
Winterthur, July 25, 2017

Sustainable growth in a weak market environment

In the first half of 2017, Autoneum continued its growth course despite a weak market environment. Net sales in local currencies increased by 4.0% in line with guidance. Sales in Swiss francs rose by 2.4% to CHF 1,117.9 million (prior-year period: CHF 1,091.3 million). Business Groups Europe, Asia and SAMEA recorded organic sales growth that considerably exceeded the market level in the first six months. Year-on-year, the EBIT margin before special effects further improved to 8.3%, thus again exceeding the 8% mark. Net profit before special effects reached a new high of CHF 61.2 million (prior-year period: CHF 60.6 million).

Despite a weak market environment, Autoneum continued its growth course in the first semester of 2017 and increased its net sales in local currencies by 4.0 % in line with guidance. Sales in Swiss francs rose by 2.4% from CHF 1,091.3 million to CHF 1,117.9 million. Automobile production in Europe, Asia and in the SAMEA region (South America, Middle East and Africa) rose compared to the first half of 2016, whereas production volumes in North America were declining. Despite the swelling inventories of automobile manufacturers in North America and correspondingly lower call-off orders at Autoneum, net sales of Business Group North America were almost on a par with the previous year. In contrast, Business Groups Europe, Asia and SAMEA recorded organic sales growth that considerably exceeded the market level in the first six months. This growth was largely driven by delivery of high-volume models in Europe and market share gains in Asia.

In particular, the improvement of Business Group Europe's operating result enabled the Company to further increase its profitability. EBITDA before special effects grew to CHF 129.3 million in the first half of 2017 (prior-year period: CHF 123.8 million), which corresponds to an EBITDA margin of 11.6%. EBIT before special effects rose from CHF 89.9 million in the first half of 2016 to CHF 93.1 million. The EBIT margin further increased to 8.3%, thus again exceeding the 8% mark. The previous year was positively affected by the gain from the disposal of the UGN business in Chicago Heights (Illinois), USA leading to growth of the EBIT margin after special effects to 11.3% in the first semester of 2016.

Net profit before special effects reached a new high of CHF 61.2 million. In the first half of 2016, the net profit of CHF 81.4 million was influenced favorably by the provisional gain from the disposal of the UGN business in Chicago Heights in the amount of CHF 20.8 million. The return on net assets (RONA) of 18.6% again significantly exceeded the weighted average cost of capital (WACC) of 8.2%. Net debt increased by CHF 91.7 million compared to December 31, 2016. At year-end 2016, it was significantly lower due to the Chicago Heights disposal and the low level of working capital.

To further expand its market and technology leadership in the future, Autoneum has made significant investments in global capacity expansion. This includes optimized development and expanded production facilities for its Ultra-Silent underbody technology in Germany and Switzerland as well as carpet production lines in Jeffersonville (Indiana), USA and in the new plants in San Luis Potosí, Mexico. For the North American market, Autoneum recently expanded its underbody offering to include plastic underbodies produced in Mexico. The Company also opened a new Technical Center in Novi (Michigan), USA in May. In addition to the development and adaptation of noise- and heat-reducing vehicle components for the regional market, vehicle pre-development studies for customers will also be conducted at this premises. In China, the world's largest automotive market, capacity expansion is supporting the targeted sales growth. Market share gains achieved in the first six months of 2017 confirm the successful implementation of the Asia strategy.

Thanks to its capacity for innovation, Autoneum anticipates industry trends early on. Today, for example, the Company has not only a jump on offering components for vehicles with alternative drives, but has also started its first global Industry 4.0 project which will support efficiency improvements in production. Simultaneously, 2017 represents a new chapter in the Company's Corporate Responsibility management. Through its commitment to transparency and by managing human and natural resources responsibly, the Company aims at making a decisive contribution to a sustainable future. In this context, Autoneum published its first Corporate Responsibility Report for the 2016 financial year in accordance with the requirements of the Global Reporting Initiative (GRI), the leading global standard in sustainability reporting.

