.00</b>

## Dividend / Dividendenrendite



## Financial Calendar

2017-05-12	<b>Annual Shareholder Meeting 2017</b>
2017-08-22	<b>Interim financial report 2017</b>
2017-11-07	<b>Quarterly Communication Q3/2017</b>

# 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**

# Reference customers technotrans



# gwk: Reference customers



Thank you for your attention!

Member of  
the technotrans group

▣ technotrans

▣ gds

▣ termotek

▣ klh

▣ gwk