In light of new mobility concepts, the requirements automobile manufacturers and consumers are placing on vehicles are rising: They expect continuous improvement in driving performance, safety and comfort along with low environmental impact. Due to the extended use of the passenger compartment as a place of work and recreation, noise-reducing components are becoming increasingly important. Autoneum recognized this trend early on and this year launched the Di-Light carpet innovation. The non-woven carpet absorbs noise and thereby enhances driving comfort. With Hybrid-Acoustics ECO+ for carpet systems, inner dashes and floor insulators, Autoneum expanded its product portfolio for electric vehicles in the reporting period. This innovative technology is based on a novel fibrous material that offers optimum noise protection. Interior components made of Hybrid-Acoustics ECO+ are not only environmentally friendly owing to their high proportion of recycled fibers but also lightweight. In this way, Hybrid-Acoustics ECO+ is contributing to improving the driving range for electric vehicles and to lowering fuel consumption and emissions for internal combustion engine vehicles.

Business Groups

Business Group Europe raised net sales in local currencies by 5.2%, thus clearly outpacing market growth. The supply of high-volume vehicle models was the main driver of increased sales. Net sales in Swiss francs grew by CHF 13.2 million to CHF 446.4 million. Year-on-year, EBIT rose from CHF 32.9 million to CHF 37.6 million, equivalent to an EBIT margin of 8.4% and an increase of 0.8 percentage points. While the high production volumes and correspondingly strong capacity utilization resulted in a favorable coverage of fixed costs, the operating performance also continued to improve owing to optimized production processes and record-low scrap rates.

In Business Group North America, lower production volumes at automobile manufacturers in the main market USA as well as in Canada and correspondingly lower call-off orders at Autoneum led to a net sales decline of 1.4% in local currencies. Net sales in Swiss francs of CHF 507.9 million were just below the prior-year level (CHF 517.5 million). Due to the ongoing expansion of production capacities in Mexico, Autoneum could only participate to a limited extent in the strong growth of automobile production in Mexico in the first half of 2017. Stagnating production volumes weighed on capacity utilization and cost flexibility. As a result, the EBIT margin before special effects narrowed by 1.8 percentage points to 7.1% compared to the first half of 2016.

With an increase of 14.1% in local currencies, net sales of Business Group Asia again significantly outpaced the market in the first half of 2017. Net sales in Swiss francs rose by 9.8% to CHF 109.3 million (prior-year period: CHF 99.6 million). Due to expansion-related investments in production capacity and higher raw material prices, the EBIT margin of 11.7% was below the previous year's mark, but remains at a sustainable level over the long term.

Net sales of Business Group SAMEA (South America, Middle East and Africa) posted significant growth of 33.0% in local currencies. Higher order volumes in Brazil and Argentina as well as strong export volumes in Turkey were key factors of this significant growth. Net sales in Swiss francs increased by 29.4% to CHF 55.4 million (prior-year period: CHF 42.8 million). EBIT improved by CHF 4.9 million, reaching again a break-even. Operational efficiency improvements in South American facilities have resulted in lower material and personnel expenses, which along with ongoing restructuring measures had a positive effect on the result. The disposal of the Brazilian plant in Betim will have no significant influence on the result of Business Group SAMEA in the 2017 financial year.

Outlook

Based on the anticipated further softening of demand in the North American market in the second half of 2017, Autoneum expects net sales growth in 2017 to be above market, but below the annual target of 4% to 5% and the EBIT margin to exceed 8%.

Semi-Annual Report 2017 and Presentation

The Semi-Annual Report and the Presentation on the Semi-Annual Results 2017 can be found at www.autoneum.com/media/press-kits.

Conference Call

Autoneum will hold a Financial Analysts Conference Call on the occasion of the publication of the Semi-Annual Results 2017 on July 25, 2017, at 9 am CET.

Important Dates 2018

Publication Sales Figures Financial Year 2017	January 23, 2018
Media and Financial Analysts Conference Financial Year 2017	March 6, 2018
Annual General Meeting 2018	March 28, 2018

For further information please contact:

Investors and Financial Analysts

Dr Martin Zwysig
CFO
T +41 52 244 82 82
F +41 52 244 83 37
investor@autoneum.com

Media

Dr Anahid Rickmann
Head Corporate Communications & Responsibility
T +41 52 244 83 88
F +41 52 244 83 36
media@autoneum.com

About Autoneum

Autoneum, with its headquarters in Winterthur, Switzerland, is the globally leading producer of vehicle acoustics and thermal management systems. The Company develops and manufactures components, modules and complete systems for interior and engine bay as well as heatshields and underbody shields. Customers include leading automobile producers in the key markets of Europe, North America, South America and Asia. Autoneum is represented at around 50 locations in over 20 countries and employs more than 11,000 people worldwide, of whom about 5% are in Switzerland. The Company is listed on the SIX Swiss Exchange (ticker symbol AUTN).

www.autoneum.com

Disclaimer

Autoneum is making great efforts to include accurate and up-to-date information in this document, however we make no representations or warranties, expressed or implied, as to the accuracy or completeness of the information provided in this document and we disclaim any liability whatsoever for the use of it. The information provided in this document is not intended nor may be construed as an offer or solicitation for the purchase or disposal, trading or any transaction in any Autoneum securities. Investors must not rely on this information for investment decisions. All statements in this report which do not reflect historical facts are statements related to the future which offer no guarantee with regard to future performance; they are subject to risks and uncertainties including, but not limited to, future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors outside the Company's control. The vehicle production figures for 2017 are based on the latest estimates of IHS Global Insight.

Autoneum. Mastering sound and heat.

Financial Highlights

CHF million	January – June 2017		January – June 2016		Change	Organic growth ¹
Autoneum Group						
Net sales	1 117.9	100.0%	1 091.3	100.0%	2.4%	4.0%
EBITDA	129.3	11.6%	157.0	14.4%	-17.7%	
EBITDA adjusted ²	129.3	11.6%	123.8	11.3%	4.4%	
EBIT	93.1	8.3%	123.1	11.3%	-24.3%	
EBIT adjusted ²	93.1	8.3%	89.9	8.2%	3.6%	
Net profit	61.2	5.5%	81.4	7.5%	-24.8%	
Net profit adjusted ²	61.2	5.5%	60.6	5.6%	0.9%	
Return on Net Assets (RONA) ³	18.6%		23.3%			
Return on Net Assets (RONA) adjusted ^{2,3}	18.6%		20.5%			
Cash flows from operating activities	47.3		74.7			
Net debt at June 30	149.1		89.8			
Number of employees at June 30 ⁴	12 629		12 334		2.4%	
BG Europe						
Net sales	446.4	100.0%	433.3	100.0%	3.0%	5.2%
EBIT	37.6	8.4%	32.9	7.6%		
BG North America						
Net sales	507.9	100.0%	517.5	100.0%	-1.8%	-1.4%
EBIT	36.0	7.1%	79.4	15.3%		
EBIT adjusted ²	36.0	7.1%	46.2	8.9%		
BG Asia						
Net sales	109.3	100.0%	99.6	100.0%	9.8%	14.1%
EBIT	12.8	11.7%	13.3	13.3%		
BG SAMEA⁵						
Net sales	55.4	100.0%	42.8	100.0%	29.4%	33.0%
EBIT	0.0	0.0%	-4.9	-11.5%		
Share AUTN						
Share price at June 30 in CHF	262.50		228.00		15.1%	
Market capitalization at June 30	1 223.9		1 060.7		15.4%	
Basic earnings per share in CHF	10.23		12.20		-16.1%	

¹ Change in local currencies, adjusted for the disposal of the UGN business in Chicago Heights (Illinois), USA.

² Before gain from disposal of the UGN business in Chicago Heights in the amount of CHF 33.2 million (CHF 20.8 million after income taxes) in 2016.

³ Net profit before interest expenses in relation to average equity plus interest-bearing liabilities.

⁴ Full-time equivalents including temporary employees (excluding apprentices).

⁵ Including South America, Middle East and Africa.